

12. India - Communist Party of India (Marxist-Leninist) New Democracy
13. India - Socialist Unity Center of India (SUCI)
14. Italy - Assemblea Nazionale Anticapitalista
15. Italy - Circolo Lenin
16. Italy - Forum dei Comunisti
17. Mexico - Asesoría Jurídica Popular
18. Mexico - Representante de los Presos de Loxicha
19. Nepal - Anti-Imperialist Revolutionary Forum
20. Netherlands - New Communist Party Netherlands (NCPN)
21. Niger - Mouvement Patriotique pour la Solidarité et le Progrès (MPSP-Haske)
22. Norway - Communist Workers' Party (AKP)
23. Palestine - Adel Samara and Masad Arbid, Al-Mashriq/Al-Amil Center for Cultural and Developmental Studies
24. Philippines - National Democratic Front
25. Russia - Russia of the Workers
26. Senegal - JDB/Le Prolétaire
27. South Africa - Azanian People's Organization (AZAPO)
28. USA - For a Better World
29. USA - Freedom Road Socialist Organization
30. Yugoslavia - Workers' Movement

# REBOLUSYON

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Theoretical and Political Journal  
of the Central Committee  
of the Communist Party of the Philippines

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## **CONTRADICTIONS IN THE WORLD CAPITALIST SYSTEM AND THE NECESSITY OF SOCIALIST REVOLUTION**

**Jose Ma. Sison**  
**Founding Chairman, CPP**

## **RESOLUTIONS OF THE INTERNATIONAL COMMUNIST SEMINAR** *Brussels, Belgium; 2-4 May 2001*

### **IMPERIALIST GLOBALIZATION AND THE WORLD REVOLUTIONARY PROCESS**

### **SUPPORT TO THE CUBAN REVOLUTION**

### **FOR THE REUNIFICATION OF KOREA WITHOUT FOREIGN INTERFERENCE**

### **SOLIDARITY WITH THE POLITICAL PRISONERS IN THE FIGHT AGAINST IMPERIALISM, IN TURKEY AND THE REST OF THE WORLD**

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years already in 'death row', condemned to capital punishment for a crime that he didn't commit. The signatory parties, participants to the International Communist Seminar of Brussels, propose:

- To support the just cause of the political prisoners in Turkey and to demand their liberation and that of all other revolutionary, progressive and democratic prisoners in the jails of imperialism and fascism.
- To carry out an international campaign of condemnation of the situation of the political prisoners in the world, showing the link between the imperialist pattern of exploitation and the rising State repression in order to assure that exploitation and to eliminate the resistance.
- To coordinate the efforts of Marxist-Leninist parties, revolutionary organizations, popular movements, labor unions, human rights groups, democratic personalities, etc., to organize 'a week of struggle for the freedom of the political prisoners in the world', which can be organized in a coordinated way and conform to the political situation of each country.

***Signatories:***

1. Bangladesh - Socialist Party of Bangladesh
2. Belgium - Workers' Party of Belgium
3. Brazil - Centro Brasileiro de Solidariedade aos Povos (Cebraspo)
4. Burundi - Parti Communiste du Burundi
5. Chad - Action Tchadienne pour l'Unité et le Socialisme (ACTUS)
6. France - Cercle Henri Barbusse
7. France - Communistes en lutte
8. France - Coordination communiste
9. Germany - Communist Party of Germany (KPD)
10. Guadeloupe - Parti Communiste Guadeloupéen
11. India - Communist Party of India (Marxist-Leninist) Janashakti

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# **SOLIDARITY WITH THE POLITICAL PRISONERS IN THE FIGHT AGAINST IMPERIALISM, IN TURKEY AND THE REST OF THE WORLD**

*Resolution of the International Communist Seminar*

*Brussels, Belgium, May 2-4, 2001*

The signatory parties, participants to the International Communist Seminar of Brussels of May 2-4, 2001, condemn vigorously the Turkish Fascist state that practices ultra-terrorist politics against thousands of political prisoners. In particular, the signatory parties reject the police and military attack against jails that took place in December of 2000 and that culminated with dozens of murdered and mutilated revolutionaries. Working in the interest of imperialism, this NATO member state wants to break the resistance of the political prisoners by the implementation of the 'model F jails', with maximum isolation. Our comrades decided to start a hunger strike in demand for better prison conditions. In that strike many prisoners and their relatives have already lost their lives, and many more run serious risks of dying.

Everywhere the fascisation of US imperialism, the European powers and their reactionary regimes has led to an increase in police and military repression against the popular mobilizations, with murders, disappearances and arrests of numerous militants in many countries. We condemn this repression and violation of the human rights on the part of those powers and their allies who pretend to be champions of 'human rights' and 'democracy'. With the terrible NATO bombing of Iraq and Yugoslavia, the blockade against Cuba, the invasion of Panama, the bombings of Libya and Sudan, the permanent military threat against Korea, the war against Vietnam and Laos, etc. We already saw how imperialism violates human rights and the rights of the peoples.

A particularly serious case is occurring in the United States, where the revolutionary Afro-American Mumia Abu Jamal has been for 19

# **CONTRADICTIONS IN THE WORLD CAPITALIST SYSTEM AND THE NECESSITY OF SOCIALIST REVOLUTION**

**By Jose Maria Sison**

*Founding Chairman*

*Communist Party of the Philippines*

*3 May 2001*

My assignment is to analyze the new economic, political and social contradictions that have emerged in the world capitalist system in recent decades and to present the necessity of socialist revolution and the contradictions in the process of realizing socialism.

I propose to give a brief historical background on the stages of the general crisis of monopoly capitalism or imperialism in the 20th century. Then, I concentrate on the last two decades of that century and up to the present. Finally, I deal with the necessity of waging the socialist revolution. In brief, I shall discuss the era of imperialism and proletarian revolution.

This era continues and will continue for a long time to come. The epochal struggle between the proletariat and the monopoly bourgeoisie has by no means stopped, despite the revisionist betrayal of socialism and restoration of capitalism in former socialist countries. The general crisis of world capitalism has in fact entered a new stage.

I shall deal with the basic contradictions in the imperialist system: those between the monopoly bourgeoisie and the proletariat in imperialist countries, those among the imperialist powers and those between the imperialist powers and the oppressed nations and peoples.

## ***I. The General Crisis of the World Capitalist System***

As Lenin pointed out, imperialism is the highest and final stage of capitalism. It is an utterly parasitic and moribund kind of capitalism.

The monopoly bourgeoisie is a rentier class. Apart from owning capital, it contributes nothing to the process of social production but reaps profits from the extraction of surplus value and from the export of surplus goods and surplus capital.

In the few countries where monopoly capitalism became dominant after developing from free competition capitalism, industrial capital merged with bank capital to make the ruling bourgeoisie fundamentally a financial oligarchy. On top of the export of surplus manufactures, the export of surplus capital in the form of direct and indirect investments gains importance.

The monopoly firms of each imperialist country look after their own interests. But they combine and compete with those of other imperialist countries for control of the sources of raw materials, fields of investments, markets and positions of strength. The monopoly firms in various imperialist countries have always engaged in global expansion and in various combinations, such as cartels, trusts, syndicates, mergers and alliances. The phenomenon of the so-called multinational corporation is not new. What is new is the magnification and intensification of the phenomenon.

The imperialist states protect and promote the interest of their respective monopoly bourgeoisie and the various international combinations into which it goes. They maintain a power structure between imperialist and client-states in charge of an economic structure by which the monopoly bourgeoisie can exploit the proletariat and the oppressed nations and peoples.

Since the beginning of the 20th century, no part of the world has remained uncovered by one or several imperialist powers. The world has become too small for monopoly capitalism. It is pure nonsense to speak of globalization as if it were a new phenomenon. Monopoly capitalism or modern imperialism has always operated on an international scale, first appropriating the old colonial methods and then using the methods of neocolonialism to nullify the formal independence of former colonies, semicolonies and dependent countries.

25. South Africa - Azanian People's Organization
26. Ukraine - Union of Communists
27. USA - For a Better World
28. USA - Freedom Road Socialist Organization
29. Yugoslavia - Workers' Movement

### ***Signatories:***

1. Bangladesh - Communist Party of Bangladesh (Marxist-Leninist)
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5. Chad - Action Tchadienne pour l'Unité et le Socialisme (ACTUS)
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12. India - Communist Party of India (Marxist-Leninist) New Democracy
13. India - Socialist Unity Center of India (SUCI)
14. Italy - Assemblea Nazionale Anticapitalista
15. Italy - Circolo Lenin
16. Italy - Forum dei Comunisti
17. Laos - Lao People's Revolutionary Party
18. Nepal - Anti-Imperialist Revolutionary Forum
19. Netherlands - New Communist Party Netherlands (NCPN)
20. Niger - Mouvement Patriotique pour la Solidarité et le Progrès (MPSP-Haske)
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24. Senegal - JDB/Le Prolétaire

The imperialist powers struggle constantly among themselves for economic territory. The struggle for a redivision of the world intensifies when the crisis of overproduction intensifies and at worst breaks out into interimperialist wars.

The aggressive and rapacious character of imperialism made the 20th century the most exploitative and the most violent in the entire history of mankind. But the economic crisis, repression and world wars generated by imperialism have also led to anti-imperialist and class struggles and to proletarian revolution. The general crisis of the world capitalist system has undergone three stages, culminating in social upheavals and revolutionary victories of the proletariat and the rest of the people.

On the way to the first interimperialist war, the monopoly bourgeoisie of the various imperialist countries accelerated the international flow of investments and trade, the concentration of capital and the use of state monopoly capitalism to aid private monopoly capital. It sought to override the domestic crisis of overproduction and the intensifying class struggle between itself and the proletariat by clamoring for a bigger share of the world market.

Imperialist powers that had more colonial possessions raised the anachronistic flag of "free trade" to camouflage their own protectionism while those that had less were blatantly protectionist and demanded to have a greater share of global economic territory. One group of imperialist powers was driven by economic competition and economic rivalry to make war preparations and to collide violently with another group as the struggle for a redivision of the world sharpened.

The first stage of the crisis of the world capitalist system was characterized by crisis leading to interimperialist war and by interimperialist war leading to revolutionary civil war and further on to the triumph of the proletarian revolution in Russia, the weakest link in the chain of imperialist powers. For the proletariat and the people, the happy ending of the first stage of the crisis of the world capitalist

system was the establishment of the first socialist state in one-sixth of the globe.

As soon as the Great October Socialist Revolution of 1917 triumphed, the imperialist powers banded together against the Soviet state and launched a multinational war of intervention. The revolutionary alliance of the proletariat and the peasantry withstood the attacks of the imperialist powers and enabled the Bolsheviks to take advantage of interimperialist contradictions in order to preserve and consolidate the gains of the proletarian revolution.

The Soviet Union faced continuous encirclement, embargo and the threat of intervention. But it succeeded in solving the problems of socialist revolution and construction, going through the period of New Economic Policy and proceeding to a series of five-year plans of socialist industrialization and agricultural collectivization and mechanization.

After World War I, the world capitalist system entered the second stage of its general crisis. Eventually, the Great Depression started in 1929, preceded by the boom years of the "new era". It was an extended crisis of overproduction and financial collapse. It generated an unprecedentedly intense class struggle between the monopoly bourgeoisie and the proletariat in imperialist countries, fierce interimperialist contradictions and renewed war preparations, the rise of fascism and the invigoration of national liberation movements in colonies and semicolonies.

The slogans of "free market" and "free trade" were discredited as all imperialist powers proclaimed the need for state intervention and protectionism in economic affairs. State monopoly capitalism had in fact grown far from its embryonic stage at the advent of the era of modern imperialism. The imperialist state increasingly used public finance to provide contracts and subsidies to the private monopolies and build armies for aggression.

To cope with the Great Depression, the imperialist powers turned to what would be conveniently called Keynesianism. This pertains to the

## **FOR THE REUNIFICATION OF KOREA WITHOUT FOREIGN INTERFERENCE**

### ***Resolution of the International Communist Seminar***

*Brussels, May 2-4, 2001*

We, the representatives of the political parties from various countries meeting in Brussels, express our grave concern over the situation recently prevailing on the Korean peninsula.

The new US administration is now calling for a "total review" of its policy toward Korea and for a "hard-line" against it.

At the same time, the United States is reinforcing its military forces in and around South Korea and conducting military exercises posing a threat against the Democratic People's Republic of Korea.

We strongly denounce these maneuvers on the part of the US as an aggressive act intended to drive the situation of the Korean peninsula to the confrontation level preceding the publication of the North-South Joint Declaration, thereby to perpetuate the US military presence in south Korea, dampen the mood for independent reunification of the Korean people, and realize its long-term ambition of dominating the whole of Korea.

The new US administration should free itself from the Cold War way of thinking, discard its anti-DPRK policy and come to the dialogue table with the DPRK on the basis of the recognized principles of respect and sovereignty and non-interference in the internal affairs of other countries.

We extend our full support and solidarity to the efforts of the Korean people to reunify their country independently and peacefully without any foreign interference.

5. Burundi - Parti Communiste du Burundi
6. Chad - Action Tchadienne pour l'Unité et le Socialisme (ACTUS)
7. France - Cercle Henri Barbusse
8. France - Communistes en lutte
9. France - Coordination communiste
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19. Senegal - JDB/Le Prolétaire
20. South Africa - Azanian People's Organization (AZAPO)
21. Spain - Communist Party of the Peoples of Spain (PCPE)
22. Ukraine - Union of Communists
23. USA - For a Better World
24. USA - Freedom Road Socialist Organization
25. USA - Ray O. Light Group
26. Yugoslavia - Workers' Movement

use of state intervention and stress on fiscal policy in order to pump-prime, stabilize and stimulate the domestic economies of the imperialist countries. The state undertook public works to generate employment and raise consumption, provided contracts and subsidies to private monopoly firms or nationalized them for a while in order to justify the delivery of public resources to the monopoly bourgeoisie.

Independently of the British economist John Maynard Keynes, the New Deal economists of US president Franklin Delano Roosevelt devised state intervention through public works projects and so did Schacht of Hitlerite Germany. In Anglo-American economic history, Keynes took credit for providing the conscious theorizing and mathematical formulations for state intervention through a fiscal policy of pump-priming.

Until the 1970s, the US monopoly bourgeoisie cited Keynesianism as the policy for using the state to cope with the crisis of monopoly capitalism, to combat the rise of the working class movement and socialism, to build a strong military machinery and to frustrate the demand of underdeveloped countries for industrial development. But Keynesianism has never succeeded in solving the fundamental crisis of monopoly capitalism.

On the way to the second interimperialist war, as the entire world capitalist system was gripped by a grave economic crisis, the imperialist powers engaged in intense war preparations. Rather than Keynesian public works, war production would revive the depressed US economy during World War II just as war production had buttressed the more aggressive schemes of Germany and other Axis powers.

Hitlerite Germany stood out as the most brutal enemy of the world proletariat as it destroyed the German communist party, promoted fascist counterrevolution on an international scale and proceeded to launch the war of aggression aimed at destroying the Soviet Union. But the Soviet Union prevailed. It made heavy sacrifices but delivered the most fatal blows on the German invasionary forces and broke the backbone of the entire lot of Axis Powers.

World War II would be settled in favor of the Allied powers mainly because of the decisive role of the Soviet Union. For the proletariat and people, the happy ending of the second stage of the crisis of the world capitalist system was the emergence of several socialist countries and the great upsurge of national liberation movements.

As a late entrant in the war, whose exports had fed the war production of both Allied and Axis powers, the US emerged from World War II as the strongest economic and military power among the imperialists. US policymakers feared that a grave US economic crisis would follow should its war production end or slow down. The fear was compounded by fear of the unprecedented rise of several socialist countries and the national liberation movements. Thus, the US was in a hurry to declare the Cold War, confront the Soviet Union, intervene in China and launch a war of aggression on Korea.

In the aftermath of World War II, it was quite easy to recognize that the world capitalist system had gone through two stages of its general crisis, each breaking out in an interimperialist war and leading to proletarian revolution. It was also easy to discern that the world capitalist system was moving into the third stage of its general crisis as a consequence of the ravages of war and the continuing rise of revolutionary forces.

In the Moscow meetings of communist and working class parties in 1957 and 1960, there was a general sense that the newly emergent socialist camp would defeat the capitalist camp. There was high optimism that the cause of socialism and national liberation would make further great advances in the rest of the 20th century. Indeed, great advances would be made. The people's democracies engaged in socialist revolution and construction among one-third of humanity. Many countries in Asia and Africa declared their national independence.

In waging the Cold War, the US maintained military bases and troops abroad and built military alliances like the NATO, the US-Japan security alliance, CENTO and SEATO. It stepped up military research and development, challenged the Soviet Union to an arms race and

Whereas: in its insatiable drive for maximum profits US imperialism and imperialism in general, continues to target the revolutionary movements of the world with CIA trained and backed death squads (e.g. School of the Americas), psy-war campaigns, weapons of mass destruction, occupation troops, and massive military "aid" such as the current \$1.6 billion dollars directed against the Colombian revolutionary forces in the name of the "war on drugs"; and

Whereas: US imperialism has blood on its hand from the Bay of Pigs to the Philippines, from the Middle East and Palestine to Sierra Leone, from Vietnam and Indonesia to the Dominican Republic, Central America, and the Bolivarian countries; and

Whereas: it is incumbent on the Marxist-Leninist movement to defend the advances of the Cuban revolution especially at this critical juncture when the advancing forces of the Colombian and Bolivarian revolution are beginning to break through the period of counter-revolutionary setback and New World Order;

Therefore be it

RESOLVED, that the signatories, participants of the International Communist Seminar held in Brussels, Belgium, May 2-4, 2001 salute and support the revolutionary anti-imperialist spirit and accomplishments of the Cuban Revolution including the revolutionary victory of the Bay of Pigs,

and be it further

RESOLVED, that signatories, participants of the Seminar call for an immediate end of the U.S. imperialist blockade/boycott of Cuba and the removal of U.S. imperialist troops from Cuban soil.

***Signatories:***

1. Argentine – Partido de la Liberación
2. Bangladesh - Communist Party of Bangladesh (Marxist-Leninist)
3. Bangladesh - Socialist Party of Bangladesh
4. Belgium - Workers' Party of Belgium

**On the 40th Anniversary of The Bay Of Pigs  
SUPPORT TO THE CUBAN REVOLUTION**

***Resolution of the International Communist Seminar***

***Brussels, Belgium, 2-4 May 2001***

Whereas: April 17, 2001 marked the 40th anniversary of the Cuban revolutionary military victory over US imperialism in its attempt to crush the young Cuban revolution with its invading army and munitions at the Bay of Pigs; and

Whereas: the victory at the Bay of Pigs is an historic example that the military might of the main enemy of mankind, imperialism headed by US imperialism, can be beaten with the revolutionary mobilization of the people; and

Whereas: the "Bay of Pigs" victory and the Cuban revolution and the courage of the Cuban people continues to serve as an anti-imperialist beacon to the oppressed peoples of the world in struggle against the imperialists and their puppet regimes and in particular to the peoples of Southern Africa who were given internationalist military aid by revolutionary Cuba in the past and the Latin American revolutionary forces today in countries such as Colombia, Venezuela, Ecuador, and Peru; and

Whereas: the great gains of the Cuban Revolution in Health Care, Education, literacy, food production, housing and equality of its people are concrete examples of the gains of revolutionary anti-imperialist society; and

Whereas: US imperialism, the bastion of the monopoly capitalist system, has done everything in its power—from military invasion and occupation to assassination attempts to economic and political blockade-- to wipe out this living example of revolutionary society, just 90 miles from its coast, yet Revolutionary Cuba lives on; and

engaged in bullying, intervention and aggression. By breaking the nuclear monopoly of the US in 1949, the Soviet Union neutralized US nuclear blackmail.

Compelled by its strategy of containing the Soviet Union and the entire socialist camp, the US promoted the reconstruction of Germany and Japan as soon as the Cold War started. Subsequently, the rapid revival of Japanese and German industrial production gave rise to another crisis of overproduction and finance capital. Recessions became more recurrent. The heavy costs of military production and overseas military forces and the market accommodations to its imperialist allies undermined the US economy.

The phenomenon of stagflation (simultaneous stagnation and inflation) afflicted the US economy throughout the decades of the 1970s. The proponents of monetarism and neoliberalism gained favor among US policymakers as they harped on the failure of Keynesianism and blamed the working class for so-called wage inflation and the government for supposedly big social spending. All along they obscured the cost-push effect of military deployment overseas, wars of aggression and the arms race.

The powerful trend of national independence against colonialism, imperialism and neocolonialism combined with the world proletarian revolution to challenge US imperialism and the world capitalist system. With the US at the head, the imperialist powers were obliged to increasingly adopt neocolonialism in order to coopt the newly-independent countries. They negated the independence of these countries through control of their economy, finances, security forces and cultural institutions.

They waved the flag of "development" under the auspices of the UN, the IMF and World Bank and used the Eurodollar and then petrodollar surpluses to hook most of the newly-independent countries into heavy foreign borrowing for infrastructure-building and improvement of raw-material production for export. These served to draw the third world countries away from industrial development and frustrate their demands for a new international economic order.

Consequently, the mounting crisis of overproduction in raw materials and foreign debt debilitated these third world countries. Throughout the 1960s and 1970s, the imperialist powers also used brutal puppet regimes to suppress the people when neocolonial methods of economic and financial manipulation did not suffice.

The world proletarian revolution and the broad anti-imperialist movement reached their peak in the simultaneous advance of the wars of national liberation in Indochina and the Great Proletarian Cultural Revolution in China from the 1960s to the 1970s. For the proletariat and people, the victories of these revolutions were the happy ending of the third stage of the crisis of the world capitalist system. However, they overlapped with the continuous deterioration of economic, social and political conditions in the Soviet Union and Eastern Europe due to the betrayal of socialism by the ruling revisionists since 1956.

From the latter half of the 1970s, the adverse consequences of the betrayal of socialism became conspicuous. In the Soviet Union, the rise of the bureaucrat monopoly bourgeoisie and the arms race led to an all-round deterioration of the Soviet economy, especially agricultural production and civil industrial production. Factors for the disintegration of the Soviet-bloc countries were stimulated by foreign loans and trade concessions from the West, especially West Germany.

In China, the Dengist ruling clique rose to power and reversed the socialist line of Mao soon after his death. Since then, China has openly restored capitalism faster and in a more deepgoing way than had the Soviet Union from the time of Khrushchov. The Dengist line of counterrevolution harped on the big comprador line of modernization through integration into the world capitalist system.

The betrayal of socialism by revisionist ruling cliques is definitely a strategic setback for the socialist cause. But it does not spell the end of the socialist cause. On the contrary, it means the aggravation and deepening of the general crisis of the world capitalist system. This system cannot accommodate too many industrial capitalist countries without aggravating the crisis of overproduction.

advantageous exchanges between peoples, the sharing of knowledge outside any mercantile considerations, the harmonious and proportionate development of all regions in the world, if on this basis production obeys a plan that takes into consideration the needs of all people in a cooperative framework. #

prepare for its future transition to the socialist revolution, which will ban all forms of exploitation of man by man.

More than ever before in history, socialism has become an absolute necessity for the survival, the dignity and the cultural and spiritual development of the masses. And more than ever before in history, technological development renders socialism possible.

The enormous development of the productive forces these last decades has given humanity the potential to lead all peoples of the world out of economic backwardness. Thanks to the means that it has obtained, society can rapidly conquer disease, hunger and malnutrition, illiteracy and ignorance. The condition is that society undoes itself of the hellish straitjacket in which private property has enclosed the means of production. The condition is reorganization on a socialist basis.

Proletarian dictatorship, based on the masses, against the big bourgeoisie is the condition for the change of the economic and social system. This dictatorship against the forces of imperialist barbarity will render a real and workable democracy possible for the popular masses. Socialism will develop popular education, science and technology, and the means of production much faster and on a much broader scale than what imperialism has done until now. Production will be planned in function of the maximum response to the material and cultural needs of the people.

As internationalists, we communists are in no way opposed to the objectively necessary processes of globalization. In the final analysis and on a world scale, socialism cannot be realized but as an international system of federal socialist republics. This will be guided by the principles of solidarity and mutual help to put together the progress of development in a planned manner. Proletarian internationalism will guide solidarity among the people, the elimination of all ethnic or national barriers, the disappearance of discriminatory practices and attitudes as well as of chauvinism, the mutually

The conversion of socialist countries to capitalism does not simply mean more ground for capitalist expansion. Under conditions of monopoly capitalism, the increase in the number of capitalist countries with some industrial base means the increased recurrence of the crisis of overproduction. This leads to economic stagnation, destruction of productive forces and political turmoil not only in the less developed industrial capitalist countries, but also in the entire capitalist world.

In the latter half of the 1970s, the world capitalist system entered the fourth stage of its general crisis. The imperialist, the revisionist-ruled and the third world countries, were generally afflicted by economic, social and political crisis and proceeded on a course of continuous deterioration.

## *II. The Current Crisis of Monopoly Capitalism*

Under the direction of the US monopoly bourgeoisie, which had adopted the line of the neoliberals and monetarists of the Chicago School, the US Federal Reserve Board under Paul Volcker approached the problem of stagflation by pointing to “wage inflation” (the working class) and big government (social spending) as causes of the problem. Volcker applied the squeeze by tripling interest rates to the level of 19 percent.

In a parallel development, the World Bank was put under restraint from its avowed policy of Keynesian “development” lending to third world countries. The imperialists decried the huge debt and inability of the third world countries to repay these. After all, the World Bank had already accomplished the diversion of the domestic resources of these countries away from industrial development and towards costly infrastructure building and overproduction of raw materials. The new US thrust was to push trade liberalization under the GATT, to promote regional “free trade” agreements under US hegemony and eventually to make WTO the all-encompassing free trade institution and the more active partner of the IMF than the World Bank in a ménage a trois.

By 1981, the ground had been laid for the US and Britain to make a major shift in economic policy from Keynesianism to neoliberalism.

This was trumpeted as Reaganism and Thatcherism. It was an all-out attack on the working class and the trade union movement, and on the hard-won social rights of the proletariat and the people.

Growth with inflation under control was set as the objective. The “free market” was supposed to come into full play. Monetary policy was considered as the main instrument for regulating the economy, through control of interest rates and money supply by central banks independent of elected officials. Fiscal policy was biased towards tax cuts for the corporate benefit of the monopoly bourgeoisie on the ground of making more capital available to it for production and job generation. This was called Reaganomics or “supply-side” economics.

Neoliberalism misrepresents and slanders the proletariat, the creator of social wealth, as a parasite on the state. It obscures the cost-push inflationary effect of military spending and the real parasitism of the bureaucratic and coercive apparatuses of the monopoly bourgeoisie. The catchwords of liberalization, privatization and deregulation mean respectively the unbridled flow of imperialist investments and trade, the private appropriation of public assets and funds and the erosion of antitrust laws and removal of social regulations to protect labor, women, children, the aged and the environment.

Under the Reagan administration, US state monopoly capitalism meant pouring huge state resources into overpriced contracts with the military-industrial complex for high-tech weaponry. These did not solve but aggravated the problem of stagnation because they did not increase employment. The budgetary and trade deficits soared.

What actually financed the high-speed high-tech military spending and consumerism of the US was the flow of funds from abroad. This was a result of the “Volcker squeeze” which induced the major imperialist allies of the US to shift their money from their own homegrounds and from the third world to the US. Thus, the US became the biggest debtor in the world.

Throughout the 1980s, third world countries were devastated by the credit squeeze and the crisis of overproduction in raw materials, and

become superfluous and unnecessary, to vegetate in inhuman conditions.

There is a growing contradiction between the explosive development of productive forces and technology, which allows the production of goods in practically unlimited numbers, and the narrowness of the markets that are limited by the poverty and the lack of resources of the immense majority of humankind.

Capitalism can only produce the necessary profits for the smallest layer of stock owners by destroying the physical and mental health of the workers, maintaining obscurantism, fueling reactionary civil wars and fascist gangs, provoking genocides by armed violence, embargoes, famine, the unchecked spread of diseases and epidemics,...

Humanity will not resign itself to this barbaric and inhuman fate very much longer.

The exploitation, exclusion and terror that characterize imperialist globalization will certainly provoke new national, anti-imperialist revolutions as well as new socialist revolutions on a larger scale than in the 20th century.

More than ever, the two great revolutionary trends of our era are marching hand in hand: the democratic and anti-imperialist revolution in the dominated countries and the socialist revolution in the capitalist countries. The fulfillment of the national democratic revolution will permit the revolutionary forces to take on the stage of socialist revolution. Confronting all the violence of imperialism, which is nothing else but monopoly capitalism, the masses are getting conscious of the fact that the capitalist road offers no solution. Experience has shown that even the revolutionary national bourgeoisies, like the one that led the anticolonial war in Algeria, have not been able to maintain the people's gains. Carried away by self-interest, one after the other faction of this bourgeoisie has gone over to the side of imperialism, thus plunging Algeria in the status of neocolony.

Only the working class, allied with all toiling classes, can lead the anti-imperialist revolution in a consequent manner to its fulfillment and

Cuba, Vietnam, Laos and China have maintained, in the main, their independence and their political and social regime.

The Cuban representative declared: "Globalization tries to control the world, but there is a country that resists and obtains results that others cannot show. Today, every day, 35,000 children die of causes linked to hunger; not a single one of them is Cuban. The same day, thousands of people die because of the lack of medical care; none of them is Cuban. At this moment, million of people rest in ignorance because of the lack of books and schools; none of them is Cuban. The neoliberal and hegemonic globalization is aggression to us as it is to the rest of humankind; but Cuba responds to this aggression with even more revolution and by consolidating socialism in its territory. We are advancing and we will triumph. Cuba will not fall, this we can assure you!"

The fact that US imperialism, notwithstanding all its efforts, has not been able to destroy the foundations of socialism in small countries like Cuba, the DPR of Korea, Vietnam and Laos is a sign of its strategic weakness and of the force of socialist ideas.

By pushing all the contradictions of the imperialist world to the limit, the imperialist globalization will inevitably produce a global counter-offensive of all forces suffering from extreme poverty, over-exploitation, domination, terror and war.

There is a growing consciousness that the capitalist mode of production is no longer compatible with the simple survival of humanity, that imperialism has really become genocidal.

Never has the contradiction been sharper between the social character of production and the private character of the ownership of the means of production, which encloses the productive potential of the latter in an unbearable framework imposed by the necessity to maximize profits for a very small class of capitalists. Factories and companies are only allowed to multiply and produce if they bring in profits for capitalists, leaving the major part of humanity, which has

they were ordered by the IMF to follow neoliberal prescriptions. Even the few East Asian countries, favored by continuing accommodation in the US market for their consumer manufactures and semimanufactures, were adversely affected by the debt squeeze.

China, recently integrated into the world capitalist system, eventually generated a crisis of overproduction in consumer manufactures and ultimately went into political turmoil. The Soviet-bloc countries, which had been earlier induced in the 1970s to import consumer goods and take loans from abroad, were also squeezed and became desperate for hard currency.

From 1989 to 1991, the touters of neoliberalism were beside themselves with glee when the revisionist rulers of the Soviet Union and Eastern Europe were casting away their socialist signboards and were openly privatizing public assets and wrecking their already decrepit industrial foundations. The imperialists and their hangers-on proclaimed the end of socialism and the superiority for all time of the "free market" over socialist centralized economic planning.

They obscured the fact that, after abandoning socialism, these countries had plunged from one level of economic and social degradation to another. They also obscured the fact that all imperialist countries were in recession during the 1989-91 period.

In confronting the problem of high US budgetary and trade deficits, the administration of Bush the elder raised taxes at the expense of the people and prated about conducting a trade offensive. But he could not stem the 1990-91 recession in the US and, as a result, lost his bid for reelection despite all the triumphalist propaganda about the "fall of socialism" and the war of aggression against Iraq.

Throughout the 1990s, the Clinton administration pushed further the neoliberal economic policy and laid the stress on US global control of information technology and financial services at the expense of US imperialist allies. In the latter part of the decade, the "new economy" came to be bandied about as an ever-growing economy with no or little inflation and as an economy driven by high technology. Claims were

made that high technology guarantees continuous capital expansion and eliminates the cycle of boom and bust.

The real wage incomes and living standards of American workers have continuously gone down since 1973. What is considered as full employment (actually around 4 percent rate of unemployment) has actually involved the massacre of regular jobs and the replacement of these with insecure part-time jobs (so-called labor flexibility). Job security and other hard-won rights of the workers have been eliminated or eroded in a big way. To earn their subsistence, a great mass of American part-timers have to work more than 40 hours per week.

The inflation of income and assets in the hands of the monopoly bourgeoisie is unrestrained. The after-tax income of the richest one percent of the American population is equivalent to the income of the bottom 100 million people. US multinational corporations rake in huge profits and at the same time use colossal amounts of credit for mergers and speculation. Household credit has also ballooned both for consumption and for speculation, with more than 40 percent of households attracted to buying tech-stocks.

In the bursting of the tech-stock bubble from April 2000 to April 2001, some USD 4 trillion in stock-market value evaporated. The bursting of the bubble is the result of overinvestment and excess capacity in high-tech goods. When the crisis of overproduction hits, production is cut down and massive loss of jobs and savings follows. This is what is happening in the US.

The recessionary trend in the US has an adverse impact on all its imperialist allies and neocolonial client-states. The decrease of their exports to the US is already wreaking havoc to their economies. Upon further decline of the US economy, the Japanese and West European creditors of the US would tend to call back their money.

Capital flight from the US would be disastrous both for the US and the entire world capitalist system, if we consider that US imperialist allies have six trillion USD of investments in the US, against 2.5 trillion USD of US overseas investments. Such is the magnitude of US

Russia and the United States will necessarily sharpen. It is in Russia's interest to get closer to the Third World countries that want to disengage from the imperialist grip, to reestablish economic relations with the socialist countries, to stimulate the integration of the former Soviet republics and to open all possibilities for the resurrection of the Soviet Union as a socialist State, the real alternative to imperialist globalization and to a new world war.

Since 1996 the "Group of Shanghai" has been formed, which every year brings together China, Russia, Kazakhstan, Kyrgyzstan and Tadjikistan with the aim of intensifying their cooperation in the economic, political and military fields.

### *The Danger Of A World War*

With a worsening crisis, US imperialism is opting for a militarization of its economy and for a confrontation policy that, in the case of a deep and sustained crisis, could lead to a new world war. The unequal development of the imperialist powers is a factor that leads to war.

The explosive materials that could provoke a new world war are building up, mainly because of the hegemonist position of the United States. If the US superpower dares to start a new world war, pushing once more the oppression that weighs already so heavily on the popular masses to its limits, it will be the task of the revolutionaries to fight this diabolic power wherever in the world, with the aim of achieving victory over it and opening up the way to the national democratic and socialist revolution.

### ***TOWARDS A NEW UPSURGE OF REVOLUTIONARY ANTI-IMPERIALIST AND SOCIALIST STRUGGLES IN THE WORLD***

The imperialist forces expected that the collapse of socialism in Eastern Europe would bring about the collapse of socialism in the whole world. This « hope » has not become reality. The DPR of Korea,

(Iraq, Yugoslavia-Kosovo) have strengthened the anti-imperialist character of Chinese politics.

Imperialism certainly doesn't like to see China strengthen its political links and economic exchange with other countries in Asia, mainly, but also in Latin America and Africa, thus reinforcing their common capacity to get away from imperialist domination.

The imperialist powers use the question of Taiwan, of Tibet, of so-called human rights violations, etc. in order to exert pressure, create tensions and weaken the government and the Communist Party of China. The ulterior aim of imperialism is the fall of the regime and the installation of a neocolonial regime in China.

Wanting to break China's development by means of an internal counterrevolution, the US are not certain to obtain this. China could affirm itself as an independent big power. Also, the US could still prepare for war with China. The Bush administration is considering giving China the status of strategic enemy for the next century.

### ***New Threats Against Korea***

The process of peaceful reunification of North and South Korea puts the US imperialists before a serious strategic problem. The possible reunification of Korea is perceived by US imperialism as a real threat for its own domination in North-East Asia. It will put into question the massive US military presence, with troops and missiles, in North-East Asia, forcing US and Japanese imperialism to look for new forms of "regional security". The US Defense Ministry declares, in a report of September 2000, that it is on the issue of Korea that the US could engage in "a large-scale war".

### ***The Anti-Imperialist Potential Of Russia***

The new Russian bourgeoisie, which is mafia-like and compradore, has no firm grasp over the popular masses. The peoples of Russia have a great anti-imperialist potential. Broken as a great nation and humiliated as a neocolony by imperialism, the contradictions between

dependence on its imperialist allies for expanding the US economy and maintaining consumerism in the decade of the 1990s.

Here comes the younger Bush, who is inclined to revive Reaganomics by giving tax cuts to the US corporations and stimulating military production. To push his policy, he utters Cold War slogans, bombs Iraq without consulting his NATO allies, allows the Israeli Zionists to slaughter Palestinians, carries out acts of provocation against China, scoffs at South Korean leaders for the policy of détente with North Korea, and bullies major and minor US allies all over the world.

US economic policy shifts, like the major one from Keynesianism to neoliberalism, do not mean any fundamental change in the exploitative and aggressive character of US imperialist policy, and certainly do not mean that the US is able to escape the laws of motion of monopoly capitalism and the drive for more capital accumulation. The US imperialist hyperpower can shift one foot any time and still continue to oppress and exploit the people in every possible way at a given time.

Japan and the European Union have followed their leader in pursuing neoliberalism or "free market" globalization. But each has a way of pursuing its imperialist interests and adapting to its circumstances. So far, the common interest and alliance of the US, Japan and European Union still hold against the interest of the third world and former Soviet-bloc countries. But the relationship or balance of imperialist powers is subject to the economic crisis, domestic politics and the global struggle for economic territory.

The Japanese economy, the world's second largest national economy, has been in a state of prolonged depression since the bursting of its real estate bubble in 1989. It continues to be depressed as a result of its overcapacity to produce cars, steel and consumer electronics. It is hard pressed by the excessive inventories of its overseas plants, South Korea's overproduction and the US trade offensive.

In Asia and elsewhere in the world, Japan champions neoliberalism. But domestically, in addition to bringing down interest rates to zero or a

fraction of one percent, it resorts to Keynesian pump-priming through public works in a futile attempt to revive the Japanese economy. It has financed private and public construction in Southeast Asia and China and has had no hope of recovering the loans since 1997.

Japanese banks are sinking in an ocean of bad debts as a result of excessive lending to ailing corporations. Japan has been pushed by US dictat to buy a huge amount of US securities. At the same time, the US has held back technology licensing agreements, unlike in the 1960s and 1970s. The real unemployment in Japan is the highest among the three global centers of capitalism.

In the European Union, the imperialist governments have adopted the line of “free market” globalization. Socialists, laborites, revisionists and greens in government adopt the so-called neoliberal reforms but try to sugarcoat these with such phrases as “the third way”, the “middle course” or “reforms with a conscience”. At any rate, they carry out an attack on the proletariat and the people and try to reduce or eliminate their hard-won rights.

The European Union and its main engine Germany (accounting for one-third of Euro economy) have been economically stagnant for a decade already. They have a conspicuously high rate of unemployment and suffer from a protracted crisis of overproduction. Higher US profit rates have caused a heavy outflow of capital from Europe to the US. Thus the value of the Euro has sunk.

Russia and Eastern Europe are wide open for exploitation by the European Union. But the Western imperialists prefer dumping surplus products, asset stripping and making spotty investments. The continuous debasement of the economies and the extreme rapacity of the new bourgeoisie in the former Soviet-bloc countries put a brake on the expansion of capital from the West.

All three global centers of capitalism, the US, Japan and the European Union are suffering more than ever before from the crisis of overproduction, as well as from a heavy overhang of fictitious capital

to Japan a competitor as well as a partner, but could redefine its strategy following the negotiations on the reunification of Korea.

Even while the United States is still by far its main economic partner, Japan is seeking to diminish its dependence on the US. This cannot be achieved without creating links with the Eurasian continent. As of now, Japan is by far the main investor in China. The reunification of the North and the South of Korea could provide access to the (energy) resources of China, Siberia and the independent republics of Central Eurasia.

For its "defense", Japan currently depends on its alliance with the US. Nevertheless, it already has the second biggest military budget in the world and a big, well equipped army.

Faced with the changes that are shaking Asia, two tendencies can be discerned. The first one, well in the majority, hopes to be able to develop in the American fold and to benefit from free trade and the US military umbrella.

The second, minority one, thinks that Japan needs to create its own sphere of dominance by building a strong army, capable of intervening anywhere in Asia. This would allow Japan to assure military control over the sources of its raw materials.

If the US embarks on the adventure of a big war with China, Japan's position would be uncertain. Several US analysts do not exclude that in case of a major military conflict between the US and China, Japan could remain neutral or even ally with China.

### ***China: The Emergence Of A Big Independent Power***

China constitutes one of the greatest challenges for imperialist domination in the world. In the past two decades, characterized by thorough reforms of its system, China has known growth rates nearing 8%. It has tripled its GDP between 1990 and 1999.

The complete restoration of capitalism in the former Soviet Union and in Eastern Europe and the submission of these countries to US imperialism, as well as the increased aggressiveness of imperialism

to face international crises", and this without direct intervention by the United States. The United States fears that this European Army would develop ever more independently of NATO and would finally come into competition with its army.

Conversely, Europe is opposed to the new arms race which the United States want to initiate with the construction of an anti-missile defense system.

The United States can again try to "get out of the crisis" by taking the road of militarization and preparing for a large international war. China and Russia would be the main targets, as well as the Democratic People's Republic of Korea. But Europe knows that it will become the victim of such a policy.

### ***Strengths And Weaknesses Of Japan***

The enormous industrial and financial power of Japan is in fact, in numerous fields, a powerful competitor to the United States. But its relative isolation in Asia and its military weakness compared to that of the US mean that Japan doesn't have the potential to replace the global hegemony of the United States.

In current exchange value, the Gross Domestic Product of Japan is situated at 4,610 billion dollar in 2000, representing 46.5% of the US Gross Domestic Product and 59% of the European Gross Domestic Product. In 1996, 36.5% of the Japanese investments abroad were situated in the United States compared to only 30.5% in Asia. The United States has a very important trade deficit with Japan – 77.5 billion dollar in 1999, mainly due to the import of cars and electronics.

But Japan – an archipelago without raw materials reserves nor sources of energy – is currently faced with an independent China, whose economic power is only growing and whose relations with the rest of Asia and in the whole world are intensifying at all levels. China is determined to reincorporate its province of Taiwan – an important economic partner of Japan – and one day, it will do so. South Korea is

and financial speculation. Right now, the average GDP growth rate of the OECD countries is falling to the level of 2 percent.

US GDP growth rate, which used to be above 4 percent in the last decade, is now fluctuating between 2 and 3 percent. That of the European Union is stagnating at 2.6 percent and that of Japan remains depressed at around 1 percent. Declared growth rates are dismal enough but they are more dismal in fact if we consider the bloat in these figures due to financial overvaluation and the most unproductive services.

At any rate, the leading imperialist countries are far better off than the countries that they dominate in the former Soviet-bloc and third world countries. They have profited from the export of surplus goods and surplus capital and have accelerated the concentration and centralization of capital in their hands. More than 85 percent of the world's foreign direct investments are concentrated on them and tend to be centralized in the US. The top 20 percent of the world's population monopolize 82 percent of global export trade, while the bottom 20 percent have only one percent share of the market.

Debt service payments of poor debtor countries exceed the amount of current profits on direct investments and new supplies. Capital flight, as during the financial meltdowns in Mexico in 1995, Southeast Asia in 1997 and Brazil and Russia in 1998, has been mainly in the direction of US. In recent years, the US gained 300 to 400 billion dollars a year from these capital flights.

But the devastation of the economies of the dominated countries recoil and impact on the imperialist countries in terms of market constriction and further aggravation of the crisis of overproduction and the financial crisis. Even the few economies that attained newly-industrialized status in the 1970s are now in a dismal situation. South Korea, the most industrialized and strongest among them, has gone awry precisely because its companies have overborrowed from the banks, overexpanded its capacity to produce export manufactures and contributed to the global crisis of overproduction.

The integration of China into the world capitalist system in the 1980s was touted as the signal event for making East Asia and the entire Asia-Pacific region the strongest growth area for capitalism during the rest of the 20th century and onward to the 21st century. But in fact, China's production and export of low value-added manufactures (garments, consumer electronics, toys, leather products and the like) have aggravated the global overproduction in this type of products and squeezed the Southeast Asian "tigers" of the past.

China itself has destroyed its agricultural commune system and undermined its own industrial foundation, with the ruling comprador big bourgeoisie overconcentrating on seacoast sweatshops, private construction and the overconsumption of luxury goods imported for the benefit of a few. Thus, in 1989, the aggrieved masses rose up in protest in more than 80 cities. Social discontent seethes in urban and rural areas. The entry of China into the WTO will mean the further dismantling of its state-owned industries.

It is important to characterize correctly the socioeconomic and political crisis that caused the disintegration of the Soviet Union, the fall of revisionist regimes in Russia and Eastern Europe and the turmoil in China in the period of 1989 to 1991. The crisis in these parts of the world was part of the general crisis of the world capitalist system because earlier they had become part of that system.

State monopoly capitalism, masquerading as socialism, is a tool of the new bourgeoisie for accumulating private capital until this is ready to cast away the socialist disguises and openly privatize the means of production. The frenzy for undisguised capitalism has meant ultimately the destruction of the industrial foundation previously established under socialism. The process of destruction is presided over by the traditional imperialist banks and firms.

The new ruling bourgeoisie in former socialist countries takes the character of the comprador big bourgeoisie as it favors the importation of surplus goods and surplus capital from the imperialist countries. Since the disintegration of the Soviet Union, Russia has lost its comprehensive industrial foundation and has become more dependent

market of the European Union in order to develop themselves into real competitors of the Americans and the Japanese.

The contradictions between the United States and the European Union continue to develop, among them those in the commercial and monetary fields. Sharp rivalry is opposed both centers for the domination of Africa and the Arab world.

The United States want a Europe that is strong enough to help them conquer Eastern Europe and contain Russia. They also want it because their transnationals on the European continent will also benefit from a common integrated market.

In order to maintain their joint imperialist domination of the world, NATO is indispensable both to the US and to Europe. NATO is the armed branch of US and European imperialism that is threatening Russia, China and all Third World countries directly. Even a country such as Algeria, in 1975 still the standard bearer of the anti-imperialist struggle, has undertaken "joint military exercises" with NATO and is discussing its cooperation with this aggressive military pact.

On the other hand, the US also want to maintain NATO to control and, if need be, to weaken and divide the competitor-power that is this Europe under construction. They want to avoid the emergence of a European superpower that could challenge US economic and military hegemony.

The war of aggression against Yugoslavia was essentially a war to control the gateways to Middle East and Caspian Sea oil, and was also a preparation for war against Russia. But as the interests of American and European transnationals don't correspond in those two strategic zones, Europe has decided to construct an "independent" army for aggression.

Europe is aware that it won't be able to dominate the markets nor the areas it is coveting without an army. On 29 May 1999, in full aggression of the war against Yugoslavia, France and Germany proclaimed their "determination to contribute with all their weight so that the European Union would provide itself with the necessary means

## ***THE CONTRADICTIONS BETWEEN THE THREE IMPERIALIST CENTERS AND THE DANGER OF WORLD WAR***

The contradictions between the big imperialist centers has become clearer and sharper since the fall of their principal common enemy, the Soviet Union.

### ***The United States, A Hegemonic Power***

The United States remains by far the most powerful imperialist power in the economic field, and especially in the military field, where it is the only military superpower.

But unequal development, a law inherent to capitalism, is changing economic power relations.

In 1945, the gross domestic product of the United States represented 50% of the global gross domestic product. In 1999, the gross domestic product of the United States had decreased to 28.8%, that of the European Union is situated at 27.3% and that of Japan at 14.5% . According to certain estimates, by 2020 the contribution of the United States will have fallen to 10 to 15%, more or less the same level as Europe, Japan, and - according to the most optimistic estimates - China.

### ***The European Union, A Possible Rival***

The European Union constitutes the strategic project common to all imperialist countries in Europe, as demanded by the big European monopolies. The latter want to conquer new markets on a worldwide scale, at the expense of their American and Japanese competitors.

On its own, no single European imperialist country is a valid competitor to US or Japanese domination. This Europe is still far from being completed. Its construction is charged with the rivalries among its (large) components. Germany is imposing its will the most; the others (France, Great-Britain and even the "small ones") also want to have their say. But all monopolies of all European countries want the large

than ever on the export of oil, gas and other raw materials and on foreign credit to run the economy, enrich the ruling class and finance its overconsumption.

The ranks of oppressed and exploited peoples and nations have expanded, with those of former socialist countries joining those of the third world. All of them are crushed by the mounting burden of foreign debt. Most of the poor and backward countries are agrarian and have been reeling from overproduction of raw materials since the late 1970s.

In these parts of the world are the 1.5 billion people who survive on less than one US dollar per day and the 3 billion who subsist on two dollars per day. In the very few countries that produce and export some basic manufactures and low value-added semimanufactures, the workers, including children, toil in sweatshops of subcontractors, or in their own urban slum or rural dwellings. They work more than 14 hours per day just to earn anywhere from 1 to 2 US dollars.

The gap between the poorest 20 percent of the world's population and the richest 20 percent has increased from 30 times in 1960 to 78 times in 1995. The wealth of the world's 225 richest individuals is equal to the annual income of the poorest 47 percent of the entire world's population. The three richest individuals have assets larger than the combined gross domestic product of the 48 least developed countries.

In the economic policy shift from Keynesianism to neoliberalism, the imperialist-dominated states are required to sell out their national patrimony and economic sovereignty and submit themselves to IMF structural adjustment and austerity programs. The imperialists dictate upon them to give up aspirations for industrial development and to liberalize investments and trade under the WTO.

The debt-stricken client states are required to follow the line of "free market" globalization or else suffer being deprived of new loans, supplies and access to the world market and face the prospects of social and political turmoil and barefaced imperialist intervention and aggression. They are also told to concentrate on collecting tax

revenues and giving priority to debt service. They are told that stabilization funds from the IMF and concessional official lending from the World Bank are dwindling, and that they must go to the foreign private banks for credit and finally, that they must attract foreign direct investment by all means.

The neocolonial puppet regimes are actually vulnerable to the wrath of the people because they are culpable for extreme exploitation of the people, corruption and repressiveness. The bureaucrat capitalists augment their theft of domestic public funds by taking foreign commercial loans and making the state ultimately responsible for these.

In the most revolting way, neoliberalism has pushed the harshest measures for exploiting and oppressing the people. It dictates upon the neocolonial puppet states to undertake liberalization, privatization and deregulation and under pain of punishment for disobedience to avoid even only pretenses at industrial development and land reform. But as these states grow more exploitative, corrupt and repressive, they become hated by the people and become vulnerable to overthrow.

In line with the nakedly rapacious character of "free market" globalization, the US and its imperialist allies are building up their high-tech war machines at higher public cost. Using the flags of the UN and the NATO and under the pretext of peacekeeping and humanitarianism, they have grown increasingly aggressive. The political and military strategy of the US is to put its own client states under duress by the threat of declaring them rogue states, depriving them of foreign loans and supplies, or by destroying their fixed structures through precision bombing with long distance high-tech weapons.

Contrary to expectations that the end of the Cold War would bring about peace, the imperialist powers have launched the most brazen wars of aggression, like those against Iraq and against former Yugoslavia in the 1990s. War has come to Europe as in Bosnia, Chechnya and Kosovo. Also in many other parts of the world, especially in the least developed countries, the conflicts among reactionaries have become more violent as a consequence of

The increase in productivity and the extraction of surplus value from the workers are paid for dearly by the latter, with stress, mental problems, disease and death.

### *Economic And Financial Crises*

The imperialist "globalization" enormously accentuates the parasitic and speculative character of finance capital. The bursting of the bubble of technology stocks at the American stock markets has caused the "disappearance" of 4 trillion dollar. Without doubt, this will result in the United States decreasing their import from Japan and Europe. The day that these creditor countries want to collect their money from the United States, anything may happen.

The US debt (households, companies and State) has attained its highest level in history. It has passed from about 140% of the US Gross Domestic Product in 1981 to 189% in 1991, which is the current level. If there is an important recession, such a debt will provoke catastrophic bankruptcies for the workers as well as seizures for failure to repay the contracted loans.

The impoverishment of the masses in the former socialist states as well as in the dominated countries and the imperialist centers will necessarily worsen the financial crises and the crises of overproduction.

For several years, the automobile sector has been characterized by overproduction and over-capacity. One important country after the other has known a major crisis: Mexico in 1995, South-East Asia in 1997, Brazil and Russia in 1998. Japan has known stagnation for ten years. In early 2001, a crisis of overproduction erupted in the new technology sector, the sector that had become the symbol of the irresistible "dynamism" of monopoly capitalism...

The factors that may provoke a major crisis in the future are accumulating, a crisis on a world scale that will shake the entire planet.

have already been sacrificed in the name of the goddess of imperialist globalization.

Imperialist aggression in the Middle East, by means of its puppet Israel, is yet another example, against which the Palestinian people develops a heroic anti-imperialist struggle.

With the interposition of the Rwandese and Ugandan armies, imperialism has launched a barbarian aggression against the country of Kabila, because it feared the emergence of an independent and powerful Congo in the heart of Africa. The aim was to break the will to achieve political and economic independence of this country, which has the potential to become very rich. Imperialism also wanted to grab the largest world reserves of strategic minerals such as gold, diamond, cobalt and of rare minerals such as niobium, tantalum and columbium. US imperialism has caused a real genocide in Congo, in which three million people have died, due to the aggression and the destruction.

The growing role of communist and anti-imperialist organizations in Colombia and Ecuador is disturbing US imperialism, which threatens to attack these countries in order to safeguard the domination of the transnationals and of the corrupt governments that are serving the interests of Washington.

### ***Super-Exploitation Of The World's Working Class***

Invoking the constraints imposed by globalization, the same transnationals wage real offensives against the achievements of the working class in the imperialist countries as well as in the dominated countries. Salary decreases, contractualization with contracts of limited duration, the generalization of part-time jobs, the growth of flexibility, the extreme intensification of the work pace, the closure of factories, the dismantling of social security, limits on unemployment benefits, the increase in taxes at a time when company taxes have reached an all-time low...

socioeconomic collapses and austerity policy resulting from the depredations of US neoliberal policy.

Germany has been allowed to deploy its troops and fire its guns overseas and is expected to increase its military role. The NATO has been expanded to the borders of Russia. The social and economic weakness of Russia is an open invitation to the stronger imperialist powers to undertake joint or separate marauding actions within Russia and its vicinity.

Japan is also being encouraged by the US to rearm itself and become more aggressive militarily, especially in Asia. The US-Japan Security Treaty, the “new security guidelines” and an array of bilateral military access or visiting agreements of the US with puppet states in East Asia are meant to contain China and North Korea. At the same time, the US tries to engage these countries economically and subvert them politically.

The US prefers to undertake jointly with its imperialist allies acts of economic pressure and aggression against countries that assert their national sovereignty and territorial integrity, and against revolutionary movements. But it tends to undertake unilateral acts of aggression as conflicts of economic and political interests arise among the imperialist powers and it fails to get the prompt collaboration of its imperialist allies.

So far, the imperialist powers seem to be able to keep their alliance in order to control other countries and exploit entire nations and peoples. But as the crisis of the world capitalist system worsens, domestic political forces within imperialist countries can push each of them to adopt conflicting policies. Certain states assertive of their national independence and their people's social aspirations can also take initiative to take advantage of the growing contradictions among the imperialist powers.

Except for a few, notably Britain, the sidekick and cheerleader of US imperialism, West European countries are wary over the growing unilateral acts of aggression of the US, its consistent attempts to block

fuel pipelines to Western Europe and its provocative scheme to build missile defense systems.

The Russian comprador big bourgeoisie wants Russia to be a strategic partner of both the US and the European Union. But the US is bent on pushing further the socioeconomic deterioration of Russia as the way for degrading its scientific and technological capabilities and neutralizing its nuclear and other sophisticated weaponry. Russia has undergone massive de-industrialization, sinking far below economic levels in the period of Brezhnev and then Gorbachov. More than 40 percent of its population now live below the poverty line. In desperation, it is marketing both conventional and highly developed weapons.

The Chinese comprador bourgeoisie likewise wants China to be a strategic partner of the US and other imperialist powers. But the US bullies China over the issue of Taiwan in the yin and yang of containment and engagement. To teach China a lesson for assisting Yugoslavia, as well as to demonstrate the precision of its cruise missiles, the US deliberately targeted the Chinese embassy in Belgrade. Now, the new Bush administration is pursuing a policy of making East Asia the priority area for its military buildup and is undertaking provocative acts against China, despite heavy US involvement in the turmoil in Eastern Europe, Central Asia and the Middle East.

As the US overplays its imperialist arrogance and its attempts to swing the US public into supporting further US military buildup, China and Russia tend to draw closer together in their own strategic partnership and seek deals with the monopoly bourgeoisie of Japan and Western Europe. As the most aggressive imperialist power today, the US is stirring up the conditions for war.

Most important of all, the proletariat and the people cannot accept the depredations of "free market" globalization and the new world disorder as their permanent fate. As the crisis of the world capitalist system worsens, they are encouraged to wage anti-imperialist struggles for national liberation, democracy and socialism. They can rely mainly on their own revolutionary strength and at the same time avail of the

As a "benefit" of globalization, a number of dominated countries have received "delocalized" investments: productive sectors in which the cost of salaries had become too high, have been delocalized. It concerns mainly, aside from electronics, textile and footwear industries... which have provoked the breakdown of national production in these sectors, resulting in many more lay-offs than the number of jobs the country gained. With the big crises in Mexico (1995), South-East Asia (1997) and Brazil (1998), there was an enormous capital flight toward the US. In the last couple of years, the US has gained between 300 and 400 billion dollars thanks to this capital flight.

The more overproduction becomes a menace to the imperialist countries, the more they destroy national production in the dominated countries. Overproduction in the rich countries corresponds to a growing underproduction in the majority of the Third World countries, where imperialism renders even the inception of a national capitalism impossible. Some continue to repeat the lie that "capitalism allows countries to develop, while socialism has failed" at a time when we have seen the massive destruction of productive forces in the formerly socialist countries and in the Third World countries which had known a certain level of industrial development.

The current "globalization" has two faces: extension and intensification of the economic domination of imperialism on a global scale, and at the same time the reinforcement of all dividing factors among the oppressed and dominated masses. Imperialism is "globalizing" ethnic, national, religious and racial divisions in order to push the oppressed masses to fight and murder each other and render impossible all popular and united resistance against this domination.

Globalization has produced a "terror international", using the media as weapons of psychological warfare and creating or further developing paramilitary forces.

The military aggression against Iraq of January 1991 continues in the form of economic aggression up to this day, from time to time reinforced with new military attacks. One and a half million Iraqi lives

The aim was to avoid the creation of a national industry based on the needs of the popular masses. The crushing debt brought the local bourgeoisies to their knees. In order to impose the dictates of imperialism, they have increased the repression against the people even more. The total debt increased from 61 billion dollars in 1970 to 2554 billions in 1999. It will be difficult to augment it even more. Many countries' export revenues are no longer sufficient to assure the service of the foreign debt.

With all countries pushed by imperialism to go into debt for the production of raw materials, and with the crisis of overproduction of raw materials that resulted from this, a large number of Third World bourgeoisies have become exhausted. In the course of 1998-99, there was an unprecedented fall in the price of the raw materials exported by the Third World.

While forcing the entry of its products in the Third World, imperialism is inventing new protectionist measures against manufactured goods and agricultural products from the Third World. With the Uruguay Round on trade liberalization, the imperialists have imposed their liberalization, giving the Third World countries in exchange nothing but promises... which were never kept. Protectionism is also meant to delay the social catastrophe in the West, while it aggravates the already unbearable suffering of four billion people.

With the WTO, imperialism is making access to technological and scientific progress more difficult. To be able to survive, billions of people in the Third World need better food and medicine. The transnationals impose costly patents on their pharmaceutical products and foodstuffs, thus extorting the last dime from the damned of the earth.

These bureaucratic and comprador bourgeoisies were not able to put up any resistance as imperialism, in order to escape from its own crisis, demanded that they renounce their economic sovereignty and put their national heritage on sale. They were forced to privatize their national industries and to liberalize their imports, thereby destroying the weak national forces of production.

support of anti-imperialist governments and the growing contradictions among the imperialist powers.

### ***III. Necessity of Socialist Revolution***

The moguls of monopoly capitalism and their retinue of executives, think tankers, politicians, academic pedants and publicists have been boasting since the 1989-1991 period that the socialist cause is dead and history has ended with capitalism and liberal democracy as the optimum condition of mankind.

In fact, the fall of the revisionist regimes, the disintegration of the Soviet Union and the turmoil in China were a consequence of betraying socialism and of taking the capitalist road. They were part of the worsening crisis of the world capitalist system. In the same period, the centers of the world capitalist system were then in recession and the mass of imperialist-dominated countries in Asia, Africa and Latin America were in a continuous state of depression.

Since then, the former Soviet-bloc and third world countries have plunged further into a state of depression. Japan and the European Union have stagnated. In the entire decade of the 1990s, especially from 1995 to 1999, the US expanded its economy and claimed full employment by taking advantage of its lead in high technology and attracting foreign investments from Japan and the European Union, including the capital flight from the sinking "emergent markets".

The touters of imperialist globalization and the US-style "new economy" boasted that high-technology in the service of the "free market" had abolished the business cycle of boom and bust and driven the last nail on the coffin of socialism. They also spoke of the information technology as the instrument of democratization against totalitarianism.

Current studies show that the latest commercialized high technology has so far increased only marginally the efficiency in production of durable goods. It has served mainly the service sector, such as finance,

trade, communications, entertainment, mass media, the health and legal professions, the military and police and the like.

But let us assume that in due course high technology is adopted to a far greater extent in all sectors of the economy in order to raise productivity. It cannot be but an instrument that drives the monopoly bourgeoisie to raise the organic composition of capital and accelerate the concentration and centralization of capital.

There is nothing new about the owners of capital adopting higher technology in order to increase productivity, maximize profits, accumulate capital and beat competitors within a capitalist country and in other capitalist countries. Marx and Engels said in the Communist Manifesto in 1848, "The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production, and with them the whole relations of society."

The advance from the first stage of technological revolution (spinning jenny and steam engine) to the second (electro-mechanical motors and chemical processes) and further on to the third (computers and microprocessors, the joining of laser and fiber optics and other technologies) has merely served to increase exploitation, accelerate capital accumulation, and make capitalism more mature and more ripe for socialist revolution. Every higher technology that raises social productivity opens the road wider to socialism.

Capitalism is irrational and unjust precisely because the forces of large scale commodity production are social in character but the appropriation of the product in the relations of production is private. Thus socialist revolution is the scientific and moral necessity for socializing the relations of production.

The US itself is now in an economic decline and is pushing the entire world capitalist system into lower levels of economic, social, political and cultural degradation and turmoil. Being exposed are all the lies of "free market" globalization and the "new economy" as ever-growing due to high technology, particularly in the US.

operations of imperialism result in the domination of the world by some "international merger of finance capital".

The current globalization is also marked by deep crises that shake the imperialist world and force the transnationals to grab of all possible sources of profit in the dominated countries and to push the exploitation of the working class in the entire world to its most extreme limits.

### ***The Formerly Socialist Countries: Powder Kegs***

The counterrevolution in the socialist countries is without any doubt a victory for imperialism, but it hasn't weakened the contradictions of the capitalist and imperialist world in any way. On the contrary, it has only further sharpened them. 40% of the Russian economy is in the hands of the mafia, which has become the strongest and best known mafia force in the world. In the entire capitalist world, the economy of crime flourishes with the impulse coming from the East. The nice speeches about the merits of the free market are no longer able to hide the fact that capitalism has become, in the main, a mafia system. The national treason of the new bourgeoisie in the countries of the former Soviet Union, the national humiliation of proud nations reduced to American and European neocolonies, the unbelievable degradation of the working conditions of the workers: all these will inevitably lead to new great revolutionary struggles. Imperialism, pushed by the crisis that is shaking it, will try to take hold of the fabulous riches of the Caspian Sea and of Siberia. NATO is already preparing itself for war against Russia. But any war of aggression against the former Soviet Union will inevitably develop the forces of socialist revolution.

### ***The Third World: Complete Recolonization By The "Free Market"***

At the most difficult time for world imperialism, in the 1970s, the national and comprador bourgeoisies of the Third World were forced to go into debt in a huge way, for the construction of infrastructure and to create companies for the production of raw materials, offering them at the same time the opportunity to enrich themselves by illegal means.

Khrushchev took the revisionist road. They have become part and parcel of the bourgeois political world.

In the Third World countries, most anti-imperialist and communist revolutionary parties were influenced by the explosion of opportunism and revisionism in the rest of the world. Counterrevolutionary coups d'état eliminated most of the leaders who had remained loyal to the anti-imperialist struggle. The new leaders simply took over the positions of the old colonizers within the neocolonial apparatus. They became a bureaucratic and comprador bourgeoisie, intermediate forces propped up by imperialism in order to maintain its political and economic hold over these countries.

### ***THE CHARACTERISTICS OF THE CURRENT GLOBALIZATION***

It is in this context that the new stage of imperialist globalization in the world is situated. This globalization is nothing but the extension to almost the entire planet and the intensification of all contradictions that have characterized imperialism since its birth in 1900. Far from being a natural and beneficial process for the whole world, globalization stretches exploitation, domination and repression to its limits, thus preparing the emergence of anti-imperialist and anticapitalist revolutionary movement on a world scale as never seen before.

From the vantage point of the economy, the current stage of imperialist globalization is characterized by revolutions in the field of information technology, communications and transport, but also by the unprecedented concentration in transnational corporations that operate on a world scale.

The current globalization is the result of three intertwining forces: first the big transnational corporations, secondly the imperialist states which protect and defend the interests of their monopolies and of their international alliances, and finally the institutions dominated by the imperialist states and their transnationals, such as the IMF, the World Bank and the World Trade Organization. In no sense, however, do the

It is clear more than ever that we are in the era of imperialism and proletarian revolution. By its own laws of motion and its accelerated cycle of boom and bust, monopoly capitalism keeps on accumulating, concentrating and centralizing capital through the exploitation and oppression of the world's proletariat and people.

The world capitalist system has plunged deeper into the fourth stage of its general crisis since the latter half of the 1970s. The contradictions between imperialism and the oppressed nations and peoples, among the imperialist powers and between the monopoly bourgeoisie and the proletariat in that order are intensifying.

The present circumstances of global economic crisis and the new world disorder challenge and require the proletariat and the rest of the people to wage revolutionary struggles against imperialism and for national liberation, democracy and socialism.

To realize its historic mission of building socialism, the proletariat must win the battle for democracy. In the imperialist countries, the proletariat must conjoin with the nonproletarian masses to confront the deteriorating economic and social conditions and the political threats of chauvinism, fascism and racism and prepare for the overthrow of the monopoly bourgeoisie.

In the underdeveloped countries, where the land problem remains the main or major problem, the proletariat must link with the peasantry in order to wage the new-democratic revolution before the socialist revolution can commence. The battle for democracy takes the form of the new-democratic revolution under the leadership of the proletariat.

The struggle between the proletariat and the bourgeoisie is an epochal one. We must therefore take a long view of history. Without this, we cannot have the tenacity to persevere in the historic struggle for socialism and further on to communism, especially when we are confronted with such developments as those in 1989-91 when China was wracked by mass uprisings and the revisionist regimes were disintegrated in the Soviet Union and Eastern Europe.

So far, the most significant periodization in the 153-year revolutionary history of the proletariat is in segments of 40 to 50 years. Each one of such segments is relatively short if we consider that the epochal struggle between the proletariat and the bourgeoisie will run probably for some centuries before socialism can defeat imperialism on a world scale and make communism possible.

In every such segment of time, the proletariat has been faced with tremendous odds, suffered great setbacks and scored great victories. We have seen how one level of victories leads to a new and higher level in a cumulative manner. We have also seen how one level of setbacks leads to a lower level, such as modern revisionism running rampant for decades and ultimately leading to the full and open restoration of capitalism.

At this time, the world capitalist system is in grave crisis and yet its supporters ceaselessly try to demoralize the proletariat and the people with the negative examples of socialist countries that have degenerated and become capitalist. In this regard, it is absolutely necessary for us to have a sharp sense of the revolutionary history of the proletariat, grasp the basic principles and learn the positive and negative lessons from experience. With these, we are ready to take advantage of new conditions in order to advance the socialist cause.

In the era of free competition capitalism in the 19th century, Marx and Engels founded scientific socialism in contraposition to utopian socialism. They did so in connection with their development of dialectical materialist philosophy, their critique of the capitalist economy and in their advancement of social science on the basis of historical materialism and the class struggle.

Still valid today is their proposition that the possibility as well as the necessity of socialism arises from the laws of motion of capitalism and from the material conditions of capitalist society. The industrial bourgeoisie needs the proletariat to work on the equipment and raw materials and create new material values from which to extract surplus value. The growth of the social forces of production strains against the integument of the capitalist relations of production.

## ***FROM OPPORTUNISM TO COUNTERREVOLUTION ON A WORLD SCALE***

Imperialism has been able to temporarily get out of this mortal dilemma essentially because of the development of opportunism within the three main revolutionary trends that have marked our times: the movement for the building of socialism in the countries liberated from capitalist exploitation, the movement for political and economic independence in the dominated countries, and the revolutionary workers' movement in the imperialist countries.

In the Soviet Union, the coming to power of revisionism with Khrushchev marked a radical rupture with the revolutionary politics followed by Lenin and Stalin. All Marxist-Leninist principles were liquidated one after the other. The revisionists declared that the final triumph of socialism had been obtained, that the restoration of capitalism had become impossible, that the class struggle in the Soviet Union had ceased and that, consequently, the proletarian dictatorship against the bourgeoisie and against bourgeois elements was no longer necessary. Revolutionary education was at first largely emptied of its contents and finally completely abandoned. Bourgeois ideas and attitudes got installed among Party and State leaders. Principles of capitalist economics were progressively introduced, starting with the re-establishment of the capitalist profit principle in 1965. Personal enrichment developed, as well as a "black" sector of capitalist economy.

This ideological, political and economic degeneration led in 1990 to the complete restoration of capitalism in its most unbridled forms. Production in the former Soviet Union stood in 1999 at 57% of its 1990 level (and in the Ukraine even at 39%), its population decreased by 6 million people in 8 years' time, mortality became twice as high as the number of births, life expectancy decreased from 64 to 61 years and 60% of its population receives an income below subsistence level.

In the imperialist world, most communist parties, which had always known marked opportunist tendencies, completely degenerated once

intensified their war of national liberation against fascist occupation and its collaborators. Upon the latter's defeat, they turned their weapons against US imperialism and its local puppets and obtained victory in the anti-imperialist and democratic revolution, which, under the leadership of the Communist Party, was transformed in a socialist revolution. These victories gave an important impetus to the anticolonial revolutionary movements in Asia and Africa, which in most colonies triumphed in the course of the 1950s and 60s.

US imperialism enriched itself at the start of the Second World War by selling to both "democratic" and fascist countries. The US entered the war in Europe very late, with the fundamental aim of avoiding the victory of the socialist revolution in France, Italy and Germany, which were advancing thanks to the joint efforts of the armed popular masses and the Red Army. During the war, General Patton proposed changing alliances and marching on Moscow with divisions of the Hitlerite army... The US exterminated the population of Hiroshima and Nagasaki without any military justification: it was a warning to the Soviet Union and the start of the "Cold War".

US imperialism, taking off directly from the Hitlerite politics of all-out war against socialism, launched a war of aggression against Korea, as the forerunner of war against China and eventually against the Soviet Union. But imperialism was defeated in Korea, where it was confronted with the heroic resistance of the Korean people, helped by volunteers and supported by all socialist countries and by a world movement of all forces defending peace and independence.

In the course of the 1950s, imperialism, led by US imperialism, was seriously shaken by the passage of one third of humanity to the socialist system, the rise of the anticolonial and anti-imperialist revolutions in the Third World and the development of workers' and people's struggles in the capitalist countries themselves.

In the course of competition, one capitalist wins against another capitalist by raising the organic composition of capital and decreasing the variable capital for wages in order to maximize his profits. The result is the crisis of overproduction relative to the decreased market demand.

Recurrent crisis leads to the bankruptcy of the losing capitalists or to their absorption by the winning capitalist, and to the concentration of capital until free competition is transformed into monopoly. It also leads to intensified class struggle between the bourgeoisie and the proletariat with the latter moving forward from being a class in itself to being a class for itself through the trade union movement and the building of the revolutionary party of the proletariat.

For the first time in history, here is a class that can liberate itself as well as other exploited classes, establish a socialist society and make the radical rupture from the millennia of private ownership of the means of production. But precisely because of its high revolutionary potential, the proletariat is confronted by the bourgeois state with violence. Therefore, the revolutionary goal of socialism can be realized only with the forcible overthrow of the bourgeois class dictatorship and its replacement by the proletarian class dictatorship.

From the Communist Manifesto and workers' uprisings of 1848, it took more than 40 years before Marxism became the dominant trend in the European working class movement in the last decade of the 19th century. Within that same period, the most significant armed revolution was undertaken by the proletariat to establish the Paris Commune of 1871. Marx celebrated this as the prototype of the proletarian dictatorship and drew revolutionary principles and lessons from its short-lived victory and its defeat.

Capitalism grew into monopoly capitalism or modern imperialism. Lenin took the leading role to further develop the theory and practice of Marxism in the era of imperialism and proletarian revolution. He was unwavering in his view that the wave of armed revolutions, which could be led by the proletariat, had moved to the East. Going by the theory of uneven development, he was certain that proletarian

revolution could win victory in Russia, the weakest link in the chain of imperialist powers, especially under conditions of interimperialist war which could be turned into a revolutionary civil war.

In the Second International, he contended with the classical revisionists, headed by Kautsky, who tried to purge Marxism of its revolutionary essence and act as the parliamentary tail of the bourgeoisie by whipping up social chauvinism and social pacifism, supporting colonialism and imperialism and voting for the war budget.

Forty-six years after the Paris Commune, the Bolsheviks carried out the Great October Socialist Revolution of 1917 and established the first sustained socialist state. Soon enough, the imperialist powers banded together in an attempt to destroy the newly established socialist state. But the revolutionary proletariat, in alliance with the peasantry, prevailed.

Under the leadership of Lenin and Stalin, the Bolsheviks and the Soviet people proved that socialism could be built in one country. After the transitional New Economic Policy served the purpose of reviving the economy, Stalin successfully engaged in a series of five-year plans to build socialist industry, collectivize and mechanize agriculture, educate and train a huge number of experts in various fields and raise the material and cultural standards of living and change the urban-rural ratio of the population from 25-75 percent to 75-25 percent.

In the process of socialist revolution and construction in the Soviet Union, class struggle continued in the society at large, in the institutions and organs of state and party leadership. As Lenin had pointed out, the bourgeoisie multiplies its resistance ten thousandfold after being deprived of its power and property. It uses every possible way to oppose socialism and avails of reactionary traditions and its connections with the international bourgeoisie. Antagonistic contradictions existed between the people and the enemy as well as nonantagonistic ones among the people. Some of these contradictions were handled well, others were not.

partially in Russia. In order to escape from the economic crises that shook these countries, they all engaged in colonial politics. No corner of the globe escaped the voracity of the imperialist powers. Imperialist globalization was born with the colonial conquest. The crises of overproduction pushed certain imperialist countries to demand a "more reasonable" part of the colonies, thus signaling the First World War, which would cost the lives of 10,000,000 people. Humanity had never known such barbarian and generalized violence.

The working class is the most revolutionary class in the history of mankind. It has the historic mission of delivering the world from the exploitation of man by man by overthrowing the bourgeoisie, the last exploiting class in the history of mankind, but also the most ferocious. But it was only in Russia that the working class, with the poor peasants as its ally, deployed sufficient revolutionary energy to crush the armed forces of the Russian bourgeoisie and of the nine imperialist countries that intervened militarily in Russia.

Imperialist globalization intensified in the course of the 1920s and 30s. It was characterized by the consistent hostility of all imperialist powers towards the one and only socialist country in the world, by the extension and intensification of colonization and the submission of the semi-colonial countries, and by a growing rivalry between the imperialist powers to get hold of the markets and the raw materials of the whole world. The world crisis of 1929 was a crisis of overproduction linked to a financial collapse. The big capitalist countries tried to get away from it by means of a Keynesian policy of public works and large weapons programs.

All this resulted in the Second World War, in the course of which 50,000,000 people became victims of the barbarity of this criminal system called imperialism. In the course of the antifascist war, 23 million Soviet people sacrificed their lives to save the USSR and the whole world from fascism. In the countries of Eastern Europe, the Soviet Union helped significantly to see the antifascist revolution triumph, the latter being transformed into a socialist revolution. In the course of the Second World War, the Chinese and Korean people

## **IMPERIALIST GLOBALIZATION AND THE WORLD REVOLUTIONARY PROCESS**

*General Resolution  
International Communist Seminar  
Brussels, Belgium, 4 May 2001*

According to the academic ideologues of the Western world, globalization is a natural and inevitable process, which carries enormous possibilities for the development of all countries in the world but at the same time poses serious challenges. As history has proved that an economy based on private enterprise and the market performs best, all countries are obliged to accept the free market at home as an integral part of the global free market, as well as the privatizations, liberalizations and deregulations that form its basis.

A look at the reality of today's world and at the history of the last century and a half shows that the current globalization is not a new phenomenon. Already in the Manifesto of the Communist Party in 1848 Marx wrote: "The bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country. (...) The bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilization." This tendency is entirely confirmed with the passage of liberal capitalism to monopoly capitalism and the arrival of the era of imperialism. The current globalization means a deepening and broadening of all contradictions that have marked imperialism since its inception in the beginning of the 20th century.

### ***IMPERIALIST GLOBALIZATION AND REVOLUTION: 1900-1960***

In the period 1900-1910, monopoly capitalism was dominant in Great Britain, France, Germany, the USA, Belgium and Holland, and

Under the leadership of Lenin and then of Stalin, the Third International inspired the international working class movement and resulted in the establishment of communist parties in scores of countries. The socialist example of the Soviet Union and the work of the Third International promoted the world proletarian revolution and struck fear in the hearts of the imperialists.

With one hand, the monopoly bourgeoisie used social democracy in a scheme to discredit the communists and split the working class movement and with the other hand it used the open rule of terror through fascism to attack the communists on an international scale and attempted to destroy the Soviet Union. But economic crisis and the second interimperialist war provided the favorable conditions for the rise of several socialist countries and the vigorous advance of national liberation movements.

For so long as the countries pioneering in socialism remained socialist, they could withstand, confront and defeat the threats and acts of aggression launched by the US and other imperialist countries in the course of the Cold War. They could also take advantage of the contradictions within and among imperialist countries as well as between the imperialists and the oppressed nations and people.

No socialist country has ever been defeated by any imperialist war of aggression. What has proven to be the most lethal to socialism is the rise to power of modern revisionists as a consequence of degeneration within socialist countries. This involves the liquidation of the proletarian class stand, the abandonment of class struggle, the mishandling of contradictions, the persistence of unproletarian customs and habits, the covert opposition and sabotage by reactionary diehards, complacency and degeneration of party cadres and members, the rise of new corrosive bourgeois trends and forces, the misallocation of resources and unchecked corruption of bureaucrats.

To build socialism, it is necessary to establish the dictatorship of the proletariat, socialize the means of production, raise the level of material, technical and cultural conditions of society and have adequate

national defense that relies mainly on mass mobilization and secondarily on weapons. But all these are not enough.

A continuous and protracted proletarian cultural revolution, on top of scientific and technological revolution which is also cultural, is needed. Otherwise, the victories in the overthrow of the old system, the liberation and development of productive forces and the improvement of material and cultural conditions are not sufficient for keeping alive the proletarian revolutionary spirit and preventing the rise of modern revisionism.

The proletarian cultural revolution must promote class struggle as the key link, put revolutionary politics in command of production, strengthen the socialist relations of production and revolutionize the superstructure. The point is to carry out the cultural revolution under proletarian dictatorship in order to combat revisionism, prevent the restoration of capitalism and consolidate socialism.

The big mass of professionals, technicians and students produced by the socialist system can easily acquire a petty-bourgeois outlook if they are not steeped in the proletarian stand, viewpoint and method through their experience in proletarian cultural revolution and proletarian internationalism.

Without the proletarian cultural revolution, they become the initial social base for the rise of modern revisionism. As they enter the bureaucracy of the state, party, economic enterprises and cultural institutions, they promote contempt for the proletariat, worship the imperialist countries and conjoin with the vacillators and degenerates among the older crop of bureaucrats.

In the case of China, before the Dengist counterrevolution started to adulate the US, a considerable number of the new intelligentsia and bureaucrats had gone to the Soviet Union for training. Many of them worshipped everything that carried the Soviet brand, including the revisionist trend. They openly did so in the 1950s and covertly after the Sino-Soviet ideological debate broke out into the open in the early 1960's.

bankrupt and debt-ridden governments. Thus, their puppetry, corruption and repressiveness drive the people to rise up in mass protest. They can be overthrown through tactics of the broad united front and militant mass actions. The revolutionary party of the proletariat in one country can thus overthrow one ruling clique after another and in the process strengthen itself until it is ready to overthrow the entire ruling system. If the imperialists engineer a military coup at any time, then this would be an even more hated target of the revolutionary movement.

The devastation of national economies as a result of "free market" globalization is so sweeping and so intense that it is feasible for the proletariat and people in many countries in several continents to wage armed revolution and other forms of revolutionary struggle against imperialism and local reaction within the next 10 to 30 years. The neoliberal revanchism of the monopoly capitalists against the proletariat and people is so rapacious and so violent that the resurgence of the anti-imperialist and socialist movement is bound to be unprecedented in scope and intensity.

What is needed is the development of the subjective forces of the revolution, chiefly the Marxist-Leninist party. Such a party needs to lead all forms of mass organizations and all forms of revolutionary struggle. Most important of all, it must wage armed revolution according to the concrete conditions of a country and must prepare for it if it is not yet waging such a struggle.

So far, since 1990, the new world disorder has come to the fore mainly with imperialist wars of aggression and armed conflicts among reactionary forces. These wars of aggression and armed conflicts expose and exacerbate the grave crisis conditions of the world capitalist system, and point to the possibility and necessity of increasing the number of armed revolutions for national liberation, democracy and socialism. The current turbulence in the world is the prelude to social revolution. #

is in a position to either appease or suppress the masses. But such an imperialist power can be brought down through a combination of class struggle by the proletariat, the advances of revolutionary movements in the underdeveloped countries and the intensification of interimperialist contradictions.

In the entire run of the epochal struggle of the monopoly bourgeoisie and the proletariat, proletarian revolution in imperialist countries is certain. However, it is possible only with the steadfast propagation of Marxism-Leninism, the building of the revolutionary party of the proletariat and the development of the revolutionary mass movement. The advance of the revolutionary movement can accelerate if the imperialist country is so crisis-stricken that it exposes the brutal face of the monopoly bourgeoisie and the revolutionary party is prepared to lead the upsurge of the mass movement.

In the meantime, the highest potential for armed revolution led by the proletariat are now with peoples in the countries most exploited by the imperialists and the local exploiting classes. The greatest advantage available to them is that they can wage protracted people's war ahead of proletarian revolutions in the centers of world capitalism. In some countries, Marxist-Leninist parties are already waging protracted people's war. In other countries, they are preparing to do so. They are opening the way for a revolutionary conflagration of unprecedented proportions.

The proletarian revolutionaries in the former socialist countries ought to be in the best position to build Marxist-Leninist parties because they can draw principles and lessons from previous experience in socialist revolution and construction some generations ago. But they have to contend with decades of revisionist misrepresentation of socialism and the discredit it suffered as a result. They need to make a critical study of modern revisionism and learn how to gain the trust and confidence of the proletarian and nonproletarian masses for a new socialist revolution.

The imperialist policy of aggravating neocolonialism with neoliberalism has weakened puppet states. The ruling cliques run

Revisionism starts to gain ascendance as soon as the communist party in a socialist country proclaims the end of the class struggle. In the Soviet Union, the revisionist mantra was that the proletariat had "accomplished its historic mission". In China, it was the "dying out of the class struggle".

The liquidation of the proletarian class stand and denial of the class struggle are the prologue to the flood of ideas and policies that breach the principles of socialism, restore capitalism in the guise of developing the productive forces (actually economism and productionism), bring in the tentacles of imperialism and revive the monsters of the old society. Increasingly, ahistorical comparisons are made with regard to levels of development between the socialist and imperialist countries in order to denigrate socialism and develop contempt for it.

We must grasp the basic principle that the building of socialism takes a long historical period. This means that the dictatorship of the proletariat is needed for a long time in building socialism, until socialism prevails over imperialism on a world scale and thereby gives way to communism. Socialism is possible in one or several countries but communism is possible only upon the global defeat of imperialism.

Mao developed Marxism-Leninism to a new and higher stage by confronting the problem of modern revisionism centered in the Soviet Union, criticizing it and then putting forward the theory and practice of continuing revolution under proletarian dictatorship through the Great Proletarian Cultural Revolution (GPCR). On the whole, the GPCR succeeded for 10 years, 1966 to 1976. But so soon after the death of Mao, the Dengist counterrevolution reversed it. This can only mean that the theory and practice of proletarian cultural revolution must be further studied and developed.

The proletarian cultural revolution correctly targeted modern revisionism. It was the weapon that averted an earlier defeat of Mao's proletarian revolutionary line. This was vindicated and proven correct as undisguised restoration of capitalism occurred in the revisionist ruled countries. Mao is correct in teaching that when the revisionists

take power they overthrow the proletarian dictatorship and begin to restore capitalism.

The theory of continuing revolution under proletarian dictatorship through the cultural revolution is a crucial weapon for analyzing what went wrong with the former socialist countries, for holding our ground against the taunt of the enemy that socialism is hopeless, and for anticipating problems in establishing and consolidating socialism.

As a result of the betrayal of socialism by revisionist ruling cliques, we are now in a world situation similar to that period before World War I in the sense that no formidable socialist power confronts the imperialist powers, and that monopoly capitalism once again waves the anachronistic flag of “free market” or “free trade” while exploiting and oppressing the proletariat and the people of the world in the most retrogressive and ruthless ways.

But the proletarian revolutionary parties can avail themselves of the rich historical experience of the proletariat in socialist revolution, construction and cultural revolution. They can learn both the positive and negative lessons in order to strengthen themselves in ideology, politics and organization, be in a position to take advantage of the worsening crisis of the world capitalist system and advance the world proletarian revolution through revolutionary mass struggles.

Within the current decade, the class struggle can be expected to intensify in the imperialist countries, especially in those that have most stagnated in the previous decade. The current recessionary trend in the US will cause collapses in finance and production in other countries. As in previous times, the monopoly bourgeoisie can be expected to turn to fascism to oppose the mass movement of the proletariat and nonproletarian masses. At the same time, contradictions among the imperialist powers can intensify upon the aggravation of the crisis of overproduction and the rise of domestic fascist movements.

The monopoly bourgeoisie appears to be so powerful by its ownership and control of the highest forms of technology, by its accelerated concentration and centralization of capital and by its

capability to move trillions of dollars at electronic speed. But all these precisely have accelerated the recurrence of the crisis of overproduction as well as financial collapses, with devastating consequences to the working people and client-states.

The monopoly bourgeoisie has the information technology in its hands and maintains a tight control over the capital-intensive and the most powerful instruments of propaganda. It looks like the progressive forces can never compete with these. But history has proven that whatever are the available instruments and forms of communication, these fall into the hands of the people after the cry of mass discontent and the revolutionary mass actions ring louder than these and isolate the ruling class until it is defeated.

In the hands of the monopoly bourgeoisie, information technology is a tool for mass deception, exploitation and oppression. But in the hands of the revolutionary forces and people, it is a means for knowing social needs and demands, for promoting democracy, for effective planning, for attuning production to the general and specific needs of the people, for raising efficiency in production and distribution, and for developing revolutionary education and culture.

As policeman of the world and No. 1 enemy of the people, US imperialism appears to be invincible with its high-tech weaponry. But this is self-defeating as it is exceedingly costly and is effective mostly for targeting and destroying fixed structures under the responsibility of recalcitrant or disobedient client states. US imperialist strategy and weaponry necessitate that the proletariat and peoples of the world adopt a revolutionary strategy to defeat the US and the local reactionaries on the ground through protracted people’s war and other forms of revolutionary mass actions, depending on the stage of development of the world proletarian revolution and the concrete conditions of a country.

So far in history, the proletariat in imperialist countries has not seized political power from the monopoly bourgeoisie, unless the proletarian revolution takes advantage of an interimperialist war. That is because an imperialist power is strongest in its own homeground and