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From the Editor's Desk

The tsunami that has taken a heavy toll on several countries in South and South East Asia, has also swept aside from the centre of national concerns some of the burning political and social issues faced by the country. Amid the suffering of the people the entire coastal region of Sri Lanka, except a stretch further north of Colombo, let us not forget that comparable or bigger losses have been suffered by the people of the Aceh province in Indonesia; Andaman & Nicobar islands, Tamilnadu, Andhra, Orissa and Kerala in India; and by no means small losses in several regions of South and South East Asia, the Seychelles and Somalia.

No one could be blamed for the earthquake and the tsunami that followed it, and the speed with which things happened would not have permitted the protection of the homes and belongings of the victims. But there was opportunity to save the lives of a large proportion of the well over a hundred and fifty thousand who died.

It is now known that authorities in Thailand underplayed the gravity of the tsunami to 'protect tourism' by 'not creating alarm' among the foreign tourists, although they had a clear one-hour's warning of the tsunami approaching the southern coast.

Even more criminal was the attitude of the US. The US has the resources to detect the slightest possible disturbance on the earth surface and ocean floor since the defence establishment is continuously probing the globe for disturbances caused by nuclear explosions. Within minutes of the massive 9.0 magnitude earthquake off the coast of Indonesia, U.S. scientists working with National Oceanic and Atmospheric Administration (NOAA) suspected a deadly wave spreading through the Indian Ocean but did not call anyone in the governments in the area. An official in the NOAA claimed that they e-mailed Indonesian officials but added that he did not know what happened afterwards. The US base in Diego Garcia was, however, duly warned.

The attitude of the US to aid to the victims was roundly condemned by many including the United Nations Emergency Relief Coordinator Jan Eglund, accusing the US of being stingy. Even the subsequent increase from a measly US\$ 10 million, initially, to US\$ 35 million was less than what has been offered by much smaller European countries with far less resources than the US.

Critics of the attitude of the US made interesting comparisons between the initial offers of the US and items of US expenditure such as a F-22 Raptor tactical fighter jet (US\$ 225 million), the cost of the ongoing U.S. war in Iraq (US\$ 228 million/day), election campaign expenditure of Kerry and Bush (US\$ 400 million), U.S. aid to Yushenko camp in recent Ukrainian conflict (US\$ 30+ million), estimated cost of Bush's Second Inauguration and Ball (US\$ 40+ million), U.S. tax cuts under Bush (US\$ 1 trillion) and US reconstruction aid budgeted for Iraq (US\$18 billion, pledged but unspent).

Although seemingly it was much after such humiliating exposures that the US reluctantly agreed to increase its offer of support to US\$ 350 million, there seem to have been other plans behind the new generosity. To cover up US intentions, the authorities and former presidents have now appealed to the American public to make donations. However, when it came to sending its marines to 'help' with relief efforts, the US showed no hesitation whatsoever. US Marines are now in Trincomalee, Hambantota and Galle, locations of strategic importance to the global super power. This should be an eye opener for those still harbouring illusions about US intentions in our impoverished part of the globe.

The fact that Minister Kadirgamar had 'requested' the use of US marines shows the stand of the government to safeguarding the sovereignty of the country. It is a clear sign that, in the name of disaster relief, the government will willingly surrender the country to further domination by forces of imperialism and hegemony.

There has been tremendous support from mass organisations, especially the trade union movements across the world. Their support is far more genuine than that of governments. Regrettably, the media which give publicity to support by foreign governments and funding agencies have said very little about this kind of aid.

The performance of the Sri Lankan defence and administrative machinery also needs to be probed in the context the failure to warn the people. If the country had been alerted immediately after the east coast was hit, lives along the southern, northern and western coasts could have been saved, since the wave traversed the coast at a much slower speed than it crossed the sea.

What is particularly worrying is the attitude of the government to the crisis. The government appears to be guided by two principles, namely its

chauvinistic approach and cost-benefit calculations from the electoral point of view. Two recent events exposed the attitude of the government.

The first concerned failure to provide urgently needed relief to victims of flood in the Batticaloa and Amparai districts in November-December. Interestingly, but not surprisingly, Wimal Weerawansa, the de facto leader of the JVP group of MPs, had threatened to call for a parliamentary probe into the granting of large sums as aid to flood and tsunami victims in the North-East.

The second concerned the initial indifference of the government towards tsunami victims in the East. Shortly after the disaster, Joseph Pararajasingam, TNA MP for the Batticaloa district had raised with the Prime Minister and his team the question of aid to victims in that district. But they seemed uninterested, and that angered the MP so much that he issued an uncharacteristically strong statement condemning the attitude of the government. The statement received local and international publicity. Subsequently, the prime minister, followed by the president, and even the JVP's Weerawansa, made conciliatory utterances reassuring the Tamils that all victims will be treated in a fair and equal manner.

There is suspicion among Tamils that the apparent change in government attitude was only to impress foreign donors; and that, once the initial disaster relief work is done and reconstruction begins, they will be discriminated against, with the bulk of the funds deflected towards the electoral power bases of the government, which may see the relief funds and the state of shock of the country as a political bonanza. Their fears about discrimination are not groundless as there are ample precedents in matters of employment and education, in the development of the regions during times of peace, in allocation of resources for rehabilitation of the war-displaced, and in the distribution of disaster relief in the past.

It should be remembered that much of the foreign aid granted as disaster relief does not address of the real needs of the victims. Some governments are so cynical that they use the opportunity to dump un-saleable goods and perishable items approaching expiry date on the victims of disaster. The NGOs grab a sizeable portion of the funds for administrative as well as less honourable purposes, on top of corrupt government officials and politicians, who have for decades been a major drain on resources of all kind.

Recent events have shown that the British public put the British government to shame by collecting much more than the government initially offered, thus forcing the government to give more. It is the goodwill of the ordinary masses the world over that made the US to revise its initial measly offer to US\$ 35 million. (The subsequent revision was another matter). While the goodwill and sympathy of the world and all genuine assistance are most welcome, in the final analysis, what matters is how the people mobilise themselves. It is public awareness and the will and the ability of the affected masses to stand up for their rights that can expose and overcome the anti-social elements that stand in their way.

There are signs that the government has taken for granted that the LTTE, with its military, economic and human resources badly affected by the tsunami, is in no position to resume armed struggle. This was reflected in the utterances of the President in statements to the media on the crisis facing the country. Also the government's interest in controlling the Tamil people in the name of relief than ensuring that relief is sent to the affected people is becoming increasingly evident. Neglecting the importance of the national question and the urgent need to resolve it could only land the country in a bigger crisis.

While the priority of the moment is relief to the victims, their protection and rehabilitation, we cannot ignore the most important problem facing the country. It is hoped that the unity of the people of the country could be a benefit that would emerge from this tragedy. But unity does not spontaneously emerge from tragedy. While the tragedy is an eye-opener to many, it is concrete action to ensure social justice and a just and lasting peace that will ensure enduring unity.

We have been warned about social vultures stealing goods meant for the victims and exploiting in the crudest fashion their tragic situation to make money. But we need to be more vigilant about bigger vultures waiting in the wings for bigger sums to come in the form of foreign aid.

It is also important at this moment of tragedy that we remain alert and do not allow sorrow, helplessness or desperation permit forces that have for long been seeking to dominate this country to make use of this opportunity to gain foothold in this country in the name of care and kindness.

POLITICAL REPORT OF THE 4TH HILL COUNTRY REGIONAL CONGRESS OF THE NEW DEMOCRATIC PARTY

by

Comrade S Panneerselvam

[The following is a translation from Tamil of the Political Report presented by Comrade Panneerselvam at the 4th Hill Country Regional Congress of the NDP held in Hatton on 18th October 2004 .]

**Members of the Politburo,
Delegates to the Congress,
Comrades,**

The Fourth National Congress of our New Democratic Party was held in Jaffna on the 8th and 9th of November 2002, and a deep and meaningful Political Report was adopted at the Congress. It is an important feature of the method of work of our Party that Regional Congresses are convened to carry out programmes that are suitable to the various regions on the basis of the Political Report.

On that basis, the Hill Country Region conducts its Fourth Regional Congress today. The hill country viewed geo-physically as the part of the country above an elevation of 1000 feet (300 metres) above sea level, and includes the Central, Uva and Sabaragamuwa Provinces and parts of the Southern and Western Provinces. District-wise it comprises Matale, Kandy, Nuwara Eliya, Kegalle, Ratnapura, Badulla, Monaragala districts and includes parts of Matara, Galle, Kalutara, and Colombo districts. The Hill Country Regional Committee includes people resident in these regions as well as those who consider themselves to be permanent residents of these regions.

Workers in the tea, rubber and coconut plantations, workers in garment factories and other industries, government and private sector workers, and people with working class consciousness in this region form the base for the functioning of our party. Besides, the activities of the Party extend to include those who toil in paddy fields and in vegetable gardens as wage labour or lease holders.

It is inevitable that the Party would unite with people such as small producers, small plantation land owners, middle classes and intellectuals who could and should be mobilised alongside the above working and agricultural classes.

The Sri Lankan state and governments have been clients of imperialism. It is our principal duty to prepare ourselves nationally for freedom from that condition, through a socialist revolution for establishing an egalitarian society. To accomplish that, we need to work on that basis at the regional level as well. As a precondition to carry out the socialist revolution, the New Democratic Revolution needs to be carried out under the leadership of the working class, by uniting with all forces with all forces with which unity is possible. This approach applies to the regions as well. The whole country and its people are being exploited by capitalism, feudalism and imperialist globalisation. The people are divided by nationality, religion, caste, gender and region. They are kept divided so that the imperialist-capitalist-feudal class rule could continue. Through such division the people are oppressed on the basis of nationality, religion, region and gender.

It is important for all the classes exploited by capital (international as well as national) to fight under the leadership of the working class. At the same time, it is necessary to carry out the struggle against national oppression, which comprises the main problem facing the country and an obstacle to carry out the struggle against capital, and achieve at least a minimum solution.

The working class and the peasantry in the region comprising the hill country and their allies are divided on the basis of nationality. The programme of the Party should be extended to the all sections of the people, by overcoming these differences. At the same time, struggles against class and national oppression of the majority of the plantation workers who live in the hill country and the nationality, namely the Hill Country Tamils, to which they belong, are important to extending the programme.

The Hill Country Tamils brought to the island by the British colonialists to set up the plantation industry and to toil there have a 200 year long history. They live in the in the plantations in the Hill Country and their vicinity. The capitalist class and Sinhala Buddhist chauvinists have created bitterness against them among the Sinhalese peasantry by spreading the historically wrong view that the lands of the Sinhalese in the hill country had been taken away by the British to set up plantations and that the Hill Country Tamils enjoyed special privileges.

The truth is that the bulk of the land used for establishing the plantations was wooded and not owned by any and that the workers who created the plantations do not own even a piece of the land on which the estates were established. They do not have houses of their own. They have no permanent place of residence or address. It is true that land that was not used for settling up plantations was taken over by the British. It is the British colonialists who should be answerable for that. When the British colonialists left the country, they left, among many other things, the plantations in the hands of the Lankan ruling classes.

However, the contradiction created between the Sinhalese and the plantation workers by British colonialism is being carried forward by the Lankan capitalist class and the chauvinists in several ways to secure their own survival. The Citizenship Act was introduced in 1948 and the Hill Country Tamils including the plantation workers were made stateless. As a result their right to vote was taken away and from 1952 they were deprived of parliamentary representation.

Although parliamentary representation was secured in stages by subsequent amendments to the Citizenship Act since 1977, such representation is very much at the mercy of the capitalist chauvinistic parties. The Hill Country Tamils continue to be severely exploited as a nationality and as a class. Particularly since the government administered the plantations following their nationalisation and as a result of the creation of settlements on a chauvinistic basis, the Hill Country Tamils have been rendered insecure. Now, under private ownership of the plantations, the plantation workers are exploited most cruelly.

Trade unions that functioned among the plantation workers do political work in a way that ensures that the Hill Country Tamils remain in the grip of narrow nationalism so that the leaders could win seats in parliament to secure cabinet posts and social status for themselves. The Ceylon Workers' Congress and the Malayaha Makkal Munnani (Hill Country People's Front), in particular, divide the people in their efforts to win votes and propagate narrow nationalistic politics to prevent the workers from uniting with the Sinhalese. However, the CWC and the MMM have made it their politics to renew in turn their ties with the UNP and the SLFP so as to secure posts and positions they continue. Their politics is neither proletarian nor one for achieving the aspirations of the oppressed Hill Country Tamil nationality.

Although some trade union demands have been won in bits and pieces during the British period and later between 1972 and 1991, when the estates were managed by state organisations, the hill country plantation trade unions have not achieved anything remarkable. After the handing over of the plantations to private companies (mainly foreign and especially with major share holding by Indian companies), the trade union movement has gradually become defunct for all practical purposes.

Collective agreements are signed according to the wishes of the Ceylon Chamber of Commerce acting on behalf of the plantation companies. The trade unions that sign the agreements on behalf the workers, namely the CWC, Ceylon National Estate Workers Union (a UNP trade union), and the Joint Committee of Plantation Trade Unions (a leftist trade union alliance in appearance), seem effete. Besides their inability to win a just wage increase, they go to the extent of justifying the measly wage increases achieved by claiming them to be the maximum attainable.

While they are ineffective as trade unions, they have also proven themselves to be incapable of achieving what is possible within bourgeois democracy through the parliamentary representation that they have.

Under these conditions, the New Democratic Party continues to work with dedication to unite the left and democratic forces and carry forward people's politics in opposition to parties that are functioning as clients to capitalism, chauvinism and imperialism. It is taking the necessary steps for that purpose in the hill country too. I.e., it is working with dedication to carry forward

people's politics in opposition to the UNP and the SLFP. The party is carrying out its activities with its revolutionary politics at the core. Our party has, on its own, through various mass organisations, and by joining with forces with which unity is possible, carried forward mass struggles.

Since 1979, it has participated in many struggles to find solutions for the problems of livelihood the Hill Country Tamils and plantation workers, especially those demanding higher wages for the plantation workers. In 1979 it stood in the forefront of the struggle to make permanent the posts of 402 volunteer teachers. From 1980 to date, we are in the struggle against the Upper Kotmale Hydropower Scheme. We have been struggling against the Upper Kotmale Hydropower Scheme through the Sri Lanka Communist Party (Left) and its youth organisation, the Sri Lanka Patriotic Youth Movement, when the Party functioned as the Sri Lanka Communist Party (Left) and, following the change of name, through the New Democratic Party and its youth organisation, the Sri Lanka Democratic Youth Front and now by setting up an organisation called the People's Movement Against the Upper Kotmale Scheme through uniting various individuals and organisations.

We struggled against the privatisation of the plantations. We are struggling against chauvinistically motivated settlements in the plantations, and against mining for gems in the plantations. It should be noted that the struggle to repair the road and for the reduction in the bus fare charged in private buses along the Ragala-Highforest route resulted in the repair of the road and a reduction in bus fare. In 199, we carried out mass demonstrations across the country against ethnic violence in Ratnapura. We carried forward struggles against the killing of political prisoners in Bindunuweva in 2001. In last May, we carried forward struggles against ethnic violence in Kandapola.

We continue to lend support to the struggle of the teacher students in the Sripada College of Education. In last June, besides supporting the demonstration of the teacher students, we took action against attacks on the teacher students. What should be noted here is that, while all trade union leaders and parliamentarians were opposed to the struggle, our Party alone stood firmly and honestly in support of it.

We are, thus, active in mobilising the people through a variety of mass struggles.

We have not failed to use elections as another platform to carry forward our struggle. Our position is that the problems of the people cannot be solved through elections. We also appreciate that it is not possible to reject elections altogether at present and that it cannot be a foregone conclusion that we should always contest elections. In the Provincial Council elections of 1993, we contested as an independent group, under the leadership of Comrade E Thambiah, our National Organiser, with the teacup as symbol.

In 1998, when the Party was a partner in the New Left Front, we contested the Provincial Council elections, again under the leadership of our National Organiser, with the NLF symbol, the table. In the parliamentary elections of 2000, we contested in alliance with the Democratic Left Front, under the leadership of our National Organiser, with the DLF symbol, the clock. In the parliamentary elections of 1993, we contested, under the leadership of Comrade S Panneerselvam, again with the clock as symbol.

In the general election of 2002, we carried forward a protest movement comprising the spoiling of ballot papers. In the Provincial Council elections of 2004 April, we contested the Nuwara Eliya District under the leadership of our National Organiser, with the candle as symbol. Although the party and some comrades faced severe financial hardships by participation in the elections, there were favourable outcomes in activities to mobilise people.

The Party works on the basis that, for the Hill Country Tamils to carry forward their struggle against national oppression, it is important to put forward their identity as a distinct nationality, and that they should be identified as Hill Country Tamils rather than as Tamils of Indian descent. The position of the Party is that the Tamils of Indian descent living outside the hill country, especially in Colombo, the North Western Province, and the North-East Province could be counted within the national identity of Hill Country Tamils, as sections of that nationality. It is our position that the identity of “Hill Country Tamils” that emphasises that we are not foreigners cannot be compromised to serve the class interests of a few traders living in Colombo and a handful of intellectuals who play along with them.

Besides, the struggle to win and to consolidate the national aspirations of the nationality, the Hill Country Tamils, is not one in opposition to the Sinhalese, and we are firm that, on the contrary, it needs to be carried forward as a

struggle to reinforce solidarity with the Sinhalese and Muslims. However, neither that nor the fact that the Hill Country Tamils are surrounded by Sinhalese could be cause for denial of the existence of national oppression against the Hill Country Tamils or to refrain from struggle against it.

An autonomous structure should be established to ensure the right to self determination, equality and autonomy of the Hill Country Tamils. It is only through that they could be freed of national oppression and ethnic violence against them. It is necessary to secure in a similar fashion autonomy and safety for the Muslims living in the hill country.

Thus, the peace process aimed at resolving the national question should address, besides the problems of the Tamils, those of the Hill Country Tamils and the Muslims. The scope of the peace talks should be extended in a way that these problems could be resolved.

The peace negotiations relating to the national question should be immediately resumed. Rehabilitation and reconstruction work should be carried out and an interim administration set up in the North-East so as to enable normal life, peace and democracy there. Following that, negotiations for a final solution to the national question should be conducted to conclusion within a defined time frame. The final solution should be such that it ensures an autonomous region comprising a merged North and East as well as autonomy for the Tamil, Muslim and Sinhalese living there. In the hill country, a strong autonomy comprising regions where the Hill Country Tamils live. Outside this region the right to autonomy of these people should be ensured through appropriate autonomous structures.

The Party Regional Committee for the Hill Country has paid attention to oppression of men and women in vegetable gardens, farms, shops, offices and factories, besides the oppression in the plantations, and the struggles against such oppression. It considers that it is its duty to carry forward the struggles for all government servants including teachers and private sector employees for their rights.

The main problems in the plantations are national oppression against Hill Country Tamils and class oppression against plantation workers. The Party, with its actions guided by Marxism Leninism Mao Zedong Thought, has undertaken the responsibility of carrying out multi-faceted struggles on a

working class basis to confront such oppression. It is through such multi-faceted struggles that a foundation could be laid for a class struggle led by the workers among the Sinhalese, Hill Country Tamils and Muslims in the hill country.

Besides, the Party is carrying out various activities on the cultural front to reinforce working class characteristics among the people of the region. Organisations such as Thesiya Kalai Ilakkiyap Peravai, Cem Malarkal Theatre Group and Puthiya Malayakam are carrying forward their work in literature and art with that purpose in mind. The Red Hearts Sports Club conducts sports activities. A musical group called Mountain Mozarts is also active in developing music for the people in support of the Party.

Liberation for the entire people in the hill country, in the long term, is part of socialist revolution and New Democratic revolution in the whole country and, in the immediate context, part of the National Democratic programme. It should be remembered that the revolution of the people of the hill country region is opposed to imperialism, imperialist globalisation and Indian regional hegemony in the same way that socialist revolution on a country-wide scale is opposed to them.

Struggles should be carried forward without entrapping the Hill Country Tamils within the imperialist agenda. Let us link ourselves with the struggles of the people of the world against imperialist globalisation. It is important to avoid falling into the trap laid by the forces of Indian hegemony using the line that the 'Hill Country Tamils are of Indian origin', and persist in struggle. Like imperialism, Indian hegemony too is hostile to our country and its people. We cannot permit it to carry out its various expansionist activities with the hill country as base.

Comrades,

Of all political tasks that we considered so far, the most important are the political tasks of our revolutionary party.

The trade unions in our region cannot even stir. The parliamentary politicians cannot raise the standard of living of the people by ensuring at least the necessities of the people such as food, shelter, education and health services. The UNP and the SLFP that have been ruling the country and the political parties subservient to them cannot bring salvation to the people of this country.

The so-called left parties clinging on to the SLFP cannot carry forward people's politics properly. The JVP, which upholds Sinhala Buddhist chauvinism while waving the red flag, is attempting to initiate trade union work in the hill country. Since its basis is hostile to the working class in the plantations and the Hill Country Tamils, the people cannot accept it. The need of the present is the path of political struggle as opposed to the path of making people surrender in return for concessions for the trade unionists and parliamentary politicians.

Some educated people who have come from among the backward Hill Country Tamil community collaborate with trade unionists and parliamentary politicians for their self-advancement and go to the extent of justifying them. They refuse to accept the politics of struggle as an alternative to trade unionists and parliamentary politicians. These educated persons interpret the politics of opposition to existing trade unionists and parliamentary politicians as one of replacing one group of individuals with another. Some of them have become officials and members of an elite class. Theirs is an anti-people stand of the educated class. Among the educated in the hill country, caste ideology and gender oppression are emerging in new forms. It is essential to struggle against these trends. Some of the educated individuals are defenders of the trade unionists and parliamentary politicians. It is necessary to oppose their anti-social stand.

Hordes of NGOs have emerged, claiming to work against trade unionism and parliamentarism, while securing funding from imperialist countries and their agencies in the pretext of social development, women's empowerment and social research. They downgrade people's activists to the level of social workers. NGOs reject explicitly or implicitly that only a socialist revolution could transform the unequal class society. They project to the people voluntarism, comprising cost-free activities such as carrying out social services with foreign funding to paying honoraria to participants in meetings and seminars, as the alternative to the degenerated politics of today. That cannot transform society.

NGOs carry out certain tasks (for example, construction of public toilets) which should be the responsibility of the state towards the people. They create the notion that the people should not depend on the state for their needs but fulfil them on their own. To the NGOs, mass struggle of is to bring the people

to the streets and make exhibits of them. They spread among the people and especially the educated classes the belief that problems could be solved by submitting research reports on social development and exerting pressure on the government. Also, the NGOs themselves offer employment opportunities. Those who work there do not only find fault with the people but also consider themselves more advanced than the people. Those who administer the NGOs are moneyed and well to do. They call themselves 'civil society' and live like the nobility.

Such voluntarism is fundamentally opposed to social change and to the activities of revolutionary mass organisations and revolutionary parties. Imperialist programmes are implemented through them. Trade unionism, parliamentarism and voluntarism are serving to blunt the class consciousness of the workers.

Our principal task is to carry out revolutionary work and mobilise the people against these forces. That could be done by the Party on its own and jointly with forces that could be united with. It could also be done through mass organisations.

A larger number of educated people have joined the ranks of our Party than any other organisation. They are acting with proletarian consciousness and scientific clarity against the anti-social educated class and the NGOs. We need to develop that work further and defend and develop the class consciousness of the workers.

On this basis the 4th Hill Country Regional Congress of the Party puts forward the following immediate tasks:

- 1 We will strengthen the New Democratic Party as a revolutionary party and mobilise the people behind it.
- 2 In order to win the rights of the oppressed Hill Country Tamils, we will develop a broad mass movement transcending the limitations of the political parties and trade unions.
- 3 We will develop a revolutionary trade union movement in the plantation sector.

- 4 We will advance through strengthening the unity of the left and democratic forces against the UPFA and the UNP.

In addition, we will mobilize the people to achieve the following:

- a. We will struggle to defeat chauvinism and narrow nationalism and to ensure the rights of all nationalities in the hill country and to establish equality and unity among them.
- b. We will win a just wage scheme for the plantation workers.
- c. We will free the plantations from the private sector and bring them under co-operative management.
- d. We will put an end to the disastrous Upper Kotmale Scheme.
- e. We will win basic educational and health care facilities.
- f. We will eliminate caste and gender oppression.
- g. We will win the rights of the peasantry.
- h. We will construct a new culture.

We will win New Democracy and unite for a socialist future.

**Long live Marxism Leninism Mao Zedong Thought
Victory to the Proletarian Revolution
Long Live the New Democratic Party**

Remembering Comrade Navam

by

Comrade SK Senthivel

[The following is a translation of the text of the address in Tamil by Comrade SK Senthivel, General Secretary of the NDP at memorial meetings held in Jaffna and Colombo on, 7.11.2004 and 4.12.2004, respectively.]

Comrade S Navaratnam, member of the Politburo of the Party died suddenly of a heart attack on 08.10.2004. His departure is a great loss to the New Democratic Party. It is not a loss that is easy to bear, since Comrade Navam was a revolutionary communist fighter who integrated himself so closely with the life and the history of the Party. The role played by Comrade Navam in building the Party on the basis of Marxism Leninism Mao Zedong Thought and in carrying forward mass struggles outside the Party was exemplary, most commendable, and worth emulation by young communists.

Comrade Navam is a comrade who has completed forty years in the revolutionary communist movement. Comrade Navam who joined the youth movement of the Party in 1964 as a nineteen year old youth, gained membership to the Party an year later. Comrade Navam who joined the Party as a building worker, through his keenness in learning Marxism Leninism as well as putting it into practice, advanced to a position in the Party leadership.

The year 1964 was the time when revolutionary communist parties emerged anew from the older parties in Sri Lanka and other countries in the course of a fierce ideological struggle between Marxism Leninism and modern revisionism. In Sri Lanka, the new Marxist Leninist party took form under the leadership of Comrade Sanmugathan. In the north comrades such as M Karthigesan, Dr SV Seenivasagam, and KA Subramaniam were in the vanguard of the revolutionary party. Comrade Navam was among the young comrades to join the party.

Following the founding of the new revolutionary Marxist Leninist party in 1964, a powerful youth organisation was built in the north under the leadership of the party. Similarly, the trade union movement became unprecedentedly strong. Against this background, through the 21st October 1966 uprising, the party made the historical declaration of the revolutionary struggle of the people against caste oppression and untouchability. Lawful and unlawful revolutionary mass struggles were launched on its basis. The people who were depressed by caste made new history through their armed struggle to shatter the shackle of casteism and untouchability.

The struggles against casteism and untouchability became a turning point in history and changed the course of events in society. It was the Marxist Leninist party that was the driving force of these struggles. The youth organisation and the Mass Movement to Eliminate Untouchability served the struggle through hard work among the people. Thus the revolutionary practice of learning from the people, serving the people and mobilising the people was further developed. Through it, party members and members of the youth organisations acquired a variety of experiences from the people and moulded themselves into honest communists. They became exemplary individuals who were at the forefront of struggle. Comrade Navam was one of the most important among them.

We could recall various characteristics that made Comrade Navam distinct. He imbibed the Marxist outlook together with class awareness and enriched it through reading and study. On that basis, he always emphasised the need for a Marxist Leninist party and worked hard to build it. Comrade Navam was an example to others in adopting the basic positions appropriate to a Marxist Leninist, in both theory and practice. He adhered to the principle of 'simple in living and severe in struggle' to his last breath.

Comrade Navam who was warm and friendly in his dealing with comrades and fiends at all levels of the Party and mass organisations, adopted a firm stand with no room for compromise on matters of ideology and dealings with reactionaries with a hostile stand.

The mid-1960s was a period, both nationally and internationally, when the forces of Marxism Leninism were on the rise and there was a revolutionary tidal upsurge. Several who joined the Marxist Leninist party and worked most

enthusiastically during that time and were very close to the party turned out to be incapable of endurance during subsequent periods of inner-party splits and temporary setbacks for Marxism and socialism. Such individuals became lacking in will and incapable of facing the new national and international situations.

Many were led astray by the total disintegration and collapse of the Soviet Union, the fall of socialist states in east Europe, and the subsequent changes in China, which once offered hope amid these setbacks, that propelled it along the road to capitalism. While at the same time, when a several forces were caught up in the net of globalisation cast by imperialism and confounded by it, and when ideologies of confusion such as postmodernism, neo-Marxism, neo-liberalism were being spread to wipe out Marxism Leninism, Marxist Leninists were actively involved in facing the new challenges. Comrade Navam was among leading comrades in combating erroneous tendencies. In that respect too, the loss of Comrade Navam has left behind a void for us.

Comrade Navam, who was at the forefront of the struggle against caste oppression and untouchability, adopted a firm stand based on a Marxist Leninist position in struggles against national oppression that arose subsequently. He worked actively to carry forward, at a level of consciousness as well as an ideological level, the stand of the New Democratic Party in defining self determination for the Tamil, Hill Country Tamil and Muslim nationalities and, on that basis, to stress the need for granting autonomy.

Comrade Navam joined hands with those interested in social welfare to carry out tasks of public interest such as setting up a community centre cum library in his surroundings with a backward community and through it the work of developing education, economy and culture. He was loved by the public as a comrade who worked with dedication to the people without seeking titles, position or fame for himself.

There cannot be a second opinion about Comrade Navam being an exemplary figure in finding harmony between his political life, family life and public life.

When the New Democratic Party, then Communist Party of Sri Lanka (Left), was founded in 1978, Comrade Navam was among the founder members determined to take the party forward as a party based on Marxism Leninism Mao Zedong Thought. Memories of Comrade Navaratnam who lived as an

honest revolutionary communist to his last breath without ever slipping up in his Marxist Leninist ideological stand and in the life he led will be with us forever. His life, work and struggle and the views put forward by him are of value today and will be of value in times to come to the new generation of Marxist Leninists.

The work of Comrade Navam was not confined to the Northern Region. He joined in Party work in the hill country and, Colombo as well. Based on that, he emphasised that the Party should strengthen itself by gaining new experiences and learning new lessons. Comrade Navam participated in the various campaigns and struggles that the Party carried forward on its own and jointly with other democratic and progressive forces against war and in support of a political solution based on the right to self-determination.

In Sri Lanka, over the past quarter of a century, nationalistic thought, ideology and practice have come to the fore against a background of chauvinist domination. At the same time, imperialist conspiracy and intrigue have been intensified and the illusion of globalisation is being spread among the people. Under these conditions, Marxist Leninists need to face strong challenges in carrying forward their programme. This requires unassailable faith in Marxism Leninism, determination to act, faith in the people, firmness and enthusiasm. Losing Comrade Navam who had all these qualities is a great loss to the Party.

Nevertheless, advancing by transforming the sorrow of his loss into strength and by holding firmly to the revolutionary contributions left behind by him is the revolutionary tribute that we could pay to him. It is worth recalling that Comrade Navam frequently reminds us of the advice of Comrade Mao Zedong's to communist fighters, "Be firm, fear no sacrifice, and overcome all difficulties to achieve victory", and points to the need to act accordingly.

Therefore, let us work to further strengthen the Party and the mass organisations under it in the revolutionary memory of Comrade Navam.

We express our red salutes to Comrade Navam

Sri Lankan Events

Saved by the Tsunami?

The government finally overcame its difficulty of securing a parliamentary majority before presenting its budget by buying over two of the MPS from the Sri Lanka Muslim Congress and the whole of the Ceylon Workers Congress for the price of cabinet posts and ministries and also the support of one of the Bhikku MPs of the Jatika Hela Urumaya. It made a mockery of parliamentary democracy by making a UNP deserter a minister even before he had formally resigned from the UNP and crossed over to the ranks of the government.

The President and the government party had been on the attack against political enemies by bringing up a variety of charges of corruption, which seem to have a basis but no strong justification when one examines the records of government MPs and ex-MPs. The UNP's response has been weak after it had lost the initiative, once the President went on the offensive. While UNP demonstrations later in 2004 against the rise in cost of living failed to impress anyone, given its record in power less than a year earlier, the rise in oil prices as a result of global panic about curtailment of oil production and supply did hurt the popularity of the government.

Even on the question of the President seeking to extend her term by a year, based on her claim that she secretly took oaths a second time in 2001, an year after her premature election for a second term, the UNP failed to organise a mass campaign or to rally mass opposition to the unethical move by the President.

The sentencing in early December 2004 of UNP MP and former minister SB Dissanayake (who crossed over to the UNP from the PA only three years ago, and transformed overnight from a close comrade of the President into her strongest critic) to two years of rigorous imprisonment for contempt of court was seen as a threat to democracy not only by the UNP, but also by other opposition parties and even some of the new allies of the President. The UNP saw an opportunity in making the martyrdom of its MP and the prospect of his being deprived of his parliamentary seat a major political issue. But the

tsunami overtook the plans of the UNP and that issue is now as good as forgotten, unless the government slips up very badly in the near future.

The budget presented in November with promises for relieving the burden on the poor was passed with a comfortable majority in parliament, but delivering on the promises was another matter. Most of the proposals with public appeal were cosmetic, and not feasible in the context of the weak economy, and were aimed at a possible snap poll in the event of a difficulty in amending the constitution so as to prolong the rule of Chandrika Kumaratunge. However, the accommodation of the newly bought MPs, now in the ranks of the government, is of no help in plans to amend the constitution since changes to the electoral system would deprive the new allies of their political purchasing power.

Industrial disputes cost the tottering economy dearly, notably the one at the Bata shoe factory in mid-2004, where the intransigent attitude of the management and rough handling of the workers led to a prolonged strike and a major fire in the factory by saboteurs.

In the meantime, the country faced serious environmental crisis. Flooding and land-slides in some parts of the country, especially the Sabaragamuwa province, had become a regular feature because of the failure of the authorities to implement preventive measures. Unusually heavy rains in the eastern region in November caused severe flooding in the Batticaloa and Amparai districts. But the government failed to provide relief to the flood victims in the two districts, and it was a private sector media establishment that took the initiative in organising relief. The indifference of the government only a few weeks before the tsunami disaster has hurt its credibility badly in the eyes of the Tamils and Muslims in the East.

Meanwhile, the uneasy alliance of the JVP and the SLFP was showing strain, with the JVP leaders constantly opposing peace talks, albeit in the pretext of rejecting the Interim Self Governing Authority proposed by the LTTE. The position of the SLFP right wingers was no different from that of the JVP on the national question. It was very late in the day that the revisionist Communist Party MP in the UPFA declared support for negotiations on the basis of the ISGA.

While the climate of political killings, partly provoked by the killing of LTTE cadres by the now pro-government opponents of the LTTE allegedly with the

support of the armed forces and encouragement by chauvinists and foreign meddlers, continued to prevail in the east, plans of the LTTE to celebrate its 'Heroes' Day' met with resistance from chauvinistic quarters. Several untoward incidents took place in Jaffna (killings and army attack on civilians), JVP-backed agitation in Trincomalee and resultant communal tension, and clashes between government forces and the public in other areas.

The Heroes' Day speech of the LTTE leader warning that further delaying of the peace negotiations would force the LTTE to resume liberation struggle. This was interpreted as a call to war by mischievous elements at home and in India (especially the 'Hindu' media empire) whereas the point made was that the LTTE may be compelled to reconsider its offer of a solution within the framework of a united Sri Lanka. The implications of this for the international 'aid package' of 40 billion dollars worried the government, but it was not easy to appease the chauvinistic partners in government, let alone the chauvinists within the SLFP, and take the initiative in resuming the peace talks.

The government, having failed to respond positively to the LTTE proposal to resume the negotiations from the point where they stopped and on the basis of the LTTE proposal for an ISGA, came up with its counter proposal which the LTTE had rejected as inadequate, only days before the Tsunami disaster.

The wave of international sympathy and the offer of aid well surpassing the value of material damage by the tsunami seem to have altered the political equation somewhat. The attention of the public has turned away from their own difficulties concerning the soaring cost of living, unemployment and underemployment, the deterioration in the quality and content of services such as health, transport and education to the tsunami disaster.

The government still has the opportunity to unite the people as one by addressing the national question in a sincere manner and dealing with the tsunami tragedy victims in an equitable and responsible manner. But temptation to make political capital as well as to enrich one's self at the cost of public misery is too great. Thus, One cannot help but fear that the tragedy of the coastal population which now seems to be a blessing to a government that was in trouble could, given the reality of the nature of aid from imperialist predators administered through parasites including NGOs, will before long turn out to be a curse for the whole country and the government.

GLOBALISED MILITARISM AND THE NEED FOR CRITICAL ECONOMIC THEORY TODAY

by

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[This article which is to be the opening chapter in a forthcoming book by Dr Custers is produced here with his kind permission.]

1. Introduction: The Global Reach of Militarism Today

This study theorizes the global reach of militarism at the beginning of the new millennium. Hardly a decade ago, it appeared that humanity could breathe a sigh of relief. For a period of half a century the danger of a nuclear conflagration and the destruction of many millions of human lives within seconds, had been an all too real possibility. Now suddenly the confrontation between the two superpowers with their over-kill nuclear capacities was over. Both Russia, which power remained largely in charge of the various component parts of the former Soviet Union's military-nuclear production complex, was forced to vastly reduce its spending on the military; and the United States, which in the 1980s had spent all-out on the purchases of armament systems and on other Pentagon-related costs, too felt forced to limit the size of its military budget. The world entered a decade of globalization, in which the production of information-technology was to lead the world's business cycle. Meanwhile the threat of militarism and of nuclear destruction, at least at the world level, appeared to recede. As the economies of the US and of its former chief adversary were partly being 'civilianized', there seemingly was much reason for optimism.

Today, a decade later, the optimism of the early 1990s looks entirely misplaced, and militarism and nuclear destruction at the start of the new millennium continue to pose a global threat. First, - the US, although it de-

activated a part of its stock of atomic weapons in the 1990s, throughout the decade of globalization has continued to be a ponderous spender on the military. Thus, according to some analysts, throughout the same decade in which military spending was brought back from some 6 percent to less than 3 percent of the US's Gross Domestic Product, the US has been responsible for roughly half of the world's spending on the production of arms. Its military spending in the late 1990s was equivalent to that of 9 or 10 potential adversaries combined (1). Moreover, since the late 1990s, there has been a perceptible tendency of successive US-governments to increase the size of the military budget. Today's tendency of the Bush-administration to, partially, resume the policies of the Reagan era, is not only bound to have wide-ranging effects on the global economy. As the cases of the war in Afghanistan and the planned full-scale military aggression against Iraq bring out well, it inevitably will also result in ever new wars (2).

Secondly, the nuclear threat, far from having disappeared, today is only taking on new forms – forms different from the threat of a confrontation between the two nuclear superpowers of the Cold War-period. First and foremost, whereas in the past the use of nuclear weapons as a first-strike option was publicly very difficult to defend, the world's only superpower, now baptized 'hyperpower', has dared to state that it now does consider using atomic weapons as part of a 'pre-emptive' strike against any of its adversaries (3). Moreover, although the spread of nuclear production for civilian and military ends during the 1990s was (temporarily at least) halted in the West's centres of the world economy, and though reliance on nuclear energy was assessed as uneconomical and hazardous, - the spread of nuclear production, including nuclear production for military ends, has been alarming especially in countries of Asia. Today, for the first time, two Southern adversaries, i.e. India and Pakistan, which are *adjacent* powers in the South-Asian subcontinent, face each other as *nuclear* adversaries (4). Hence, a comprehensive assessment of the nature of nuclear production, within the context of critical economic theory, is overdue.

Thirdly – and no less importantly – is the issue of the *exports* of arms and armament systems, which too should draw prominent attention in any discourse on globalised militarism. Even as proponents sing the praises of 'free trade', and advocate integration of each and every country and nation in the world economy, the flow of weaponry from North to South, in exchange of commodities representing sources of key wealth for weapons' importers, is

playing havoc on Southern economies. And whereas the trade of social waste against wealth is well rooted in the past, the institutionalization of this form of trade around crude oil in the 1970s now has culminated in a situation where the given form of trade is applied in relation to several Southern continents, including to the poorest of continents, Africa (5). Here again, the negative consequences for humanity are not limited to the waste of resources that could be used towards the relief of poverty, for during the 1990s, one after another African country importing arms in exchange of primary commodities, has erupted into civil war. And since the wars have only increased the misery for peoples living in African countries, the given trade can only be termed a new form of *enslavement*.

This study theorizes today's globalised militarism from particular angles. Based on a critical reading of Marx's *Capital II*, a view of the individual circuit of capital is proposed in the first Part of this study which takes account of the existence of nuclear waste at each link of the military-nuclear and civilian-nuclear production chain. Then, in the second Part of the study, I will move on to address the social accumulation of capital, taking account of the fact that through much of the second half of the twentieth century, the military sector has been used by the American government to regulate the US's business cycle. In the third part of the study, I will take the discussion on trade-relations between North and South which theoreticians on unequal exchange had undertaken during the sixties and seventies of the previous century onward. The end-result has been an economic theory on the production and exports of arms, - i.e. a theory that has been dearly lacking so far. Yet while the below theory, I claim is, novel and may respond to the need of the hour, - the understanding of the given topics undoubtedly requires further theorizing. With regard to the development of human knowledge, I share the view of the anarchist theoretician Michael Bakunin, who humbly stated his own inability to grasp 'any very large portion of human knowledge', and argued that all 'human science is always and necessarily imperfect.' (6).

2. The Social Circuit of Capital and Marx's Reproduction Schemes

What concepts and theses from the legacy of critical economic theory do we need to refer back to in order to highlight how globalised militarism is rooted in the very nature of today's capitalist system? First, we need to re-assert the relevance of Marx's method for the analysis of the business cycle. Amongst

the economic thinkers of his day, Marx was one of the first to argue - in opposition, for instance, against David Ricardo - that accumulation, which is the very purpose of the endeavours of all entrepreneurs, cannot proceed along a smooth path, but tends to be interrupted at regular intervals. Ever since the Industrial Revolution, the process of economic expansion in central economies, then located in Europe, was halted intermittently, as capitalist entrepreneurs failed to find a market for the goods they produced. The pattern of periodic downturns in the business cycle ultimately got to be known by the name of *recessions*. Whereas other economists reacted with disbelief, Marx early put forward the view that periodic crises were the inevitably by-product of the capitalism (7).

Further, Marx located the basic reasons for periodic crises in the anarchic nature of capitalist production. Under this system, no company can survive unless it seeks to continually expand its own scale of manufacturing, for the rule of the game is: either you expand or you perish. Yet in taking decisions regarding production, each company or entrepreneur has to fend for him self. This process of unplanned self-expansion necessarily results in numerous imbalances, as some entrepreneurs decide to expand at one rate, whereas other entrepreneurs take larger risks and expand at a quicker rate. No matter how carefully one may try to assess the future demand for one's own commodities on the market, there is likelihood that one will either under- or overestimate demand. Marx spoke in this context of capitalism's tendency towards *disproportionality*, which could be revealed either as an imbalance between the total quantity of goods produced and total demand for goods, or as an imbalance in the expansion rate of different industrial sectors (8).

Marx sought to scientifically illustrate the problematic of disproportionality, by building reproduction schemes, somewhat analogous to the reproduction scheme developed in the 18th century by the father of the physiocrats, Francois Quesnay (9). Like the latter, Marx drew a diagram depicting several actors functioning as fundamental producers, and/or as fundamental purchasers of capitalist commodities. Yet whereas Quesnay constructed his scheme in the period before the industrial system had become predominant, Marx took the predominance of industrial manufacturing for granted and devised his diagram accordingly. His diagram thus came to consist in two basic Departments of Production, i.e. the Department for production of the Means of Production (**MP**), or Department I, and the Department for production of the Means of

Consumption (**MC**), or Department II. In a complicated series of calculations presented in the last part of *Capital II*, Marx sought to demonstrate that a balanced process of social accumulation was possible, but that numerous difficulties existed, in terms of the proportionalities to be maintained between the two Production Departments (10).

In this study I have, following the Polish revolutionary thinker Rosa Luxemburg, argued that Marx' discussion on Production Departments was invaluable, but that his view nevertheless was not fully convincing since he ignored exports, i.e. the flows of commodities towards other countries and continents. As Rosa Luxemburg rightly pointed out, - one of the limitations of Marx's reproduction schemes is that it presumes capitalism to be a 'closed' national system, whereas capitalism has in fact been a world system from the start. According to her, Marx rightly emphasized the difficulties underlying the exchanges in an anarchic market system, but in his closed reproduction scheme failed to highlight the need and the potentials of external markets. Exports are required in particular for the sale of commodities representing the surplus part of manufactured goods. Thus, whereas Luxemburg accepted Marx's basic method of analyzing the system, in terms of two complementary Departments of Production of **MP** and **MC**, she raised initial questions regarding the final validity of Marx's famous reproduction schemes (11).

3. The Social Circuit of Capital and the Role of the Military Sector

In the below study, I am going to argue that we urgently need to revive Marx's debate on the difficulties of social accumulation, be it in a different manner from the way it was argued by Rosa Luxemburg. First, capitalism through the twentieth century has continued to be beset with periodic crises, and such both in the period preceding and in the period following the occurrence of World War 'Two' (12). Moreover, whereas initially policymakers, more particularly those in the United States, sought to solve the problem of recurring crises by stimulating aggregate demand via *civilian* infrastructural programs, from the Second World War onwards a consensus was created within the US ruling class in favour of reliance on the military sector as regulating mechanism for the business cycle (13). Consequently, whereas historically, it may have been correct to analyse the capitalist system as a system of two Production Departments, through most of the last half century the hegemonic US economy

has functioned as an economy of *three* Production Departments, including the Department for production of the Means of Destruction (**MD**), Department III.

We should further note the specific nature of Department III, for as Production Department it cannot be equated with I and II. Whereas the latter two Departments are largely market Departments, which sell their goods to the other Department on the basis of mutuality, the Department for production of the Means of Destruction is not a purely market Department, but rather a *non-reciprocal* Department. That means: whereas this Department helps capitalists of I and II to realize their profits, since the owners of armament corporations buy raw materials from I, and since its employees buy consumer goods from II, the commodities churned out by Department III itself are, within the domestic economy, sold to one single actor only, being the hegemonic capitalist state (14). Consequently, whereas Karl Marx envisaged the capitalist economy as an economy existing of only two fundamental Departments, in reality the functioning of the US economy has been dependent on the 'interplay' between *four actors*, i.e. three Production Departments and the hegemonic state (15).

Now, the view that the military sector is used as leverage for regulation of the business cycle is not a novel view. It was already put forward by leading Marxist authors who in the later part of the last century analyzed the US-economy, then popularly labelled as the 'permanent war economy' (16). So why re-chew an old discussion, - a discussion which, moreover, so clearly proved to be outdated when US policymakers restructured the American economy in the 1990s, and henceforth relied on information technology as major stimulus for the business cycle? Below, I will argue that the debate on Production Departments is once again of great actuality, be it that Marxists need to once again rethink their interpretation of 'Production Departments'. For although it is true that the military sector during the 1990s was not used as pump primer, - throughout most of the preceding period, from the beginning of the 1950s till the late 1980s, it *had* functioned as a Production Department in Marx's sense. Hence, we need to speak of a *temporary* Department, as distinct from the *permanent* Production Departments, I and II (17).

Moreover, experience has brought out that the military sector is a double-edged sword, since it, for instance during the decade of the 1980s, was both *regulator* of the business cycle, and the *cause of* a renewed, periodic *crisis* in

the system. Hence, ultimately, my discussion on Production Departments leads me to put forward the need for a re-adaptation of the Marxist theory of crises. As I will argue in Part Two below, Marx's view on inevitable disproportionalities needs to be upheld, but needs to be expanded in order to take stock of the experience of 20th century capitalism. Initially, US policymakers took recourse to the military sector in order to solve existing disproportionalities, between aggregate supply of commodities and aggregate demand. In the end, however, after a series of business cycles was run through, the military sector itself became a 'disproportional' or *discomplementary* Department, as investment money, under the impact of US state-policies, was increasingly shifted from industrial sectors belonging to the civilian economy, - to the military sector and the hegemonic state. No matter how much emphasis is placed on the manufacturing of commodities representing social waste, capitalism's basic predicaments remain (18).

4. The Individual Circuit of Capital: Marx's Forgotten Formula

Just like Marx's discussion on *social* accumulation, Marx's discussion on *individual* accumulation contained in the first part of *Capital II*, retains its full relevance today. Marx interpreted the mode of operation of individual entrepreneurs or companies as a series of transformative actions, or *metamorphoses*. Whereas the first action led to the transformation of money capital **M** into commodity capital **C**, in the form of raw materials, other capital goods, and human labour power, - during the second transformation the commodities purchased were set to work in order to manufacture new commodities. In a characteristic statement Marx termed this phase of transformation, which he gave the letter code ... **P** ..., the 'productive phase' of the individual circuit of capital. Again, during the third phase of transformation, new goods were brought onto the market for sale, which, if carried out successfully, would result in the re-transformation of commodity capital **C'** into the form of capital with which the circuit had started, i.e. into money capital **M'**.

Further, Marx emphasized that the transformative actions did not each have equal meaning in terms of helping individual capitalists to accumulate. According to him, the decisive phase from the standpoint of accumulation, was the second or 'productive' phase, during which manufacturing took place. It is during this phase that new values are being created, thanks primarily to the

efforts of workers employed by the entrepreneurs. For whereas the commodities purchased in the first phase of the circuit may have a certain value, being **C**, the commodities which emanate from the second phase do represent additional value, hence should be depicted as **C'**. Hence, Marx was keenly interested in seeking to understand how the transformation from **C** into **C'** took place. It was clear to him that the commodities emanating from the manufacturing phase ... **P** ... , were not just new in qualitative terms, in the sense that the *use-value* of **C'** was different from the use-values of **C**. In *quantitative* terms too the values of **C'** was/is larger than the value of the commodities that had entered ... **P** ... (19).

Marx explained things by offering a further analysis, i.e. regarding the composition of **C**, the commodities entering the manufacturing process. According to him, **C** existed basically in two types of commodities, being means of production (**MP**) and labouring strength (**L**). In his view any increment in the value of commodities that takes place in the course of ... **P** ... should be credited to the labourers who are set to work by the entrepreneur. As he stated it, whereas the value of the means of production remains constant during ... **P** ..., a *surplus* is being created in consequence of the fact that the labourers are not paid fully for the labour they perform for the capitalist. Hence, Marx drew a basic distinction between constant capital, **c**, labouring strength or variable capital, **v**, and surplus capital, or **s**. All manufacturing processes result in commodities **C'** containing triple value, i.e. **c**, **v**, and **s**. All manufacturing, by the same token, also results in the accretion of value, taking place due to the exploitation of members of the working class (20).

Now, whereas at one time Marx's argumentation regarding the individual circuit of capital was common currency amongst his intellectual followers, today even some of his most consistent followers appear to have forgotten the given discussion, or appear to consider the formula which Marx put forward to depict the mentioned transformations as no longer relevant. Yet no matter how one may ultimately assess the scientific truth of other aspects of Marx's economic theory, the formula for the individual circuit of capital seems to be appropriate as a formula rightly depicting the fact that individual owners of capital engage in three successive transformative actions, i.e. the transformation of money capital into commodity capital (**M** – **C**), the transformation of purchased commodities into new commodities in the course of the manufacturing process (... **P** ...), **and** the transformation back of the

new commodity capital into money capital ($C' - M'$). Hence, my starting point for analysis in the below study is Marx's original formula for the individual circuit of money capital, the formula $M - C \dots P \dots C' - M'$. Whatever critical reflection may be required around this formula, the originality of Marx's scientific effort stands.

5. The Individual Circuit of Capital and the Analysis of Nuclear Waste

Marx's formula for the individual circuit of capital needs to be brought back, but, paradoxically, not in order to re-assert the thesis that all manufacturing results in added value s, but rather in order to highlight the very opposite, the fact that manufacturing can, at times does result in a *decrease* in the value of commodities available to the capitalist. First, the outcome of manufacturing may already be paradoxical in this sense, that the new commodities represent commodities with added value in monetary terms, yet at the same time do also represent social waste. This, of course, is the case where the entrepreneur or company investing in production has chosen to manufacture armaments, for weapons, just like any other commodity, can be sold to market or non-market purchasers, - from the standpoint of their possible use-value they are a form of waste. Hence, a first commentary on Marx's formula for the individual circuit of capital is that it tends to disguise the nature of certain new commodities C' . In the case of weaponry, the new commodities should be depicted as $C' (= W)$, with $(= W)$ referring to the fact that the military goods are social waste (21).

Further, although all entrepreneurs aim at creation of commodities with added value, - in many industrial sectors entrepreneurs have to cope with the fact that manufacturing results in embarrassing by-products, i.e. non-commodity waste which entrepreneurs need to dispose of. This is true for such sectors as the chemical sector, where entrepreneurs have developed elaborate procedures for the recycling of their chemical by-products, but it is especially true of the nuclear sector, where individual enterprises have to cope with non-commodity waste which cannot be recycled, but has to be stored for prolonged periods, or even perpetually. Again, in all these cases, it would not suffice to depict the outcome of the manufacturing process $\dots P \dots$ as C' , for entrepreneurs may have to cope with the costs for the packaging, the transportation and the storage of (nuclear) waste, - W . A more appropriate formula than the one originally advanced by Marx, to summarize cases where production results

both in commodities and in waste, therefore is the formula $M - C \dots P \dots C'(-W) - M' (-W)$ (22).

Having advanced a formula which includes a letter code for the emergence, along with new commodities, of non-commodity waste from the phase of manufacturing of the individual circuit of capital, we can now visualize what effect the presence of non-commodity waste exerts on the profit of nuclear entrepreneurs. In the first place, the costs which the capitalist incurs because of the presence of this waste (- W) effects the level of the surplus s . Although the capital and other investments made to get nuclear production started, in principle may result in generating a surplus, the size of the surplus naturally is negatively affected by the capitalist costs which the entrepreneur is forced to bear on account of (- W). And although in the end the given entrepreneur may still bag a profit, although at the end of the third transformation he may have in hand money capital which is larger than the money capital with which he had started the circuit, - potentially the costs for the processing and storage of nuclear waste may be so large as to wipe out the surplus s entirely.

In any case, the nuclear production-chain emanates in a multitude of forms of waste. For instance, the reprocessing of fuel elements from nuclear reactors, with the aim of manufacturing military plutonium, results both in an extremely dangerous military commodity, which can be sold, yet is social waste ($C' (= W)$). But it at the very same time also results in high-level waste, i.e. in non-commodity waste which needs to be handled with the greatest precaution, since it is highly radioactive in content. The outcome of reprocessing to produce weapons-grade plutonium, then, may be expressed in the letter code $C' (= W) (-W)$. Yet the wasteful character of nuclear production does not end here, for when efforts are made to vitrify nuclear waste, to facilitate storage, the given manufacturing process $\dots P \dots$ will result not only in waste which is less damaging, but in new forms of non-commodity waste (23). In short, by readapting Marx's original formula for the individual circuit of capital and by devising letter codes represent the two main subcategories of waste, we can make the irresponsible nature of nuclear production quite well visible.

6. Marxist Theories of International Trade: Samir Amin and the Question of Unequal Exchange

This study consists in yet another Part, i.e. in the one relating to internationalized circuits of capital. As already noted above, Marx in his *Capital II* stopped short of analyzing the relationship between the accumulation of capital at the national level and capital flows in the world economy. Attempts have repeatedly been made since to try and fill the gap, for instance by Rosa Luxemburg who based her view regarding capitalism's need for trade with non-capitalist regions of the world on her analysis regarding the lack of domestic purchasers for commodities representing the capitalists' surplus s (24). Yet a different Marxist theory of international trade has emerged in course of the 20th century, when several authors, on the basis of empirical research carried out under the United Nations system, put forward the theory of *unequal exchange*, stating that the trade relations between North and South throughout the (past) century have been inherently exploitative, since Southern exporters receive a lower price for the commodities they sell internationally, than do Northern countries when exporting commodities (25).

The most eloquent theoretician of unequal exchange is Samir Amin, who covered the question of North-South trade relations in his comprehensive book on the relations of dependency between central and peripheral economies (26). According to Amin, one of the reasons for the continued dependence of Southern economies lies in the asymmetrical nature of their export sector as compared to the export sector of economies of the North. For whereas the export sector of Northern economies tends to be integrated, meaning that production in the given sector is intimately linked to manufacturing in other industrial sectors, - the same is not the case for Southern economies. Here, economic policy often is heavily biased in favour of the exporters of key commodities. Yet the export sector of Southern economies tends to be *disarticulated*, meaning that production here is isolated, is not intimately connected with production in other industrial sectors of the given economies. This, in Amin's view, forms part of the explanation for the continued economic backwardness of the South (27).

Another major difference between central and peripheral economies explaining unequal exchange, according to Amin, lies in their differential levels of productivity, measured in capitalist terms (in terms of the quantity of goods

produced in a given unit of time). Here Amin drew two comparisons. First, he referred to the different levels of productivity around the *same type* of commodity, produced both in countries of the North and in countries of the South, - such as productivity achieved when growing a particular agricultural crop. But Amin also put forward a more overall comparison, that between the *general level* of productivity reached in central economies, - and the general level of productivity that is prevailing in peripheral economies. While some theoreticians believed that a sufficient explanation for the differential international value of Northern and Southern goods can be provided comparing the evidence on differential wage-levels, - Samir Amin was convinced that broader questions, such as those regarding the development of technology, needed to be looked into in order to understand the reasons for the existence of unequal exchange (28).

Although the Marxist debate on unequal exchange is less than half a century old, it appears that the given debate has been buried since the founding of the World Trade Organisation (WTO), which is fully committed to the ideology of 'free trade'. Still, it would be wrong to conclude that the problem of changing terms of international trade, between Northern and Southern commodities, has disappeared, for recent research carried out under the UNCTAD has brought out clearly that Sub-Saharan countries, which rely on the exports of non-fuel primary products, in recent years have continued to face the detrimental effects of unequal exchange (29). Moreover, while efforts have been made in the past, especially by exporters of crude oil, to transcend the mechanism of unequal exchange, these efforts have only partly borne fruit. For though a historic price-rise was imposed in 1973 around crude oil, this price-rise above all has resulted in an expansion in arms' exports from central economies towards oil-exporting countries in the South. Thus, a new mechanism of exploitation has been instituted, being that for the transfer of sources of natural wealth in exchange of commodities representing social waste. This mechanism may be termed *disparate exchange*.

7. Towards a Theory of the Arms' Trade between North and South: the Concept of Disparate Exchange

Where exactly should the concept of disparate exchange be situated, what is its precise meaning? Disparate exchange refers essentially to the *qualitatively different* nature of the commodities which are transferred respectively from

North to South, and from South to North. As under unequal exchange, under the trading system of disparate exchange many Southern economies, in particular in Sub-Saharan Africa, continue to be dependent on the export of a single or a few primary products, - products which often express the main form of natural wealth available in the given countries. Where these primary commodities are exchanged against arms, which do represent social waste, the Southern government or other Southern party squanders the opportunity to employ the given natural resources for the enlargement of people's welfare. Disparate exchange, however, does not just refer to the exchange of primary products against arms, for where Southern industrial goods are exchanged for weaponry bought from the North, the commodities transferred from South to North and from North to South respectively, too are different in kind.

Further, disparate exchange generally takes place in the form of *parallel* transfers. Although in some cases arms' sales have been organised as barter, more often than not the transfers of military commodities from the North against civilian commodities from the South are only indirectly interlinked. Both the differential nature of the commodities transferred mutually, and the parallel nature of the exchange, can well be expressed via Marx's letter codes for money capital **M** and commodity capital **C**, and via the additional letter code for social waste (= **W**) which I have mentioned above. Thus, the transfer of arms from North to South needs to be presented as **C (= W) – M**, whereas the transfer of primary commodities or other civilian goods from South to North should be represented as **C – M**. Whereas both the Northern trading partner and the Southern trading partner surrender monetary resources (**M**) in order to obtain the commodity desired, the Southern trading partner is left with a commodity representing social waste (**C = W**); the Northern trading partner, on the contrary, after completion of the exchanges is left with a commodity **C** which adds to the economic wealth available in the central economy.

To explain the existence of disparate exchange, we may draw on the reasoning that Samir Amin had advanced to explain the existence of unequal exchange. For central economies are not only better situated to participate in international trade in view of the fact that productivity in capitalist terms is relatively higher here than it is in peripheral economies. They are also better situated to engage in arms' trade, since under the system of monopoly capitalism, these economies have placed a great emphasis on the development of the *forces of destruction*, with Northern states intervening since the later part of the 19th

century to finance and guide research carried out by arms' companies (30). And although the concept of the forces of destruction is a novel concept, which has rarely been employed by Marxist economists in the past (31), it appropriately sums up the nature of the technology incorporated in arms, - as against the nature of the technology which is incorporated in civilian commodities. The concept, then, is essential towards construction of a theory of the arms' trade between North and South.

Lastly, it can hardly be underlined with enough force that the exploitative character of disparate exchange is far larger, and its negative consequences for the peoples of Southern countries far more serious than the negative impact of unequal exchange for Southern economies has been or is. Whereas under the trading system of unequal exchange the South loses, because the commodities received in exchange of commodities transferred to the North do not represent an equal amount of value, under disparate exchange the entire value contained in the commodities transferred is lost, since what is obtained from the North is a product representing only waste. Hence, even if the background to the emergence of disparate exchange is formed by price-rises for oil, ending the huge exploitation via low prices that had existed before, the net result for the South is not positive in view of the fact that a new exploitative trading mechanism has been put in place. Moreover, Southern countries face further negative consequences from disparate exchange in case the military commodities bought are actually consumed in war. This point is to be further elaborated in a section below.

8. Subsidiary Theme: The Negative Use-Value of Capitalist Commodities

I will now move on to briefly refer to several subsidiary themes of this study, - subsidiary in the sense that they do not form the principal theme in any of the study's three Parts. The first such topic is that of the negative use-values contained in weaponry as well as in many other capitalist commodities. Marx, in formulating his theory, had presumed that each and every commodity brought onto the market contains '*use-values*', meaning that each of them serves a concrete human need. Since the theme of the use-value of commodities was not fully elaborated by him, and since his primary focus of attention was, in fact, the exchange-value of commodities (32), Marx's followers have to my knowledge never cared to scrutinize whether Marx's employment of the term 'use-value' was fully appropriate. Yet scrutinize is

what we urgently need to do, since it is quite obvious that not all capitalist commodities serve a human need. Who, for instance, can deny that the nuclear bombs thrown on Hiroshima and Nagasaki at the end of World War 'Two' only served the purpose of mass destruction, - and hence can only be said to have contained *disvalues*?

In Chapter Two of this study I undertake to define the concept of *negative use-value*, a novel concept which can serve to express the negative health and environmental consequences of capitalist production, more particularly the damaging properties of military and nuclear commodities. In advancing this concept, I make several important definitional points. One is that the concept of negative use-value does not simply have an *inverse* meaning as compared to Marx's classical concept of use-value. For whereas the concept of use-value refers only to the significance of commodities for *human* beings, that of negative use-value, according to me, should also be employed to pinpoint the damaging consequences of market-goods for non-human beings and the environment. Thus, the dumping of nuclear waste into the oceans and seas can boomerang back against the health of human beings, who eat fish from the food chain in the seas and oceans. But the damaging radioactive impact on the food chain itself too needs to be taken into consideration, even if human beings themselves are not affected by these consequences (33).

Moreover, we also need to realize that the *damaging properties* of arms and armament systems are not necessarily contained in all component parts of the given systems. Thus, a warship in earlier days was a merchantman loaded with cannon, with damaging properties, in the form of cannon balls, being embodied in the cannon alone, and not in the rest of the warship. The damaging properties may, for instance, consist in a weapon's explosive potential, or in the radiating effect of atomic bombs (34). In any case, they would not reside in all component parts of a weapon or armament system. On the other hand, properties damaging to human health or the environment are not just contained in a whole range of capitalist commodities, but they can also be located in different types of *non-commodity* waste. Such as for instance in low-level, intermediate level, and high-level nuclear waste. In the latter cases, the materials emanating from the capitalist production process do not contain any exchange-values. Yet at the same time the materials do pose problems for the enterprise, since they contain negative use-values, forcing the enterprise to make additional expenditures, on top of the regular production expenditures.

Lastly, it will be obvious to the reader that, in putting forward the concept of negative use-values, I have entered a discussion with a very wide scope of relevance, for the given discussion is not just crucial for the analysis of military and nuclear production, but in fact for the analysis of a whole range of other industrial processes as well. In the past, critical economic theory lacked the conceptual apparatus required to make a systematic evaluation of the environmental impact of industrial processes. Just like the question of non-commodity waste, the health and environmental impact of newly created commodities too was overlooked, as Marxist economists were busy assessing how much surplus value s was contained in the new market goods C' . The concept of negative-use value helps to expand the horizon of critical economic theory. It can help ensure that Marxist economists in the future will evaluate both the creative impact of industrial production, and the destructive impact of the selfsame production, - for human beings *and* for our non-human surroundings.

9. Subsidiary Theme: The View of Technology

The above-discussed concept of negative use-value, further, also makes it possible to assess the meaning of technological development in more critical terms than was the case under critical economic theory in the past. Marx basically considered technology to be a 'productive force', and he constructed his view on the historical evolution of economic systems accordingly (35). Thus, technological change in the form of new means of production to facilitate the spinning and weaving of clothes, laid the basis for the factory system and the late 18th century Industrial Revolution in England. In Marx's view of history, technological change opened the way for the emergence of new relations of production, such as the relations between factory-owners and a mass of wage-labourers under a unified command. Later Marxist philosophers have wondered whether Marx's view of historical change was precise. Thus, Mao Zedong has argued that decisive changes in production relations preceded, rather than followed, the technological transformations of the Industrial Revolution (36). However, the view that technological change itself was a historically progressive force, has remained.

The experience gathered since the beginning of the monopoly capitalist era, and through the 20th century, forces us to take a far more critical view of technology. First, the state – notably the British state intervening in the

military sector from the late 19th century onwards -, took to patronizing research geared towards the construction of new arms and armament systems. Surely, proponents of military research often argue that such research does not only result in the devising of new weaponry, but also has so called ‘spin-off’ effects, in the form of technology that can well be applied towards the construction of civilian goods, such as personal computers and other means of communication. Again, as I have argued in the previous section, not all component parts of armament systems contain elements that are harmful for human life or for forms of life in our natural environment, - not all components harbour ‘negative use-values’. Nevertheless, the state’s research is primarily geared towards the development of weaponry. And since modern weapons – unlike the artefacts used to kill in pre-modern times - can hardly be said to serve human needs, but are exclusively intended to kill and destroy, the technology which they incorporate should be characterised as components of *means of destruction (MD)*.

Secondly, the 20th century has also given rise to the development of means of production (**MP**) which serve destructive ends. Here again, the concept of negative use-values helps to take a far more critical view of technology than was common among Marxists in the past. For just as weaponry, as the end-product of capitalist manufacturing processes, contains negative use-values, - the technology invented to manufacture the weaponry too can have many negative effects for human health and the environment, quite aside from the harmful potential of the weaponry itself. Moreover, the same also holds for technological means devised in order to manufacture civilian commodities. These too may have their harmful side-effects. The example which brings out this point most forcefully is, of course, the example of nuclear technology. Originally developed during World War ‘Two’ in order to construct atomic bombs – extraordinarily harmful means of destruction -, the technology has subsequently be employed towards ‘peaceful’ ends, being the production of nuclear energy. Yet the nuclear technology applied in the civilian-nuclear production chain too is very damaging towards human and non-human life (37).

In short, - the old Marxist view that technology is a productive force urgently needs to be revised. The degree to which means of production or end-products of capitalist manufacturing processes have damaging consequences for human beings and for our natural environment greatly varies. In some cases, new

technology both *serves* a human need, and *harms* human beings at one and the same time. In other cases, technology is either purely a damaging, destructive force, - or is instead a purely productive force. In the end, we probably need to evaluate technology along a gliding scale, with the *purely productive* and the *purely destructive* being the two end-poles on the scale. In any case, the recognition that the technology which is incorporated in new weaponry is a force of destruction is overdue. For, since research carried out under the umbrella of the hegemonic and other central capitalist states is so much geared towards devising ever new, and ever more harmful types of weaponry, the development of the forces of destruction has become a dominant concern under the capitalist world system today (38).

10. The Ultimate Theme: The Conceptualisation of Wars

Wars have accompanied the rise of capitalism in Europe, from the 14th through to the Industrial Revolution at the end of the 18th century. They have also been endemic more recently, in the age of monopoly capitalism. During the 20th century two world wars have erupted in relatively quick succession. Again, after the hegemonic power in the world system, the United States, has started relying on the military sector for regulation of its business cycle, subsequent to World War ‘Two’, wars have continued to be a fact of life, be it that most have since occurred in the periphery of the world system. Yet though wars have been *thematized* by some unconventional economists (39), the occurrence of wars under capitalism has never been *conceptualized* within the framework of critical economic theory. This task thus is clearly overdue, in particular in view of the dramatic economic consequences that wars tend to have. In this study, such a conceptualization is being attempted, once again by drawing on Marx’s teachings.

The starting point for the given conceptualization is, once again, Marx’s discussion on the individual circuit of capital in *Capital II*. Here, Marx depicts the mode of operation of individual entrepreneurs, as stated, above, as a series of transformations, of money capital into commodity capital; of labouring strength, raw materials and other commodities which are set to work during the manufacturing phase, into new commodities; and of commodities emanating from the manufacturing process into capital’s original form, money capital. My discussion on the conceptualization of wars starts from Marx’s discussion on the second phase of capital’s circuit, depicted by Marx as ... P ...

Whereas Marx on the one hand characterizes this phase as a productive phase, since during the given phase new values are created by the labourers, he also speaks of the manufacturing phase as a phase of *consumption*, since the commodities which were bought during the previous phase are used up in order to create **C'** (commodities with added value) (40).

The conceptualization of wars under capitalism should start from the (partial) analogy between the consumption of commodities that takes place during ... **P** ... on the one hand, and the consumption of military commodities on the other hand. Since the use of arms by warring parties too can be interpreted as a form of consumption, the question basically is how the consumption of arms should be characterized. Here, the reality is that the outcome of this form of consumption is the very opposite of the consumption taking place during ... **P** ... For whereas manufacturing processes result in creation, the very aim of the consumption of weaponry is to destroy, i.e. to kill human beings, as well as to destroy the structures built in support of human life. Hence, although we may speak of an analogous process of consumption, the content of the consumption of arms is radically different from the content of ... **P** ... To express the nature of the former case, the consumption of weaponry, it is therefore best to employ the letter code ... **D** ... The whole process of destruction can then be depicted as **C'** (= **W**) ... **D** ... (- **C'**) x **X** (41).

Lastly, it may be noted that under disparate exchange both the negative consequences of arms' production and those of arms' consumption are *diverted*, from central economies towards economies located in the South. For whereas under this trading system the exporter of arms obtains **M** in exchange of a commodity representing social waste **C** (= **W**), i.e. gets rid of waste while bagging money capital, - the exporting country is also exempted from the destructive consequences of the *consumption* of the given arms. Both negative effects are dumped onto the South, both the unproductive consumption of commodities occurring during ... **P** ..., and the consumption-for-the-sake-of-destruction occurring during ... **D** ... Moreover, since the trade form of disparate exchange is, also, implemented in the context of Southern *civil* wars, and since in a number of cases both warring parties rely on this trade for financing their military efforts, we need to be aware of the fact that here negative effects are *twice* enacted on a Southern economy. Clearly, disparate exchange, in the last analysis, is a *form of enslavement*, of ultimate exploitation of peripheral by central economies.

11. Conclusion: Taking Rosa Luxemburg's Life-Work Forward

In conclusion: this book project poses, against the grain, the need to urgently re-assert the relevance of the critical economic theory, which Karl Marx, towering above other economic thinkers of his time, constructed in the second part of the nineteenth century. Since the downfall or demise of (most) state-socialist systems, few people have continued to believe that Marxist economic theory is helpful towards the interpretation of today's problems. In the 1990s it became a fashion to argue that Marx's views were outdated, and that the analysis of the dominant creed, neo-liberalism, did not require the use of Marxist theoretical concepts. This study focuses on the issue of globalised militarism, which has come to the fore in recent years, i.e. since the end of the euphoria over the 'new economy'. My argument has been – against the dominant trend of outright rejection – that Marxist economic theory is highly relevant for the understanding of today's economic realities. If we are to understand the worldwide trend towards militarization of production and of economic life, we need to re-assert the relevance of critical economic theory, be it from a completely unconventional position.

Further, in re-asserting the contemporary relevance of Marx's theory, I take my clues primarily from the Polish revolutionary thinker and activist, Rosa Luxemburg. Rosa Luxemburg, who joined the German Social Democratic Party which was one of the most powerful participant parties in the Second International, was fully committed towards Marx's theory. She, however, never read Marx and Engels' books uncritically, but instead tried hard to make an independent assessment of developments in the world economy in the period preceding World War 'One', i.e. in the opening period of monopoly capitalism and imperialism. And on the basis of her own scientific investigations, she put forward the view that the analysis which Marx presented in the second volume of *Capital* was flawed, since in his reproduction schemes, contained in the last part of *Capital II*, Marx had not taken account of the fact that capitalism is by nature an international system, which depends on external markets for its survival, for he had presumed the capitalist economic system to be 'closed' (42).

In this study I have tried to take Rosa Luxemburg's scientific work forward, by questioning the final validity of Marx's analysis in *Capital II*, and in a more

comprehensive manner than Rosa Luxemburg did. For while I have taken account both of the formulas presented by Marx in the first Part of *Capital II*, as also the diagrams which he put forward in the last part of *Capital II*, I have argued that Marx's analytical work was not just incomplete with regard to the theorizing of international economic relations. Instead, I have argued that if we are to give a convincing interpretation of globalised militarism today, we need to rethink both the formula for the individual circuit of capital, and incorporate the existence of non-commodity waste; we need to rethink his formula for the social circuit of capital, and take account of the fact that the military sector acts as 'non-permanent' Production Department; and we need to theorize the arms' trade, on the basis of the unconventional theoretical work accomplished by Samir Amin and other thinkers who have defended the thesis on unequal exchange.

This study, then, poses not only the need to re-assert the relevance of critical economic theory, but argues strongly in favour of *innovation*, of re-adaptation of Marx's formulas and theses. For no matter how farsighted Marx may have been in his own time, - the development of nuclear production, the worldwide spread of arms' trade and the intermittent reliance of the US government on the military sector, all point towards the need for theoretical innovation. In this study, then, I have put forward a new theory, around issues which have never been theorized, such as the international arms' trade and the nuclear production-chain. In the end, this study can in no way be said to be an orthodox study, for no formula, thesis or analysis of Marx's has simply been taken for granted. In the spirit in which Rosa Luxemburg rethought the ideas advanced by Marx in *Capital II*, I have in this study attempted to present a comprehensive study of militarism comprising the individual, the social and the international level of the accumulation of capital.

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International Events

Whose Subversion of Democracy in Iraq?

The US government's desperation to show to the American public that it will be able to set up a democratic government in Iraq by holding elections as planned at the end of January has led to bigger problems than anticipated. In early January, the US-puppet premier Allawi admitted that holding elections across the entire country is not possible. This admission has also to be seen in the light of neither the US nor its proxy interim administration having an interest in free and fair elections.

There cannot be free and fair elections in a country under foreign occupation. Public concern about how fairly the elections will be held and how the process will be manipulated is justifiably strong. If by the slightest chance the impermissible happens, the imperialists will either apply pressure on the newly elected government to submit to their will or get rid of it in the way the government has been got rid of recently in Haiti or continue to create trouble as in the case of Venezuela.

Meanwhile, confrontation between the occupiers and collaborators on the one hand and the Iraqi resistance on the other is growing by the day. The resistance is being cynically portrayed by the western media as terrorists, fundamentalists, and supporters of the fallen regime. It is this portrayal that is making liberals and left-of-centre reformists hesitant to support the resistance. What should be remembered is that the unconditional withdrawal of the forces of aggression is a precondition for establishing democracy and ensuring economic recovery in Iraq. If the progressive and secular forces fail to play their part, the initiative will inevitably be with the reactionary religious fundamentalists.

The electoral 'victory' of Karzai in Afghanistan could legitimise the puppet regime in the eyes of vested interests that have only been waiting for an excuse. But resistance in Afghanistan is growing by the day. The bitter lessons of Afghanistan, still not learnt by the aggressor, will be taught with far greater fury in Iraq in the years to come.

The Enemies of Peace in Nepal

The Maoist Communist Party has correctly demanded that democratic reforms and the status of the monarchy need to be on the agenda of any negotiations, and has refused to pay heed to the latest deadline of 13th January 2005 laid down by Shah Bahadur Deuba, the interim premier. The parliamentary left and bourgeois democratic parties of Nepal may have now learnt that the King has no intention of ending the armed conflict through negotiation with the Maoists engaged in an armed struggle for genuine democracy with social justice. Even when the king was forced to negotiate with them under severe public pressure, the Indian and US ruling elite want to see the Maoists to be defeated militarily.

The king's fear of democracy, India's desire for continued domination, and American plans for a foothold in the western border with China militate against meaningful negotiations. The restoration of democracy is now becoming tied up with an armed struggle to overthrow the monarchy as well as forces of foreign aggression. It is the duty of the left and democratic forces of the world and India in particular to resist Indian armed intervention in Nepal and demand that the Indian government stops its military support to the monarchy.

Latin America Stands Up to the Big Bully

The Cuba-Venezuela Agreement signed on 14th December 2004 in Havana by Presidents Hugo Chavez of Venezuela and Fidel Castro Ruz of Cuba on behalf of the two governments is a major landmark in the politics of the Caribbean and Latin America. The two countries that daily face American acts of subversion have come together in the spirit of the Bolivarian Alternative for Latin America to support each other in a variety of fields by mobilising their resources.

Meanwhile, twelve South American nations (five from the Andean region: Bolivia, Venezuela, Colombia, Ecuador and Peru; four from the Southern Common Market (Mercosur): Brazil, Argentina, Paraguay and Uruguay; and Chile, Surinam and Guyana) are to get closer as the South American Community of Nations. The SACN which will bring together two major trading groups of the region (the Andean Community and Mercosur) could become the regional alternative to the NAFTA, CAFTA and SHAFTA imposed on the region by the US as part of its strategy for annexation of the hemisphere.

Tomorrow, there will come a man

Puratchik Kamaal

Tomorrow, there will come a man
for earth to celebrate from all directions.
Tomorrow, there will come a man!

In the moonlight of clarity of mind
in the flame of brilliant thought ...
in the mingling surge of spring water
in the form of the rising sun
tomorrow, there will come a man!

He dwelled for a myriad of time
in the womb of glorious dreams of
the great minds that revolved
in the spinning whirlpool of time...
tomorrow, there will come a man!

A peasant who will plough
the paddy field called this earth
erect bunds and irrigate it
to achieve an elevated form of life...
tomorrow, there will come a man!!

A scientist who finds fulfilment
in the evolution of man as one caste and one colour,
of one religion and one language, and
justice and status common to all ...
tomorrow, there will come a man!

In this grand mansion of this earth,
under the firmament as roof,
to greet and treat as one's own
all children of the human race ...
tomorrow, there will come a man!

Homage and Sympathy to Tsunami Victims

Press Release 01.01.2005

Comrade SK Senthivel, General Secretary of the New Democratic Party released on behalf of the Central Committee of the Party the following message concerning the tsunami disaster:

The Central Committee of the New Democratic Party expresses its deepest sorrow and pays its sincere homage to the thirty thousand and more who lost the lives along the north, east, south and west coasts of Sri Lanka and to the people of other countries who lost their lives in the tsunami disaster of 26th December. Besides, the Party shares its grief and sorrow with all the people in pain and sorrow, who have been left destitute by the loss of their near and dear and their belongings.

Members and supporters of the Party and its mass organisations, in collaboration with public bodies and social organisations, are providing whatever possible help and relief work in their respective regions. The Central Committee of the Party requests them to continue with their work and to be of consolation and support to the affected people.

The vast majority of the victims are the fisher folk, craftsmen and members of the lower middle class, who, for survival, are struggling with daily life on various fronts. Their future looks bleak. What meaning compensation, relief and reconstruction will have for them seems highly questionable. Hence, all those who emphasise humanitarianism should urge the government to transcend national, religious and regional barriers to carry this responsibility for this task.

Although no one can prevent a disaster of this magnitude, a good part of it could have been averted if the government took the necessary precautions. If, immediately after the tsunami attack on the east coast, the senior government officials concerned had

acted promptly with alert and adequate care, loss of life along the northern, southern and western coasts could have been averted. It cannot be concealed that there was up to two hours for such warning. The government should take full responsibility for it. An inquiry into the conduct of the officials concerned is essential. No one should be allowed exonerate himself by claiming that the disaster was simply the fury of nature.

In the same way, the US, which was aware of the tsunami and cared to warn the high command of the naval base in Diego Garcia, did not care to warn a single South Asian country. The question arises now whether, by this, the US committed an error of omission, or deliberately conducted itself in this manner. The US must answer this question.

However, there is now a need for major relief work, rehabilitation and reconstruction. In a situation in which the lack of a solution to the national crisis, along with, the economic crisis and the rivalry for political power has intimidated the people, the tsunami disaster has created additional unbearable burdens and problems. Therefore, the government has the great responsibility to act in a planned manner, uniting all sections by shunning narrow party political rivalry for power and a discriminatory approach based on national, religious, linguistic and regional differences. The Party wishes to point out that, under the circumstances, it is only if the government works together with the LTTE, other opposition parties and socially committed forces that it will be possible for the affected people to start a new life with confidence.

Vehement Opposition to American Troop Presence

Press Release 10.01.2005

There is imminent danger that the American troops who were invited by the Sri Lankan government to undertake tsunami relief and rescue operations will soon turn out to be an occupying force. The stationing of American forces here should be resolutely opposed by the Tamil people who are waging a struggle for their right to self-determination and by everyone who is concerned about the sovereignty and independence of the entire country. The New Democratic Party vehemently condemns and opposes the entry of American forces here. At the same time, there is an urgent need to build up a mass movement demanding that the American troops quit the country, states a media release issued by Mr SK Senthivel, General Secretary of the New Democratic Party.

The release further states: Under the cover of tsunami relief operations, the ulterior motive of the chauvinist governments and American policy makers has now been realised. The American forces which were unable to enter the country when the war was being waged, and later when peace negotiations began, have not found an opportune moment to gain a foothold here.

American forces have a history of intervening in various countries under various pretexts and later turning into an occupying force which kills people indiscriminately and without compunction. This is the usual imperialist strategy. Hence, in the present political and economic context of Southern Sri Lanka, there is a grave danger that the American forces will turn into an army of occupation.

Besides, the entry of American forces has forced India, the regional hegemon, to rethink. The cold war between India and America for hegemony vis-à-vis Sri Lanka has served to brush aside the Tamil people's struggle for the right to self-determination and to trample underfoot the sovereignty and independence of the entire land.

Hence the militant political forces both in the North and the South should act with foresight and take forward the struggle against imperialism and regional hegemony. This is the need of the hour.

The Death of PLO Chairman Yasser Arafat

Press Release 18.11.2004

Comrade SK Senthivel, General Secretary of the NDP released the following message of condolence on the death of Yasser Arafat, Chairman of the Palestine Liberation Organisation and President of the Palestinian Authority:

The death of the Chairman of the Palestinian Liberation Organisation and president of the Palestinian Authority Yasser Arafat is a great loss to the people of Palestine struggling to recover and restore their homeland and to their liberation struggle. Compensating his loss is possible only through the uncompromising and firm policies of the Palestine liberation movements and the determination in struggle of the Palestinian people. His loss is also a loss to the cause of the liberation struggles of the oppressed people. The New Democratic Party pays its revolutionary salutes to Yasser Arafat who lived a life of struggle shouldering the goal of liberation of the Palestinian people and providing leadership to it.

The life of armed liberation struggle and leadership of Yasser Arafat has been the star of hope and symbol of the goal of liberation to the many hundreds of thousands of Palestinians who have been robbed of their land and living as refugees. Under these conditions, the death of Yasser Arafat has created a major void. Yasser Arafat was a militant leader not only to the Palestinian people but also to million upon million of the people of the world who are struggling against imperialism and ruling forces drunken with power. He upheld an unrelenting militant stand amid opposition and despise by US imperialism and the Zionist ruling class forces in Israel, a puppet of US imperialism. Even in the circumstances in which the Palestinians are butchered by US-Israel conspiracy and brutal aggression, the Palestinian people are certain to win their final victory. That shall be the fulfilment of the ideal for which Yasser Arafat struggled.

SK Senthivel
General Secretary, New Democratic Party

Condemning Violence by the Armed Forces

Press Release 21.11.2004

Comrade SK Senthivel, General Secretary of the NDP released the following statement in connection with the shooting of two youth in Valvettiitthurai and attack by the army on the public in Meesalai:

The shooting to death of two youth in Valvettiitthurai and attack by the army on the public in Meesalai in Thenmaraadchi are attempts to disrupt the peaceful environment in the north and to create a climate of anxiety about the break-out of war. The killings under cloak of anonymity and attack by the army lead to suspicion about a possible attempt to create in the North a theatre of daily killings as current in the East. The New Democratic Party strongly condemns the above incidents. The killers and the masterminds behind it, and the soldiers who carried out the attacks should be identified through proper inquiry; and legal action should be taken against them.

The fact that these planned killings and attacks were carried out in the context of the government the President dragging their feet about peace negotiations, and at a time when the LTTE is planning to commemorate its Heroes' Day has led to strong suspicions and fear among the people. Therefore, it is inevitable that the killing of two innocent youth in Valvettiitthurai and attack by the army on the public who were clamouring for justice in Thenmaraadchi will be seen as an attempt to create a situation similar to that existing in the east, where the forces of chauvinism and foreign forces have joined hands to act behind the scenes. Therefore the New Democratic Party strongly urges the President to come forward intervene directly in these two matters and enable due inquiry and action, and act to prevent the recurrence of such planned mischievous and cruel events.

SK Senthivel
General Secretary, New Democratic Party

The 4th Hill Country Regional Congress of the New Democratic Party

The 4th Hill Country Regional Congress of the New Democratic Party was held at the Sakthi Hall, Hatton. The Congress was chaired by Comrade S Panneerselvam. (See political statement in this issue).

The very well attended and enthusiastic Congress was also addressed by Comrades SK Senthivel, General Secretary of the NDP, E Thambiah, National Organiser of the NDP, P Chandrakumar, of the Teachers Front of the NDP, S Sugasanen of the Student's Front of the NDP, K Kathirgamanathan, Northern Regional Organiser of the NDP, Don Bosco, Vavuniya Organiser of the NDP, S Thevarajah, Attorney-at Law, V Mahendran, Organiser of Puthiya Malayaham, S Rajendran, Educationalist and AN Varatharaj, and several others.

The Congress was preceded by a street theatre performance by the Cem Malarkal Theatre Group at the Main Bus Stand, Hatton.

Remembering Comrade Navaratnam

Meetings were held in Colombo and in Jaffna to pay tribute to the late Comrade S Navaratnam, who passed away on 8th October 2004.

The meeting in Jaffna was held at the Kalaimahal Community Centre, Aathisoodi Lane on 7. 11. 2004 and was chaired by Comrade SK Senthivel, General Secretary of the NDP. The meeting was also addressed by Comrades S Rajendran, Educationalist and RK Soodamani, party veteran, among others.

A memorial volume on Comrade Navaratnam was released at the meeting in Colombo held on 4th November 2004 at the Colombo Tamil Sangam. The meeting was chaired by Comrade E Thambiah, National Organiser of the NDP. The meeting was addressed by Comrades SK Senthivel, General Secretary of the NDP and S Thevarajah, Attorney-at Law, A Kandasamy, General Secretary, Colombo Tamil Sangam, V Thanabalasingam, Editor, Thinakkural, T Madhusoodhanan, Editor, Akavizhi, K Nadasabapathy of the Social Science Studies Centre, who also released the memorial volume.

The memorial volume was commented on by P Gopinath of the Editorial Board of Payil Nilam and N Prashanth of the Ulakath Thamizhar Vaanoli.

Will They Ever Learn? When Will They Ever Learn?

In 1978 a cyclone struck Batticaloa and caused widespread damage. The Ministry of Local Government, Housing & Construction appointed a committee to urgently study the damage and submit a report on the Design, Construction and Regulations for Building in Cyclone Prone areas in Sri Lanka. This was published as a Government Sessional paper.

The Australian Government sponsored the publication of a Design Manual written by Australian engineers and architects with experience in building in cyclone-prone areas in Australia. The manual was distributed to all Chief District Engineers of various government departments involved in construction. Seminars were held to instruct personnel involved in construction. The Australian Government also sponsored the installation of wind speed meters along the east coast.

It now seems that the Design Manual is not there in the regional offices and the regional engineers have never seen it. The drawings for school buildings and housing units prepared for different wind zones are not available either. Wind speed meters also seem to be missing.

Interestingly, the following recommendations made in the report of 1978 to the Ministry of Local Government, Housing & Construction, would not only have provided long-term protection from cyclones, but would also have helped to save many lives in the recent tsunami struck areas along the eastern coast:

? At least a quarter-mile wide strip along the eastern coast would be exposed to surge effects caused by a cyclone. As it is generally considered too expensive to design normal structures to withstand strong surge waves, it is feasible only to avoid building in areas threatened by surge and evacuate people from the threatened areas if buildings do exist there.

? Consequently, a half mile strip along the eastern coast should preferably be used for the cultivation of suitable fruit or other trees that could withstand a

cyclone and provide shelter to inland settlements. Building of permanent structures other than no-essential buildings should be discouraged.

- ? A Community Refuge shelter should be provided in every large settlement; a particular school or community building should be designated as such and designed and constructed accordingly.
- ? An important factor in minimizing cyclone damage is community attitude. If the community is trained to recognize the risks and trained in pre-cyclone procedure, damage to persons as well as property would be damaged. A clear line of authority in the district administration could help to mobilize community action.

Was the failure to act a result of lack of political will? Was it because governments do not want to spend the extra 5% on buildings that may not face high winds during their term of office? Or is it that the engineers of the country lack faith in their profession and the courage to give proper professional advice to the administrators and politicians?

Again, mistakes similar to those regarding cyclone protection have been made in connection with earth-slips in the Sabaragamuwa Province. None of the professional recommendations of 2002 were implemented and the problems recurred the next year.

Building on hill slopes and clearing of forests, despite warnings against these activities by professionals and environmentalists for decades, which have mostly been ignored by the government as well as private investors, have led to flooding in many parts of the wet zone of the country. The recent unprecedented floods in the Western Province were due to intense building activity and conversion of cropland into real estate.

- A concerned engineer

(name withheld)

For the sake of a poem

Subash Mukhopadyay

A poem shall be written
For which the sky a blue flame
Roars in rage
The restless storm
Flutters its wings across the sea
The knotted locks of clouds scatter
Wild and free
The woods wake up at thunder's call
The roots shudder
Shaken by the fear of crumbling down
The lightening turns—
Its blinding blaze sweeps across
The darkening sky,
While scorching eyes seek their own reflection
In the crimson mirror of blood
And a poem is written!

A poem shall be written
For which people
Stick decrees upon the walls
For unborn days
The procession moves forward
As they hang by the neck
Their fear of death,
The earth and sky resound afresh
With their song of fearlessness
The sound profiles a brave new world
Of endless joy, eternal love
Upon the mirror of its nail—
And because of it all
A poem is born

Translation from Bengali: Swapna Dutta, Courtesy: the little magazine, Nov-Dec 2000)

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