

## New Phase of Struggle in South Africa

an interview  
with  
Joe Slovo

GUS HALL  
Two Obstacles on the  
Path to the Summit

EMILY DENITTO  
U.S. Peace Movement  
Toward the Summit

SI GERSON  
How to Win  
Political Democracy?

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'No!' to Debt Bondage

JOHN PITTMAN  
Restructuring the  
World Economy

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The Abandonment  
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## © *Event of the century*

The most decisive event shaping the contemporary world occurred on November 7, 1917. That event was the Russian Revolution.

According to an eyewitness account by John Reed, the most prominent American journalist of his time and a founder of the CPUSA, V.I. Lenin opened the session of the Soviets on Nov. 7 with the words, "We shall now proceed to construct the socialist order."

Whether those precise words were spoken is open to question—understandably, no two accounts of those tumultuous days in Petrograd jibe exactly. After all, the accounts were not written by historians, but by makers of history. As Lenin wrote, "It is more pleasant and useful to go through the 'experience of the revolution' than to write about it." But whatever the

words, constructing socialism is what the Russian Revolution has *done* these 68 years.

Incredibly, there are still some people who consider themselves socialists who debate just how socialist existing socialist societies are. This can only raise serious questions about how socialist the debaters are. It is impossible to conceive of achieving a society free of exploitation and oppression while rejecting the experience—won with blood and sweat—of existing socialism.

Accomplishments of socialist construction are today also critical to the solution of *democratic* questions facing mankind. Consider:

- A main theme of the forthcoming 27th Congress of the CPSU is to use intensified production to improve the people's welfare. This

contrasts with the need to curb the power of Big Business in the capitalist world, where the application of computers, lasers, robots and other scientific advances is leading to a broad offensive against the working class, to mass unemployment and impoverishment.

- Where would the struggle for peace stand today, if not for the initiatives of the Soviet Union against nuclear testing, against the arms buildup? There certainly would be no Geneva summit, and the atmosphere in which the peace movements in capitalist countries operate would be vastly worse.

Even more to the point: if the Soviet Union, instead of its present policy, acted similarly to the Reagan Administration, what would happen to mankind's prospects for surviving to the next century? □

## © *Murder by suicide*

In the two months beginning last August 12, nine Native American Indians of the Wind River Reservation in Wyoming hanged themselves. The youngest was 14, the oldest 25. In the previous year, there had been 48 attempts at suicide there.

Why did these young men in their prime kill themselves?

Ever since the notorious then-Secretary of the Interior, super-Yahoo James G. Watt, made the astounding "discovery" that the history of Indian reservations proves "the failure of socialism," the Reagan Administration has searched for a formula to drive off those Native Americans still on reservations and disperse them in the cities, where "squalor and deprivation embrace about half of the 1.5 mil-

lion surviving American Indians" (*New York Times*, Sept. 30, 1985).

This "cure" to a problem that has existed since they were corralled into lands believed to be too barren to be useful to private enterprise is worse than the disease. Reagan plans to turn over the vast coal, oil, gas, uranium and other resources found on reservations to the great-grandchildren of the sharks who ruthlessly destroyed the pre-Columbian societies.

This continues the drive against the American Indians which had almost reached its goal in 1890 when, out of an original population of 2.5 million, murder, disease and hunger had reduced their number to 250,000, with some tribes literally exterminated.

In the 1890s General William

Tecumseh Sherman connived to slaughter the buffalo to starve out the Plains Indians, so that their land could be taken over by the banks. Today, the aim is to appropriate the only possible source of income for many who live on reservations. But more than that. Driving them off their land and into the "squalor" of the cities will forever deprive them of a base upon which to build their national identity.

Today Native Americans continue to be starved, forcibly sterilized and plundered. Worst of all, they are consigned to the slow death of perpetual unemployment.

Or they are driven to kill themselves. The nine young men who hung themselves in Wind River were not suicides. They were murdered. □

### © *Mr. Schultz's 'moderation'*

The mass media often portray Secretary of State Schultz as a "moderate." This certainly leads one to think twice about what they consider "moderation."

In a recent speech before the National Committee on American Foreign Policy, the Secretary proclaimed, "we must oppose the Nicaraguan dictators not simply because they are Communists, but because they are Communists who serve the interests of the Soviet Union and its Cuban client, and who threaten peace in this hemisphere." This, mind you, in defense of a policy of launching cutthroats and terrorists against Nicaragua, branded immoral in the court of public opinion and illegal by the World Court.

The Secretary makes clear that anti-Sovietism and anti-Communism define this Administration's morality. In that vein, he says, "our

[that slippery word—Bechtel Corporation's?] national interests require us to be on the side of freedom and democratic change everywhere, and no less in such areas of strategic importance to us as Central America, South Africa, the Philippines and South Korea."

Freedom and democracy in South Korea and the Philippines? We hadn't heard.

Then, with not even a pause for breath, the distinguished freedom fighter proceeds to his agenda of "democratic change" in South Africa. With all the "morality" he can muster, Mr. Schultz lectures the tormented people of South Africa—who are being beaten, tortured and shot by the apartheid regime, "history teaches that the black majority might likely wind up exchanging one set of oppressors for another, and yes,

could be worse off." Did you hear that, Dr. Gobbels?

Mr. Schultz anticipates that his worldwide crusade will, in the future, require actions from "economic and security assistance, to aid to freedom fighters, to direct military action when necessary."

Now, "moderate" means, according to our dictionary, "reasonable, not excessive, not violent, mild." By all accounts, the Secretary of State is less extreme than some others in the Reagan Administration, who seem to suffer from the Forrestal syndrome. (James Forrestal was a former Secretary of Defense who jumped from his bedroom window, screaming "The Russians are coming.") Even in "moderation," this Administration is about as far from reasonable as Daddy Warbucks is from Mr. Milquetoast. □

### © *Labor rewrites the script*

In the October *PA*, George Meyers noted, "While there is no national strike in any one industry at this moment, there is a nationwide pattern of strikes affecting all sections of the country. These strikes are graphic proof of the renewed upsurge in the working class and the trade union movement." Two have since been settled. Some conclusions can be drawn from their results.

With these stubborn—even heroic—struggles, organized labor is rewriting the labor-relations script prepared by the Reaganites. They have not ended, but they have significantly blunted the takeback drive of Big Business.

• Wheeling-Pitt Steel Company, backed by the courts, attempted to tear up an existing contract and unilaterally impose a new, drastically lower, wage and benefit

scale. They failed. Wages under the new contract are lower than industry scale, but \$3 per hour over what the company attempted to impose.

• Bath Iron Works succeeded in establishing an unequal pay system for new employees: under the new contract, new hires will take several years to reach maximum scale. But the two-tier system will not lead, as it does in other cases, to a lower scale for all as current employees retire (or are eliminated).

In both cases, the company hoped to destroy the union as an effective bargaining agent, to defeat the *idea* and *practice* of unionism. On this point they failed most completely. Not only did the workers rally, at great personal sacrifice, in defense of their collective rights. These long and hard-fought battles drove home new lessons in class solidarity and consciousness.

The next stage will be to marshal the necessary forces and find ways to win significant gains.

The consequences are evident, and not only in the fighting mood of the rank-and-file. They are also reflected in the October 1985 AFL-CIO convention. In a historic break with precedent, the convention criticized Administration policy in Central America, called for a cut in the military budget and for the success of the Geneva summit.

Greater labor unity and militancy are the prizes that must be seized from the jaws of the corporate/Reagan offensive. The miners of 42 nations—capitalist, socialist and developing—who have just formed an International Miners' Organization, headed by Arthur Scargill of Britain, are giving a clear working-class response to the international offensive of capital. □

# Two Obstacles on the Path to the Summit

GUS HALL

"We are going to come to an agreement when it is in the American interest."

"There is too much at stake."

This is how Max Kampelman, Reagan's chief negotiator in Geneva, reacted to Victor Karpov, head of the Soviet team, as Karpov presented the details of a Soviet proposal for ending all nuclear testing and for a 50 per cent reduction in nuclear missiles that can reach each other's territory.

Kampelman's response, as well as the negative statements by Reagan, Schultz and Weinberger, are demagogic covers for the two major obstacles to reaching a nuclear disarmament agreement in Geneva and at the summit in November.

These two stumbling blocks to peace are the U.S. drive for nuclear superiority and the drive for corporate profits from Star Wars projects. There are no other obstacles.

**T**he first stumbling block is the Pentagon. The Pentagon generals do not want an end to nuclear testing. Nor do they want a reduction in nuclear weapons. This is simply because they have never given up their fanatical drive for a first-strike capability and military and nuclear superiority over the Soviet Union. Therefore, they are vehemently against any summit agreement whatsoever.

In fact, the Pentagon brass would prefer that the summit not take place, and they are trying to sabotage it by increasing the number of provocations and the amount of hostile rhetoric. They see the meeting between Reagan and Gorbachev as a threat to their insidious designs.

But it is highly unlikely that the provocative actions of the U.S. Star Warriors will dampen

the mounting expectations of the world's peoples that the summit will measure up to its potential for an agreement that will put an end to the nuclear nightmare that hangs ominously over the world. Such an accord can begin the process toward ending the madness of the nuclear arms race.

**T**he second stumbling block to an arms control agreement is the war production industry—the monopoly corporations which are reaping astronomical profits from weapons production and Star Wars projects.

Profits from Star Wars have already bloated corporate coffers by billions. But these billions have only whetted their insatiable appetites for the estimated \$1 trillion Star Wars chest. Needless to say, there is a mad scramble taking place in the executive suites to get the most for the least.

Yes, Mr. Kampelman is right, there is much at stake. But he is not concerned with the national or the public interest. What he and others are calculating is the "stake" in spectacular corporate profits and the Pentagon's first-strike, nuclear superiority plans.

Kampelman should know what's at stake because he works for a firm that is the Washington lobbyist for Lockheed, 85 per cent of whose sales are from war production. Lockheed is already \$30 billion richer from Star Wars-related contracts.

In Geneva, Max Kampelman, the chief arms negotiator, talks about ending nuclear testing. But Max Kampelman, the Lockheed lobbyist, flies back and forth to Washington to secure Lockheed's fair share of the fat Star Wars contracts.

Kampelman talks peace, but his real interest is not a peace contract, but a Star Wars contract with the Pentagon to put a Lockheed sys-

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Gus Hall is general secretary of the CPUSA.

tem in place by 1990.

Instead of responding to the Soviet Union's unilateral moratorium on all nuclear testing, Kampelman is pushing for the testing of the Lockheed nuclear missile.

Yes, Mr. Kampelman has an interest in the summit—a conflict of interest. If the people in the U.S. knew about Mr. Kampelman's double-dealing conflict of interest they would demand his immediate removal from the Geneva process.

**B**ut Kampelman is only the tip of the conflict-of-interest iceberg. There are literally hundreds of elected officials, in the Cabinet, the Pentagon and the Reagan Administration who have similar conflicts of interest.

In fact, where superprofits are at stake, competing corporations pay millions to their "hard-working lobbyists," including well-paid politicians and scientists.

Richard Perle, assistant secretary of defense, is another Star Wars advocate. For years he was a co-conspirator with the Boeing senator, Henry "Scoop" Jackson, who did that corporation's bidding for most of his Senate career.

Boeing continues to shell out millions, competing for the Pentagon's approval of its version of Star Wars, to get a slice of the current \$70 billion fund as well as the future trillion dollars. Mr. Perle remains in the very center of these profit-seeking schemes.

More than 77 per cent of the contracts for Star Wars projects were given to corporations in states whose congressional representatives head or sit on committees that award military contracts, such as the Armed Services and Defense Appropriations committees.

What better inside lobbyists could the monopolies ask for? Is it any wonder the corporations are willing to contribute millions to the campaign chests of representatives who have the power to decide who gets military contracts?

There are many in the Pentagon, the military-industrial complex and the Reagan Administration who, to put it mildly, have a conflict of interest between peace and profits. They will

choose profits over peace, even if it means moving the arms race into outer space and escalating the danger of nuclear annihilation.

**O**n the other side, there are no such obstacles coming from the Soviet Union. The Soviet Union has assured the world in many ways that its policy is not designed for military or nuclear superiority over the U.S. And it backs up its words with deeds.

There are no private corporations, no Lockheeds or Boeings in the Soviet Union, whose drive for arms production profits would motivate them to work against arms control or a nuclear disarmament agreement.

This is why the Soviet Union has taken unprecedented stands and actions for peace.

Besides the hundreds of peace proposals over the years, just in the past weeks the USSR has taken the following concrete steps and made the following proposals:

1 ▪ A unilateral moratorium on all nuclear testing until January 1 and for all time if the United States joins the moratorium.

2 ▪ A unilateral moratorium on deployment of medium range missiles in Europe.

3 ▪ A unilateral pledge never to use nuclear weapons first.

4 ▪ A concrete proposal for an agreement on practical ways leading to a complete ban and destruction of existing chemical weapons stockpiles.

5 ▪ Unilaterally, the Soviet Union removed SS-20s from Europe to their 1970 level.

These are bold actions. They are essential preliminary steps toward putting an end to the nuclear arms race. They open wide the door to peace. The United States need only meet the Soviet Union halfway.

As a response to these moves, the Reagan Administration proceeded to carry out three nuclear tests, including an antisatellite (ASAT) test which violates not only the 1972 U.S.-USSR ABM treaty, but also a law passed by the U.S. Congress.

There are serious questions whether Reagan can overcome his lifetime opposition to dis-

armament. Reviewing this record in the October 7 *Wall Street Journal*, Arthur Schlesinger Jr. said,

He opposed the Limited Test Ban Treaty of 1963. He opposed the Non-Proliferation Treaty of 1968. He opposed SALT I and SALT II. He even opposed the Peaceful Nuclear Explosions Treaty that Gerald Ford signed in 1976, as well as the 1972 ABM treaty.

**T**herefore, the challenge of our times is: Can the Reagan Administration policy of putting profits before peace be turned into a policy of peace without corporate profits?

This challenge calls for mass protests and public demonstrations across our land.

The focus of the demands must be on the U.S. Congress because thus far the Reagan Administration has shown no real inclination to negotiate seriously for peace and disarmament.

- Demand Congress force the Reagan administration to match the disarmament actions and peace proposals of the Soviet Union!

- Demand that all those in the U.S. government who have a conflict of interest between peace and profits be removed from any position dealing with ending the nuclear arms race!

- Demand an end to all secret arms con-

tracts, with their corporate superprofits!

- Demand an end to all private corporate military weapons production!

- Demand Reagan approach the summit with a position that will meet the Soviet Union halfway on the road to a disarmament agreement!

Today there is a "peace panic" in the White House. The contradictory responses to Soviet peace proposals coming from Washington reflect deep divisions over what the U.S. position at Geneva should be.

It is up to the people and Congress to determine how the U.S. negotiating team will approach the peace process in Geneva. The people and Congress can force Reagan to meet Gorbachev halfway at the summit in November.

An end to the nuclear arms race may not be in the interest of the U.S. military-industrial complex, but it is in the fundamental interest of the people of the United States and of all humanity.

It is ultimately in the power of the American people to remove the only two obstacles on the road to the summit.

We must accept the challenge of history, a challenge that will secure peace for all humanity and a world free of nuclear war. □



# U.S. Peace Movement Toward the Summit

EMILY DeNITTO

Historians and social scientists will undoubtedly record 1985 as the year of the Geneva Summit between President Reagan and Mikhail Gorbachev, general secretary of the Soviet Communist Party.

Summit meetings are always significant events, summing up the relationship between the world's two most powerful countries. This meeting is particularly important in that it will concern itself with whether a most dangerous escalation of the arms race takes place—the militarization of outer space—or whether there is movement toward limitation and reduction of nuclear armaments. In that sense, the meeting will also measure the balance of strength between the forces pushing toward war—in the first place, the Pentagon and munitions manufacturers—and the worldwide peace majority. It will be a critical test of the effective strength of the U.S. peace majority in imposing their will for disarmament on the Reaganites.

That the meeting will occur is certainly a reflection of the tremendous ideological and organizational growth of the U.S. people's peace sentiment and the pressure exerted by persistent, bold and far-reaching Soviet peace proposals. The holding of this summit proves that, even with militarist, ultra-Right elements in the nation's top leadership, the path to arms control is not closed. Struggle brings results. Reagan was forced to this meeting kicking and screaming, but forced he was. The peace movement's demands can now proceed from that accomplishment. They will still meet stubborn opposition—witness the fact that the Administration's chief negotiator at U.S.-Soviet arms talks now underway in Geneva, Max Kampelman, is a lobbyist for Lockheed Corporation, which profits from Star Wars and other military contracts. But once talks are being held, even a Kampelman can be forced to agree to arms control. With

pressure, Step A can lead to Step B.

In his first term, Reagan was notable for being the only U.S. president in decades to fail to meet with a Soviet leader and to fail to negotiate an arms agreement. Instead, he initiated a rapid nuclear buildup, seeking first-strike capability against the Soviet Union, cutting social services, jobs and education programs to fund the military buildup. Reagan clothed these policies in tired anti-Soviet rhetoric. Calling the USSR the "evil empire," joking about beginning "bombing in five minutes" and misinterpreting biblical references to Armageddon to justify the buildup, Reagan preached anti-Sovietism with a venom unmatched since Joe McCarthy.

But there is a profound difference in the people's reception of anti-Communism today. Reagan's "evil empire" ranting is rejected by the majority of our nation as the dangerous war-mongering that it is. That is why, today, we are also treated to such sugared phrases as Reagan's recent assertion that "we may not like the Soviets, but our two nations must either live together or die together." He calls the MX missile "peacekeeper," and was especially careful during the 1984 election campaign to paint himself as a dove.

Reagan's "transformation" was a direct result of the massive upsurge of the U.S. peace movement. Close to 6,000 disarmament groups have mushroomed in the United States. There are numerous organizations of professional people dedicated to peace, like Physicians for Social Responsibility (U.S. affiliate of the Nobel Peace Prize winning organization), the Union of Concerned Scientists and the Lawyers Committee on Nuclear Policy; student groups like United Campuses to Prevent Nuclear War and Students and Teachers Organized to Prevent Nuclear War; religious, womens', artists' and community groups for peace, as well as traditional disarmament groups. Organi-

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zations that rarely take stands on political or international issues have joined the demand for peace, from the YMCA to the League of Women Voters. Individuals who might never have been expected to take such positions, like the retired military officers organized into the Center for Defense Information, demonstrate very sober thinking on questions of war and arms control. After the Nuclear Weapons Freeze Campaign swept the nation, staging the nation's largest demonstration ever—the march of one million people for a nuclear freeze in New York in 1982—disarmament became as American as apple pie.

A most significant development is labor's growing role in the peace movement—both on the trade union level and through groups that emphasize labor's importance.

Pro-detente forces constitute a majority in labor's ranks. AFL-CIO President Lane Kirkland, a member of the reactionary Committee on the Present Danger, has toned down his anti-Soviet rhetoric. Discussion of arms control issues is expected to be a major point at the upcoming AFL-CIO congress.

Twenty-two national trade unions, the Coalition of Black Trade Unionists and the Coalition of Labor Union Women have endorsed the call for a bilateral freeze on the testing, production and deployment of nuclear weapons. Among the unions taking this position are the United Steelworkers of America, United Auto Workers and the American Federation of State, County and Municipal Employees. The AFL-CIO has not issued a clear-cut endorsement of the nuclear weapons freeze, but the following language was included in the foreign policy resolution passed at its convention in 1983:

On the issue of a proposed nuclear freeze, the resolution noted that a majority of trade unionists, as do most Americans, favor a verifiable bilateral nuclear freeze while others are skeptical.

But we are united in our conviction that the nuclear arms race must be halted and reversed . . . with radical reductions on both sides being the objective of arms control negotiations so that the nuclear balance, and thus deterrence, can be secured at much lower levels of potential destruction.

Labor is a leading force in calling for conversion of military plants to peaceful production. And trade union forces are central to the anti-apartheid and anti-intervention movements as well.

There have been a growing number of direct contacts between U.S. trade unionists, from many unions and regions of the country, and their Soviet counterparts. Machinists' President William Winpisinger's 1983 visit to the Soviet Union, where he met with the late Soviet President Yuri Andropov, was a significant statement for detente, and helped to pave the way for other contacts.

Local trade union support for the 12th World Festival of Youth and Students was another example of labor's work for peace and friendship. In New York City, some 100 trade union officials raised over \$2,000 for the festival at a Labor-Youth Unity Breakfast. A similar event was held in Chicago and, in each city, festival youth marched in the Labor Day parade.

Organizations like Jobs With Peace, a group that works for a transfer of military funds to job-creating, socially useful production; and Labor for Peace, a West Coast group of trade union activists, illustrate the coming together of the peace and trade union movements.

Related to this is the growing role of religious forces in the peace movement, particularly the Roman Catholic, Methodist and Episcopal churches. The majority working-class following of these faiths have had a powerful effect on trade union positions for disarmament, as the trade union movement has influenced religious forces towards peace.

The first draft of the Catholic Bishops' Pastoral Letter on Peace in June 1983 caused consternation in the Reagan Administration because of its denunciation of U.S. nuclear strategy. The second draft, despite heavy lobbying by Administration officials, was even tougher: the bishops called for a freeze and deep cuts in U.S. and Soviet arsenals.

The sanctuary movement is another expression of religious forces' opposition to Reagan's hawkish policies. These are just two examples of what some call a "new theology of peace," a particularly important challenge to

Reagan, who has often implied that his policies are sanctioned by God Himself.

When Reagan won reelection in 1984, many argued that this indicated a Rightward shift in the country. This conclusion ignored the growth in the U.S. people's peace sentiment, in depth as well as number. It was a growth that compelled Reagan to change his image from warmonger to arms negotiator. Indeed, Reagan was reelected in large part because he demagogically portrayed himself as a "peace candidate." During the Reagan/Mondale debates, we were sometimes treated to the amazing spectacle of Ronald Reagan appearing more conciliatory to the Soviets and favorable to peaceful co-existence than his Democratic opponent.

The people's peace sentiment is widely represented by the Nuclear Weapons Freeze Campaign, arguably the most popular arms control group in the country. In the fall of 1982 alone, 9 states and close to 500 towns and counties passed referenda calling for a freeze. In May 1983, the House of Representatives passed a freeze resolution.

Several pro-detente Congressmen credit their 1984 victories to Freeze Voter '84, the electoral arm of the freeze movement. In the races it targeted for special effort, freeze candidates won 4 of 8 Senate contests, and 25 of 35 in the House. Non-binding freeze referenda passed in every city they were on the ballot.

In the autumn of 1984, an opinion poll found that not only did over 80 per cent of the U.S. people favor a freeze—a far greater percentage than voted for Reagan—but 61 per cent favored a *unilateral* six-month freeze by the U.S. to see if the Soviet Union would follow suit.

Clearly, the U.S. people are not accepting the Administration's anti-Sovietism as gospel. The Freeze, and most disarmament groups, focus their activities on pressuring the Reagan Administration to end its arms buildup. There is widespread and growing understanding that the Soviet government needs no "symmetrical" pressure; that, in fact, its actions give tremendous impetus and expression to peace sentiment. There is also growing recognition of the

Soviet Peace Committee as a mass, public peace movement. This awareness has been gaining ground among U.S. peace groups even in the face of red-baiting campaigns. (For example, Reagan's charge that all those who support the freeze have been "duped" by the Soviet Union.)

Some forces, however, argue that the U.S. peace movement should focus not only on the U.S. government, but also on the USSR and other socialist countries. They champion minuscule "dissident" groups as "the true peace movement" in the socialist world and demand changes in socialist society—which they disingenuously describe as promotion of "human rights"—as preconditions to peaceful coexistence.

Such an organization is the Campaign for Peace and Democracy/East and West. In the latest issue of its bulletin, *Peace and Democracy News*, it argues that the peace movements in capitalist countries should support any development that could lead to divisions among and, ultimately, the dissolution of the socialist community of nations. Such a program is manifestly opposite to a genuine peace program. While it does not have a large impact on the peace movement as a whole, this group has gained endorsements from some leading individuals among trade union, women's, peace and academic forces.

Some similar thinking seems to influence a new group called PRO-Peace. It plans to hold a Walk for Peace from Los Angeles to Washington, D.C., in 1986. There is much support for the project and its prospects look good. But the march is only the first in a series of actions that will culminate in an "Eastern Bloc Strategy," which, according to one document of PRO-Peace, includes setting up "technology to reach people directly across international boundaries" in the socialist countries.

Such plans could be interpreted as aiming to further genuine people-to-people contacts. Or they could dovetail with the anti-socialist policy of "building bridges" long advocated by Zbigniew Brzezinski and others. One must be concerned with any actions which divert the peace movement from the source of the arms race: the Reagan Administration and the mili-

tary-industrial complex which it represents. Anti-Sovietism, in whatever guise, puts the peace movement on the defensive, supports reaction's rationale for its arms buildup and keeps the peace movement from objectively judging and utilizing Soviet peace initiatives.

Soviet proposals to end nuclear testing and to halve nuclear arsenals and strategic delivery systems have had a profound effect on the thinking of the U.S. people. They are powerful factors pressuring Reagan to reach an arms accord at the upcoming summit.

It began with the unilateral Soviet initiative to halt nuclear testing, from August 6 of this year until January 1986—and continuing indefinitely if the U.S. also ceases testing. So far, the Administration has not. Immediately after the Soviet proposal took effect, the Administration ostentatiously and provocatively tested its first anti-satellite weapon on an object in space.

Protest against the ASAT test has been widespread, including a lawsuit brought against the government by four congressmen and the Union of Concerned Scientists. Emergency hearings on the issue were convened in the House.

Starting October 18, the Freeze campaign has organized daily "witnessing" and civil disobedience at the Nevada test site. The protests will last until the eve of the summit in order to "draw attention to the fact the U.S. is still testing, despite the Soviet moratorium," says Margarete Beck Rex, public relations director for the Freeze. "Our government should be testing the Soviets, not bombs, and working to negotiate a nuclear test ban, as the Soviets have suggested," she added.

Petition campaigns, candlelight vigils, religious services and more have been taking place all month in order to pressure Reagan to negotiate seriously at the summit. Nearly every major disarmament group in the country is focusing on the summit.

Substantial results will only come from the summit if this focus and pressure are maintained. Provocations against the summit, including outlandish allegations of carcinogenic

"spy dust" being used against U.S. diplomats in Moscow, are a constant reminder that forces in the Administration against any agreement remain strong.

The peace front and the antimonopoly front differ. The antimonopoly front brings together broad social forces into a movement against the oppression and exploitation of the most powerful monopoly groups. The peace movement crosses all class lines, including some representatives of the ruling class. Progressives will not agree with former CIA Director William Colby on most questions, but no one can argue with his demand that there be substantial results from the Reagan-Gorbachev meeting. Robert McNamara is a former president of the World Bank and Defense Secretary, but he is an advocate of steps to reduce the threat of nuclear war. And no one would try to stop the financial contributions of the Rockefeller children to the freeze movement.

The conservative *Economist* of London argued in its October 5 issue against Star Wars, saying, realistically,

... the Russians would not only refuse to sign a missile-cutting agreement without some limits on SDI [the Strategic Defense Initiative or Star Wars]; they would be right to refuse. It would be unreasonable to expect either side to change the size of its offensive armory until it knows broadly whether, and when, that armory might have to face a defensive screen, and how solid that screen might be.

Yes, some forces' only concern is to preserve the world for future profitmaking. But progressives can find common ground even with them in the demand that the planet be saved from nuclear holocaust.

Peace sentiment is broad and strong among all segments of the U.S. population. When unified and directed against the source of the arms buildup, it is a powerful force for change. No matter what is decided at this month's summit meeting, that force will need to increase its efforts until Star Wars, arms tests and weapons of all kinds are ancient history. □

## A New Phase of Struggle In South Africa

JOE SLOVO

**Q** The world is closely watching the stormy events in South Africa. The progressive forces and all honest men on the Earth support the African people's courageous actions for their legitimate rights and condemn the terrorism of the apartheid regime. How do the South African Communist Party (SACP) and the African National Congress (ANC) assess the nature of the present moment, the motive forces of the antiracist protest, and the immediate prospects of the ongoing struggle?

**A** We are in a new phase of struggle in South Africa. It is absolutely clear from the events that if we, as a revolutionary movement, effectively seize the present exciting moment, a historic moment, the prospect of achieving people's power is perhaps within our sight.

And we say this for the following reasons. Three conditions are known to set the stage for a basic social transformation. It is, first, a deep-going crisis within the ruling establishment; second, ferment among the people, which expresses a desire for change and a readiness, if need be, to sacrifice life to bring it about; and thirdly, a revolutionary movement which is accepted by the masses and which has the strength and the capacity to guide the buildup towards victory.

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Now, it is clear, looking at the situation in South Africa, that these three conditions have not yet matured, but that they are beginning to converge for the first time, all three together. Indeed, the regime faces the deepest economic and political crisis. The ruling class is fragmented, it is divided, it is in a more conflicting situation as a ruling class than ever before in its history. On the other hand, the ferment among the people is growing daily before our eyes. And despite the endless killings,<sup>1</sup> a growing number of workers and youth are showing that they are not daunted by death, that they have developed a contempt for death in the struggle. Finally, the ANC-led liberation front clearly stands unchallenged today as the leading force of the protests.

An important indicator of the people's accumulating energies is the combination of organized activity with spontaneous eruptions and the adoption by the masses themselves of new forms of struggle, which are emerging on the ground. For example, young people are taking their own initiatives to organize themselves into small, mobile combat units which engage the police, which deal with informers, and so on. Unprecedented pressure is being put on all the collaborationists in the Black communities. Black policemen can hardly continue living among their own people. The government has announced that over a hundred homes of Black policemen have been burned to the ground.

The mass legal organizations, like the United Democratic Front<sup>2</sup> and the trade union movement, are growing by leaps and bounds in

strength by the day. In the urban ghettos the regime's civil administration has virtually broken down. In the place of the government's so-called councils, which they tried to impose on the people, the people are creating their own community structures, which have the potential to develop into embryonic organs of people's power. And although the government still has the brute force and power to occupy and send in the army and the police, the capacity to administer civilly in these areas is completely at an end, and this is recognized by the authorities themselves.<sup>3</sup>

A serious determinant of the state of the class struggle is the activation of the South African workers. There has been a veritable explosion in the growth of Black trade unions in the last year or two, and for the first time in South Africa's history Black trade unions outnumber white trade unions. In addition, the Black trade union movement is not restricting itself to struggles of a purely economic character. The Black trade union movement is aware that there is no way to fight the capitalist exploitation without coming out against the whole racist structure.

The trade union movement has already shown that it has the capacity to become a very important factor in this overall struggle for national liberation. In November 1984, there was a political general strike in the Transvaal, the most successful in our history; for two days it halted the whole of industry. In the Eastern Cape, there have many more strikes of a general political character. The strength of the working class and its activity in the liberation struggle open up deep prospects of a general political national strike, which at the right moment could have a marked impact on the future buildup of revolutionary and insurrectionary forces.



**Q** What is the role of the Communists and their allies in developing the revolutionary consciousness of the masses? In which forms and along which lines has the SACP acted in mobilizing the people to resist apartheid and the attempts to deprive the Africans of their homeland?

**A** The SACP is part of the broad liberation front headed by the African National Congress. This liberation front shares the common immediate platform of winning the objectives of the national-democratic revolution. And we believe that this struggle demands a broad patriotic alliance which embraces all classes among the dominated national groups. Within this alliance, the working class has a very special role to play, without which complete victory can not be guaranteed. We do not want to see in South Africa a repetition of what has happened in many other parts of Africa, where the fruits of sacrifice and victory of the indigenous people were undermined by new exploiters with black faces.

The SACP, which celebrated its sixty-fourth anniversary at the end of July 1985, represents the true historical aspirations of our very large and very experienced proletariat. And we fulfill our mission both as a part of the antifascist front, and as an independent vanguard of the working class. In the present period, we must multiply our efforts on all fronts as a Party, while asserting the SACP's independent role as well as its role within the alliance. We are working harder than ever in the field of spreading the teachings of Marxism-Leninism, particularly among the working people, and in the consolidation and growth of the underground.

We have to be on the alert against the attempts by internal and external reaction to undermine the partnership between the Party and the ANC, between the ANC and the world socialist forces. Anti-Communism and anti-Sovietism are designed to emasculate the revolutionary content of our national struggle, but at the moment we are convinced that the overwhelming majority of patriots, not just Communists, in our situation believe that the real key to our future lies in this life-giving alliance between the ANC and the SACP, and the life-giving relationship between our movement as a whole and the progressive forces throughout the world, and particularly in the socialist countries. This is something that we have always cherished and will safeguard in the future.



**Q** The racist regime's brutal repressions have aroused public opinion on every continent to the point at which even the U.S. ruling circles have to say something to distance themselves from its leaders, "America's true friends," as Reagan put it. Do you think that in these conditions apartheid could be further isolated internationally? How does the SACP see the role in this of the Communist and working-class movement and of other progressive forces of the world?

**A** The minor *volte face* on the South African question in some circles of the U.S. ruling class is in no sense, we believe, a measure of its humanity. Historically speaking, what we could call the "Reagan factor" is more responsible than any other external factor for the actions of the South African regime which are outraging world public opinion. These circles can now no longer ignore the very significant upsurge of feeling among the U.S. public, especially over Pretoria's brutalities. There is a growing loss of confidence in Botha's capacity to hold the fort on behalf of international capitalism and U.S. imperialism. They are frightened that they will lose all, that is, maintaining South Africa as part of the Western alliance and the capitalist system generally. The cracks that are beginning to show in the U.S. ruling class on the question of apartheid, whatever their motivations, indicate in particular the growing possibilities of organizing an effective campaign against the South African regime.

Well, what can the world working-class movement do? We would be grateful of greater material support on every aspect of our struggle through the trade unions and in other ways. It is simultaneously important to put pressure on the Western governments and to demand the imposition of mandatory sanctions against the racists. We expect such assistance from every Party, from every working-class movement

and, indeed, from every democratic force in the world.

Apartheid is the Nazism of the modern period, and the struggle against it transcends the class framework. The potential does exist, therefore, to mobilize against apartheid the broadest spectrum of forces so as to shorten the pain and anguish through which our way to victory lies.



**Q** What is the SACP's attitude to mankind's key problem: the defense of world peace?

**A** All the revolutionary forces of the world have a fundamental desire for world peace. We are aware that our struggle for freedom, which may involve revolutionary violence, would be made irrelevant by a nuclear holocaust. That is why the struggle for world peace remains at the top of our agenda. The South African Communists seek to expose the policy of imperialism aimed to frustrate the efforts on disarmament, nuclear disarmament in the first place, and implement the Star Wars program. We see the fight for liberation and the struggle for world peace as an indivisible process. We also believe that it is now more urgent than ever before for the world Communist and working-class movement to assert their togetherness in the world struggle for a life of peace and a life of social justice. The other side does come together, does plan together against us. At its latest Congress, in 1984, our Party reaffirmed that we must embrace our comrades and brothers everywhere in the world in the quest for peace, for liberation and socialism. □

#### Notes

- 1 According to obviously understated official reports, more than 450 people—women and children—were killed in the first half of 1985.—Ed.
- 2 1983, it brings together hundreds of organizations and movements opposed to apartheid.—Ed.
- 3 Introduction of the emergency in 36 districts of the country in July 1985.—Ed.

# How to Win Political Democracy?

SI GERSON

Recently the following question was put to this writer for discussion in a leading Party body:

In view of the present level and trend of U.S. state monopoly capitalism, what demands should we support in relation to government structure and operation and electoral structure and operation?

Truly a massive question that could take weeks to debate. But in a limited space it is still possible to sketch a few central thoughts. Necessarily, in speaking of the U.S. government structure of today one must go back to its earliest roots in the nation's history. Marxist historian Herbert Aptheker recalls for us a belief held by many of the Founding Fathers, to wit,

... the government's main function is to protect "the able, the well-born and the rich"—to quote the words of the second President of the United States—and that only those should govern, since only those are capable of it. (*Marxism and Democracy*, Humanities Press, 1965, p. 18.)

This view of John Adams was apparently shared by not a few of his contemporaries in the governing forces of the period.

It is, of course, true that Adams' thought did *not* form any of the main slogans under which the American Revolution was fought. Of the American Revolutionary War, V.I. Lenin wrote:

The history of modern, civilized America opened with one of those great, really liberating, really revolutionary wars of which there have been so few. ("Letter to American Workers," *Collected Works*, Vol. 28, Progress Publishers, 1965, p. 62.)

But the Constitution, drafted in 1787, well after the conclusion of the revolutionary war, was something else. It was carefully constructed

to defend the interests of the rising bourgeoisie and the great landowners—"the well-born and the rich"—and reflected a profound fear of the masses. It was modified in part by the adoption of the Bill of Rights in the first ten Amendments and further modified down through the years only after bitter struggles which frequently were in essence class struggles.

This essential character of the governmental structure created by the nation's founders was well defined by a progressive political scientist, Michael Parenti, in his work *Democracy for the Few*:

In keeping with their desire to contain the majority, the founders inserted "auxiliary precautions" *designed to fragment power without democratizing it*. By separating the executive, legislative and judiciary functions and providing a system of checks and balances among the various branches—including staggered elections, executive veto, Senate confirmation of appointments and ratification of treaties, and a two-house legislature—the founders hoped to dilute the impact of popular sentiments. (St. Martins Press, 1980, p. 58; emphasis in original.)

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State monopoly capitalism has made effective use of this basic structure. Today it controls the executive, legislative and judicial branches of government. It now effectively dominates the regulatory and administrative agencies, many of which were originally set up under mass pressure as progressive instruments. Thus, for instance, the National Labor Relations Board and the U.S. Commission on Civil Rights have been turned to opposite purposes than those for which they were originally designed.

A new feature of the role of state monopoly capitalism is the increasing *personal* participation of *direct* representatives of big capital in the governmental structure. While there have been millionaires in top levels of the govern-

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ment down the years, this trend is especially marked in the Reagan Administration.

Take the Reagan Cabinet, for example. The leading figures come from such conglomerates as the giant Bechtel Corporation (George Shultz, secretary of state, and Caspar Weinberger, secretary of defense); Malcolm Baldrige, a big Connecticut industrialist; Donald Regan, White House chief of staff (who sits with the Cabinet) and formerly head of Merrill Lynch Pierce Fenner & Smith, a billion-dollar investment and brokerage firm; James Baker, now secretary of the treasury, a millionaire Texas lawyer close to oil interests, etc.

In the federal judiciary, out of 165 Reagan appointees surveyed earlier this year, one-fourth are millionaires. (Not so incidentally, most are white males. Only one Black judge was named and only thirteen women.)

Or take the U.S. Senate. It is peppered with millionaires. There is John D. Rockefeller IV of West Virginia, reportedly worth \$150 million; Claiborne Pell of Rhode Island; John Heinz of Pennsylvania; John Danforth of Missouri; Lowell Weicker of Connecticut; Frank Lautenberg of New Jersey; Bob Dole of Kansas, the majority leader, etc.

Of his colleagues, Sen. Daniel Patrick Moynihan of New York said in a remarkable burst of candor,

At least half the members of the Senate are millionaires . . . We've become a plutocracy . . . The Senate was meant to represent the interests of the states; instead it represents the interests of a class. (*New York Times*, Nov. 25, 1984.)

To a considerably lesser degree this is true of the House of Representatives. It too has its quota of millionaires (e.g. Bill Green and Joseph DioGuardia of New York; Sid Yates of Illinois). In contrast, it has, to our knowledge, only one member long actively associated with the trade union movement, Rep. Charles Hayes of Illinois, and one former staffer of the United Auto Workers, Rep. Estóban Torres of California.

(Parenthetically, it should be noted that not all of the millionaire senators and representatives are reactionaries. Some take liberal posi-

tions on some questions. But at no time can we forget their class origins and ties.)



Which brings us squarely to the latter part of the question before us: the electoral structure and its operation and what demands should be supported in connection with these.

In this regard it must be noted that the ruling class constantly trumpets the notion that the U.S. has free and democratic elections. This illusion is spread throughout the world and there are even some people in socialist countries who, unaware of the reality, accept this as fact.

The truth, however, is something quite different. Lenin was profoundly correct when he wrote in *State and Revolution*:

If we look more closely into the mechanism of capitalist democracy, everywhere, both in the "petty"—so-called petty—details of the suffrage (residential qualifications, exclusion of women, etc.) and in the technique of the representative institutions, in the actual obstacles to the right of assembly . . . in the purely capitalist organization of the daily press, etc., etc.—on all sides we see restriction after restriction upon democracy. These restrictions, exceptions, exclusions, obstacles for the poor, seem slight . . . but in their sum total these restrictions exclude and squeeze out the poor from an active share in democracy. (*Collected Works*, Vol. 25, Progress Publishers, 1964, p. 460.)

Historically, the U.S. ruling class consciously sought to keep the masses out of the political process. The Founding Fathers who kept slavery in the Constitution barred women, Blacks and Native American Indians from voting. Property qualifications in 1787 even left a third of the white male population disfranchised.

It took generations of struggle to widen the franchise. Women won the vote only in 1920. Long years passed until a myriad of other obstacles—the poll tax, the white primary, grandfather clauses, etc.—were overcome. The heroic struggles (who can forget Selma, Alabama!) that culminated in the Voting Rights Act of 1965 strengthened the formal right of the Black peo-

ple in the South to register and vote. And in 1971 the 18-year-old vote was incorporated into the Constitution.

*With all that nearly half the eligible electorate does not vote.* In the 1984 presidential election slightly less than 53 per cent of those eligible actually cast ballots. The U.S. has the lowest percentage of voters of any industrialized nation.

This is not accidental. The ruling class and its two major parties do not want the masses to participate actively in the electoral process even by voting. It utilizes a variety of methods to keep them from the polling places and discourage their running for office. Some of the crudest and most brazen methods are to be seen in the deep South, particularly against the Afro-American people. The Reagan Department of Justice, hostile to civil rights laws won over the years, is an accomplice in this nefarious antidemocratic activity.

But a resistance movement is developing—in organized labor, the Black and Hispanic peoples and in some liberal and community organizations. This opposition was expressed in 1983 and 1984 particularly in wide registration drives in which our Party played an active part. *It is these movements and their demands—which in their totality reflect the struggle for political democracy—that must be supported.*



These are among the demands that in our judgement should receive active support:

- The elementary right to register and vote. The issues raised by the Rev. Jesse Jackson in the 1984 campaign are still valid. These include: the complete freedom, with solid guarantees, to register and the elimination of all barriers, North and South, to registration and voting; accessibility of registration and polling places and time off for these civic activities; fair boundary lines of political districts, which means an end to gerrymandering and the drawing of district lines which dilute the power of working-class, Black and Hispanic communities.

All these require strict enforcement of the provisions of the 1965 Voting Rights Act as ex-

tended in the current session of Congress—and constant monitoring by people's organizations, particularly the labor, Black and Hispanic movements.

- No runoff primaries. The recent federal court decision in New York City barring the runoff can be utilized to stimulate the struggle against such runoffs elsewhere, particularly in the South.

- The fight for ballot access for independents and third parties, an issue with which our Party is all too familiar. In the last 12 years, 16 states have tightened the restrictions on ballot access. Between 1980 and 1984 the states of Indiana and North Dakota, for example, quadrupled the number of signatures required to get on the ballot. (We have fought the Indiana requirement in the lower federal courts and have filed a petition for a hearing in the U.S. Supreme Court on the issue.)

A most positive development in this connection has been the introduction of HR 2320, a uniform election law to strike down many of the existing barriers to ballot access. Introduced by Rep. John Conyers (D.-Mich.) it now has eleven cosponsors. Among its features is a provision giving ballot access to independents or third parties that gather 1000 signatures or one-tenth of 1 per cent of the registered voters.

To develop momentum on the Conyers bill it is essential to get more cosponsors. There urgently needs to be calls on congresspeople to put their names on the measure. Crucial at this point is to force a public hearing on the bill, now bottled up in the Election Subcommittee headed by Rep. Al Swift (D.-Wash.). A Coalition for Free and Open Elections has been set up to carry on this fight.

- A campaign for access to the media for all candidates must be opened up. Without such access to the mass media, especially television, independents and third parties are virtually strangled. Such a demand is no fantasy. Provisions of this nature exist in a number of countries (e.g. England and France).

- Access to tax funds set up by law and utilized almost completely today by the two major parties. This is no utopian demand. In 1984 the

Citizens Party candidate for President won funds from the Federal Election Commission.

- The fight for proportional representation (PR) should be revived, perhaps first on a local level. Proportional representation is used today in local elections in Cambridge, Mass., and in New York City school board elections and perhaps in a few other places. It is, of course, in wide use in a number of other countries.

PR's fairness and genuinely democratic character has been demonstrated wherever it has been used—hence the abiding hatred ruling class politicians have for it. It has stimulated voter interest when utilized and has given independents—even those within the two parties—and minor parties and their supporters opportunity for representation barred by current electoral restrictions.

Significantly, PR is the answer to the problem of gerrymandering, which is currently under consideration by the U.S. Supreme Court in two cases. PR would eliminate the hoary and unprincipled juggling of district lines by legislative majorities to weaken their opposition. A 55 per cent majority vote for a party would give that party 55 per cent of the legislative seats, pe-

riod. And minorities would get seats in proportion to their strength, as was true in New York City from 1937-47, when the PR system was used in City Council elections.

There should be discussions with broad forces in the labor and people's movements to explore the question of PR revival.

The above demands by no means exhaust the question of the overall struggle for political democracy. Obviously, some are of a long-term character. But others are urgent and are essential to strengthen the people's forces.

An all-people's front against Reaganism can not find full political expression unless many of the existing electoral barriers are overcome. Thus the fight for the complete freedom to register and vote, North and South, must be won. Similarly, with the battle for ballot access for independents and third parties as outlined in the Conyers bill, and, no small matter, access to the media and especially television.

The totality of these struggles, inside and outside the parliamentary arena, are crucial if the forces of war and monopoly are to be defeated and a united people, led by the working class, are to win peace, jobs and equality. □

# Restructuring the World Economy

JOHN PITTMAN

Development of former colonies and semicolonies territories, with 70 per cent of the world's population, once again ranks among the most important issues confronting the 159 member states of the United Nations.

Speeding their development has become an urgent objective necessity. Moreover, a global movement is pressing for such actions, demanding implementation of the UN's New International Economic Order (NIEO) and its corresponding New International Information and Communication Order (NIICO).

As in previous General Assembly sessions, the primary function of the UN's current (40th) session is maintaining international peace and security. Attention is focused on revitalizing detente and averting a third world war, and seriously tackling problems of disarmament and conversion.

However, development, detente and disarmament are interdependent. Nowadays it is widely accepted that improvement of the political climate, political and military detente, could release huge human and material resources for development and other urgent problems of world economy. Development, in turn, would reinforce international security, confidence and cooperation.

The movements for NIEO and NIICO reflect this widespread recognition. They also voice the urgent need of the peoples of developing countries for measures to reverse the continuing deterioration of their living conditions.

A UN expert on problems of development in the 1980s wrote:

The great mass of the people in the developing countries continue to live in dire poverty. They have barely enough to eat and rarely enough potable water. Health services are thinly spread. When work is

available, pay is low and conditions are close to intolerable. Insecurity is permanent; there are no public systems of actual security to cushion the unemployment, sickness or death of the family wage earner. Malnutrition, illiteracy, disease, high birth rate, underemployment and low income close off in turn each avenue of escape.<sup>1</sup>

Corroborating this view, the former Director General of the World Health Organization asserted in 1980:

Nearly a billion people are trapped today in a vicious circle of poverty, malnutrition, disease and despair that saps their work capacity and limits their ability to plan for the future. For the most part they live in the rural areas and urban slums of the underdeveloped world . . . At least 450 million people—perhaps as many as a billion—have less food than is necessary for basic survival . . . And in times of famine starvation kills hundreds of thousands of people of every age.<sup>2</sup> [In 1980 it killed 50 million, including 15 million children, in addition to the 20 to 25 million who die every year in the developing countries before reaching the age of five.—JP]

In 1984 a survey prepared by a commission of *World Marxist Review* noted that if overall socio-economic conditions do not change, the number of people living in conditions of "absolute poverty" in the developing countries will rise to 1.2 billion by the year 2000. It cites estimates by International Labor Organization experts of 340 to 360 million of the active population of these countries who were partly or fully unemployed in 1978, and predictions that an additional 500 to 700 million will need jobs in the 1980s and 1990s.

Other UN studies assert 700 to 800 millions adults in Asia, Africa and Latin America are totally illiterate, and 1.5 billion people have no medical care.

Masses of people lack decent housing and are forced to huddle in overcrowded shacks or decrepit struc-

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tures without the most elementary conveniences, or even have no roof over their heads at all.<sup>3</sup>

The foregoing data are only a smidgeon of the evidence of deprivation and misery besetting two-thirds of humanity. Such conditions are manifestly primeval, inhuman and unjust. Yet, their existence alone can not activate the global efforts to speedily change them. What adds urgency to the requirement of a speedup in these efforts are a number of spinoffs.

- First, these conditions of the developing countries are not static. They are rapidly worsening, threatening calamities for the people of these countries, which invariably have adverse consequences in other countries.

- Second, they are a major source of global economic insecurity and chronic and deepening crises of the economies of both the developing and industrially developed capitalist countries. Poverty stricken peoples can not buy the goods of industrially developed capitalist countries and alleviate the job problems of the latter.

- Third, they are potentially explosive material—time bombs of incalculable destructive power, in both the internal affairs of individual countries and in international relations. Exacerbated by imperialist interference, they are capable of triggering regional conflicts or a third world war.

If these facts and their implications were truthfully disseminated by the U.S. mass media they could be expected to evoke understanding and sympathy from the U.S. working class and people, especially from the 33.7 million who live in poverty (according to a U.S. Census Bureau estimate of August 1985).

Knowledge of such conditions on a mass scale among our 378 million hemispheric southern neighbors would also bring the situation closer to home. It would make clearer the cause of Latin American and Caribbean peoples' sacrificial and unsubdued struggles to throw off the fetters of colonialism and neocolonialism maintained by the imperialist "Colossus of the North."

However, U.S. workers receive little meaningful information concerning conditions in the

developing world from the mass media. For all the publicity these sources gave it, the ILO's report of its 1979 conference in Latin America might never have been made. The report declared:

. . . in 12 of 23 countries, where reliable statistics exist, over one-half the population had incomes insufficient to buy a bucket of goods and services considered essential to a minimum level of welfare . . . For Latin America as a whole the proportion of the population in such a plight may be as much as 40 per cent.<sup>4</sup>

Actually, U.S. working people are fed mainly trivia and falsehoods concerning conditions in developing countries and their boomerang effect on their own lives. On the other hand, the people of these countries are given explanations of the causes of these conditions which conform to the exploitative aims and practices of the imperialist states and their transnationals and other institutions.

This two-way operation—suppressing truthful, significant information and disseminating false and frivolous material to both the developed and developing countries—is facilitated by the concentration of ownership of global and national communication systems.

For example, giant U.S. banks, monopolies and conglomerates (mostly transnationals associated with military production) control most of the capitalist world's cultural industries. Says a *World Marxist Review* survey on this point:

In the nonsocialist world these corporations control about 80 per cent of the daily newspapers, 90 per cent of the radio stations operating on international frequencies and 95 per cent of the television broadcasting facilities. Some 80 per cent of the information disseminated in capitalist and developing countries comes from the teletypes of the four largest bourgeois agencies: Associated Press, United Press International, Reuters and Agence France Presse.<sup>5</sup>

To these figures should be added a researcher's itemized list of imperialism's ownership on a world scale in these industries:

Ninety per cent of the facts and figures in data banks, 54 per cent of all computers, 82 per cent of microelectronic components, 75 per cent and perhaps more of TV programs, 65 per cent of news dissemination, 50 per cent of films, 30 per cent of book editing, and more than 800 satellites circling the earth, most of them of a secret nature and purpose.<sup>6</sup>

Truthful, accurate information concerning the main problems confronting humankind at this historical time of day is increasingly recognized as a necessary precondition for progress of the developing countries. Hence a new international information and communication order (NIICO) is seen as an essential corollary of a new international economic order (NIEO).

Indicative of the scope of the movement for restructuring international economic relations were two events on the eve of the opening of the 40th General Assembly. On September 2, eight socialist states issued a document at the UN's New York headquarters. Their reaffirmed their support for the developing countries' demand for a just and democratic international economic order.

On the same day in Luanda, Angola, the conference of foreign ministers of the Movement of Non-Aligned Countries, who form a two-thirds majority of the UN, called for solving political crises in the Southern Africa, the Middle East and Central America and for a change of the existing economic conditions with development of the new international economic order.

**N**IEO and NIICO are programmatic parts of the struggle to accelerate decolonialization in the economic and cultural spheres. Basically, they are a continuation of democratic national liberation struggles.

Achievement of political independence was registered and facilitated by the UN's adoption, on December 14, 1960, of the USSR-initiated Declaration on the Granting of Independence to Colonial Countries and Peoples.

This historic Declaration affirms the right of "all peoples to self-determination" and "by virtue of that right they freely determine their po-

litical status and freely pursue their economic, social and cultural development." It asserts further that

the subjection of peoples to alien subjugation, domination and exploitation constitutes a denial of fundamental human rights, is contrary to the Charter of the United Nations and is an impediment to the promotion of world peace and cooperation.<sup>7</sup>

To implement economic aspects of the Declaration, in 1964, on the initiative of the USSR, Poland and Czechoslovakia, the UN Conference on Trade and Development (UNCTAD) adopted a Final Act which states that:

Complete decolonization in compliance with the United Nations Declaration on the Granting of Independence to Colonial Countries and Peoples and the liquidation of the remnants of colonialism in all its forms is a necessary condition for economic development and the exercise of sovereign rights over natural resources.<sup>8</sup>

At a special session in 1974, the UN General Assembly adopted a Declaration and Program of Action on the Establishment of a New International Economic Order. The same year, it laid the NIEO's international legal foundations by adopting a Charter of Economic Rights and Duties of States by a vote of 120 in favor to 6 against (United States, United Kingdom, Federal Republic of Germany, Luxembourg, Belgium and Denmark) with 10 abstentions.

In 1978 the UN Educational, Scientific and Cultural Organization (UNESCO) adopted by acclamation important basic provisions of a New International Information and Communication Order, which had been called for in 1976 by the Fifth Summit Conference of the Non-Aligned States meeting in Colombo, Sri Lanka.

**U**nderstandably, the movements for implementing the UN's declarations and resolutions appealing for the "liquidation of colonialism in all its forms" was launched by the former colonial and semicolonial people themselves, in conjunction with the socialist countries. Foremost among the many international,

national and local organizations actively struggling for peace and the uprooting of colonialist survivals has been the Movement of Non-Aligned Countries.

Impelling these movements are threats to the gains of national liberation struggles during and since the Second World War. The defeat of Nazi fascism and Japanese militarism—mainly by the Soviet Red Army and the antifascist resistance movements—meant the loss by the old colonialist plunderers of major bulwarks of their properties and privileges; the cold war rallied all the defenders of the old colonialist order.

Under the aegis of U.S. state monopoly capitalism, with its reliance on military force and war profits, the exploiters sought to recapture their former positions. British, French, Belgian and Portuguese imperialists rushed to retake or consolidate their colonial possessions. To cow former subject peoples and further their plans for world hegemony, the cold warriors brandished the nuclear bomb which they had used against Hiroshima and Nagasaki. They inflated the bogeyman of the "Communist conspiracy" and the "Soviet menace." They intensified their policy of aggression and intervention. The danger of global conflict rapidly accelerated.

In this situation representatives of 29 newly freed states conferred from April 18 to April 24, 1955, at Bandung, Indonesia. This conference, foresaw the danger to the whole human race of a nuclear war and stressed "the imperative need to save mankind and civilization through the prohibition of nuclear weapons." It was this conference and the ideas it projected which laid the basis for the present-day non-aligned movement<sup>9</sup> of 101 members and 29 observers.

At the request of the Fourth Non-Aligned Summit in Algiers in 1973, the UN General Assembly convened its Sixth Special Session in 1974, which, as reported above, put the authority and prestige of the UN behind the movement for the NIEO. In 1976 the Colombo Non-Aligned Summit facilitated the formation of the Asian, Pan-African, Arab and Caribbean news agencies and set up the Non-Aligned Countries News Agencies Pool. Initially comprising only

26 countries, the Pool now has nearly 70 with a daily information output of 40,000 words. Modest in comparison with the imperialist transnationals' output, but a beginning toward freeing the developing countries from "information colonialism" and other forms of imperialist ideological and cultural domination.<sup>10</sup>

The decision to seek a new international economic order grew out of the new states' disillusioning postwar experience. Political independence did not automatically translate into freedom from economic dependence and backwardness. Furthermore, efforts to realize progressive changes through the UN's regular activities collided headon with the imperialist powers and their institutions.

Thus, the General Assembly designated the 1960s as UN Development Decade, and called on all member-states to unite to liquidate the poverty, hunger, ignorance and disease afflicting most of the world's peoples.

Assessing the slow progress of this effort, in 1966 the General Assembly began drafting a strategy of development that would designate goals and measures required to accomplish them. In 1970 it designated the Second Development Decade to begin Jan. 1, 1971.

In 1975 the General Assembly reviewed the first half of the Decade and found the gap between developed and developing capitalist states had increased enormously. In 1980 the General Assembly adopted an international strategy for the 1980s with the goal of establishing equal economic relations and eliminating obstacles to the liquidation of poverty and backwardness.

The slowness in registering progressive achievements during the UN Development Decades convinced the developing states that the obsolete and predatory old order of international economic relations and information imperialism should no longer be endured. True, the developing countries failed to achieve the goals designated, particularly in the areas of agrarian and educational reform. But the main factors preventing fulfillment of the goals were the imperialist states and their institutions.

The goals of the UN Development Decades

are democratic goals. Democratization, which is inherently opposed to imperialism, is the essence of the changes envisioned in the new international economic and information orders.

The Declaration on a New International Economic Order adopted by the General Assembly on May 1, 1974, specified the foremost causes of the lagging pace of development:

... the remaining vestiges of alien and colonial domination, foreign occupation, racial discrimination, apartheid and neocolonialism in all its forms continue to be among the greatest obstacles to the full emancipation and progress of the developing countries and all the peoples involved . . . It has proved impossible to achieve an even and balanced development of the international community under the existing international economic order : . . . The present international economic order is in direct conflict with current developments in international political and economic relations.<sup>11</sup>

Referring to such vestiges of colonialism, Cuba's President Fidel Castro, in an interview given two prominent U.S. citizens on March 29, 1985, characterized unequal terms of trade between the developing and developed capitalist countries and the debt bondage of the former as features of

the old skeleton of the system created in Bretton Woods in the wake of World War II<sup>12</sup> for dominating and exploiting the natural and human resources of Third World countries . . .<sup>13</sup>

Elaborating this characterization of the system of unequal terms of trade, Castro added:

Unequal terms of trade, the deadly process through which the commodities of the vast majority of the Third World countries bring ever lower prices while the products they import from the industrialized countries become ever more expensive—is one of the most diabolical expressions of the present system of economic relations imposed on the world, and you can't call it anything but systematic robbery of our peoples' resources and the fruit of their labor.<sup>14</sup>

As for the institutions of imperialist states which bar the path to genuine development, none are more pernicious than the transnational

corporations, of which the bulk are U.S. At the 5th UNCTAD Conference, a group of socialist countries submitted a document stating that

the transnational corporations play a decisive role in deforming the industrial development of the young countries. Removed from the sphere of raw material production, they have retained control over their transportation, processing, selling and financing and are imposing upon the developing countries a type of industrialization and economic specialization which, while leading to a certain development of their economies, does not eliminate their dependence in the system of world capitalist economic relations, but consolidates it in a new form. The increasing penetration into the developing countries' economies by the transnational corporations and private capital in its new forms poses a serious threat to the sovereignty of the young states.<sup>15</sup>

Such institutions of colonialism and neocolonialism lock the former colonial and semicolonial peoples in conditions of permanent inequality, dependence and backwardness. It is to break out of this murderous limbo that the long oppressed and exploited peoples opted for new international economic and information orders.

**E**laboration of the ways and means of implementing the NIEO and NIICO will emerge in the course of struggles to achieve their implementation. It is useful to consider briefly the prospects for such struggles and their significance for the working class and peoples of the developed capitalist countries, especially the U.S.

There are encouraging prospects for implementing the NIEO and NIICO, according to an assessment by an international symposium in Prague under auspices of the *World Marxist Review*. The participants, comprising researchers and scholars from 28 countries, agreed that the prospects depend, first and foremost, on progress in countering the threat of thermonuclear war and achieving advances toward political-military detente and disarmament.<sup>16</sup> Initiatives of the socialist states to bring this about were highly assessed.

Added to this prime contribution was the



influence of the socialist states' example. It was noted that relations among members of the Council for Mutual Economic Assistance (CMEA) are a model of the type of relations envisioned in the NIEO, embodying the latter's programmatic principles of equality, democracy and mutual benefit. The socialist countries support the developing countries in diplomatic and political relations, and—especially the Soviet Union—give great economic assistance. In the early 1980s this was 1.3 per cent of the USSR's GNP, compared to .47 per cent of the FRG's, .41 per cent of Great Britain's and .23 per cent of the USA's.<sup>17</sup>

Besides these favorable external factors, the struggles of the developing countries have won a number of modest gains which demonstrate the possibility of winning more substantial ones. They include: (1) attention of international public opinion to the conditions and needs of developing countries; (2) recognition of the developing states' sovereignty over their territories and natural resources, as shown by the nationalization in the 1970s of the property of more than 1500 transnational companies; (3) an increase in the share of some developing countries in revenues from a number of raw materials.<sup>18</sup>

Also of great significance for the future is the growing awareness among leaders of the movement, destined to become embedded in the consciousness of masses, of a number of truths realized in the course of struggles:

- Progressive domestic transformations are the key to overcoming backwardness;
- Industrialization must be the main direction of development;
- Progressive transformations should mandate agricultural and educational reforms at the start, and include resolute and persistent strategies to combat unemployment and poverty;
- The struggle must include all the peoples and countries subjected to discriminatory, unjust and harmful treatment under the existing order, including the peoples and countries of the socialist world.

As for the working class and peoples of the industrialized capitalist states, their clear inter-

est in a more just and secure world, relieved from the threat of thermonuclear incineration, needs no elaboration. Likewise with the improvement of the international economic climate through a more democratic and balanced state of international relations and exchanges, with its mitigation of the effects of capitalism's structural crises on workers. It is elementary sense the working class displays when countering the economic, trade, currency and financial crises of capitalism, which increase mass unemployment and lower living standards.

For the U.S. working class and middle strata, NIEO and NIICO offer means of struggle against the offensive of state monopoly capital against the gains won during the past half-century. By their solidarity with workers of apartheid South Africa and workers and peasants of

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the Latin American and Caribbean countries,<sup>19</sup> the U.S. working class have demonstrated understanding and sympathy with their class brothers and sisters of the developing world, as the plight of the latter breaks through the iron curtain of the monopoly-controlled media. Moreover, U.S. workers, together with their class kinfolk in other industrialized capitalist states, have been in the vanguard of the fighters for peace and disarmament.

U.S. Communists have taken account of this development among the organized section of the U.S. working class and addressed a Draft Trade Union Program which projects the need for actions aiding the developing countries. It declares, "the welfare of U.S. workers demands curbs on the U.S.-based transnationals." The Draft Program calls for legislation to aid the developing countries, declaring, "U.S. workers have nothing in common with the U.S. transnational corporations," which "have impoverished other countries while destroying millions of jobs at home."<sup>20</sup>

In an analysis of the "import-export crisis," Gus Hall suggests for the trade union movement a program of struggle that includes calling on the government and Congress to implement NIEO, cancel the debts imposed on the developing countries by the imperialist banks, taxing superprofits from foreign investments, and

demand an end to anti-Communist, colonialist embargoes and boycotts, specifically those against Cuba, Vietnam, North Korea, as well as the 90 per cent trade restriction on the Soviet Union and most other socialist countries.

Discrimination against Nicaragua and other countries fighting for independence and national liberation should also be demanded.<sup>21</sup>

The Draft Trade Union Program and Comrade Hall proposals amount to a program for progressive transformations which, if implemented, would go far toward realizing objectives of the NIEO and NIICO. □

## Notes

- 1 K.K.S. Dadzie, "Economic Development," *Scientific American*, New York, 1980, September (Vol. 243, No. 3), p. 62.
- 2 Halfdan Mahler, "People," *Scientific American*, op. cit.
- 3 *Newly Free Countries in the Modern World*, Peace and Socialism Publishers, Prague, 1984, p. 96.
- 4 K.K.S. Dadzie, op. cit., p. 63.
- 5 "On the Way to a New International Information Order," *World Marxist Review*, October 1982, p. 55.
- 6 Enrique Gonzalez Manet, "Issues and Developments," *New International Information and Communication Order*, International Organization of Journalists, Prague, 1984, p. 13.
- 7 *Ibid.*, p. 76.
- 8 *Proceedings of the United Nations Conference on Trade and Development (UNCTAD), Final Act*, Vol. 1, United Nations, 1964.
- 9 Rikhi Jaipal, *Non-Alignment*, Allied Publishers, New Delhi, 1983, p. 28.
- 10 *New International Information and Communication Order*, op. cit., p. 158.
- 11 *World Marxist Review*, op. cit., pp. 61-62.
- 12 Bretton Woods, NH, venue of the United Nations Monetary and Financial Conference in July 1944, attended by representatives of 44 states. The Conference set up the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), one of the three institutions—the IRBS, the International Development Association (IDA) and the International Finance Corporation (IFC)—which constitute the World Bank. These institutions operate as important conduits and managers of capital exports from the imperialist countries to the developing world.
- 13 From an interview granted March 29, 1985, by President Castro to Dr. Jeffrey M. Elliot, associate professor of political science at North Carolina Central University, Durham, NC, and Rep. Mervyn M. Dymally (Dem., CA), member of the House Committee on Foreign Affairs, *Granma Weekly Review*, Havana, July 21, 1985, p. 6.
- 14 *Ibid.*, p. 9.
- 15 L.Z. Zevin, "Concepts of Economic Development," *Development and Peace*, Hungarian Peace Council, Budapest, Vol. 1, Autumn 1980, p. 96.
- 16 *World Marxist Review*, June 1985, pp. 78-79.
- 17 *Ibid.*, pp. 70-71.
- 18 *Ibid.*, p. 66.
- 19 "U.S.-Latin American Class Solidarity," *World Marxist Review*, October 1985.
- 20 *Organized Labor—New Times, New Problems, New Ideas*, Communist Party, USA, New York, 1985.
- 21 Gus Hall, "The Import-Export Crisis," *Political Affairs*, August 1985, pp. 6 and 7.

# 'No!' to Imperialism's Debt Bondage

ATHOS FAVA

The U.S. imperialist policy of plunder directed against developing countries, Latin American ones included, is a widely known fact condemned by the overwhelming majority of the world community. The "great northern neighbor" has long treated Latin American republics as a habitual sphere of plunder and economic subversion. Their peoples, like other peoples of the Third World, not only overpay for finished products and raw materials purchased from monopolies but virtually bear the brunt of the economic crises of capitalist powers as a consequence of unequal financial relations, primarily fettering debts. Latin America's foreign debt, which is mounting at a dizzy rate, exceeds 360 billion dollars now. One of the main victims of this bondage is my country, whose development recently entered a new stage, with the class struggle going on against the background of a revival of civilian institutions.

## *Tasks in the new situation*

Over sixteen months have passed since Argentina's military dictatorship was succeeded by a constitutional government under Raúl Alfonsín. As soon as the government was formed, the Communist Party of Argentina (CPA) described it as bourgeois reformist and heterogeneous, for along with patriotic and anti-imperialist elements close to the people it represents Rightists compromising with the oligarchy and imperialism.

The present cabinet is under pressure from pro-imperialist reaction, on the one hand, and democrats, progressives and labor, on the other. Subsequent developments will depend on who wins the upper hand.

The political project of the CPA, which we

continuously specify, is aimed at defending and consolidating democracy and putting an end to coups in Argentina. Our current policy is pivoted on the struggle for the establishment of a National and Social Liberation Front of anti-oligarchic and anti-imperialist forces that could bring into being the rudiments of people's rule.

Our Party is working for the fulfillment of this task in the atmosphere of an acute crisis inherited from the dictatorship. The situation is compounded by the indecision and vacillation of a government under pressure from the Right and the Left, as we have noted. The strongest pressure is being put, and shamelessly at that, by the oligarchy, foreign monopolies, domestic big capital which is associated with imperialism (above all U.S. imperialism), and the USA, which is operating through the Pentagon, the State Department and its Embassy. They want to nullify the more positive aspects of government policy expressing themselves in the consolidation of democratic institutions and respect for civil freedoms as well as in the conduct of foreign policy.

Home and foreign reaction is infuriated by the introduction of freedom of speech and the prosecution of members of military juntas guilty of the overthrown regime's crimes. After all, the current trial is an indictment of all inspirers of coups and internal state terrorism. Besides, reaction is trying to make a *volte face* in foreign policy by excluding from it defense of the principle of nonintervention in Central America, support for the Contadora Group and, lately, condemnation of the amoral, criminal embargo on trade with Nicaragua announced by Reagan. There are persistent attempts to force the government into reversing the position which it has adopted by calling for an end to the arms race and signing the Delhi declaration against Star Wars. Reactionaries look with distaste on the substantial extension of trade and cultural rela-

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tions with the socialist community, primarily the Soviet Union.

The situation is most complicated in socio-economic life. In this sphere, vacillation and concessions on the part of the government betray its class character only too noticeably. They are largely due to the foreign debt, one of the worst economic maladies left by the dictatorship.

### *Legalized plunder*

The dilemma confronting Argentina—freedom or dependence—can not be resolved without settling the problem of the foreign debt. This problem is nothing new to us Communists. Like the Malvinas crisis, it fully reveals the contradiction between the interests of U.S. imperialism and the Argentine nation, which will not ease off in spite of likely changes in both the Argentine and U.S. governments.

The foreign debt, a new way of modernizing and increasing dependence, is the chief topic of an intense political and social controversy on the continent, whose outcome is bound to have a notable impact on constitutional stability and the future of democracy.

The debt is one of the forms of neocolonial dependence aggravating all our problems. There are two prospects now: one, staying dependent and obeying the dictates of the IMF, and two, resisting userers and rescheduling payments on both principal and interest for ten years. The latter solution is the only one acceptable to the people, since it would pave the way for liberation.

We Communists see this problem as connected with our political project. In the coming elections our candidates are going not only to campaign for the defense of democracy, social justice and the formation of a National and Social Liberation Front, but to demand a moratorium.

We need not cite many figures to show the plight of the Argentine people. Wages are not enough to meet even elementary human needs (they only cover 30 per cent of family expenditures, according to the National Institute of Statistics and Censuses). Inflation exceeds 1000 per

cent annually and literally swallows the people's incomes.<sup>1</sup> The demand for labor has fallen off by nearly 40 per cent. The number of industrial workers has diminished by 500,000 and over one million are unemployed or hold part time jobs.

Eight million Argentines live in poverty. In Buenos Aires alone (the richest city), 1.8 million children are underfed. Official data indicate that in 1970 poverty affected about 10 per cent of our compatriots; today their proportion is set at 30 per cent. It is certainly due to dependence that in terms of per capita income Argentina has slipped from tenth place in the world in 1928 to fiftieth today. Technologically, we are lagging farther and farther behind developed countries; this is also true of agriculture, into which some innovations have been introduced.

The external debt is an instrument used by imperialism in alliance with the old and new domestic oligarchy in an effort to increase and perpetuate dependence by shifting the burden of its current crisis and the insane arms race onto somebody else's shoulders. The foreign debt of Argentina, a country of 30 million people, averages 1600 dollars per inhabitant.

Over the past five years the republic has spent about 22 billion dollars on interest payments, or three times more than it owed in 1976 and as much as the cost of two projects like Parana Medio, the project of the century that is to alter the face of the country.<sup>2</sup>

However, economic plunder by imperialism and its Argentine partners goes further than that. In addition to the 5.5 billion dollars exacted from us every year in interest payments, we make other payments under fraudulent deals designed to pump out money, with the result that we annually lose another 14.7 billion dollars.<sup>3</sup> Plunder has made Argentina, a creditor country before 1947, one of the world's biggest debtors.

The long term plunder of national resources is made worse by high interest rates, an excessive exchange rate of the dollar and a great discrepancy between the low prices for raw materials exported by developing countries (including Argentina) and the high prices for the

finished products imported by them. Here is how prices for our exports have been going down: Whereas in the 1976-1977 agricultural year we needed 156 tons of wheat to purchase one tractor in the world market, in 1984-1985 we need as much as 270 tons. As regards plant, spare parts and other imports, the terms of trade turnover have deteriorated even more strikingly.

### ***How it's done***

Developing countries consider that the fundamental requisite for their progress is to establish a new international economic order (NIEO), making it possible to end an unjust state of affairs and opening a new chapter in world economic relations.

The struggle against debt bondage is inseparable from the battle for an NIEO, which the UN decided on in 1974. The main purpose of an NIEO is to safeguard national sovereignty over national resources, end the economic inequality of nations and establish a system of trade favorable to developing countries in order to improve their financial position.

The imperialists want to make us pay for the arms race. Their policy tells on us directly in the form of an increasing external debt. The U.S. government raises interest rates and the dollar exchange rate to obtain from other countries money needed to meet its deficit, caused by enormous military expenditures. These expenditures rose to 391 billion dollars in 1984 and are expected to stand at 597 billion dollars by late 1989. To support Washington's war preparations, the peoples of the nonsocialist world, including the working class of the United States itself, must pay as much as 1.5 billion dollars a day from their pockets.

The foreign debt of our republic offers U.S. finance capital powerful levers for influencing, either directly or through the IMF, the long-term orientation of the economic policy of our state, primarily in respect of industries from which the USA can derive huge profits, as it now does from the oil industry, the service sector and finance. The fact that most credits are short term (half of them fell or will fall due be-

tween 1984 and 1986) and they that can not be repaid compels Argentina to renegotiate its debt time and again and makes the country still more dependent.

No country tied to the IMF by treaties may alter parity of its currency without the consent of the IMF (or, in other words, without U.S. approval). Argentina, which joined the IMF after the 1955 coup, is likewise denied the right to make sovereign decisions on its currency. It follows that ever since it came into existence, the IMF has been an instrument of capitalist, primarily U.S., expansion (this is particularly true today).

The IMF makes the signing of a treaty with any country conditional on lowering wages, increasing unemployment, expanding exports to the detriment of domestic consumption, devaluing the national currency, abolishing protectionist measures, restricting the public sector, reprivatizing industries and cutting expenditures for social needs, that is, investing less in public works, education, health services, and so on.

The technique of granting loans is a refined system of consecutive traps. First a country finds itself unable to pay its debt and so is granted an "interim credit," which adds to the debt; thereupon the debtor is offered new and increasingly harsh terms of granting loans needed to pay interest. The result is an endless period of debt bondage, inflation and mounting privations for the people. An important spring of this mechanism is the policy of inadequate adjustment of wages, intended to prevent them from keeping pace with inflation.

It is typical of the current stage in the development of imperialism that capital is exported mainly by the private and not the public sector, investments going above all into finance and not the production sphere. This also applies to Argentina, which borrows chiefly from private banks generally engaged in speculation. In the 1977-1982 period, the debt grew more than 90 per cent, mainly as a consequence of purely financial transactions involving no purchases of machinery or other products.

About 70 per cent of the debt is owed by the

public sector; moreover, the money has been lent on the security of state enterprises. The rest, or 30 per cent, is owed by the private sector and the state is going to pay it, using the device of underwriting exchange rate losses. This mechanism of plunder and this method of granting credits may be described as the principal factor for debt growth. Today mortgages shackling our country add up to 48.42 billion dollars. This debt is close to 70 per cent of the value of the gross national product and is all the more dramatic because in 1975 it equalled only 10 per cent of the GNP.

A considerable part of the debt owed by the private sector is a result of fictitious loans taken by enterprises and individuals; they remit their funds abroad (mainly to the USA and Western Europe), only to bring them back in the form of loans allegedly granted by foreign banks. After doing shady business on the home market, speculators export the same funds without declaring this to be in payment of the debt. In this way 9.524 billion dollars was exported before 1982; the Central Bank of the Argentine Republic recorded them as "flight of unaccounted capital."<sup>4</sup>

Furthermore, in the 1967-1983 period, our economy lost about 30 billion dollars, which was spent on purchasing property in Canada, Spain, the USA, Brazil, Uruguay and Paraguay or was deposited in U.S. and European banks. The Argentine economy virtually found itself bled white.<sup>5</sup>

The reason why domestic supporters of the IMF insist so strongly on repaying the debt is they are also creditors, for they export capital and then lend it to our country on guarantee. In other words, they grant "themselves" loans which become part of the foreign debt.

As a means of paying the debt, they propose selling public enterprises and ceding control of oil (whose reserves are nonrenewable), and ultimately declare for a complete sellout of the country to ensure that the upper section of Argentine society is paid interest abroad, along with imperialist monopolies and big banks.

The main lines of economic development for the 1985-1989 period, worked out by the pre-

sent Minister of the Economy, provide for payments on the debt as a purely technical matter. This approach may have fatal consequences, since five years from now interest payments on loans will amount to 23.5 billion dollars, plus another 6 billion dollars in the form of dividends and license payments. In other words, the nation will lose 29.5 billion dollars. Yet part of this amount, or 25 billion dollars, would be enough to pay wages in both the public and private sectors for over a year. It would be enough to raise real wages by 20 per cent in the next five years. As for the rest, or 4.5 billion dollars, it could solve the housing problem of 750,000 poor families. Should the official plan materialize, this would compel the country to solicit in five years' time a further loan amounting to 5.6 billion dollars. As a result, Argentina's debt would exceed 50 billion dollars.

#### ***Moratorium: a solution***

Noted economists and officials of Argentina have submitted proposals for ways of effectively opposing IMF claims. The demand for a moratorium is gaining ground among the progressive forces of the country, which must either go on taking its cue from the IMF and so increase dependence, or desist from the current practice.

The point at issue is whether our people are to work for themselves or for the U.S. monopolies and the domestic oligarchy. A struggle is under way over who is to foot the bill of the crisis, whether we, as has been the case so far, or they. This is why we Communists say that the implementation of unfair agreements with the IMF must be blocked and that all debtors must come out jointly against paying the shackling debt and, first of all, demand an *immediate moratorium*. We proceed from the fact that all the terms of refinancing through a standby<sup>6</sup> or "interim credit" now under a discussion are mere varieties of the IMF dictat. We therefore propose *freezing the debt for ten years, that is, refusing during this period to pay either principal or interest, and spending the funds released on advancing the national economy, raising wages, creating jobs and meeting social needs.*

The "recommendations" of the IMF are certain to disrupt the nation's economic life. To follow them is tantamount to unconditionally accepting the dire legacy of the dictatorship and clearing the decks for another "strong government," another coup aimed at "restoring order" after deliberately creating a state of chaos. The fact is that Argentina's technological lag, which would increase as a result of applying IMF recipes, would aggravate the socioeconomic situation to the utmost.

Should our country continue paying interest, it would be left with less money for internal investment, real incomes would decline, the exchange rate of the dollar and interest rates would go on climbing, with inflation as a consequence, the tax burden put on the people would become heavier and unemployment would grow. The home market would shrink still more and this, in turn, would hamper production while monopoly concentration would assume greater proportions due to the failure and closure of numerous small and medium enterprises.

The pursuit of an IMF-imposed "policy of adjustment" would lead to the sale of all or some of the paying public enterprises, the steady growth of tariffs and public service charges, a reduction of internal credits and the abolition of state regulation and controls vis-a-vis the subsidiaries of transnationals and powerful domestic groups in the interest of "free enterprise and a free market."

Prompted by the widespread opinion that Argentina can not repay its foreign debt, we propose a realistic solution. An unrealistic thing to do would be to stay tied to the ominous system under which we must pay interest on interest, draining the country of its lifeblood and incurring an ever steeper growth of the debt.

Contrary to our adversaries' most pessimistic forecasts, a moratorium on the debt of the Third World would not cause a worldwide financial and economic collapse. While the debt is staggering, it falls short of even ten per cent of the value of the annual GNP of industrial capitalist countries. The loss of this sum would not be irreparable for them while for us it is tanta-

mount to ruin. The moratorium would, in particular, put world economic activity and trade on a sounder basis and help remove the effects of debt accumulation, which generally express themselves in decreasing consumption, growing inflation and unemployment and a reduction of investment. The debt is not vitally important to creditor and seller countries, let alone the debtor and borrower countries. This means that the solution we propose might interest industrial powers, where it could help revive the economy, production and trade, create new jobs, and so forth.

All this is evidence that the peoples of Latin America and the Third World as a whole can and must join efforts with the working people of the USA and other industrial capitalist countries against the policy of Reagan and transnational monopolies geared to the nuclear arms race.

Our proposal for a moratorium is consonant with a political approach to the problem advocated by numerous heads of state, politicians and other public figures of Latin America and the world. Besides, it offers creditors an opportunity to cut the Gordian knot of debts which they themselves do not expect to recover.

In light of the grave economic crisis and revival of democracy in our country, won at great cost, the proposed moratorium would directly help remove the causes of instability. The CPA considers that this solution must by all means rest on an alternative liberation program backed by the people and intended to meet their aspirations. This would also promote national unity, so often mentioned, on a patriotic basis and raise a solid barrier to military coups.

What uses could Argentina make of the 5.5 billion dollars which it pays annually on interest if a moratorium were declared? In addition to many other things, it could feed 2.3 million indigent families. We could cite other calculations giving an idea of the colossal proportions of the plunder affecting our people. For instance, the interest to be paid in 1985 now equals the value of 50 million metric tons of corn or 41 million tons of wheat, or three national wheat or five corn harvests.

### *Potentialities and prospects*

The IMF must be resisted, for Argentina can not pay its debts in today's situation, as we have said. Resistance is perfectly possible, since the situation is favorable both at home and abroad.

In spite of the stagnation gripping our country, we annually put out 70 billion dollars' worth of products. A moratorium would enable us to release funds and increase investment from 20 to 25 per cent. The economy would have from 14 to 17.5 billion dollars for internal investment in production. Argentina trades with many partners. Ten per cent of its output is purchased by the USA, 25 per cent by Common Market countries and the rest, or from 60 to 70 per cent, by Latin American countries and the socialist community. But it is little known (because nobody speaks about it) that the USA only accounts for 20 per cent of our imports while 35 to 40 per cent comes from Latin America.

Naturally, the United States and Western Europe supply us with plant, spare parts (for the chemical, steel and other industries) and other capital goods. In the event of reprisals, we could purchase most of these products from Latin American companies, nonaligned states, our West European partners, who would refuse to support an eventual economic blockade, and the socialist countries, with which we have a favorable balance of trade.

We have vast resources enabling us to hold our own against imperialism: We are self-sufficient in energy and foodstuffs and could double grain output without much effort. The consumer goods industry meets the nation's requirements and as for heavy industry, it is at a fairly high level notwithstanding the recession of recent years.

The Republic of Argentina has substantial and varied mineral resources and its public enterprises retain their strategic positions in the power and atomic industries, electronics, communications, steel, petrochemicals, transport, trade and finance. Besides, in spite of the lag registered in late years, we have a potential of

specialists who can be used for the independent advancement of the nation. Small and medium enterprises are in a position to cooperate in various forms (tested earlier) in using advanced technology, making purchases, and so on, thereby increasing their present national role.

This activity could also create a more favorable climate for Latin American unity. Obviously, the tasks we Communists set are not easy. But neither is the present situation. We are at a historical crossroads and the future of Argentina as a sovereign nation is at stake. What would have happened if in May 1810 the leaders of the liberation movement, who were faced with the urgent task of fighting for independence, had begun by talking about difficulties? Had they done so, Argentina would still be a colony. It is with due regard to the lessons of history that we all must also approach current moves against the foreign debt, for they are an important part of the struggle for the second and final liberation of our country.

There is a close connection between defense of the constitutional system, peace, democracy and freedom, on the one hand, and anti-IMF activity, on the other. The debt ruined thousands of people in the years of dictatorial rule. The problems of getting rid of it and reinforcing democracy are therefore inseparable in the people's liberation movement.

In combating the disastrous effects of the debt, we are going to organize mass actions against inflation and taxes, which hit the people, against declining wages and salaries, the closure of enterprises and the economic crisis in the provinces and regions, the health service and education. This struggle should begin at the grassroots level. The IMF is our chief enemy now and the working people must counter its policy with their unity and growing activity. This is the only way to lay the groundwork for a National and Social Liberation Front.

We consider it important that the proposal for a moratorium be backed up by mobilizing the people, by democratic unity and a minimum program which we believe should comprise the following demands: nationalize the main areas of foreign trade, nationalize private banks, es-



establish rigid control over trade, lay the foundations for a new taxation system (levy taxes primarily on nonproductive lands and big fortunes), end the monopoly plunder of the state, and organize effective popular control over pricefixing and government in collaboration with the trade unions and other public organizations.

We call for the broadest possible patriotic movement of all Argentines against paying the debt. This issue is now central to the Communists' activity; it requires new efforts towards improving and implementing the political project whose pivot is the formation of a Front for Democracy.

The debt is a problem that does not concern Argentina alone, but the whole continent. It is an economic and political issue and is becoming a revolutionary issue in step with developments, as Fidel Castro has said.<sup>7</sup> The struggle to settle it is one of the major tasks facing the peoples of Latin America today. It will undoubtedly be backed by the broadest sections of society; it will contribute to continental unity,

which José de San Martín and Simón Bolívar dreamed of, and will be part of the common battle of developing countries for their definitive independence, for the establishment of more equitable economic relations in the world. □

#### Notes

- 1 To reassure the population somehow, the government has been carrying on a propaganda campaign that has given rise to quite serious hopes; on June 14 last, it announced an "anti-inflationary" plan which implies still more faithful compliance of the national economy with IMF "recommendations."
- 2 The reference is to the major hydroelectric power project to be built on the middle reaches of the Parana, with Soviet assistance.—Ed.
- 3 This amount is commonly held to be made up of, among other things, remitted profits, less favorable terms of trade turnover, overstatements or understatements in foreign trade invoices and land rent speculation.
- 4 See *Clarín*, July 3, 1983.
- 5 See *Tiempo Argentino*, May 4, 1984.
- 6 For details, see *World Marxist Review*, No. 6, 1983, pp. 42-43.
- 7 See Fidel Castro, *La impagable deuda externa de América Latina y del Tercer Mundo, como puede y debe ser cancelada y la urgente necesidad del Nuevo Orden Económico Internacional*, Havana, 1985.

# 'The Abandonment of the Jews'

PHILLIP BONOSKY

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David S. Wyman, *Abandonment of the Jews, America and the Holocaust*, Pantheon Books, New York, 1984, 444 pages.

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Why so little was done to save the Jews from the Nazi holocaust has allegedly haunted the conscience of the West for the last forty-odd years. Despite the fact that the United States was headed by a liberal-minded president who was well aware of what was happening to the Jews in Germany, still very little was done by his Administration to save them. Why?

But why, also, was very little done by the Jewish organizations and leaders (both Zionist and non-Zionist) in America and Britain to save Europe's Jews despite the fact that they, too, knew what was happening?

This book addresses itself to these two questions, which are posed as an accusation. Written by a non-Jew, who is professor of history at the University of Massachusetts, the book, though it ostensibly sets out to answer these questions, actually founders on the question it doesn't ask.

Why is it so hard for today's Solomons to "fix the blame"? Why, indeed, did the mountain of the American Jewish Commission on the Holocaust, headed by Arthur J. Goldberg, labor for two and a half years, in the midst of controversy and acrimony, to do just that and end up finally, in 1984, with a very mouse of a conclusion, summed up mainly with the sad observation that efforts to save Europe's Jews were too little and too late?

Or take the position recommended by Irving Howe in his *World of Our Fathers*,

any pretense of explaining the Holocaust, any theory as to its causes, was bound to crumble into inconsequence, a mere trifling with categories in face of the unspeakable. There was nothing to do but remember, and that was best done in silence.

Is "silence" then the only answer to Wyman's charges? Is it impossible to find an under-

lying reason for both the genocidal policies of the Nazis and the Allied "indifference" to them? Is there, for instance, a common link between the "silence" with which some circles greeted the plight of the Jews under Hitler, where they stood in such dire peril, and the tremendous clamor which "the plight of the Jews" in the Soviet Union arouses today, though they stand in no peril at all? Why so "silent" then, and so raucous now?

It's a mistake, of course, to try to impose on the past the judgement of the present. But this is precisely what Wyman tries to do in his book. Whether he's aware of it or not, his book is an attempt to rewrite the past and reconstruct its priorities and politics to suit today's political imperatives.

The reason why the book finally peters out, just as Goldberg's commission did, is because its impetus withered before the unspoken question. Everything was known about Hitler's intentions toward the Jews. But the Jews were neither abandoned nor forgotten by forces distracted by the war. They were sacrificed. They were sacrificed to more urgent class objectives by the "uncaring" "West"; they were exterminated by the malevolent Nazis, and the two ostensibly unconnected policies made one complete whole. The Jews of Europe were sacrificed on the altar of anti-Communism, both inside Germany and outside Germany. This is the answer to the unspoken question which an Irving Howe would rather be silent about and which Goldberg and Wyman dare to raise, but to which they supply ersatz answers that are nothing but red herrings strewn across the trail.

Mr. Wyman parades a list of reasons why the American government and the dominant American Jewish forces "abandoned" the Jews, although by 1942 it was obvious to the whole world what all antifascists had known since Hitler came to power in 1933: Hitler intended to destroy the Jews physically, as the "final solution."

Here's his list:

Government officials dreaded having thousands of Jewish refugees dumped on America's shores, especially at a time when there were no jobs for Americans;

Roosevelt, hard-pressed by native forces who preached appeasement of fascism, who were virulently anti-Semitic, feared to add coals to already burning fires;

There was sabotage in the State Department, which worked against efforts even to report the plight of the Jews;

American public opinion was slow to believe the stories of Nazi atrocities;

American "isolationism," which recoiled against getting involved in Europe's business;

American Jewish leaders soft-pedalled the issue and chose to work behind the scenes.

There were two more reasons. One, not cited by Wyman, is that in the 1930s to be anti-fascist was automatically to be accused of being "Communist." Jewish (and other) bourgeois leaders, even if they were anti-Hitler, recoiled from actively antifascist positions for this reason.

A final reason that did much damage, cited by Wyman only to dismiss it, was the fact that official Zionist forces demanded that all efforts to rescue Europe's Jews be subordinated to Zionist ends: emigration to Palestine and *only* to Palestine. There was also another reason, although this reason is not often mentioned. The fact that not all of Europe's Jews were prepared to leave as long as some possibility of effecting a *modus vivendi* with fascism seemed possible. Bourgeois Jewish forces "bargained" in countries like Austria, Hungary and Poland until it was too late to bargain any more.

But Wyman insists that the issue was clear-cut. The Jews needed saving but the Roosevelt Administration, not so much turned a deaf ear, as it advanced the proposition that the best way to save the Jews was to win the war.

This is not Wyman's position. He implies that the *central* meaning of the war was the salvation of Europe's Jews, and that all other considerations should have been subordinated to that end, and he indicts both the Roosevelt Ad-

ministration and the leading Jewish community spokesmen for not making this their official policy.

His entire book is devoted to a meticulous, it almost seems day-to-day, recapitulation of the efforts of diverse groups to get Roosevelt's ear, of inner-Jewish group dissensions, of American anti-Semitism, of Christian neglect and indifference, of political joustings, of how the news of atrocities was downplayed in the press, and so on.

His case, as he confines it to his theme, is proven as far as such documents and newspaper accounts can prove it. And yet the book ends up on a plaintive note. Roosevelt is not indicted as an anti-Semite, merely as not being conscious enough of his overriding moral obligation to save the Jews first. Even so, "poor though it was, the American rescue record was better than that of Great Britain, Russia, or the other Allied nations." He also adds that though "parts of" his book "are critical of the American Jewish leadership," he makes "this criticism . . . reluctantly." In fact, it ends up that nobody is really to blame. Having marched up the hill, he marches right down again. Unable to put the crucial question to himself, he is unable to supply any satisfactory answers to others. It seems that six million Jews died in Germany because America happened to be looking the other way.

The truth of the matter is that Roosevelt's idea that the Jews could best be saved by winning the war was essentially correct. In fact, if the Second Front (promised by Churchill and Roosevelt in 1942) had actually been opened then, who doubts that the war could have been brought to an end far earlier than 1945? And that millions of Jews (and others) killed by the Nazis between 1942 and 1945 would have been saved?

Why didn't it happen? Here is where the crux of the matter is to be found. The opening of the Second Front was delayed for two long years by the Allies while the war was being bitterly fought on the Eastern Front with enormous casualties on both sides, but certainly on the Soviet side. Over and over Stalin pleaded with the two other allies to open the Second

Front and over and over he was given excuses (or diversions in Africa and Italy) instead. By the end of the war—and even more so afterward—it became all too obvious that the delays had no military justification behind them. They were political. The aim was to bleed the Soviets white, and in encouraging the shedding of Soviet blood they had no compunctions about “incidentally” shedding the blood of the Jews as well. The Jews were therefore a sacrifice to American and British anti-Soviet policy in waging the war, as they had been sacrificed in attempts to direct the Nazis eastward, toward the Soviet Union, at Munich.

That is the answer to the question: Why weren't the Allied forces more intent on measures to save the Jews? That is the answer that none of those raising the question want to hear and explains why they would prefer “silence.”

This also exposes the incredible hypocrisy behind the present extended and prolonged commotion on the issue of “Jewish emigration” from the Soviet Union. The proclamation in defense of the Jews that could not be secured from the most liberal president in America's history when the Jews were being killed is easily secured from the most reactionary of America's presidents when the Jews are entirely free and are participating in building socialism. (See “Joint Resolution to Appeal for the Release of Soviet Jewry,” adopted by the 99th Congress, in August 1985, and signed by those great defenders of Jewish rights Strom Thurmond, Ronald Reagan and Tip O'Neill.) The policy followed by the Zionists and other reactionaries on the question of German Jewry in the 1930 and '40s is the *same* policy being followed by the same forces today, though in an ostensibly different guise. The common link between the policies in the two periods is anti-Sovietism and anti-Communism.

Slander of the Soviet Union and the U.S. Communists and Left runs through this book when either of them is mentioned. The Soviet Union is always referred to in an invidious context. It is judged on what Wyman and others hope can be accepted as the supreme standard qualifying the humanity of a country's social

system: whether it measures up to the Zionist definition of Jews and Jewish rights.

And yet, not only was the Soviet Union the savior of Europe's Jews when the Red Army destroyed Hitler. But even during the war it saved tens of thousands of Jews, mainly Polish (including, for instance, not un-ironically, Menachem Begin himself). Hundreds of thousand of Jews fought in the ranks of the Red Army and among the partisans. But consider this paragraph from Wyman's book dealing with Soviet relations with the Poles:

About 120,000 Poles, mostly men of military age and their dependents, came out of Russia during 1942 and passed into British-controlled camps in Iran. They were part of the remnant of a million and a half Poles the Soviets had deported to Siberia after the seizure of eastern Poland in 1939.

That's all of it. No Jews are mentioned, though thousands had been saved from the Nazi advance into Poland by the Soviet action in 1939 blocking Hitler's advance eastward to the Soviet border. And these Poles, who had been saved from death, including those forces connected to the most virulent Polish nationalists, who were also not incidentally just as virulently anti-Semitic, waited out the bitterest year of the war (1941-42) in safety. Refusing to fight the Nazis alongside the Soviet forces (as other, truly antifascist, Polish forces did), they left the USSR to join with the British to form an army to be kept in reserve to fight, not the Nazis, never the Nazis, but the Soviets *after* the victory had been won!

But as to the unmentioned Jews, here is a contemporary news account of how the Red Army was received by the Poles and particularly by the Jews when they entered Eastern Poland, as reported by a bourgeois eyewitness correspondent:

Not a shot was fired, not a bomb was dropped, and villagers and townspeople, freed from the terror of German air attacks, hailed the Red Army as deliverers.

Russian troops themselves contributed to this feeling of relief by saying they came as comrades.

Many inhabitants in this part of Poland are Jews whose number has been swelled by thousands of Jewish refugees fleeing before the Germans. Their joy was great at finding themselves safe from Nazi bands. (William Forrest, *New York Post* and *London Chronicle*, as quoted by *New Masses*, Oct. 3, 1939.)

Similarly, when Wyman mentions the U.S. Communist Party or *New Masses*, *Daily Worker* and *Freiheit*, he dismisses them with a few giggling words, as though their contributions had been minor or irrelevant. His in-built, knee-jerk bias against the Communists is so glaring as to be grotesque and substantially accounts for the lopsided nature of his book.

And yet, to go back to the periodicals themselves is to open up a veritable gold mine of sources on this question. Just choosing one year and one publication at random, in 1934, for instance, *New Masses* published articles exposing the use of human sterilization by the Nazis, an article on the background of the rise of German fascism, a number of articles by John L. Spivak exposing native fascism and its anti-Semitic links to German fascism. Ilya Ehrenburg mocks Horst Wessel, the Nazis' pimp hero, and Soviet film maker Sergei Eisenstein launches an "Open Letter to Goebbels" in which he denounces the very concept of a Nazi art. There is a piece describing an interview by some German notables with Ernst Thaelmann, the imprisoned secretary of the German Communist Party, who, flanked by Nazi guards, bravely denounces the Nazis for their barbarous treatment. There is an article titled "Writers Protest Fascist Terror," and the magazine opens its pages to an article by the French writer Jacques Maritain called, "An Answer to Anti-Semitism."

The magazine's pages vibrate with antifascist cartoons by William Gropper, Jacob Burck and Fred Ellis, and others, as well as with antifascist poems and stories. Every important writer from Hemingway to Lillian Hellman sought to be published (then and later) in its pages. And not only did the magazine support the efforts of the Joint Anti-Fascist Rescue Committee to save Germany's antifascists, many of them Jews, but it championed the defenders of

Spain against Franco's fascism and later found ways of helping the Spanish refugees that poured into France when the Spanish Civil War was lost in 1938.

To their eternal credit, these publications, and the Communist Party, were the first to educate America's workers and intellectuals, Jewish and non-Jewish, on the nature of fascism, its class origins, its antidemocratic aims, its virulent anti-Semitism, its deadly enmity to the German and other nations' working class, and particularly its savage hatred of the country of the working class, the Soviet Union.

In fact, during an exchange on the question of the fight against anti-Semitism, the *New Masses* replied to the *New York Post* proudly (July 4, 1939) that "in the past year, the *New Masses* has published more material on anti-Semitism than has appeared in the [Jewish-owned] *Post* in its entire history." True not only about the *Post* but about virtually the whole American press!

Even as early as Dec. 4, 1934, just a few months after Hitler came to power, the *New Masses* was already alerting its readers to the dangers not only for the Jews (and it noted that already "thousands" of Jewish revolutionaries had been sent to Hitler's camps) but for all of mankind in the triumph of the Nazis in Germany. In reproducing the text of a statement issued by the leading bourgeois Jewish organization in Germany—the most "German," the most "patriotic"—it sought to warn those Jewish forces everywhere who still underestimated the danger that Hitler represented, that there was no haven for them—as there was not for any democrats and revolutionaries anywhere—but in resistance. Here, as Dr. Neuman, a leading spokesman for the bourgeois Jewish community of Germany put it:

The members of the Union of National Jews, founded in 1921, have in war and peace placed the well-being of the German people and the German Fatherland, with which we feel ourselves inextricably bound up, above our own.

For this reason we welcomed the national revolution of January 1933 [when Hitler came to power],

although it was accompanied by certain hardships for ourselves. [Jews were beaten but the property and wealth of upper class Jews remained, as yet, untouched.] For we consider it the only means of eliminating the damage done in fourteen miserable years by un-German elements. [Who were these un-Germans? Karl Liebknecht and Rosa Luxembourg, perhaps, Communists and trade unionists?]

We are in entire agreement with the political legacy of the honored president and director of the state, Hindenburg, who has acclaimed the deeds of the Fuehrer [burning down the Reichstag, destroying the trade union movement, outlawing the Communist Party], Adolf Hitler, as a decisive step of deep historical significance, at the same time declaring that much still remains to be done, and that the national revolution must be followed by a reconciliation embracing the entire German people. [Except those already in the concentration camps.]

That portion of the German Jews [as differentiated from which "portion" of the German Jews?] who know no fatherland other than Germany, belong to the German fatherland body and soul. (Quoted in *New Masses*, Dec. 4, 1934.)

Here in these obsequious words was already expressed the key to the policy followed later by so many Jewish Councils (*Judenrat*) during the German occupation throughout Europe when Jews were given the tasks of policing the internal life of the ghettos, which included meting out punishment to other Jews condemned by the Nazis, even to making up death lists and carrying out executions (*Judenrat*, by Isaiah Trunk). These sources, wherever they had influence, counseled cooperation with the Nazis and discouraged resistance, though, as the late Henry Zimanas made clear (himself a Jewish leader of partisans in Lithuania): "Those who resisted, lived, those who cooperated, perished."

So why write a book that can only tell us what we already know and refuses to raise the only question that matters? "Never again" cry those Jews "protesting" the "persecution" of Jews in the Soviet Union, as though they are

confronting a repetition of the Nazi experience.

The attempt—now official policy of the U.S.—to identify the socialist Soviet Union with Nazi Germany on their alleged similar attitudes toward Jews is a gross political swindle. In depth of cynicism it can match anything the Nazis themselves perpetrated on their own people. They have forgotten nothing, they have learned nothing—as witness the man who can conceivably assume a leading role in Israeli politics—Meyer Kahane:

At a news conference today [in Tel Aviv] rabbi Kahane was asked how he would feel if a Christian party in the United States had demanded that all Jews get out. [Kahane had demanded that all Arabs be expelled from Israel.] "I'd pay them money," he replied. "I wish the goyim would throw them out—not kill them—but drive all the Jews to Israel." (*New York Times*, July 29, 1984.)

Kahane represents the most extreme of the Israeli expansionists. But even as I write he is predicting (in New York City) that one day soon he will become Israel's prime minister. We know better than to treat such bombast too lightly!

This one-time informant for the Un-American Activities Committee is also a leading exponent of war against the socialist world, is already a member of the Israeli Knesset and has the support, we are told, of 10 per cent of the Israeli non-Arab population. His "extreme" aims of a "purely Jewish" Israel, allied to American imperialism, springs from the same root as the "more moderate" policy of those presently in power. Though they differ, they also share.

What is needed is not another book that muddies the waters, but one which puts the right questions to the past so that the correct answers can be found for the present. Not "silence," or regrets, or empty charges that go nowhere. For the world situation is such today that tomorrow it may not be just a question of "saving the Jews" but of saving the entire human race. □

# The Medical-Industrial Complex

## More Profit and Less Care

DAVID LAWRENCE

Multinational corporations are moving into health care in the United States. The bottom line is profits, and they are enormous. The monopolization of health care is proceeding at a furious pace. The "independent" community hospital and clinic of just a decade or two ago is being replaced by a multinational health care industry. The consequences will be more profits for the multinationals, and less care for the people:

- Costs of health care are spiralling.
- The uninsured, low-paid and indigent receive minimal care or none at all.
- Those with long-term disabilities, chronic disease and complicated illnesses or injuries (less profitable medical problems) face more difficulties finding affordable, adequate treatment.
- Lower staffing levels in health care facilities reduce the quantity and quality of patient care.
- Even emergency care is denied those unable to prove ability to pay.
- Physicians and other health care providers are pressured to provide less care to more patients.
- The number of individuals and families with insufficient health insurance or none at all is growing. (Reduction of health benefits is currently the second largest "giveback" demand by employers in collective bargaining situations.)
- The incentive and ability to practice preventative medicine will decrease.

A NATIONAL NEWS MAGAZINE has characterized the health care industry as "an industry bigger than defense and growing faster than computers."<sup>1</sup> It cites the warning to health professionals by Dr. Arnold Relman, editor of the *New England Journal of Medicine*, to beware of the "the new medical-industrial complex."

In 1970, \$75 billion was spent on health care

in the U.S. By the end of 1985, this figure will have climbed to \$400 billion—11 per cent of the GNP.<sup>2</sup> For-profit hospital companies such as Humana Corp. of America and National Medical Enterprises are out to mine this gold field. Reagan's probusiness policies are increasing monopolization of health care by investor-owned corporations controlling chains of health care facilities.

There are an estimated 100 investor-owned hospital corporations operating at least 1,000 acute care hospitals. The gross revenues of these hospital chains are approximately \$11 billion. While this currently represents only about 10 per cent of the total share of the hospital business, health care industry analysts estimate that the companies' revenues should increase at a 25 per cent annual pace for at least the next five years.<sup>3</sup>

The Hospital Corporation of America is the largest hospital management corporation in the United States. It owns or manages 422 health care facilities and is worth about \$4.1 billion. American Hospital Supply Corporation is the largest distributor of hospital supplies in the nation. It is worth \$3.5 billion. In March of 1985 these two medical-industrial giants announced they would merge. The merger marks a major step in the increasing monopolization of the health care industry and heralds more to come.

RECENTLY, TESTIMONY WAS GIVEN on behalf of the 50,000-member American Public Health Association (APHA) at a public hearing sponsored by the Institute of Medicine Committee on the Implication of For-Profit Enterprise in Health Care. The testimony notes in part:

The resolution [passed by APHA membership, November 1983] deplores the recent great growth in the size and scope of for-profit health care institutions and programs because of our belief that the over-rid

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ing drive of private investment in health services is to maximize profit—a controlling operating principle which we consider inappropriate to decision-making in delivering health care. This is why we are opposed to the growth of for-profit health care institutions and programs and have called upon Congress to investigate the health, economic and political implications of recent trends through studies and research supported by the Department of Health and Human Services and other appropriate agencies.

An administrator for Hospital Corporations of America (HCA) was asked at a public hearings in Georgia several years ago why he did not put up signs advising, "This hospital will provide free care to people who are unable to pay." His response was, "I'll answer that question with a question: Why don't department stores put up signs inviting shoplifters to shoplift more?"<sup>4</sup>

Hospital corporations owned by investors tend to concentrate in states where regulation is relatively light and unionization low, and in affluent suburbs where a high percentage of patients are covered by private insurance. Since they make the highest profits on patients who are in and out in a few days, they avoid treating burns and other chronic problems. In Louisville, Kentucky, for example, a new \$80 million city hospital had originally planned to open a burn unit. However, in 1983, when the hospital was leased to Humana, a giant investor-owned hospital chain, the "unprofitable" burn unit was scrapped. The city's firefighters protested, but Humana did not budge. A month later a woman was severely burned in an explosion in her home, and died shortly thereafter at Humana's hospital. The incident sparked community-wide protests, led by the firefighters, eventually forcing Humana to open a burn unit.<sup>5</sup>

Another way investor-owned hospitals maximize profits is by wholesale firing of health care workers. In 1983 there were 4.5 hospital employees per bed in the U.S.; however in 1984 alone about 100,000 were laid off. Todd Richter, a well-known industry consultant, predicts that the number will drop to 2.5 employees per bed in the next few years.<sup>6</sup>

"INDIGENT CARE IS THE OBSTACLE to making the marketplace work in health care," arrogantly notes Michael Bromberg, Director of the Federation of American Hospitals, which represents investor-owned hospitals.<sup>7</sup> Thus, private hospitals "dump" uninsured patients on public hospitals, a dangerous and unethical practice. Traditionally public hospitals operated by municipalities, counties and universities cared for indigents and other uninsured patients, but their load has increased enormously. In Washington, D.C., for example, 170 patients were dumped in 1981, but investor-owned hospitals will dump an estimated 1,100 patients into D.C. General Hospital in 1985.<sup>8</sup>

Local public officials, who have received little material assistance from the Reagan Administration, are increasingly abandoning their responsibility to assure basic health services to the nation's medically vulnerable. In 1950 approximately one-third of all hospital beds were in public hospitals. Today only about one-seventh of all hospital beds are in public hospitals, and the proportion continues to drop. Between 1979 and 1982 alone, 72 public hospitals closed. To date approximately 30 public hospitals have been sold to the hospital chains, with another 150 leased or managed by the chains.<sup>9</sup>

By 1990 there will be still fewer public hospitals to care for the uninsured, whose numbers will have grown to an estimated 40 million. To quote Dr. Relman again, "Health care is being converted from a social service to an economic commodity, sold in the marketplace and distributed on the basis of who can afford to pay for it."<sup>10</sup>

When the people organize there can be successful fightbacks against the elimination of public and community hospitals. In the South Bronx neighborhood of New York City, for example, a largely low-income and minority area, the residents waged a determined battle to keep Lincoln Hospital open. Their long struggle during the 1970s paid off. The public hospital still provides services to low-income patients. Currently a similar struggle is being waged against the closing of private Prospect Hospital.<sup>11</sup>



THE RELATIONSHIP between hospitals and banks plays a major role in the escalation of medical costs, particularly among the investor-owned hospitals. In 1984 health care institutions borrowed over \$5 billion in the tax exempt bond market in order to finance new construction. Typically, the hospital guaranteed repayment, agreed to maintain a certain level of occupancy, and frequently agreed to raise its rates.

Medicare, Medicaid and Blue Cross allow hospitals to include payments on debts when figuring reimbursement rates. Therefore, the more a hospital owes, the more it raises its rates to pay back the loan. The cost not only shows up on patients' bills but is passed on to all people who pay taxes and insurance premiums. There are reports of debt service obligations resulting in per patient add-ons of up to \$100 per day.

For-profits typically charge considerably more than not-for-profit hospitals. Drugs, for example, are routinely priced so that they yield a profit margin of as much as 80 per cent, versus 20 per cent at not-for-profit hospitals. A recent report by the Federal Bureau of Health Facilities found that charges at for-profit hospitals were nearly 24 per cent higher than at voluntary hospitals.

A typical example involves the Habersham County Hospital which was sold in 1977 to Hospital Corporation of America (HCA), which promised to more efficiently run the financially weak community hospital. Just seven years later, the Habersham County Superior Court grand jury found that since the HCA takeover, patient charges had risen 237 per cent, and the hospital regularly used unethical high pressure tactics to force patients to pay bills. The grand jury also found that the hospital failed to meet its federal obligation to care for the poor and there were serious deficiencies in quality of care.<sup>12</sup>

Contrary to a popularly expounded notion that insurance companies want to keep medical costs down, the reverse is true. Insurance-for-profit corporations have powerful incentives to allow medical costs to escalate. They can and do raise their premiums rates commensurately with rising medical costs. This permits their profits to outpace inflation and increases the funds they have available for investment, a matter of critical interest to them. "In fact, the interests of the insurers and those who provide health care at times coincide far more than is desirable or, in some cases, legal under antitrust laws, according to health care economists and other experts."<sup>13</sup>

THE EMERGING MEDICAL-INDUSTRIAL COMPLEX is dangerous to health. It must be fought by the trade unions, professional organizations and all affected communities. State and federal investigations of the consequences of hospital takeovers by the monopolies are needed. A National Health Service, free to all who need health care, must become an upfront demand. □

#### Notes

- 1 *Newsweek*, October 31, 1984.
- 2 Steven Greenhouse, "Hospital Suppliers Strike Back," *New York Times*, March 31, 1985.
- 3 *New York Times*, August 9, 1984.
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☆ ☆ *Thanks for Giving* ☆ ☆

Dear Friend,

We don't know who thought of using "circulation" to describe a magazine's readership, but the analogy of the term to the life process is most appropriate. Without "circulation," no publication, no matter how great its ideas, how pleasing its format, can exist, can grow. We feel that *PA's* circulation is vital. We must grow, not for our own sake, but because of the role this magazine plays in today's world. When were scientific ideas of how to achieve socialism in our country more needed? When was clarity in the struggle for peace more urgent?

That is why we have embarked on our most ambitious subscription drive in many years. As you know from previous reports in this column, our first appeal to you to help launch that drive met with astounding success. Contributions received in response to that appeal have enabled us to mail, a few days before this writing, over 13,000 advertising brochures, partnered with a covering letter. It's too early to make a "returns" report, but there are some significant indications. We already have over 80 new readers who have taken advantage of our offers for introductory subs, combination gift-book/subs and our ten-year offer. Some current readers have extended their subscriptions for ten years to garner the *Marx-*

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Either of our special offers would make a splendid holiday gift.

Since our last issue, these are the people who have responded to our appeal:

Esther Moroze,  
*Business Manager*

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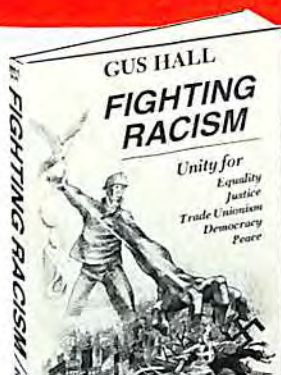
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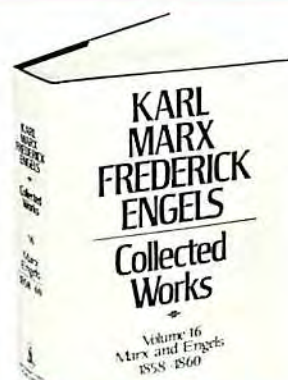
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