

DRAFT for editing

### **Volume 3: Crisis of Imperialism and People's Resistance**

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1.

## MASS MOVEMENT MUST SURGE FORWARD

NDFP Chief Political Consultant *Press Statement* 18 Jan 2001

Acting through his fellow rogues in the Senate, Estrada has scuttled the Senate trial by suppressing vital evidence. He has in effect acquitted himself in advance of the previously scheduled February 12 judgment day.

The broad masses of the people are seething with just anger and are determined to remove Estrada from power through the exercise of their own democratic will outside the processes and mechanisms under the control of the Estrada ruling clique.

The mass movement to oust Estrada must surge forward under the policy of the broad united front. The patriotic and progressive forces must actively cooperate with their allies in carrying out immediately on a nationwide scale and in Metro Manila the largest possible mass actions in quick response to the shameless devilry of the ruling clique.

Converging at EDSA can be advantageous if this is the consensus of the broad united front and has the purpose of encouraging the active military and police officers to join in the mass uprising and shutting down the factories and offices served by the EDSA trunkline.

If necessary, the encirclement of the palace can be done eventually, with marches from several assembly points, including EDSA, Luneta, Liwasan and other points. There is time to develop the most effective way to oust Estrada. This can be

accomplished within this month, within a few months or within the year.

The broad united front to oust Estrada or to compel his resignation includes the forces and personages of the national democratic movement, the opposition parties, respected institutions and organizations of various types and growing sections of the reactionary military and police.

Military and police personnel can play a positive role if they withdraw support from the Estrada ruling clique, shift to the side of the people, neutralize the rabid military and police running dogs of the ruling clique and do not seek to form any military or civilian-military junta.

The Estrada ruling clique is poised to further repress the people, assault mass actions and explode more bombs to kill and maim civilians. In this connection, the Communist Party of the Philippines has made a timely announcement that the New People's Army will intensify the people's war in the countryside and carry out precise commando operations against the most notorious plunderers and human rights violators belonging to the Estrada ruling clique.

The economic and political crisis of the ruling system of big compradors and landlords is daily worsening. The conditions are exceedingly favorable for the advance of the revolutionary mass movement and the overthrow of the Estrada ruling clique.

Everyday that this clique remains in power, the Filipino people becomes more resolute and militant in advancing the legal democratic mass movement and the revolutionary armed struggle as complementary and interacting forms of struggle on the road of new-democratic revolution against foreign monopoly capitalism, feudalism and bureaucrat capitalism.

2.

CONGRATULATIONS TO THE FILIPINO PEOPLE, CARRY  
THE STRUGGLE THROUGH TO THE END

NDFP Chief Political Consultant *Press Statement* 20 Jan 2001

Joseph Ejercito Estrada, alias Jose Velarde, was finished yesterday as president of the Government of the Republic of the Philippines (GRP) as a result of the overwhelming mass actions of the Filipino people in Metro Manila and nationwide.

Terrified by the anticipated siege on the palace by at least a million people, key cabinet members and the top brass of the military and police have withdrawn support from him.

He has no choice but to resign and he is in no position to demand immunity from prosecution. Moreover, whether he formally resigns or not, vice president Gloria Macapagal-Arroyo can take over the presidency.

I congratulate the entire Filipino people, all the patriotic and progressive forces and the broad united front for the brilliant victory in ousting Estrada and his ruling clique from power. I praise their courage and wisdom.

I admire the tenacity and militancy of the forces of the national-democratic movement in seeking the overthrow of the Estrada regime since the beginning, well ahead of other forces in the broad united front.

I am glad to have foreseen as early as in 1998 that Estrada would not last long in power, like El Loco of Ecuador, because of his

overweening arrogance, shameless rapacity, wanton brutality and unbridled servility to the foreign monopoly capitalists.

We are happy with our success in defeating an immoral, corrupt and repressive regime. But let us not indulge in euphoria and complacency. The struggle against the fallen ruling clique is not yet complete even as a new president comes to power. We must carry this struggle through to the end.

It can be completed only by arresting Estrada, his fellow plunderers and human rights violators, subjecting them to criminal proceedings and punishing them for their crimes. We must not let them go scot-free and enjoy the fruits of their crimes.

The people cannot tolerate any shady compromise deal between the outgoing and the incoming presidents. The change of president, from Estrada to Arroyo, should not be merely a change of chief oppressor and chief exploiter.

The people demand that criminal proceedings must be undertaken against Estrada and his cronies as well as the Marcoses and the big Marcos cronies, like Eduardo Cojuangco and Lucio Tan. All these must be held to account for their crime of plunder and compelled to surrender their loot to the people.

The forces of the national-democratic movement may continue its critical alliance with the new president, if immediately she does the following, among others:

1. Arrest and subject to criminal proceedings Estrada, the Marcoses and the big cronies and make them yield their ill-gotten wealth.
2. Reverse the antinational and antipeople policy of liberalization, privatization and deregulation.
3. Repudiate the antipeasant policy of misrepresenting land reform as voluntary sale of land or corporate shares by the landlords.

4. Give justice and indemnification to all the victims of human rights violations since the time of Marcos.
5. Release all political prisoners in the spirit of goodwill.
6. Revive all the bilateral agreements of the Government of the Republic of the Philippines (GRP) and the National Democratic Front of the Philippines (NDFP).
7. Resume the GRP-NDFP peace negotiations through which basic social, economic and political reforms can be discussed and agreed upon.
8. Cease the military campaigns of suppression against the people in the countryside.

The new GRP president should be mindful that the socio-economic and political crisis of the ruling system shall continue to worsen even after the fall of Estrada and to provide the fertile conditions for armed revolution.

The crisis is not due simply to the corruption and repressiveness of the Estrada ruling clique. These are in fact the consequences of imperialist domination. The crisis is due to the fundamentally oppressive and exploitative workings of the ruling system of big compradors and landlords who are servile to foreign monopoly capitalism.

The evils of this system will continue to inflict suffering on the people and incite them to wage all forms of revolutionary struggle. The revolutionary forces and people will continue the struggle for national liberation and democracy against foreign monopoly capitalism, feudalism and bureaucrat capitalism.

3.

## CONTRADICTIONS IN THE WORLD CAPITALIST SYSTEM AND THE NECESSITY OF SOCIALIST REVOLUTION<sup>1</sup>

3 May 2001

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

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

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

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

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

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<sup>1</sup> Contribution to the Brussels International Communist Seminar, May 3, 2001.

As Lenin pointed out, imperialism is the highest and final stage of capitalism. It is an utterly parasitic and moribund kind of capitalism. The monopoly bourgeoisie is a rentier class. Apart from owning capital, it contributes nothing to the process of social production but reaps profits from the extraction of surplus value and from the export of surplus goods and surplus capital.

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

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

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

Since the beginning of the 20<sup>th</sup> century, no part of the world has remained uncovered by one or several imperialist powers. The world has become too small for monopoly capitalism. It is pure nonsense to speak of globalization as if it were a new phenomenon. Monopoly capitalism or modern imperialism has

always operated on an international scale, first appropriating the old colonial methods and then using the methods of neocolonialism to nullify the formal independence of former colonies, semicolonies and dependent countries.

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

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

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

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

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

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

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

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

The slogans of "free market" and "free trade" were discredited as all imperialist powers proclaimed the need for state intervention

and protectionism in economic affairs. State monopoly capitalism had in fact grown far from its embryonic stage at the advent of the era of modern imperialism. The imperialist state increasingly used public finance to provide contracts and subsidies to the private monopolies and build armies for aggression.

To cope with the Great Depression, the imperialist powers turned to what would be conveniently called Keynesianism. This pertains to the use of state intervention and stress on fiscal policy in order to pump-prime, stabilize and stimulate the domestic economies of the imperialist countries. The state undertook public works to generate employment and raise consumption, provided contracts and subsidies to private monopoly firms or nationalized them for a while in order to justify the delivery of public resources to the monopoly bourgeoisie.

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

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

On the way to the second inter-imperialist war, as the entire world capitalist system was gripped by a grave economic crisis, the imperialist powers engaged in intense war preparations. Rather than Keynesian public works, war production would

revive the depressed US economy during World War II just as war production had buttressed the more aggressive schemes of Germany and other Axis powers.

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

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

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

In the aftermath of World War II, it was quite easy to recognize that the world capitalist system had gone through two stages of its general crisis, each breaking out in an inter-imperialist war and leading to proletarian revolution. It was also easy to discern that the world capitalist system was moving into the third stage of

its general crisis as a consequence of the ravages of war and the continuing rise of revolutionary forces.

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

In waging the Cold War, the US maintained military bases and troops abroad and built military alliances like the North Atlantic Treaty Organization (NATO), the US-Japan security alliance, Central Treaty Organization (CENTO) and Southeast Asia Treaty Organization (SEATO). It stepped up military research and development, challenged the Soviet Union to an arms race and engaged in bullying, intervention and aggression. By breaking the nuclear monopoly of the US in 1949, the Soviet Union neutralized US nuclear blackmail.

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

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

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

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

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

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

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

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

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

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

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

## II. The Current Crisis of Monopoly Capitalism

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

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

active partner of the IMF than the World Bank in a ménage à trois.

By 1981, the ground had been laid for the US and UK to make a major shift in economic policy from Keynesianism to neoliberalism. This was trumpeted as Reaganism and Thatcherism. It was an all-out attack on the working class and the trade union movement, and on the hard-won social rights of the proletariat and the people.

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

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

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

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

Throughout the 1980s, third world countries were devastated by the credit squeeze and the crisis of overproduction in raw materials, and they were ordered by the IMF to follow neoliberal prescriptions. Even the few East Asian countries, favored by continuing accommodation in the US market for their consumer manufactures and semimanufactures, were adversely affected by the debt squeeze.

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

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

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

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

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

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

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

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

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

Capital flight from the US would be disastrous both for the US and the entire world capitalist system, if we consider that US imperialist allies have six trillion USD of investments in the US, against 2.5 trillion USD of US overseas investments. Such is the magnitude of US dependence on its imperialist allies for expanding the US economy and maintaining consumerism in the decade of the 1990s.

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

US economic policy shifts, like the major one from Keynesianism to neoliberalism, do not mean any fundamental change in the exploitative and aggressive character of US imperialist policy, and certainly do not mean that the US is able to escape the laws of motion of monopoly capitalism and the drive for more capital accumulation. The US imperialist

hyperpower can shift one foot any time and still continue to oppress and exploit the people in every possible way at a given time.

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

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

In Asia and elsewhere in the world, Japan champions neoliberalism. But domestically, in addition to bringing down interest rates to zero or a fraction of one percent, it resorts to Keynesian pump-priming through public works in a futile attempt to revive the Japanese economy. It has financed private and public construction in Southeast Asia and China and has had no hope of recovering the loans since 1997.

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

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

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

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

All three global centers of capitalism, the US, Japan and the European Union, are suffering more than ever before from the crisis of overproduction, as well as from a heavy overhang of fictitious capital and financial speculation. Right now, the average GDP growth rate of the OECD countries is falling to the level of 2 percent.

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

bloat in these figures due to financial overvaluation and the most unproductive services.

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

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

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

The integration of China into the world capitalist system in the 1980s was touted as the signal event for making East Asia and the entire Asia-Pacific region the strongest growth area for capitalism during the rest of the 20<sup>th</sup> century and onward to the 21<sup>st</sup> century. But in fact, China's production and export of low value-added

manufactures (garments, consumer electronics, toys, leather products and the like) have aggravated the global overproduction in this type of products and squeezed the Southeast Asian "tigers" of the past.

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

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

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

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

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

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

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

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

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

The debt-stricken client states are required to follow the line of "free market" globalization or else suffer being deprived of new loans, supplies and access to the world market, and face the prospects of social and political turmoil and barefaced imperialist intervention and aggression. They are also told to concentrate on collecting tax revenues and giving priority to debt service. They are told that stabilization funds from the IMF and concessional official lending from the World Bank are dwindling, and that they must go to the foreign private banks for credit and finally, that they must attract foreign direct investment by all means.

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

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

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

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

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

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

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

So far, the imperialist powers seem to be able to keep their alliance in order to control other countries and exploit entire nations and peoples. But as the crisis of the world capitalist system worsens, domestic political forces within imperialist

countries can push each of them to adopt conflicting policies. Certain states assertive of their national independence and their people's social aspirations can also take initiative to take advantage of the growing contradictions among the imperialist powers.

Except for a few, notably the UK, the sidekick and cheerleader of US imperialism, West European countries are wary over the growing unilateral acts of aggression of the US, its consistent attempts to block fuel pipelines to Western Europe and its provocative scheme to build missile defense systems.

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

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

As the US overplays its imperialist arrogance and its attempts to swing the US public into supporting further US military buildup,

China and Russia tend to draw closer together in their own strategic partnership and seek deals with the monopoly bourgeoisie of Japan and Western Europe. As the most aggressive imperialist power today, the US is stirring up the conditions for war.

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

### III. Necessity of Socialist Revolution

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

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

Since then, the former Soviet-bloc and third world countries have plunged further into a state of depression. Japan and the European Union have stagnated. In the entire decade of the 1990s, especially from 1995 to 1999, the US expanded its

economy and claimed full employment by taking advantage of its lead in high technology and attracting foreign investments from Japan and the European Union, including the capital flight from the sinking "emergent markets".

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

Current studies show that the latest commercialized high technology has so far only marginally increased the efficiency in production of durable goods. It has served mainly the service sector, such as finance, trade, communications, entertainment, mass media, the health and legal professions, the military and police, and the like.

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

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

The advance from the first stage of technological revolution (spinning jenny and steam engine) to the second (electro-mechanical motors and chemical processes), and further on to the

third (computers and microprocessors, the joining of laser and fiber optics and other technologies), has merely served to increase exploitation, accelerate capital accumulation, and make capitalism more mature and more ripe for socialist revolution. Every higher technology that raises social productivity opens the road wider to socialism.

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

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

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

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

The present circumstances of the global economic crisis and new world disorder challenge and require the proletariat and the rest

of the people to wage revolutionary struggles against imperialism and for national liberation, democracy and socialism.

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

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

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

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

In every such segment of time, the proletariat has been faced with tremendous odds, suffered great setbacks and scored great

victories. We have seen how one level of victories leads to a new and higher level in a cumulative manner. We have also seen how one level of setbacks leads to a lower level, such as modern revisionism running rampant for decades and ultimately leading to the full and open restoration of capitalism.

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

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

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

In the course of competition, one capitalist wins against another capitalist by raising the organic composition of capital and decreasing the variable capital for wages in order to maximize his

profits. The result is the crisis of overproduction relative to the decreased market demand.

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

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

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

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

development, he was certain that proletarian revolution could win victory in Russia, the weakest link in the chain of imperialist powers, especially under conditions of inter-imperialist war which could be turned into a revolutionary civil war.

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

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

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

In the process of socialist revolution and construction in the Soviet Union, class struggle continued in the society at large, in the institutions and organs of state and party leadership. As Lenin had pointed out, the bourgeoisie multiplies its resistance ten thousandfold after being deprived of its power and property. It uses every possible way to oppose socialism and avails of reactionary traditions and its connections with the international bourgeoisie. Antagonistic contradictions existed between the

people and the enemy as well as non-antagonistic ones among the people. Some of these contradictions were handled well, others were not.

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

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

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

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

corrosive bourgeois trends and forces, the misallocation of resources and unchecked corruption of bureaucrats.

To build socialism, it is necessary to establish the dictatorship of the proletariat, socialize the means of production, raise the level of material, technical and cultural conditions of society, and have adequate national defense that relies mainly on mass mobilization and secondarily on weapons. But all these are not enough.

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

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

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

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

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

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

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

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

Mao developed Marxism-Leninism to a new and higher stage by confronting the problem of modern revisionism centered in the Soviet Union, criticizing it, and then putting forward the theory and practice of continuing revolution under proletarian dictatorship through the Great Proletarian Cultural Revolution

(GPCR). On the whole, the GPCR succeeded for 10 years, 1966 to 1976. But so soon after the death of Mao, the Dengist counterrevolution reversed it. This can only mean that the theory and practice of proletarian cultural revolution must be further studied and developed.

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

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

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

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

system, and advance the world proletarian revolution through revolutionary mass struggles.

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

The monopoly bourgeoisie appears to be so powerful by its ownership and control of the highest forms of technology, by its accelerated concentration and centralization of capital, and by its capability to move trillions of dollars at electronic speed. But all these precisely have accelerated the recurrence of the crisis of overproduction as well as financial collapses, with devastating consequences to the working people and client-states.

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

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

raising efficiency in production and distribution, and for developing revolutionary education and culture.

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

So far in history, the proletariat in imperialist countries has not seized political power from the monopoly bourgeoisie, unless the proletarian revolution takes advantage of an inter-imperialist war. That is because an imperialist power is strongest in its own homeground and is in a position to either appease or suppress the masses. But such an imperialist power can be brought down through a combination of class struggle by the proletariat, the advances of revolutionary movements in the underdeveloped countries and the intensification of inter-imperialist contradictions.

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

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

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

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

The devastation of national economies as a result of "free market" globalization is so sweeping and so intense that it is feasible for the proletariat and people in many countries in several continents to wage armed revolution and other forms of

revolutionary struggle against imperialism and local reaction within the next 10 to 30 years. The neoliberal revanchism of the monopoly capitalists against the proletariat and people is so rapacious and so violent that the resurgence of the anti-imperialist and socialist movement is bound to be unprecedented in scope and intensity.

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

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

4.

## **SYMPATHY FOR THE VICTIMS AND CONDEMNATION OF TERRORISM**

18 September 2001

I wish to express the deepest sympathy for the thousands of civilian victims, including a considerable number of Filipinos and Filipino-Americans, in the deadly terrorist attacks in the United States on 11 September 2001. Said victims were in the twin towers of the World Trade Center and in four hijacked planes.

I extend sincerest condolences to the families and friends of those who died in the tragic event. I am sad that ordinary civilians take the main brunt of terrorist acts done in obvious retaliation against the long history and current acts of terrorism of US imperialism.

Customary laws and international conventions set the standard for the conduct of war in a civilized world in contrast with a barbaric one. Such a standard prohibits acts of terrorism against the civilian population, condemns crimes against humanity and requires respect for human rights and humanitarian conduct towards the civilian population and hors de combat.

Terrorism may be defined as the willful and malicious infliction and threat of death and other physical harm on innocent civilians. The US no less has been a notorious perpetrator of terrorism on a scale far larger than what is now being alleged against the private group of Osama bin Laden. But the people in the US should not be targeted for mass slaughter for the terrorist crimes of the US imperialists.

In recent times, the US officialdom and mass media have dished up as acts of humanitarianism and as audio-visual entertainment the mass destruction of human lives in Iraq and Yugoslavia through the use of US high-tech air power and cruise missiles on the civilian population and their social infrastructure.

The US and Israel have practically converted Palestine into a slaughterhouse for the Palestinian people. With overweening arrogance, US President Bush has encouraged the Sharon regime to destroy Palestinian lives and property at will.

The US has a long record of terrorism. It is responsible for the massacre of hundreds of thousands or nearly 10 percent of the Filipino people in the course of the Filipino-American war from 1899-1913. It is also responsible for the massacre of more than a hundred thousand Japanese civilians in a matter of seconds in the atom bombing of Hiroshima and Nagasaki. It is further responsible for the massacre of millions of civilians in Korea, Indonesia, Indochina and elsewhere in the course of the Cold War.

The US has practiced the evil of terrorism for so long and this is now recoiling upon the US itself. The imperialist hyperpower is now reaping the whirlwind of terrorism that it has sown all over the world. Some of the adversaries of the US now consider as fair game the killing of American and other civilians in the same malignant spirit that the US does not wince at wreaking direct or collateral damage at the expense of civilian populations abroad.

In one more sense, the US is responsible for generating terrorism as its own Frankenstein. Even Osama bin Laden, the main suspect of the US in the 11 September terrorist attacks, is a former protégé of the US in fighting the Soviet armed forces in Afghanistan in the course of the Cold War.

At any rate, no amount of terrorism perpetrated by the US imperialists can justify any avowed anti-US force in perpetrating terrorism against the American people. Justice must be rendered to the victims in the 11 September terrorist attacks just as it must be rendered to the millions of victims of US imperialist terrorism.

It is now clear that the US is vulnerable to acts of terrorism arising from the contradictions within the American Right, between the US and its puppets-turned-enemies, and among the imperialist powers. Such contradictions are intensifying under conditions of the worsening crisis of the world capitalist system.

The US monopoly bourgeoisie and policy-makers are increasingly self-conscious about the vulnerability of the US but they are callously using this to rationalize the suppression of the democratic rights of the people in the US and abroad. They are becoming even more hell-bent on oppressing and exploiting the people of the world.

Since the 1950s, it has become clear that the Atlantic and the Pacific Oceans can no longer protect the US from nuclear-tipped intercontinental ballistic missiles. Now, it is also becoming clear that a national missile defense system cannot protect the US from biological weapons, "luggage bombs" (miniaturized nuclear weapons in suitcases) and from hijacked jumbo jets or explosive-laden trucks.

As a consequence of the terrorist attacks in its homeland, the entire US officialdom (the Bush regime with bipartisan support) is trying to push its own colossal kind of terrorism under the pretext of fighting terrorism. Bush has received from the US Congress war-making

powers similar to those given to Lyndon B. Johnson after the US-fabricated Tonkin Gulf incident, and has received an initial funding of 40 billion USD.

The US has already identified the band of Osama bin Laden as the main suspect in the 11 September terrorist attacks. And yet, US State Secretary Colin Powell has declared that the US will make a "global assault" on "terrorism in general" throughout the world. US vice president Cheney and other high officials have called for the most unbridled kind of dirty tricks, such as the unlimited hiring of human rights violators and other unsavory characters, and the lifting of the ban on assassination of leaders opposed to US imperialism.

The US is now using the incident as a pretext for expanding extraterritorial powers for the benefit of its military forces abroad and for launching all sorts of terrorism against peoples that wage revolution, nations that fight for liberation, and states that assert their independence. We can therefore expect more acts of aggression, intervention and other acts of terrorism from the US and from its most servile allies and puppets.

In abject servility to the US, the Macapagal-Arroyo regime in the Philippines has volunteered the use of the Philippines again as a base for US aggression and intervention as in the past in connection with the Korean War, the Vietnam War, the Gulf War and other armed conflicts. The Filipino people must resist such scheme of the US and the puppet regime.

The people of the world, including progressive American forces, should forewarn the American people not to be carried away by jingoism, war hysteria and the anti-Arab and anti-Muslim drumbeat. The US imperialists should not be allowed to run berserk with their own brand of terrorism and to obscure their responsibility for the worsening socio-economic crisis, the re-emergence of fascism and the growing danger of war.

By unleashing acts of terrorism in the world, the US can only generate hatred for US imperialism and rouse the just revolutionary resistance of the people of the world. At the same time, it will continue to provoke such terrorists as those responsible for the 11 September terrorist attacks to give the US a dose of its own medicine.

Terrorism from any quarter is reprehensible and must be combated and eradicated. The people will ultimately defeat US imperialism as it increasingly uses terrorism. The few avowedly anti-US elements that use terrorism will only destroy themselves on the road of nihilism.

Only the revolutionary mass movement can defeat US imperialism and the local reactionaries, and sweep away terrorism from any direction. As the crisis of the world capitalist system worsens and deepens, the revolutionary mass movement of the proletariat and the people in general is rising and carrying forward the anti-imperialist and socialist cause. #

5.

## **IMPERIALIST GLOBALIZATION AND TERRORISM**

18 February 2002

I am pleased to be invited by the International Coordinating Committee of the International League of Peoples' Struggle to speak on imperialist globalization and terrorism. It is a welcome task for me to discuss such an urgent topic of crucial importance to the people.

From the way the topic is phrased, I presume that there is deep interest in the relation between imperialist globalization and terrorism. I propose to discuss that economic terrorism characterizes capitalism at various stages of its development and that imperialism means war and terrorism.

### **Economic terrorism in capitalism and imperialism**

To quote Marx, "*Tantae molis erat* (So massive a task it was), to establish the 'eternal laws of Nature' of the capitalist mode of production, to complete the process of separation between labourers and conditions of labour, to transform, at one pole, the social means of production and subsistence into capital, at the opposite pole, the mass of the population into wage-labourers, into 'free labouring poor', that artificial product of modern society. If money, according to Angier, 'comes into the world with a congenital blood-stain on one cheek,' capital comes dripping from head to foot, from every pore, with blood and dirt."

In the development of capitalism, the primitive accumulation of capital involved the most brutal methods of exploitation, such as the use of slaves, serfs and farm workers for the production of the agricultural surplus, compulsion on the proletarianized peasants

as well as women and children to work for as long as 12 to 16 hours at low wages, and the sheer plunder of entire nations in old style colonialism.

All these methods of exploitation persisted from the 16<sup>th</sup> century of initial colonial globalization to the 19<sup>th</sup> century of free competition capitalism and these constituted economic terrorism. Those who did not own the means of production had to be exploited by the few who owned these and had to work for their subsistence or else suffer from starvation and proneness to illness and premature death.

In the very process of production at the workplace, the bourgeoisie extracts the surplus value from the mass of workers who are forced to yield it under the threat of being fired, in a general situation where they are completely separated from the natural economy of self-subsistence in feudal economy, and they have no means of subsistence other than selling their labor power.

To fight for the improvement of their wage and living conditions, and to strive for the historic mission of building socialism, the workers have formed trade unions and political parties, and have waged class struggle against the bourgeoisie. Never voluntarily yielding to the demands of the working class, the bourgeoisie has used the most violent and most deceptive means to attack the working class.

Economic terrorism is most brutal at the highest and final stage of capitalism, which is monopoly capitalism or modern imperialism. The extraction of surplus value from the workers becomes more intense in capitalist society. And the crisis of overproduction becomes more disastrous for all the working people.

However, before the proletariat becomes strong enough to seize political power and build socialism, the monopoly bourgeoisie tries to alleviate the economic crisis at home by exporting surplus

goods and surplus capital and subjecting the oppressed peoples and nations to super-exploitation.

The colonies, semicolonies and dependent countries become the cheapest source of labor and raw materials and the most profitable fields of investment. In times of boom in the imperialist countries, it can even be said that the workers take some share from the feasting table of monopoly capitalism and tend to lose interest in socialist revolution.

The oppressed peoples and nations are forced to suffer the most brutal forms of exploitation or else economic and military sanctions are undertaken against them. Even when colonies acquire nominal independence and become semicolonies or dependent countries, they are subjected to neocolonial methods of super-exploitation, with the imperialists requiring the puppet regimes to carry out the dictates of monopoly capitalism.

Although neocolonialism appears to consist of economic and financial control, imperialists are ever ready to use political pressure and military force to compel the neocolonies to submit to the terms of super-exploitation. Thus they make bilateral and multilateral military agreements in order to have the instruments for enforcing bilateral economic agreements and the dictates of such multilateral agencies as the IMF, World Bank and WTO.

In recent decades, the overproduction of raw materials by most semicolonies and dependent countries, as well as the overproduction of low value-added semimanufactures by a few of them, has resulted in either the closure of the bankrupted enterprises or bigger overproduction and export of bigger volumes of the same goods at lower prices in the global market.

The crisis of overproduction, the trade deficits and mounting debt burden result in the worst wage and living conditions. The worst conditions of mass unemployment, low wages, impoverishment and deprivation are found in the semicolonies and dependent

countries. The majority of the people there live on less than two US dollars a day.

Let us now consider what is deceptively called "free market" globalization, which is actually imperialist globalization. This policy bias of the monopoly bourgeoisie blames the workers for so-called wage inflation and economic stagnation under the previous Keynesian policy bias. It also considers as inflationary the social spending done by the capitalist state.

The neoliberal myth of the "free market" (in fact monopoly capitalism) is that growth follows from privatizing public assets, providing more financial resources to the monopoly firms, fattening them with state contracts, eroding or eliminating the hard won rights gained by the workers as well as doing away with protection of women and children and the safeguards against damage to the environment.

Liberalization, privatization and deregulation have devastated the lives of the working people in the imperialist countries and much more of those in the semicolonies, and in dependent and retrogressive countries. They have accelerated the outflow of the social wealth created by the people, from the underdeveloped to the imperialist countries. "Free market" globalization has not meant the spread of productive capital in the world but the accelerated accumulation and concentration of capital in the few imperialist countries, chiefly the US.

Now, the US itself has sunk into deep recession as a result of the overproduction of high-tech goods, the bursting of its high-tech financial bubble and the collapse of the "new economy". This so-called new economy was previously touted as a constantly growing economy without inflation or with low inflation. To keep the economy on balance, the US Federal Bank was supposed to simply adjust and readjust the interest rates.

The economic crisis in the US has plunged the entire world capitalist system into the worst kind of depression since the end of World War II. All global centers of capitalism are in recession. The rest of the world, dependent on orders for raw materials and semi-manufactures from the imperialist countries, are in a rapidly worsening state of depression.

Even before the 11 September attacks on the World Trade Center and Pentagon, the Bush administration had proposed stepping up military production as the solution to the current economic crisis of the US and world capitalist system. In the wake of the 11 September attacks, the US has provided the monopoly firms with large tax cuts and fat military contracts.

But the US drive for high-tech military production will not solve the economic crisis, either in the US or in the entire world. It will aggravate the crisis, generate war hysteria, and put the entire world in danger of more wars of aggression by the US and other imperialists.

### **Imperialism means war and terrorism**

Of all violent forces that have arisen in the history of mankind, imperialism has committed the most numerous and the gravest crimes against humanity. The inter-imperialist wars, the so-called limited wars and the puppet regimes of open terror have been the most horrifying.

As a result of their struggle for a redivision of the world, the competing imperialist powers have brought about the deadliest global wars such as World War I and World War II, which have resulted in the death of so many tens of millions of people. Conflicting colonial interests and rising war budgets led to World War I. The unbearable impositions on the losers and the rise of fascism led to World War II.

Up to the start of the Cold War in 1948, the US had the infamous record of killing 1.4 million Filipinos from 1899 to 1916 in the conquest and pacification of the Philippines. It also had the unique notoriety of using the atom bomb on the civilian population of Hiroshima and Nagasaki and in killing more than 240,000 Japanese.

Since the start of the Cold War, the US has been responsible for the killing of at least 12 million people through wars of aggression and through massacres conducted by its reactionary puppets.

The US killed 4.6 million Koreans in the Korean War of 1950-53. It also killed 6 to 7 million people in the war of aggression against Vietnam and the rest of Indochina. Instigated by the US, reactionary puppets killed more than one million Indonesians in 1965, and one or two more million people elsewhere.

In wreaking vengeance on Iran after the overthrow of the shah, the US encouraged Iraq to engage Iran in a prolonged war. It promoted Islamic fundamentalism in Afghanistan in order to rouse the people against the Soviet forces and the Soviet-supported regime. It also whipped up anti-communist religious bigotry to motivate the "contras" in conducting terror raids against the people of Nicaragua under the Sandinista government.

Through puppet regimes of open terror, the US has sponsored all kinds of acts of terrorism against the people. These include illegal arrests and detention, torture, extrajudicial killings, arson, looting, forced mass evacuation, and so on. So many millions of people in Asia, Africa and Latin America have thus suffered from such acts of terrorism.

Let us not forget the human toll exacted by such US-propped terrorist regimes as those of Chiang Kai-shek in Taiwan, Ngo Dinh Diem in Vietnam, Suharto in Indonesia, Ferdinand Marcos in the Philippines, Jorge Videla in Argentina, Augusto Pinochet in

Chile, Alberto Fujimori in Peru, Mobutu in the Congo, and so on and so forth.

When the US emerged as the sole superpower at the end of the Cold War, the imperialists and their propagandists hyped that peace and civility would reign. But in fact, the US has become ever more arrogant and bloodthirsty, and has engaged in flagrant acts of bullying, interference, intervention and aggression.

In the last 12 years, it has launched three large-scale wars of aggression, such as those against Iraq, Yugoslavia and Afghanistan and in the process collected such spoils as sources of oil and military contracts. The people have suffered from the terrorism of imperialism in all these wars of aggression spearheaded by the US.

What makes these US-led wars of aggression exceedingly abominable is the cowardliness of using its air power and other high-tech weapons to bomb and massacre the civilian population and destroy fixed civilian structures, including dams, electric plants, hospitals, nurseries, schools, factories, office buildings, churches and mass media facilities.

The US and its imperialist allies are responsible for the economic and social ruination of the underdeveloped countries. This is the outcome of the outflow of social wealth, excessive foreign borrowing and the austerity measures that crimp both production and consumption. Relatedly, the US instigate ethnic and religious conflicts and generate civil strife and massacres in order to deflect the people from the revolutionary course and allow the US to extend further its hegemony.

The US is now using the 11 September attacks as a pretext to drum up war hysteria, step up military production, curtail the democratic rights of the American people and other peoples, and carry out acts of aggression and terrorism against the people

waging revolution, the nations fighting for liberation and countries asserting national independence.

The US is the No. 1 aggressor and terrorist of the world. It has used the 11 September attacks to misrepresent itself as the champion of anti-terrorism and to terrorize the people of the world. No matter how shocking occasionally is the handiwork of small private terrorist groups, all of them fall under the shadow of the superterrorism of the US.

The US is oppressing the people within its own borders, especially the new arrivals from Asia, Africa and Latin America, and those who belong to the Islamic faith. It has enacted the fascistic Patriot Act and, under the guise of anti-terrorism, is imposing this on other countries as the model for anti-democratic legislation and draconian measures.

The US is encouraging and undertaking arbitrary arrests, indefinite detention – incommunicado and without charges, military courts against civilians, and the assassination of anti-imperialist leaders or their kidnapping for trial under US-controlled courts. The CIA has been given the license to assassinate anti-imperialist leaders abroad.

The US has practically declared war on Iran, Iraq and North Korea by condemning them as the "axis of evil". It has also pointed to 12 countries as "harboring terrorists" and warning them that the US would take actions unilaterally if the governments of those countries are unwilling, or fail to wipe out, so-called terrorists.

Right now, a total of 1000 US combat troops are already deployed in Luzon, Visayas and Mindanao in the Philippines. The pretext is for said troops to train the Filipino military officers and men how to fight in the combat zones of Basilan and Jolo against a small bandit group, the Abu Sayyaf – a creation of the US CIA

with the collaboration of some Filipino puppet military officers in the early 1990s against the Moro National Liberation Front.

The real main objective of US military deployment in the Philippines is to participate actively in combat operations against the New People's Army and the armies of the Bangsamoro and establish US military bases in southern Philippines, in order to be at the center of Brunei, Indonesia, Malaysia and the Philippines, and exercise control over the oil and other natural resources as well as the routes of international commerce in the region. The first three aforementioned countries are major oil producers, and the Cotabato basin and Palawan waters in Mindanao are also acknowledged as having rich oil reserves.

In view of the warmongering, increased war production and actual acts of aggression by the US, the broad masses of the people must be vigilant, resolute and militant in opposing US imperialism. They must not be cowed or confused by the great disorder, turmoil and war generated by US imperialism. Instead, they should recognize these as signs of the desperation of imperialism and should take advantage of these favorable conditions for advancing the revolutionary cause.

### **What the ILPS can do**

The ILPS must do the best it can to arouse, organize and mobilize the broad masses of the people to fight imperialist globalization, war and terrorism, which are chiefly being carried out by the US. It must uphold, defend and promote the rights and interests of the people, as manifested in the 18 concerns of the ILPS.

The ILPS must struggle for the national and social liberation of the people. For the purpose, it must attract more participating organizations, engage in political education, conduct mass campaigns, and link with other forces in order to build a broad anti-imperialist solidarity and international united front. #



6.

## ANALYSIS OF THE SOUTHEAST ASIAN CRISIS OF 1997

Contribution to the 11<sup>th</sup> International Communist Seminar  
2-4 May 2002 Brussels, Belgium

I convey warmest greetings of comradeship and revolutionary solidarity to the Workers Party of Belgium and all the delegations in the 11<sup>th</sup> Seminar.

I thank the Workers Party of Belgium for inviting me to speak on the Southeast Asian crisis of 1997 in connection with the global capitalist crisis.

At the outset, let me make it clear that imperialism, as overdeveloped and moribund capitalism, and the Southeast Asian social economies, as underdeveloped neo-colonial appendages of imperialism, are both in chronic crisis.

Thus, by the phrase Southeast Asian crisis of 1997, I refer to a new plunge, a new level of aggravation and deepening, of the chronic crisis.

I propose to discuss the background, character and course of the crisis and consequences up to the present.

### Background of the Crisis

Since the Great Depression in the 1930s, the monopoly bourgeoisie and their ruling politicians had adopted the Keynesian policy stress on fiscal measures for the purpose of pump-priming the economy through public works projects, increasing purchasing power among the people and reviving consumer demand.

The Keynesian policy stress subsequently came to be understood in a larger sense as state intervention in deploying public funds and generating jobs in order to overcome the conditions of bust, guide war-time production, conduct the Cold War, reconstruct the economies of Germany and Japan, react to the challenge of socialism, and "aid the development" of the underdeveloped countries.

In the 1970s, the US policy makers were at a loss in solving the phenomenon of stagflation. Stagnation ensued from attempts to solve the problem of inflation, and inflation ensued from attempts to solve the problem of stagnation. After abandoning the gold standard in 1970 and boasting that the US had its high productive capacity to guarantee its currency, the US policy makers did not pay adequate attention to the severe recession of 1974-75 as a crisis of overproduction, arising from the full reconstruction of Germany and Japan and the growing economic competition among the imperialists.

They overlooked the fact that after making economic concessions and giving market accommodations to its allies in exchange for their support in the anti-communist crusade, the US had undermined its own manufacturing capacity in tradeable goods. They also did not take into account the ever-rising military production and military expenditures, including those for overseas military forces and wars of aggression. All these were generating inflationary cost-push demand in the US economy.

The rationale for shifting from a Keynesian to a neoliberal policy stress came from the anti-worker and anti-people position that rising wage levels and government social spending were the causes of stagflation. While blaming and insulting the working class for supposedly being parasitic and overstating the social pretenses of the imperialist state, the US policy makers sought to make more public resources available to the monopoly bourgeoisie and expressed a preference for using monetary

measures rather than fiscal measures for managing any disequilibrium in the economy.

The US Federal Reserve Board, under board chairman Paul Volcker, paved the way for the official adoption of the neoliberal policy stress under the Reagan administration by prescribing high interest rates, rising to 19 percent in the period of 1979-82. These attracted foreign investments in US stocks and bonds, and caused capital flight from Latin America and other debtor countries to the imperialist countries, especially the US.

Under the Reagan administration, the US used foreign funds to finance a high level of consumer spending and accelerated costly production of high-tech weaponry and to cover the resultant trade and budgetary deficits. Thus the US became a net debtor in 1985 and the biggest debtor in the world by 1989.

Upon the shift from the Keynesian to the neoliberal policy stress under the direction of the US, the multilateral agencies like the IMF, World Bank and GATT-WTO proclaimed that official "development" credit to the underdeveloped countries from specific imperialist states and multilateral lending agencies was to be decreased, and that the underdeveloped countries would have to swim or sink under the terms of "free market" globalization.

By this time, the imperialist creditors had already overburdened the third world countries with loans used mainly for infrastructure-building and enhancing raw-material production for export. It was time for the multilateral firms and banks to take over the natural resources and businesses in the heavily indebted countries amidst the growing crisis of overproduction in raw materials.

The IMF dictated structural adjustment programs which imposed austerity measures, the conversion of foreign debt to takeover equity in selected enterprises or claims to the natural resources of

the debtor countries, the free flow of capital, liberalization of trade and investments, privatization and deregulation, conversion of unpaid private debts into public debts, and prioritization of debt-service payments by client states.

The policy shift was to a worse form of neocolonialism, to an openly more brutal and more rapid way for capital to exploit labor, and for monopoly capitalism to plunder the resources of the proletariat and people of the world. The main objective of the monopoly bourgeoisie was to rationalize, in the name of the "free market", the use of a hierarchy of corporations and a hierarchy of states in order to serve and aggrandize the monopoly bourgeoisie.

Amidst the economic and social devastation of the third world countries, as a result of the crisis of overproduction in raw materials and crushing debt burdens, the imperialists and their propagandists celebrated the so-called four tigers of Asia (Taiwan, South Korea, Hongkong and Singapore) as the success stories for emulation by the third world countries.

They obfuscated the fact that these "old tigers" had benefited from state protection of domestic investments and special accommodation of their exports in the large US consumer market, all in consideration of their being in the frontline against China and North Korea in the 1970s. In the 1980s, the US and its camp followers were flattering China and the Southeast Asian countries, Thailand, Malaysia and Indonesia, as the "new tigers" of Asia.

While the rest of the third world was in economic shambles, the US itself drummed up Japan and the old and new "tigers" as the stalwarts of the East Asian "economic miracle" and its most active partners in making East Asia the growth area of the remaining decades of the 20<sup>th</sup> century and the entire 21<sup>st</sup> century.

Indeed, East Asia was a promising market, with a third of the world's population or two billion people, 1.5 billion in Northeast

Asia and 500 million in Southeast Asia. The US eyed this market as the complement to the US market and as the big base for economic growth to make the so-called Pacific century. The Asia-Pacific countries already had a share of more than 50 percent of the world's trade flow and this was expected to increase further.

The US monopoly bourgeoisie was confident of making East Asia grow and, at the same time, of dominating it on the assumption that Japan would continue to follow US dictates within the bilateral framework of the US-Japan security treaty, as well as within the multilateral framework of the Group of 7, OECD, IMF, World Bank, GATT-WTO, Asian Development Bank and the Asia-Pacific Economic Cooperation (APEC). The US-Japan combine was expected to keep China and the Association of Southeast Asian Nations (ASEAN) at lower levels of development and in economic subordination.

In imitating the "old tigers", the agrarian countries of Southeast Asia, especially Thailand, Malaysia and Indonesia, were supposed to go first for the production of such export-oriented, low value-added semimanufactures as garments, semiconductors, shoes, toys, and the like, on top of the traditional agricultural and mineral exports. The presumption was that savings drawn from the export income could be used for developing basic industries as did Taiwan and South Korea.

However, under the policy regime of "free market" globalization, the IMF would not allow the states of the Southeast Asian countries (unlike in the case of Japan, South Korea and Taiwan in previous decades) to adopt a policy of industrial development and provide protection and public funds for such a policy.

Furthermore, the semi-manufactured exports of these countries had no assured market in the US, of which the old tigers in earlier decades had been assured to the extent of at least 30 percent. Instead, the "new tigers" and wannabes like the Philippines were

met with US market restrictions on their garments exports in 1994 and semiconductor exports in 1996.

Within East Asia, China took the most of foreign direct investments for private construction and for the production of the export-oriented semi-manufactures. In fact, it took more than one-third of the 25 percent that went to the "emerging markets" out of the total flow of global direct investments in 1995.

The potential for a serious crisis of overproduction in export-oriented semi-manufactures was high in the course of competition between China and Southeast Asia. Having a much bigger and far cheaper pool of labor, especially after the devaluation of its currency in 1994, China could easily win the competition. It did trounce its Southeast Asian competitors before it would itself be bedeviled by its own buildup of excess production.

Regardless of the competition with China and other export-oriented producers of semi-manufactures elsewhere in the world, the Southeast Asian countries had their own distinctively backward national economies and trade patterns. Their own kind of export products, raw materials and semi-manufactures kept their export income well below their import expenditures.

The import-dependent character of the export strategy generated rising trade and current accounts deficits. Higher export volumes of low value-added goods in fact led to higher import volumes of high value-added goods, machinery and intermediate products, which in turn led to higher trade deficits.

As far as the imperialists and financial institutions were concerned, the thrust of "free market" globalization in East Asia was to turn the countries in the region into "emerging markets" (no longer "newly industrializing countries" as previously drummed up). Such countries incurred widening trade deficits and/or accounts deficits but were allowed to borrow foreign

funds for importing equipment and components for export-oriented manufacturing, private construction and luxury items for the upper class and the upper middle class (cars, home appliances, computers, telecom gadgets, and the like).

The US and its imperialist allies had pushed the liberalization of capital flows and trade. The ever-growing trade and/or current accounts deficits were covered by inflows of foreign direct investments and speculative portfolio investments. Indonesia and Malaysia had trade surpluses because of their oil exports, on top of their other exports. Nonetheless, they were faced by growing deficits in their current accounts.

The Philippines had growing trade deficits. These accounted largely for its current accounts deficits, aggravated of course by debt-service payments. Thailand, like the Philippines, also had growing trade and foreign accounts deficits. However, its current accounts deficit was far larger than that of the Philippines. Thus, Thailand became more vulnerable as a target of currency speculation.

The foreign multinational firms and local big comprador firms went on a splurge from year to year, taking short-term loans to pay for debt service and finance long-term projects, and attracting investors to engage in speculative short-term trading in stocks and derivatives. The inflow of short-term capital bloated the value of the Southeast Asian currencies and stimulated imports.

The governments of Southeast Asia had been besieged not only by growing trade and current accounts deficits but also by budgetary deficits. Insufficient tax revenues pushed these governments to sell off state assets and thereby earn non-renewable revenues. In constant desperation, they floated public bonds or treasury bills, bearing fantastically attractive interest rates, as high as 35 percent. These became delectable targets for speculators.

The total capital flow to East Asia in 1996 alone (just before the outbreak of the Southeast Asian crisis) amounted to USD 156.8 billion, 3 times higher than the amount in 1990. At least three-fourths of these came as speculative capital rather than as direct investments. The outstanding loans from the banks of imperialist countries to China, South Korea, Taiwan, Malaysia, Indochina and the Philippines amounted to USD 338.6 billion, twice the level of 165.2 billion in 1993.

The share of Japan in the capital market of East Asia as a whole and Southeast Asia in particular (especially Thailand, Philippines, Malaysia and Indonesia) amounted to 35.4 percent and 43 percent, respectively. In contrast, the US had a share of only 6.3 percent and 10.3 percent respectively. The European Union countries accounted for the rest.

Cleverly, the US took far less lending risks than Japan and the European Union countries. It concentrated on competing with them in the sale of cars and other basic industrial products, and on taking a clear lead in the sale of high-tech equipment, financial services, military supplies, entertainment, pharmaceuticals, food and beverages.

While encouraging Japan and the European Union to ante up huge amounts of loans to Southeast Asian countries, the US waited out the 1997-98 financial meltdowns in order to be able to buy bankrupted firms of its choice in the whole of East Asia, including Japan.

### **The Southeast Asian Crisis of 1997**

The currency and financial crisis of Southeast Asia broke out on 2 July 1997 when Thai officials devalued the baht by more than 15 percent, following a week-long sell-off by international currency speculators. Other Southeast Asian currencies, the Philippine peso, the Malaysian ringgit and the Indonesian rupiah

all declined sharply. In less than a month, devaluations reached 32 percent.

The Southeast Asian crisis sent shock waves on a global scale. On 15 August, the New York stock exchanges saw the largest one-day fall since the 1987 crash. Massive losses also occurred in the Frankfurt, Paris and London exchanges. The Hongkong stock exchange fell by 15 percent. The Japanese bond market also plunged.

Under the auspices of the IMF, the international banks and a number of governments approved a USD 17.2 billion rescue package to prop up the Thai baht. This had been the largest bailout since the 1995 crisis of the Mexican peso. But it was not enough to stabilize the currency. The fund was immediately depleted by the claims of the international creditor banks and private financial firms in a continuing surge of currency speculation.

The crisis rapidly spread to the "old tigers" in October. The Singapore dollar sank to a 40-month low against the US dollar. The South Korean won also fell amidst colossal business bankruptcies. By mid-October, the Southeast Asian currencies further dropped by more than 35 percent. Big losses reaching 40 percent of values occurred in the stock markets from July onward. The Philippine stock market declined by about 41 percent, with losses amounting to USD 21 billion.

On 24 October, the Hongkong stock market crashed. Mutual fund managers and pension funds sold off Hongkong blue chips. The Dow Jones plummeted to a level lower than the crash a couple of months earlier. It experienced the worst one-day fall in its entire history.

As October ended, Thailand and Indonesia were begging for IMF rescue packages. The IMF pledged a USD 33 billion package for

Indonesia and ordered the Indonesian government to shut down 16 insolvent banks and stop food and fuel subsidies.

In November, the currency crisis grew worse, with the Japanese yen falling further against the dollar after the collapse of a major securities firm. The South Korean won depreciated. The South Korean government had to buy bad loans from banks, and initially pleaded to the IMF for an emergency loan of at least USD 20 billion.

Ultimately, the IMF organized a total rescue package of USD 120 billion, with Southeast Asia, chiefly Indonesia and Thailand, receiving USD 63 billion and South Korea, 57 billion. The US had rejected the proposal of Japan to organize an Asian monetary fund for dealing with the financial crisis in Asia. It favored the use of the IMF, World Bank and the Asian Development Bank for deploying the bailout funds in order to assure US banks and investment firms of priority payments and the best opportunities to make acquisitions in the fire sale of Asian assets.

As it appeared so conspicuously, the crisis in Southeast Asia may be described as a currency and financial crisis. It occurred so abruptly in a world of free capital flows and private currency transactions amounting to USD 1.3 trillion daily at electronic speed, beyond the control of central banks. It was characterized by drastic currency falls, the exhaustion of international reserves, sharp stock market declines, capital flight and pleas for IMF rescue packages.

All these flowed from the fundamental character, internal laws of motion and structural problems of the economies of Southeast Asia. It is necessary to look comprehensively and profoundly into the crisis because fragmentary and shallow views abound to obscure the causes of the crisis.

Prime minister Mahathir of Malaysia blamed George Soros and other hedge fund operators for the crisis as he adopted capital

controls to stave off the outflow of foreign exchange. The US and IMF authorities emphasized the role of so-called crony capitalism to explain the crisis and obfuscate the far bigger responsibility of the foreign monopoly capitalists and their collaboration with the high bureaucrats of the big comprador and landlord classes.

Indeed, the high bureaucrats and their economic superiors and cronies among the big compradors and landlords had a big role in causing the financial crisis. But their role cannot be any bigger than that of the imperialist states, the IMF, World Bank and GATT-WTO, and the multinational firms and banks that hold the Southeast Asian economies captive and determine their role in an international division of labor that prevents their balanced development.

The Southeast Asian economies are basically agrarian, with varying amounts of import-dependent industry. They are still heavily dependent on raw-material exports (agricultural and mineral) plus the low value-added semi-manufactures. Because of underdevelopment, they are also dependent on the import of so many kinds of consumer and producer goods. Their export income is never enough to pay for their imports. Thus, they sink more and more into foreign indebtedness and become more susceptible to the dictates and profit-taking of the imperialists.

In such countries as Thailand, Malaysia and the Philippines, semi-manufactured exports like semiconductors and garments may constitute more than 50 percent of exports. But these are produced by flotsam enterprises that actually yield very low net export income because of the high-import costs of equipment and components for semi-manufactures.

The imperialists have dictated the terms of "free market" globalization on the Southeast Asian client-states. These have been told to strive for "emerging market" status rather than clamor for "newly industrializing" status of their economies. As "emerging markets", the Southeast Asian economies are to earn

as much as they can from their limited range of exports, and to avail themselves of commercial loans, direct investments and speculative capital to get the funds for their import payments.

Imperialist policy makers and propagandists nowadays avoid paying lip service to industrial development as the goal of any underdeveloped country. The development of any underdeveloped country is supposed to be left to the free play of private enterprise and the market. The imperialists blatantly discourage state-directed marshalling of the financial and other economic resources for industrial development. (Only the imperialist-funded NGOs, acting as propaganda rearguards of the imperialists, prate much about "environment-friendly, sustainable economic development" as the imperialists themselves prefer to talk about "free market" globalization rather than "development".)

To conjure the illusion of development, the imperialists (especially Japan) made funds available for private construction (hotels, golf courses, office towers, upscale housing, and the like) in addition to funds for semi-manufacturing enterprises. When the Southeast Asian economies experienced sharp declines in export income or big rises in trade deficits, they became prone to taking short-term credit for private construction projects. The boom in private construction served for a while until 1997 to conceal the economic decline and to stimulate some amount of domestic cash flow and consumer demand.

It was some kind of neoliberal "pump-priming", if an analogy may be made to the Keynesian pump-priming through public works. But certainly, the boom in private construction did not redound to any public benefit because it was financed by short-term credit and served narrowly the upper and the upper-middle classes. In the end, there was an overproduction of commercial and residential units, which the intended wealthy buyers could not absorb. For instance, Bangkok alone had more than USD 20 billion worth of vacant units in 1997.

The Southeast Asian countries most devastated by the financial crisis of 1997 were those that opened most to the free flow of foreign capital and allowed private borrowers to take short-term capital to engage in real estate speculation and in the unequal exchange of low value-added exports and manufactured imports of higher value, including luxuries.

The free flow of capital was meant by the imperialists to accelerate the sale of basic industrial products and high-tech consumer and producer goods and facilitate the exaction of higher profits from financial "products", in addition to traditional commercial credit. It was therefore meant to accelerate the outflow of capital in the form of profit remittances and debt-service and to keep the client economies in continuous subjugation under the constant threat of financial insolvency and capital flight.

The financial policy of the Southeast Asian "emerging markets" allowed the foreign and local exporters to stash away export income abroad. Always trying to reduce their risks, exporters preferred to put their capital, or a growing portion of their capital, in the US and elsewhere abroad. This greatly worsened the trade and current accounts deficits. The free flow of capital made the client economies desperate and forced them to resort to short-term credit for covering the ever-growing trade and current accounts deficits.

To be comprehensive in holding accountable those responsible for the crisis, we have to recognize the entire structure of exploiters: the imperialist firms and banks at the top, the local exploiting classes and the reactionaries in power and their cronies.

Are the imperialists reckless in letting the Southeast Asian countries go on and on incurring deficits, increasing debts that they can never hope to pay back completely, and running to the

IMF for rescue whenever they suffer an economic and financial collapse?

No, the imperialists are quite cold and calculating in keeping the Southeast Asian client economies as debt peons. Through debt bondage, they aim to take over the natural resources and bankrupted firms of the nationals, further cheapen local labor and thereby maximize profits and continue to extract debt service from the ever-mounting accumulation of foreign debt.

Even before 1997, life was going from bad to worse for the entire nations and working people of Southeast Asia. The illusion of economic growth from year to year was conjured by the free flows of capital, especially speculative capital and by the conspicuous overconsumption of the upper and upper-middle classes.

The types of export products assigned to the Southeast Asian countries came under a sharpening crisis of overproduction. China and Southeast Asia (not to mention a few other countries elsewhere) were trying to out-export each other in the same types of export-oriented semi-manufactures.

Since the crisis of 1997, the Southeast Asian countries have been afflicted by extremely high rates of unemployment and underemployment, bankruptcies and production cutbacks, decreased levels of income for the entire people, rising prices of basic commodities, continuing currency devaluations, and the breakdown of social services.

The number of people who subsist below the poverty line has increased tremendously. Ninety percent of the people in Southeast Asia are impoverished. Malnutrition, disease and illiteracy are rampant among them. To a great extent, even the middle social strata that benefited from previous business expansions have become impoverished

The economic and social crisis among the Southeast Asian client-states has led further on to political crisis. The entire region has become a hotbed of social discontent, bitter strife among the reactionaries and armed revolutionary movements.

The client states have become weak and unstable. Every ruling clique becomes detestable to the people by collecting higher taxes and fees in shrinking economies. It easily becomes exposed, isolated and hated by the people for puppetry, corruption, mendacity and repressiveness.

The long-running Suharto military fascist regime in Indonesia has been overthrown and the successors continue to be faced with worsening crisis. Centrifugal reactionary military, religious and ethnocentric forces are trying to fragment Indonesia. At the same time, the Communist Party of Indonesia has consolidated itself through the 8<sup>th</sup> Party Congress. The revolutionary mass movement is growing steadily on a nationwide scale.

The revolutionary movement in the Philippines under the leadership of the Communist Party of the Philippines continues to advance in the new-democratic revolution and to demonstrate to the people of Southeast Asia that waging people's war and winning victories are possible even in a country that is in the stranglehold of US imperialism. Various forms of democratic struggle have developed vigorously in the Philippines. A broad united front of patriotic and progressive forces has toppled the Estrada regime and is giving nightmares to the incumbent regime.

The Southeast Asian countries that pioneered in the import-dependent export-oriented strategy as well as those that followed suit, including the Indochinese countries, continue to suffer from the global crisis of overproduction. They are in direr straits as the US economy itself has gone into a slump and had caused a global slump even before Southeast Asia can recover from the crisis of 1997.

The crisis conditions in the whole of Southeast Asia augurs well for the development of all forms of revolutionary struggle for national liberation and democracy against US imperialism and the local exploiting classes. In the decades to come, East Asia is bound to become the ground for a new powerful upsurge of the broad anti-imperialist movement and the world proletarian revolution.

### **Beyond the Southeast Asian Crisis of 1997**

The crisis of Southeast Asia spread like a contagion to South Korea in the last quarter of 1997. The same imperialist powers, multinational firms and banks and finance capitalists, involved in the Southeast Asian crisis, acted upon South Korea and further generated a crisis in Northeast Asia and the whole of East Asia. However, the South Korean economy has a character different from the Southeast Asian economies and has its own characteristic way of getting into financial crisis.

South Korea has an industrialized economy, dependent on Japanese finance capital. It produces basic steel, cars, home appliances and consumer electronics. These products are on a direct collision course with similar export products from the US, Japan and the European Union.

Before the crisis of 1997, the global crisis of overproduction in these products had gone on. South Korea had hoped that by taking large bank loans and expanding production, it could beat its competitors by exporting more and cheaper goods and thereby solve its problem. Ultimately, the banks became alarmed and panicked upon defaults by the South Korean firms and upon the impact of the Southeast Asian financial crisis.

As the country providing the largest amount of funds for the whole of East Asia, Japan was buffeted by the shockwaves from Southeast Asia and then from South Korea. Recession-stricken and stagnant for so long, after the bursting of its economic bubble

in 1990, Japan was confronted with the further aggravation of its economic and financial problems as Southeast Asia and South Korea were unable to pay Japanese commercial loans.

Japan was also worried by the market contraction in Southeast Asia for goods produced at home and overseas by Japanese and South Korean firms. It was even more worried that the US monopoly firms and banks would take over the ailing and bankrupt South Korean firms and move further into a more weakened Japanese economy. Since then, the US has taken advantage of the economic and financial problems of Japan and South Korea to take over many of their firms.

China exercised capital controls in order to protect itself from the waves of financial crisis and currency devaluations in East Asia. It was expected to devalue its currency in order to head off the expected export advantage of the Southeast Asian countries in devaluing their domestic currencies.

But China did not devalue its currency. It was satisfied with the result of its currency devaluation of 1994 and was fearful of worse economic consequences in East Asia and the whole capitalist world. In fact, currency devaluations did not help the exports of Southeast Asia. They jacked up the cost of the imported equipment and components. Above all, the global crisis of overproduction in the types of goods exported by Southeast Asia has persisted.

Even then, the global capitalist economy has contracted since 1997. But this is concealed by the nominal growth figures of the US and Western Europe and by the inclusion of these in averaging global growth rates. These abstract growth rates also conceal the long-running worsening economic ruin of the general run of third world countries and the regressive countries of the former Soviet bloc.

Before East Asia could recover, Russia and Brazil plunged into financial crisis in 1998 and early 1999 respectively, as a result of failure to pay outstanding debt obligations, which had mounted due to ever widening trade deficits. The crises in Russia and Brazil compounded to some extent the problems of the European Union due to the East Asian crisis.

While the economic and financial crisis spread from Southeast Asia to Northeast Asia in 1997, and further on to Russia and Brazil in 1998 and 1999, the US tried to buoy up the "emerging markets" with bailout funds from the IMF, World Bank, and the Group of 7 countries. It continued to benefit from the flow of funds to the US from Europe, Japan and the sunken "emerging markets".

Foreign funds were drawn to the US by high profits and rising market values of stocks (especially in high-tech corporations) and higher interests on bonds. They continued to subsidize US consumerism and the growing US trade deficits.

Capital became over-concentrated and over-centralized in the US. Assets were overvalued. The price-to-earning ratios stocks soared by hundreds and by the thousands of percent. Speculative capital rose too high above the level of productive capital in the real economy.

The US sang its own paean about having developed in the 1990s a "new economy" of high growth without inflation and with high employment, riding on the crest of high technology. By the year 2000, however, the US "high-tech" bubble had started to burst and the entire "new economy" started to collapse. The US was hit hard: from the inside and from the outside.

From the inside, the process of extracting surplus value from the US working class led to accumulation of capital. To maximize production and yet to counter the falling rate of profit, the monopoly bourgeoisie increased fixed capital (raw materials,

equipment and facilities) and decreased variable capital for wages.

High technology increased social productivity while variable capital for wages declined. The problem for the monopoly bourgeoisie is that in trying to maximize profit by increasing fixed capital and decreasing variable capital, it ultimately reduces the purchasing power of the working people and contracts the market for its goods.

To increase capital beyond the existing capital plus realized profits from the sale of commodities, the monopoly bourgeoisie utilized bank loans, stocks, corporate bonds and derivatives, both to stimulate production and to make money on money in a speculative way. Giant corporations and fly-by-night dotcom operators went berserk in raising fictitious capital and going into an imaginary or real expansion as well as mergers in the US and across the oceans.

Throughout the 1990s, the US made a make-believe world of boundless prosperity for the entire American people by drumming up high per capita income, by massacring regular jobs and replacing these with part-time jobs, by pushing overconsumption through consumer credit and by enticing more than 40 percent of the US population to become retail investors in the stock market.

But within the US, the process of maximizing profits and pushing down the real wage levels eventually resulted in a crisis of overproduction relative to the diminished purchasing power of the people. The large inventories led to production cutbacks, layoffs and bankruptcies.

Outside the US, the contraction of the global market due to the crisis of overproduction and financial meltdowns at first resulted in capital flight mainly to the US but ultimately the US has come under the heavy strain from the reduced exports and increasing

trade deficits. The reduction of exports from the US has further resulted in lesser orders for other countries' exports. Thus, a vicious circle works to contract the global market at a cumulative rate.

Since March 2000, the US stock market has plunged, with the high-tech laden NASDAQ falling more steeply than Dow Jones. Trillions of dollars have evaporated, especially in high-tech stock issues. Since October 2000, industrial production has also gone down. For more than two years already, the US has been in recession. The unemployment rate has reached 5.7 percent.

The contraction of the US market has resulted in deepening the prolonged recession of Japan and stagnation of Europe. Even in such developed countries, an increasing number of people are impoverished by mass layoffs and reduction of real incomes. The overwhelming majority of countries, especially those exporting raw materials and semi-manufactures, have been pushed further down into a permanent condition of economic depression. They are ravaged by a growing mass unemployment, abrupt devaluations of currency, rising prices of basic commodities and loss of basic social services.

Since the adoption of the neoliberal policy stress, there has been a rapid concatenation of worsening crises: the debt crisis of Latin America and the rest of the third world starting in 1982, the October stock market crash of 1987, the bursting of Japan's bubble in 1990, the Mexican peso fall of 1995, the crisis of East Asia in 1997, the crisis of Russia and Brazil in 1998 and 1999, the prolonged crash of the US "new economy" from 2000 onwards, and the bankruptcies of Argentina and Turkey in 2001-2002.

The current economic and financial crisis of the US no less is serious and has far reaching consequences. It brings to a new depth the recurrent and worsening chronic crisis of

overproduction and chronic financial crisis in the world capitalist system.

The Bush administration offers no solution to the US and global capitalist crisis but the aggravation of it by reinforcing so-called "free market" globalization with big tax exemptions for the giant corporations and stepped up military spending and military production.

The US is raving about its "war against terrorism". It is escalating military intervention and aggression, unilaterally or in collaboration with the other imperialist powers and the client states. It is the No. 1 terrorist power in the world but it takes the guise of being anti-terrorist in carrying out brutal attacks against the revolutionary peoples, national liberation movements and countries assertive of independence.

Under the pressure of the crisis of overproduction and financial collapses, the mask of "free enterprise" has dropped from the face of US monopoly capitalism. The US has become conspicuously greedy in taking over foreign assets and increasingly protectionist against foreign competitors in the marketing of agricultural and industrial products.

So far, the US has been able to rouse and command other imperialist powers against the oppressed peoples and nations and likewise against countries or states assertive of national independence. But the other imperialist powers are increasingly becoming aware and resentful of the fact that the US grabs the lion's share of the spoils of war.

As the crisis of the US and global capitalist economy worsens, the struggle for a redivision of the world among the imperialists is bound to intensify and further generate wars. But the working class will intensify the class struggle against the monopoly bourgeoisie and turn the imperialist war into a revolutionary civil war in order to establish socialism. The oppressed peoples and

nations will wage wars of national liberation against imperialist wars of aggression and establish people's democracies and socialism.#

7.

## **An Update On Imperialism, War and People's Struggle**

Speech delivered at the ILPS Annual Forum, Amsterdam,  
3 March 2003

Colleagues and Friends,

I am deeply pleased to be asked to give you an update on the crisis of imperialism, the US drive for war and the trend of people's struggle.

### **I. The current crisis of imperialism**

The main and essential thrust of "free market" globalization is to enable the monopoly bourgeoisie to maximize its profits from the exploitation of the working people in both imperialist and client countries, and to minimize the variable capital outlay for wages as well as social investments and social services by the states.

All over the world, the US-controlled multilateral agencies like the IMF, World Bank and WTO have directly and indirectly put all states under pressure to abandon social responsibilities or pretenses for the working people, and to go for the policy of liberalization, privatization and deregulation to dismantle national, social and environmental restraints, in order to allow the greed of monopoly firms to prevail under the slogan of *laissez-faire*.

The policy stress on "free market" globalization has thereby accelerated the accumulation and concentration of productive and finance-capital in the hands of the monopoly bourgeoisie in a few imperialist countries, chiefly the US. But the inevitable result is the contraction of the income and purchasing power of the working people the world over, especially in the third world and in retrogressive countries formerly ruled by revisionist cliques.

The income disparity between the rich and the poor has rapidly widened. The richest 20 per cent of the world grab more than 85 per cent of income. The three wealthiest persons in the world have combined assets greater than the combined gross national product (GNP) of the 48 poorest countries with a combined population of 600 million. The majority of humanity subsists on less than USD2 daily and a quarter, or 1.2 billion people, on less than USD1 daily.

By its own workings, imperialism or monopoly capitalism has once more proven to be capitalism at its highest and final stage, moribund and decadent. The chronic crisis of monopoly capitalism, resulting from the exploitation of the working people by the owners of capital, is recurrently exposed. The adoption of higher technology for commercial production and the accelerated accumulation of productive and finance capital related to the new technology press down the wage fund and consequently shrink the market.

The crisis of production and financial collapses have been phenomenal and have become worse from year to year since 2000, when the US stock market started to dive in March, and US industrial production did likewise in October. In only three years, USD 8 trillion in stock values in the US have evaporated in a protracted kind of collapse. The industrial bankruptcies have also exposed huge scams in bank loans and stock transactions (Enron, WorldCom, Global Crossing, Lucent, Adelphia, Xerox and K-Mart). The rapid decline of the US economy has aggravated the crisis of the world capitalist system. Industrial bankruptcies and mass lay-offs have spread on a global scale and resulted in rapidly ballooning unemployment. At least one-third of the world's 3-billion labor force is either unemployed or severely underemployed.

Gone are the spin doctors of monopoly capitalism boasting that the "new economy" of the US achieves growth without inflation because the wage level is pressed down and because high

technology constantly stimulates growth, and that the US economy is the global engine of growth and the "market of final resort" due to American consumerism and the flow of foreign funds into US bonds and stocks.

In fact, there is a crisis of overproduction in high tech products on top of the earlier crisis of overproduction in raw materials and basic industrial products. The US has lost its lead in manufacturing high-tech goods for consumption and production. It continues to lower production in all other types of goods, except in the production of armaments. It is the biggest user of state funds for military spending and military production. Due to corporate tax cuts and drastic increases in military and homeland-security spending, the US is abruptly falling into budgetary deficits and is likely to raid the jar of social security funds.

The prolonged US recession is bound to become worse. The US cannot increase employment and consumer demand through high-tech military production, which offers little employment. The rate of profit has declined sharply and discourages business investment spending. Indebtedness of corporations stood at an all-time record high at USD 7 trillion or 70% of GNP in the first quarter of 2001. Defaults on corporate bonds and bank loans run high.

Household indebtedness (on home mortgages, car loans and credit card debt) is so large that it undermines consumer spending. American households had more debt than disposable income for the first time in 1999. By early 2001, household debt grew to 120% of disposable income. However, the current account deficit of the US continues to mount beyond the level of USD 450 billion due to the continuing decline of US industrial production.

At the end of 2001, the gross inflow (mainly from Japan and Europe) of foreign investments to the US amounting to over USD 9.3 trillion (including stock and bond holdings and ownership

shares of business enterprises) outweighed the US investment abroad amounting to USD 6.9 trillion. Since then, the net foreign debt of the US amounting to USD 2.3 trillion has mounted to the estimated level of USD 2.8 trillion. Because of the fall of the rate of profit in the US, the US economy is increasingly becoming vulnerable to capital flight.

The US, the Group of 8 and the OECD countries have failed to come up with any effective solution to the worsening economic and financial crisis of the world capitalist system. Of course, all of them have unilaterally and multilaterally tried to formulate and offer solutions. They think in terms of stimulating the economy with state capitalist financial packages.

The US is mixing neoliberal rapacity with military Keynesianism: tax cuts, subsidies for research and development and military production contracts for the monopoly bourgeoisie. In the US version of state monopoly capitalism, the US federal government abstains from direct investments but indulges in indirect investments through guided loans, investment guarantees, subsidies and purchase contracts, especially in the sphere of military production.

Monopoly state-financing for high-tech military production and for US military forces cannot generate a significant amount of employment and act as stimulus for economic growth in a lasting way. The Bush regime formula that has emerged includes stirring up war hysteria, stepping up war production, unleashing wars of aggression whenever possible, grabbing oil and other resources from other countries through war or threats, and selling weapons but withholding the high technology used to produce these.

The apologists of imperialism, especially the purveyors of "free market" globalization, have tried to resurrect Kautsky from the dead by claiming that monopoly capitalism spreads capitalist development, increases the working class and erases the distinction between national economies as regards the level of

development. But every time the crisis of the world capitalist system plunges to a new depth, it becomes clearer than ever that the imperialist countries and the underdeveloped countries are differentiated economically and politically.

The nation-state and national basing for monopoly capitalism are as important as ever. The imperialists use their own national states and client states to impose monopoly interests on other countries and peoples. Monopoly capitalism and state monopoly capitalism require a home base from which to sally forth to other countries. In the current crisis, the ever fewer monopoly bourgeois concentrate ever bigger finance and industrial capital in their hands, which they extract from their own national home ground and from abroad.

In the continuing era of imperialism and proletarian revolution, the export of surplus capital from the imperialist countries to the underdeveloped countries has gained ever more importance over the export of surplus products. The imperialist countries take far higher superprofits from debt service than from exchange of goods with the underdeveloped client states.

USD 2.8 trillion in foreign debts now burden the third world countries. For this they have to pay the interest, apart from the borrowed principal in designated installments year by year. The failure to pay means the accumulation of the debt burden. From time to time, the imperialists make a big show of writing off measly amounts of unpaid debts of the poorest countries. But they never slacken in their practice of international usury and of putting entire countries in debt bondage.

In the current shrinking of international trade due to the crisis of overproduction and financial collapses, the underdeveloped client states are being crushed by trade deficits and debt burden. This is a time when the imperialist banks and firms take over the assets of the bankrupted enterprises of the client state and the local

entrepreneurs by dictating the bargain price and converting loans to equity.

Fighting for its life in the face of the socialist countries and national liberation movements after World War II, the imperialist countries followed the lead of the US in the Cold War. The US took the lead in using the devices of state monopoly capitalism in order to reconstruct the war-ruined economies with state loans and subsidies, promote and guarantee capital expansion, build military power, deploy overseas military bases and troops, and launch wars of aggression.

But since the end of the Cold War in 1991, the US has rallied the other imperialist powers, including Russia, to take vengeance on the working class, independent countries and the socialist cause by operating under the principle of unbridled personal greed and under the flag of "free market" globalization. In the wars of aggression on Iraq, Yugoslavia and Afghanistan, the imperialist powers could easily unite against third world adversaries.

But now, beneath the appearance of continuing imperialist alliance under US chieftainship are too many imperialist powers competing with each other under the conditions of the crisis of overproduction and financial collapses. Breaches in the alliance are now seen in the contradictions between the US, Britain, Spain and Italy on the one hand, and France, Germany, Russia and China on the other hand, over the question of unleashing another war of aggression against Iraq.

Since the beginning of the 20<sup>th</sup> century, the division of the whole world into economic territories among the imperialist countries has been completed. Countries or lands other than those of the imperialists have become colonies, semi-colonies or dependent countries. The imperialist powers have competed for sources of raw materials, markets, fields of investments, strategic positions and spheres of influence. The struggle for a redivision of the

world can pass from peaceful competition to wars of aggression, as already proven in history.

The wars of aggression arise when one or more imperialist powers have become stronger than before and wish to have a bigger share of the economic territory and another or more imperialist powers do not wish to be pushed over. The impulse to launch a war of aggression for the sake of economic expansion or for maintaining the status quo is not only due to economic factors but even more importantly due to political factors, such as the rise of the ultra-rightist forces of jingoism, racism, religious bigotry and fascism.

## **II. The US Drive for War**

The US could afford to blow up the battleship Maine and kill nearly 300 US naval officers and men in order to ignite the Spanish-American War and allow the US to grab such colonies of Spain as Cuba, Puerto Rico and the Philippines. Thus, many people say that the US could afford to cause the death of 3000 people in the 11 September attacks for far higher stakes. They say so, especially because there is yet no convincing explanation why US authorities did not act promptly on advance intelligence reports about the pilot trainees who eventually became the 11 September hijackers.

The US is now using the 11 September attacks as a license to misrepresent as "terrorists" the countries assertive of national independence, national liberation movements and progressive leaders; to whip up the hysteria of a "permanent and borderless war on terrorism"; to push the doctrine of preemptive strike and repression of the people; to rechannel resources to US military forces, homeland security, war preparations and war production; and to use a policy of aggressive war and threats in order to enlarge US economic territory.

In the wake of the 11 September attacks, the US has been able to further penetrate Central Asia and South Asia, and gain further access to the oil and gas resources in the Caspian Sea and Central Asia. It has based itself on a previous investment of USD 20 billion in the region. It has also cleared the way for an oil pipeline to the Indian Ocean via Afghanistan and Pakistan, under the pretext of seeking to destroy Osama bin Laden and Al Qaeda in Afghanistan.

After succeeding to install a new puppet government in Afghanistan but failing to destroy Osama bin Laden and Al Qaeda, the US has become preoccupied with further preparing a war of aggression on Iraq under the pretext that the Iraqi government is producing and stockpiling weapons of mass destruction. The US, which is the biggest producer and stockpiler of WMD, cannot convince all its allies that Iraq is hiding such weapons.

This flimsy US pretext is thoroughly laid bare by the relatively far more restrained reaction to the declaration by the Democratic People's Republic of Korea (DPRK) that it has a continuing program of developing nuclear weapons and some nuclear weapons already available for its own defense. The US has tagged the DPRK as a part of the so-called "axis of evil" but in this particular case, US reaction is calibrated because the determination of the DPRK to fight back. Moreover, its neighbor China refuses to do the bidding of the US at the expense of the DPRK.

The first US-led war of aggression on Iraq in 1991 gained for the US a tight control of the Middle East and a bonanza of benefits such as the introduction of permanent US military forces, facilities and bases, the pre-emption of the oil income of Saudi Arabia and the emirates with US military sales, the squeeze on the Palestinian nation, and so on. The current US war plans against Iraq are meant to effect direct US control and

recolonization of Iraq, and a still tighter US control of the entire Middle East.

As in recent wars of aggression, it is clear that the US stands to grab the lion's share of spoils through its projected conquest and recolonization of Iraq. The US wants to gain direct control over the oil resources of Iraq: 112 billion barrels of proven oil reserves and over 250 billion of potential reserves. By controlling these, the US can completely dominate and render impotent the Organization of Petroleum Exporting Countries. It can thereafter have unquestioned hegemony over the oil resources in all parts of the world.

A strong motivation for the UK to play close to the US is the absorption of British Petroleum by the American Oil Company (AMOCO). The US is extremely anxious to reverse the trend, started by Iraq in November 2000, of a shift to the Euro as the currency for oil transactions among the OPEC countries. Moreover, it resents the acquisition by France, Russia and China of oilfield concessions (exploration and development) in Iraq, and by Germany of engineering and supply contracts to rebuild Iraqi infrastructure and industry.

It is understandable in both economic and political terms why the US can have only a "coalition of the willing". France, Germany, Russia and China are unwilling to be part of an imperialist alliance for a war that threatens their own economic and geopolitical interests in the region, that is manifestly unjust and genocidal, and that benefits only or mainly the US. The competing interests of the imperialist powers breach the imperialist alliance, which the US has headed since the advent of the Cold War.

The Bush regime is interested in furthering US global hegemony and in aggrandizing the US oil and defense industries. It is especially interested in benefiting certain investment groups and US oil companies with which are tied the interest of the Bush

family (Carlyle Group and Enron), Vice President Cheney (Haliburton), national security adviser Condoleezza Rice (Chevron), and the like. Defense secretary Donald Rumsfeld is closely linked to US companies interested in building US military bases and in reconstruction projects.

Inter-imperialist contradictions can intensify not only because of the unbridled arrogance and greed of the lone superpower and the resentment of other imperialist powers, but also because the targeted third world countries assert their independence and actively try to breach the imperialist alliance by giving concessions to some imperialist powers. It is a positive development that the Non-Aligned Movement (NAM) has risen from its hibernation to criticize US avarice and bellicosity.

While the attention of the world is riveted to the looming US war of aggression on Iraq, the US encourages the Sharon regime to misrepresent Palestinian revolutionary organizations as "terrorists" and to slaughter Palestinians with impunity, expand the Zionist settlements and dismantle the Palestinian Authority. It also continues to intensify its military intervention and aggressive acts in the "second front against terrorism" in the Philippines and Southeast Asia.

The US has arrogantly announced to the world that US special operations forces would undertake combat operations against the Abu Sayyaf group in Sulu, southern Philippines, in flagrant violation of Philippine sovereignty and territorial integrity. It is paving the way for military aggression against the revolutionary forces and people represented by the National Democratic Front of the Philippines.

It is engaged in counterrevolutionary activities in Nepal, Colombia, Venezuela, and several other countries under the guise of counter-narcotic and counter-terrorist war. US state secretary Colin Powell, in offering military aid to Nepalese King Gyanendra and Prime Minister Sher Bahadur Deuba, casually

stated that "the Maoist insurgency that is trying to overthrow the government (is) really the kind of thing that we are fighting against throughout the world".

Because of its acute interest in oil, the US is trying to tighten its stranglehold on the Philippines, Indonesia, Colombia and Venezuela. The US is also maneuvering to control the oil resources of Angola, Nigeria, Congo, Gabon, Cameroon and the Equatorial Guinea. It expects these countries to supply 25 per cent of US oil by 2015.

The US is trying to grab economic territory in more ways than unleashing a war of aggression against Iraq. Let us not forget that while the US was preoccupied with its war of aggression in Vietnam, it was still able to instigate the anti-communist pogrom that killed more than one million Indonesians and secured for the US and its British and Dutch allies control over the oil and other resources of Indonesia.

Expect that after its hostile acts succeed in Iraq, the US will continue to step up military production, build up its military forces and build more overseas military bases (now numbering 80) in order to maintain political and military superiority over its own imperialist allies, and keep its initiative in undertaking unilateral or multilateral actions to exploit and oppress the people of the world.

The Bush regime is allocating more than USD 300 billion for military spending in the current year. It is making available at least USD 600 billion for the production of new weapons of mass destruction in the next five years. It is planning to use tactical nuclear weapons. It is building huge military bases in the ex-Soviet part of Central Asia and completing the encirclement of China. Under the strategic concept of full spectrum dominance (FSD), it is militarizing space in order to achieve space superiority and synergy with land, sea and air superiority.

The trend is for the US to whip up jingoism, racism, fascism and war hysteria. It is not simply the consequence of the 11 September attacks. Far more importantly, it is the consequence of the worsening economic and financial crisis of the US and world capitalist system. Long before the 11 September attacks, the US authorities have been playing up the threat of terrorism to justify repressive actions against the working people, the people of color and others who challenge or are bound to challenge imperialism in the US and abroad.

The US is brimming with arrogance because, in its last three wars of aggression against Iraq, Yugoslavia and Afghanistan, it has avoided combat casualties by pursuing the cowardly strategy and tactics of using high-tech weapons to pulverize fixed structures of every kind and wipe out as "collateral damage" entire civilian populations, and of bribing the puppets to take power when the incumbent authorities can no longer manage the ruined economy. It also avoids casualties by funding and directing surrogate armed forces from local military, paramilitary, bandit and other assorted mercenary forces.

As in Indochina in the sixties and seventies, the comeuppance of US military power is most feasible where the armed revolutionary movement is fluid and is not yet responsible for fixed structures. The US made use of high-tech weapons then, including the most technically sophisticated planes, ships, electronic devices, so many types of bombs and chemical agents, but it lost the war.

The combination of people's war in agrarian countries and various forms of revolutionary struggle in the more developed countries can prevail over the military power of the US. This superpower is bound to be confronted by something more powerful and more widespread than it expects in the coming years.

### **III. The People's Struggle**

Thirty million people rose up in mass protest in 600 cities and towns all over the world on 15 February and thereabouts. The biggest of the protest mass actions occurred in the US, Britain, Italy and Spain, ranging in size per city from 500,000 to 2.5 million people. These are the countries whose rulers are most eager to unleash a war of aggression against Iraq. In some cities of the US and Europe, the protest mass actions have surpassed those against the US war of aggression in Indochina in the late sixties and early seventies.

The gigantic mass actions are the result of a broad united front policy and tactics of the organizers. Small parties and groups have come together in the US to form such ad hoc coordinating bodies as ANSWER, Not in Our Name (NION) and United for Peace and Justice. Some groups associated with the European Social Forum and the like have taken the initiative to issue the calls for action under the broad anti-war or peace slogan. All of them clearly condemn and oppose the projected US war of aggression poised against Iraq.

The coordinators and organizers address their calls to the broad masses of the people against the arrogant war cries of the US. Those who have responded include progressive forces of workers, women and youth, ordinary people, professionals, religious institutions, bourgeois parties, the bureaucracy and sections of the reactionary classes.

The coordinators and organizers continue to broaden their own ranks. Their basic statements of common cause can be easily accepted and signed by a broad range of people. They do not have any elaborate system of organization or any huge fund. They list up prominent personalities and participating organizations to encourage others to join. They manage well their websites and email addresses and sell campaign materials.

Mass organizations associated with the International League of Peoples' Struggle are quite active in the global campaign against

the US war of aggression against Iraq, as well as against the so-called US war on terror. They can become more active than ever before and take a high degree of initiative, especially in continents, countries and cities where the mass campaign is still weak and where there are yet no coordinating bodies as prominent as ANSWER and NION.

The consistent work of the progressive forces and their demonstrated ability to bring out to the streets the tens of millions of people can further arouse, organize and mobilize ever greater numbers of people. Even the relatively progressive and middle sections and a significant portion of the conservative section in bourgeois parties, religious institutions and in the Non-Aligned Movement of countries have joined the anti-war movement and have allowed their mass following to join the mass action.

Among the leaders, organizations and masses involved in the anti-war movement, there are various political currents running like anti-imperialism among the progressive forces, bourgeois pacifism, religious pacifism and the frank national self-interest of certain countries and governments that the US wish to take advantage of.

It is good that the broad united front policy and tactics bring together the masses of various levels of consciousness. Consequently, the progressive forces can propagate anti-imperialist and democratic consciousness among them. The anti-war movement must be consciously and militantly given an anti-imperialist content. This can be done only if revolutionary parties of the proletariat take the lead, increase their initiative and grow within such a mass movement. This movement should be able to expose and oppose the interventionist, aggressive, fascist, terrorist and plundering character of imperialism.

Whenever imperialism goes on a war rampage, the revolutionary party of the proletariat and all anti-imperialist and democratic mass formations must accelerate efforts to arouse, organize and

mobilize the people in ever increasing numbers along the line of the broad united front. They must mobilize the broad masses of the people to rise in mass protest actions and to put forward their immediate demands.

At the same time, the revolutionary party of the proletariat must strategically consider and work to realize the potential of strengthening all revolutionary forces and converting the imperialist war to a revolutionary civil war in due time. History has proven that conditions of imperialist crisis and war give rise to the armed revolution for national liberation, democracy and socialism.

It is precisely when the crisis of the world capitalist system sharpens and a single imperialist superpower or a group of imperialist powers goes on a plundering and killing rampage and does the worst to the people that the people's struggle for national and social liberation breaks out and advances against imperialism and all reaction. #

8.

## **Experience of the Communist Party of the Philippines in the Anti-Imperialist and Anti-War Fronts**

4 May 2003

Dear Comrades:

Warmest greetings of comradeship and revolutionary solidarity to all the delegations in the current Brussels Communist Seminar! I am grateful to the Workers Party of Belgium for affording me the opportunity to interact with you even as certain obstacles prevent me from being with you.

The European Council of the European Union, in obedience to the US government, has listed me, together with the Communist Party of the Philippines (CPP) and the New People's Army (NPA), as "terrorist". In that connection, the Dutch state has terminated the measly benefits for food, rent and medical insurance that are due to me as a recognized political refugee. My small personal bank account has been frozen. I am restrained from traversing the short distance between Utrecht in The Netherlands and Brussels in Belgium.

The US has the temerity to call the CPP, NPA and me as "terrorist" and to impose punitive measures. It uses the 11 September attacks as a license for demonizing and attacking as "terrorist" national liberation movements, governments assertive of national independence and their leaders, and for launching wars of aggression against Afghanistan and Iraq and threatening anti-imperialist leaders with assassination by the CIA.

US imperialism is the No. 1 terrorist power in the entire history of mankind. It has inflicted the daily violence of imperialist

exploitation on the people in their billions. By unleashing wars of aggression, using nuclear and other high-tech weapons of destruction, sponsoring puppet regimes of open terror and instigating massacres, it has murdered and injured people by the millions.

## **I. CPP View of US Imperialism and War**

As Lenin said, imperialism, as the highest stage of capitalism in America and Europe, and later in Asia, became defined in the period 1898-1914. He pointed out that the chief historical landmarks that ushered in the era of modern imperialism or monopoly capitalism were the Spanish-American War (1898), the Anglo-Boer War (1899-1902), the Russo-Japanese War (1904-05), and the economic crisis in Europe in 1900.

Having become monopoly capitalist towards the end of the nineteenth century, the US was impelled to expand its economic territory. It acquired colonies as market for its surplus manufactures, as field of investment for its surplus capital, as cheap source of raw material and as sphere of influence.

As a latecomer in the acquisition of colonies for imperialist exploitation, the US calculated that it could easily grab such colonies as Puerto Rico, Cuba and the Philippines from the old colonial power Spain. Thus, it started the Spanish-American War in 1898. It blew up its own battleship Maine in Cuba, killing nearly 300 of its own naval officers and men, and blaming Spain for this to gain a pretext for declaring war.

The Philippines was of special interest to the US imperialists as a key point in their scheme to turn the Pacific Ocean into an "American lake" and as a staging base for them to get a piece of the "Chinese melon". But the Filipino people had already begun their revolution for national independence against Spain as early as 1896. Theirs was the first bourgeois democratic revolution in

Asia. And they succeeded in 1898 in liberating the entire Philippines, with the exception of the walled city of Manila.

At first, the US imperialists pretended to make friends with the Philippine revolutionary leadership. But soon enough, they revealed fully their evil intent to become the new colonial masters of the Filipino people. After purchasing the Philippines from Spain for USD 20 million in the Treaty of Paris on 30 December 1898, they ignited on 4 February 1899 a full-scale war of aggression against the Filipino people.

To justify the aggression, the aggressors spread the lie that Filipino revolutionaries were poised to massacre all white foreigners in Manila, and that they were so uncivilized as to need education for self-government. President McKinley went so far as to claim that God woke him up one night and mandated him to further Christianize the Filipino people and teach them democracy.

From the beginning of the Filipino-American War in 1899 to the formal end of the so-called pacification campaigns in 1913, the US aggressors killed at least 1.5 million Filipinos. But claiming far more victims, from generation to generation, is the daily violence of imperialist exploitation: first, in the colonial and semifeudal period from 1902 to 1941, and then in the semicolonial and semifeudal period from 1946 to the present.

The Japanese fascists drove away the US colonialists in early 1942 and occupied the Philippines in 1942-45 during the second inter-imperialist world war. And for three years, the merger party of the communists and socialists led the People's Army Against Japan in waging a successful people's war against the Japanese imperialists and establishing a people's government in several provinces. But in 1945, the US imperialists came to re-conquer most and eventually all provinces of the Philippines.

The US granted sham independence to the country in 1946. But since then, it has retained economic, political, military and cultural dominance, and has used the local exploiting classes of big compradors and landlords as agents of exploitation and oppression. The Philippine ruling system has remained semicolonial and semifeudal in character. Correspondingly, the Filipino people wage a national democratic revolution.

## **II. CPP Experience in the Anti-Imperialist Front**

All Filipino communists and other Filipino patriots are keenly aware of the fact that US imperialism is responsible for the brutal conquest and colonization of the Philippines, repeated suppression of the communists since its establishment in 1930, re-conquest of the country after World War II, the crushing of the people's armed revolutionary movement in the early 1950s and the rule of intense anti-communist reaction up to the early 1960s.

Since its re-establishment on 26 December 1968, the Communist Party of the Philippines (CPP) has always resolutely and militantly upheld the general line of struggle for national liberation and democracy through protracted people's war against US imperialism and the local exploiting classes.

In 1968 the CPP included in its ranks proletarian revolutionaries who had been tempered in struggles against US and Japanese imperialism since the 1930s, and who had been inspired by the victories of the communists and the people in the Soviet Union, China, Korea, Indochina, Cuba, and elsewhere.

Since 1968, CPP cadres and members have gained rich experience from the anti-fascist, anti-imperialist, democratic and antifeudal struggles from the time of Marcos to the present. They have studied, emulated and supported the anti-imperialist struggles abroad since the 1960s, especially those in Cuba, Vietnam, China, and elsewhere.

The CPP has led the Filipino people in mass struggles against all unequal treaties, agreements, policies, laws and arrangements that put the US in control of the Philippine economy, politics, military and culture. Most potent of the weapons wielded by the CPP are the New People's Army and the National Democratic Front of the Philippines.

The CPP leads the NPA to fight and overthrow the reactionary puppet ruling system through a protracted people's war. This is waged mainly on the basis of the worker-peasant alliance. The people's army fights and accumulates armed strength in the countryside until it can seize power in the cities on a nationwide scale. Currently, the revolutionary war has taken the form of intensive and extensive guerrilla warfare on an ever expanding and deepening mass base.

In carrying out the united front, the CPP develops several types of alliances: the basic worker-peasant alliance that is the foundation of the entire revolutionary movement, the progressive alliance of the toiling masses and urban petty bourgeoisie, the patriotic alliance of the progressive forces and middle bourgeoisie, and the unstable and temporary alliance with sections of reactionaries in order to isolate and destroy the power of the enemy, which is the most reactionary force most servile to US imperialism.

In any kind of alliance, the CPP, as the advanced detachment of the working class, proves itself as the leading force. It makes clear the line of march and works hard to ensure the realization of objectives. It unites with other forces, in accordance with the line and objectives agreed upon, in order to gather large numbers of masses against the enemy.

The CPP also uses reasoning based on the facts, to struggle against wrong ideas and acts that prejudice the interest of the alliance either through "Left" opportunist recklessness or Right opportunism, yielding to the demands of the enemy. It maintains

initiative and independence in order to resolutely advance the revolution even as there is flexibility in the application of united front policy and tactics.

The CPP builds organs of democratic political power and mass organizations in connection with the rural-based revolutionary armed struggle as the principal form of struggle. At the same time, it coordinates the various forms of struggle, armed and non-armed, illegal and legal, and various types of mass organizations (for workers, peasants, women, youth, professionals, and so on) and mass movements in urban and rural areas.

Soon after the re-establishment of the CPP in 1968, the US imperialists and the Marcos regime calculated that they could destroy the CPP and the resurgent revolutionary mass movement by releasing more funds to increase military troops and equipment. Eventually, the US-Marcos regime declared martial law and imposed a 14-year fascist dictatorship on the people.

But the CPP and the revolutionary mass movement were not destroyed. They grew in strength by persevering in armed struggle along the anti-fascist, anti-imperialist and anti-feudal line. Ultimately, the CPP proved successful in using the policy and tactics of the broad united front to cause the isolation and downfall of the Marcos fascist dictatorship.

Marxism-Leninism guides the CPP. The Party has firmly pursued the general line of new democratic revolution, with a socialist perspective. It has rectified major errors of subjectivism and opportunism through the Second Great Rectification Movement. As a result, it has further strengthened itself ideologically, politically and organizationally.

By using the policy and tactics of the broad united front, the CPP has succeeded in causing the downfall of the puppet president Estrada in 2001 and recently compelled his successor Arroyo to announce her withdrawal from the 2004 presidential elections.

Any reactionary president or ruling clique can be isolated and removed from power through peaceful and gigantic mass actions. But it is not possible to overthrow the entire ruling system without armed revolution.

The CPP is therefore determined to pursue the strategic line of protracted people's war by which the armed revolutionary movement encircles the cities from the countryside and accumulates armed strength until this becomes adequate for seizing political power in the cities on a nationwide scale. At the same time, the CPP uses the policy and tactics of the united front to isolate, weaken and remove from power one reactionary ruling clique after another and in the process strengthen the revolutionary movement until it can overthrow the entire ruling system.

The crisis of the world capitalist system and the Philippine ruling system is worsening so grievously. By following the US-dictated line of "free market" globalization, the post-Marcos regimes have successively generated a crisis of the domestic ruling system. This crisis is linked to and is far worse than the crisis of the world capitalist system.

The current Arroyo puppet regime has become so desperate economically and politically that it accepts the US demand to intervene militarily in the Philippines under the pretext of waging a war on terrorism in a "second front". The Bush regime is trying to deploy more US combat troops under various guises, such as training exercises and civic action, and to build US military bases in the Philippines in violation of Philippine national sovereignty and territorial integrity.

The armed revolution in the Philippines has the character of a civil war between the revolutionaries and the local reactionaries. But the US imperialists are hell bent on engaging in and escalating military intervention, possibly up to the level of all-out aggression. By its own pronouncements, the CPP is prepared to lead a war of national liberation against US imperialism if necessary, and to let the Filipino people avail themselves of the opportunity to exact retribution from the US imperialists for their blood debts.

### **III. Need for Broad Solidarity Against Imperialism and War**

The CPP is engaged in a just struggle for national liberation and democracy against US imperialism and local reaction. In the spirit of proletarian internationalism as well as of broad anti-imperialist solidarity, it understands and supports similar struggles waged by the people of the world against imperialism and all reaction.

The CPP regards as just the revolutionary wars waged by the people against the imperialists and their reactionary puppets. And it opposes as unjust all wars of aggression and other violent actions unleashed by the imperialists. It adheres firmly to the line of struggling against imperialism and stopping imperialist war with the anti-war mass movement and, wherever possible, with revolutionary war.

US imperialism is by its nature aggressive. It uses terrorism in order to extend and strengthen its hegemony. It is the biggest producer, stockpiler and user of weapons of mass destruction. It engages in military intervention and aggression in order to have its way. It installs and props up puppet regimes of open terror and uses them to attack the people and revolutionary forces.

The crisis of overproduction within the world capitalist system has become so grave that the US has become more rapacious and more aggressive than ever, and is intensifying the exploitation of

the people of the world and exacerbating the inter-imperialist contradictions by seizing the lion's share in the spoils of war. The monsters of chauvinism, racism and fascism are rearing their ugly heads in all imperialist countries and are indicating more violent strife in the struggle of the imperialist powers to redivide the world.

The current leaders of US imperialism calculate that they can revive the US and world capitalist economy by putting more capital into the hands of the monopoly bourgeoisie, whipping up hysteria over the 9/11 attacks, encouraging war production, unleashing wars of aggression, and capturing additional economic territory, especially sources and supply routes of oil. The US is extremely arrogant with its position as sole superpower and its high-tech weaponry.

In fact, US imperialism is afflicted with hyperpower hubris. It is overextended and continues to overreach. Its aggressive actions generate resistance from national liberation movements, people's revolutionary movements, and governments assertive of national independence. Other imperialist governments are squeezed and offended by the US drive for greater hegemony.

Since its reestablishment in 1968, the CPP has taken the initiative and cooperated with various forces in the Philippines to arouse and mobilize the broad masses of the people against imperialist wars of aggression, military intervention, threats of war, nuclear blackmail, foreign military bases, and economic and military blockades against countries asserting national independence and nations and people struggling for national liberation and social revolution.

The CPP is ever conscious of the fact that the Philippines is an archipelago and that the people and revolutionary forces must be self-reliant, and must advance wave upon wave through expansion and consolidation. It is careful not to overextend itself beyond its current capabilities. It is also conscious of avoiding

dependence on external factors. It welcomes support from abroad but does not depend on it. It supports revolutionary forces abroad and exhorts them to be self-reliant.

As communists, the cadres and members of the CPP wish the Philippine proletariat and people to seize political power in order to complete the national democratic revolution and proceed to socialist revolution. They wish thereby to contribute to the development of a broad anti-imperialist movement and the world proletarian revolution.

The CPP has engaged in certain types of relations with foreign parties and organizations. Some relations are distinctly within the ideological framework of Marxism-Leninism and others within the framework of broad anti-imperialist solidarity. The CPP promotes direct people-to-people relations through mass formations, on the basis of broad anti-imperialist solidarity. In opposing imperialism and war, the CPP directly or through the NDFP strives to develop relations of cooperation with some foreign governments and intergovernmental agencies.

There is an acute need for all possible forces in the world to engage in mutual support and cooperation in order to build a broad anti-imperialist solidarity. An international united front is needed to confront the No. 1 imperialist and terrorist power, and be on guard against other imperialist powers. The revolutionary proletariat, through communist parties, trade unions and states committed to socialism, must somehow be involved and active in such an international united front and must give full play to the broad mass movement.

As in the national united front, there are pitfalls, and there are ways of avoiding them in the international united front. The communists leading the progressive forces must see to it that the international united front is not led astray, shrunk or disintegrated by either "Left" or Right opportunist errors. The forces of the Left must always strive to win over the Middle and take

advantage of splits within the Right in order to isolate and defeat the enemy US imperialism, which is now the worst of the imperialists.

It is inspiring to see the growing mass movement throughout the world against imperialism and against war, particularly against the US war of aggression against Iraq and the subsequent occupation of this country. This global mass movement has been successful. Communist parties have supported it and have consciously avoided prejudicing the broad united front and mass character of the movement. Thus, a broad range of political forces and the organized and the spontaneous masses come together easily to rise up and rally against the imperialist war.

Recent public pronouncements of the CPP express the hope that the mass movement will continue to develop extensively and vigorously so that US imperialism will be discredited, isolated and ultimately defeated despite its powerful high-tech weaponry. The internal rottenness of US imperialism as a politico-economic system has become conspicuous. It is only a matter of time that US military power is exhausted by its own success in carrying out aggressive acts and driving the people of the world to rise up in revolutionary resistance.

The cadres and members of the CPP have constantly called for a common front against US imperialism. They are determined to carry forward the Philippine revolution and to extend moral and political support to the revolutions of other peoples all over the world. They are grateful to the people abroad who support the Philippine revolution by their revolutionary movements. They have drawn lessons and inspiration from them.

In their very formation as communists, they have committed themselves to advance the Philippine revolution as well as the world proletarian revolution. They hope that someday imperialism would be defeated, socialism becomes dominant in the whole world and communism becomes possible. They look

forward to a bright future without imperialism, without war and without exploitation of one class by another. #

9.

## Keynote Speech on US Intervention in the Philippines and Korea

At the Forum on US Intervention in the Philippines and Korea,  
An Evening of Resistance Broadcast by WBAI/Pacifica,

July 16, 2003, New York City

First of all, let me thank all the organizers for inviting me to keynote this forum on US intervention in the Philippines and Asia. I feel greatly honored and deeply pleased to be among speakers who are knowledgeable about the subject, to speak before anti-imperialist activists, and to reach a great number of people through the electronic multi-media and further political work.

I admire and salute all the Korean and Filipino organizations for working together to expose and oppose US intervention and related evil acts in their respective countries. I also appreciate the relations of solidarity and cooperation that these organizations have developed with organizations of the American people and other peoples in the course of common struggle against imperialist plunder and war.

In the face of the worsening crisis of the US and world capitalist system, we can expect that the No. 1 imperialist power, which is at the same time the No. 1 terrorist force, will escalate the exploitation and oppression of the people of the world, and will generate all such monstrosities as chauvinism, racism, the violation of women's rights, fascism and wars of aggression.

The US has used 9-11 as the pretext for internationalizing the fascist provisions of the Patriot Act, for unleashing wars of aggression, for using weapons of mass destruction against the

civilian population and social infrastructure, and for misrepresenting and demonizing as "terrorist" national liberation movements, countries assertive of national independence and leaders who take an anti-imperialist stand.

The Bush ruling clique is hell-bent on delivering tax cuts, public funds, contracts and subsidies to the monopoly bourgeoisie. It is pushing low-employment war production as the supposed stimulus to the crisis-stricken American economy. It is whipping up war hysteria and actually carrying out wars of aggression. These wars are aimed at seizing the sources of cheap labor and natural resources (especially oil), markets and fields of investment.

The dream of the "neoconservatives" around Bush is to build further an incomparable empire, a Pax Americana of unprecedented scale, by maximizing the use of the sole superpower position of the US and, of course, its high-tech weapons of mass destruction and mass distraction. A number of states is lined up as targets for aggression, intervention, blockade and pressure, in order to make them yield to the global hegemony of the US.

The US has used its war of aggression against Afghanistan to entrench itself further in Central Asia and ensure that the sources of oil and oil supply routes are under its control. It has used its second war of aggression against Iraq to gain direct control over the second largest oil reserves in the world and in effect over the OPEC and over global oil production, and to further subordinate the whole of the Middle East to the US-Israeli combination.

All the time that it has been carrying out its wars of aggression against Afghanistan and then Iraq, the US has been deploying US combat troops in the Philippines under the pretext of anti-terrorism, and hurling threats against the Democratic People's Republic of Korea under the pretext of pushing non-proliferation of nuclear weapons. The hostile acts of the US against the

Filipino and Korean peoples are interrelated. They have something to do with pushing US hegemony over the whole of East Asia.

Let me focus first on the US military intervention in the Philippines. The US is using its so-called war on terrorism in order to bring in military advisors, trainers and combat troops in violation of the 1987 constitution of the Manila government; to develop interoperability with the Filipino mercenary puppet troops; to elaborate on US military access rights through a logistical support agreement; to expand the facilities for the US air and naval forces; and to prepare the ground for the return of US military basing rights.

US strategists see the Philippines as the center of an arc, with one wing consisting of more developed countries in Northeast Asia (Japan, South Korea, North Korea and China) and another wing consisting of the underdeveloped but natural resource-rich countries in Southeast Asia. The US gives high priority to preparations for establishing US air and naval bases in Central and Far South Mindanao, and thereby acquiring a control point over the oil-producing and predominantly Muslim countries of Southeast Asia.

The US considers the Philippines as its most reliable vantage point because this is the country in Asia that it dominates the most – economically, politically and culturally. It is also the best-located vantage point for the whole of East Asia. US military bases can oversee from here the movement of more than half of the global trade through the South China Sea.

The new shift in US military strategic thinking affects the Philippines and the rest of East Asia. The US is eager to establish small US military bases and outposts wherever possible, under the concept of forward deployment, which veers away from the previous concept of rapid deployment. The advance deployment of US forces on the ground are seen as effective facilitation of

any subsequent deployment of large US military forces from their secure US bases at any time.

US military access and basing rights in the Philippines are considered of crucial importance. Through these the US can pose a serious military threat to China and the DPRK. A US military position of strength in the Philippines gains even more importance as the US moves towards the relative reduction of US military forces in Japan due to the rising clamor of the Japanese people for the dismantling of US military bases, and as it is also trying to redress the vulnerability of US military bases around Seoul and near the 38<sup>th</sup> parallel in Korea.

In keeping with its doctrine of preemptive strike (based either on accurate or Bush-style falsified intelligence) and with its cowardly style of raining missiles and bombs upon people and buildings from a great distance, the US has already announced plans of reshaping its military force deployment in East Asia in such a manner as to make the Philippines the main frontline against China and the DPRK, and Australia the main rear for US military forces.

It must be observed that the US is trying to persuade the DPRK to come to terms with US policy by using diplomacy with the participation of China. It is highly probable that the US is now using the subtle language of diplomacy to boast of having tightened its control over oil and having the ability to block the oil supply to the DPRK and even China. The US is already heard loudly proclaiming that it can move back its troops from the range of any DPRK military action, and that it can attack the DPRK from a distance with cruise missiles with nuclear warheads.

In the imperialist mode of thinking, especially that of Bush and his retinue of neoconservatives, high-tech weaponry can ultimately solve any problem that economic, financial and diplomatic manipulation cannot. But has high-tech weaponry

solved the problem for the US in Afghanistan and Iraq? It was effective only for destroying fixed structures and pushing aside the incumbent government. The Talibans and Al Qaida are back in control of more than 40 per cent of Afghanistan by waging guerrilla warfare.

And in Iraq, the anti-imperialist forces are also waging guerrilla warfare and are inflicting more and more casualties on the US occupation forces. But Bush and other high US officials are violently against bringing the US troops home. They have made clear that they will keep US troops in Iraq for a long while. The name of their game is occupation.

They cannot leave behind the oil fields and oil reserves, all the business projects of the US monopoly firms and the military bases for controlling the entire Middle East. The greed and arrogance of the Bush regime and US monopoly firms are placing the US in a quagmire reminiscent of Vietnam.

Are there ways for the Korean and Filipino peoples to frustrate US military intervention and related evil actions? Yes, of course.

The entire Korean people of both north and south can unite against US imperialism, against US military bases and US nuclear weapons in the south, and against the economic embargo and military threats of the US against the DPRK. It is fine that the DPRK is standing up firmly for national independence, peaceful reunification and socialist aspirations, and is ready to fight courageously with the omnipotence of the people and with some powerful weapons. The US cannot successfully launch a blitzkrieg against the DPRK with impunity, without grave consequences to the US and its most rabid followers, and without offending the Chinese and other peoples of the world.

The Filipino people can unite and raise the level of their revolutionary consciousness and fighting capabilities. In the face of the US and the Manila puppet government, the people are

fortunate to have the Communist Party of the Philippines, the New People's Army, the National Democratic Front of the Philippines, the organs of democratic power and the mass organizations as the solid forces in the struggle for national liberation and democracy. The current form of people's war in the Philippines is extensive and intensive guerrilla warfare on the basis of an ever widening and deepening mass base. The high-tech weaponry of the US is impotent against such popular resistance.

The Korean and Filipino peoples enjoy abundant support from all anti-imperialist and democratic forces and people of the world. The broad anti-imperialist solidarity is developing vigorously on a global scale. It is inspiring the people of the world to intensify their resistance for national and social liberation against imperialism and all reaction. The world disorder of today is the prelude to a new wave of social revolutions.

Thank you. #

10.

## Democracy in the NPA and Lack of it in the AFP

August 16, 2003

Since July 27, 2003, hundreds of military officers and enlisted personnel, calling themselves the Magdalo group, have dramatically aired their long pent-up grievances against their commander-in-chief Gloria Macapagal-Arroyo, defense secretary Angelo Reyes, and some high officials of the Armed Forces of the Philippines (AFP).

They complain against the corruption of their superiors, including the overpricing of equipment, the privatized use of military planes and land vehicles, and cheating the soldiers of their basic supplies. They also complain against the use of terrorist bombings to demonize the Moro Islamic Liberation Front, to lay the ground for increased US military intervention and logistical assistance, and to justify the declaration of martial law.

## Grievances and Lack of Democracy in AFP

I take seriously the grievances of the Magdalo group. I am not at all confounded by the fear being whipped up by the Macapagal-Arroyo regime and some quarters in the mass media that the Magdalo group could have made a successful military coup at the incalculable expense of the people, were it not for the vigilance, cleverness and strength of those in power.

As of Sunday, 27 July at Oakwood, the so-called "power grabbers", "putschists", "mutineers" and "military adventurists" were already limited to nothing more than a protest action. They had been rendered desperate by a series of preemptive and provocative actions taken against them since Thursday, 24 July

by a regime that takes more pride in proclaiming itself a beneficiary of a military coup than in crediting the mass movement for the overthrow of Estrada in 2001.

What should be more threatening to the current regime and the prospective one is the rampancy of corruption, the practice of state terrorism and mendicancy to the US among the highest officers of the AFP. All of these conditions incite the lower officers and enlisted men to rebel in the light of any modicum amount of patriotism and concern for public interest. I would not be surprised if in the near future a real coup attempt would be launched, with the directness of a flying wedge.

Aside from the Magdalo group, there are several active clandestine groups of aggrieved officers and enlisted personnel within the AFP. There are those that know no better than to make a military coup in order to make a banana republic attached to the US. There are also those that attach themselves to reactionary politicians and expect reforms or concessions from them. Still there are others that have become convinced to coordinate themselves with the national democratic movement.

The military establishment tends to rot faster than the whole ruling system. The highest officials of the defense department and the highest officers of the AFP take bribes in the procurement of domestic and foreign supplies, as well as operate criminal syndicates involved in smuggling, illegal logging, drugs, gambling and prostitution, extortion from legitimate businesses, kidnapping for ransom, and the like. They flaunt their ill-gotten wealth by acquiring mansions and expensive cars that are far beyond their official earning capacity.

The outrageous crookedness of their superiors had driven the aggrieved officers and enlisted personnel to undertake the dramatic protest action of 27 July. The lack of democracy in the AFP has allowed the most corrupt and brutal officers to intimidate their subordinates and prevent them from speaking up.

But the anger of the oppressed and exploited is collected and eventually breaks out.

No democracy in substantive terms can exist in the AFP because it is the coercive apparatus of the exploiting classes of big compradors and landlords. It is also a tool of a foreign power, US imperialism. It is violently opposed to the national and democratic rights and interests of the people. Even only in terms of method, the current grievance mechanism within the AFP permits no democracy. Obedience to the US and local exploiting classes is easily translated into an obedience to the corrupt and brutal officers.

### Democracy in the NPA

Democracy thrives within the New People's Army (NPA), despite the limited resources that it has and the tremendous odds it faces from the enemy. In the first place, it is fighting for the revolutionary cause of the people. It is the instrument for the armed revolution to attain national liberation and democracy. The Red commanders and fighters are self-sacrificing in the service of the people.

The policy for political work in the NPA is fully to arouse the masses of soldiers, the commanders and all working personnel in order to achieve, through a democratic movement under centralized leadership, three major objectives, namely, a high degree of political unity, an improvement in living conditions, and a higher level of military technique and tactics.

With regard to political democracy, the NPA officers and enlisted personnel have the right to freely discuss the principles, policies and line of the new democratic revolution. The lower officers and enlisted personnel have the right to criticize higher officers and cadres in study and work meetings in order to rectify errors and misdeeds and improve work and style of work.

With regard to economic democracy, the representatives elected by the soldiers have the duty to assist the unit leadership in managing the supplies and mess, and the right to go over the accounts upon the inquiry or complaint of any soldier. There is no way for the officers of the NPA to cheat on the supplies.

With regard to military democracy, in periods of training there is mutual instruction between officers and soldiers and among the soldiers themselves; and in periods of fighting, the units at the front must hold meetings of various kinds. Under the direction of the unit leadership, the masses of soldiers are roused to discuss how to attack and capture enemy positions and how to fulfill other combat tasks.

#### Democratic Movement in the AFP?

The cadres who wish to do revolutionary work within the reactionary armed forces can be guided by the democratic standards of the NPA. They can promote a kind of democratic movement that is reasonable and acceptable among military cadets, among reserve officers and among the active officers and enlisted men. Such a democratic movement can be aimed at exposing the pro-imperialist and reactionary character of the armed forces, causing their disintegration and facilitating the rise of a new and just social order.

The cadres can promote political democracy by undertaking various forms of education in the new democratic revolution against the US and exploiting classes. They can form patriotic and progressive associations with legal objectives among the cadets and among the active officers and enlisted personnel. In the face of a possible crackdown, they can form discreet groups.

They can promote economic democracy by electing soldiers' committees to oversee procurement and management of supplies and mess, and to look into accounts and inventories upon the inquiry or complaint of any soldier. They can demand the right to

form unions of soldiers in order to look after their economic and social rights and interests, and to prevent or discourage corruption and theft of the retirement, separation and death benefits for soldiers.

They can promote compliance with the international law on human rights and humanitarian conduct in war and with the GRP-NDFP Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law. While they are still in the reactionary army, the enemy officers and enlisted personnel are still obliged by their masters to fight the NPA and the people. But the revolutionary cadres within the reactionary army can dissuade them from committing acts of state terrorism and encourage them to shift to the people's side.

It is not idle and futile for cadres of the national democratic movement to do revolutionary work within the reactionary army. The soldiers here are mostly recruited from the toiling masses of workers and peasants. Thus, they can respond positively to the call for the new democratic revolution. Even the officers who come mainly from the petty bourgeoisie can at crucial moments be persuaded to join the revolutionary side of the people. This is well demonstrated in the history of the Philippines and other countries.

### GRP-NDFP Peace Negotiations

The NDFP holds the view that its peace negotiations with the GRP can be a way for the Filipino people in their millions, and even for the bureaucratic and military personnel of the GRP, to learn quickly the content of the program for the people's democratic revolution and to consider how a just and lasting peace can be achieved.

But the likes of Gloria Macapagal-Arroyo and Angelo Reyes have scuttled the GRP-NDFP peace negotiations because they think that, by waging an all-out war against the revolutionary

forces and the people and by staging bomb attacks against civilians, they pave the way for increased US military intervention, and US military and financial assistance under the pretext of anti-terrorism. They calculate that these would enable them to stay in power longer and to enrich themselves further through corruption.

In the process, Arroyo and Reyes overspend on graft-ridden military equipment and other supplies, and widen the budgetary deficit. They overstretch and overstrain their armed forces and subject the field officers and enlisted personnel to more and more miserable and lethal conditions. Consequently, more and more military officers and enlisted personnel become disgruntled and rise up in resistance.

The socio-economic, political and moral bankruptcy of the semicolonial and semifeudal ruling system has gone so far that the reactionary state cannot oppress and exploit the broad masses of the people without sharpening the oppression and exploitation of the very personnel of the coercive apparatuses. The crisis of the ruling system is daily worsening and is pressing the decomposition of the state. The subjective forces of the revolution are growing in strength in the present circumstances.#

11.

## **On Revolutionary Struggles in Imperialist and Oppressed Countries**

Interview

By David Hungerford

December 25, 2003

**Question: When you work in imperialist countries in support of revolutionary movements in oppressed countries, what are the specifically communist tasks?**

**Jose Maria Sison (JMS):** Persevere in carrying out the ideological, political and organizational tasks for developing the revolutionary movement in the imperialist countries and for supporting the revolutionary movements in oppressed countries. You must have a home base for supporting the struggles of the people abroad.

The ideological tasks involve the propagation and application of Marxism-Leninism. Thus, you develop the proletarian vanguard and hardcore of the revolutionary movement. The political tasks involve arousing, organizing and mobilizing the proletarian, the semi-proletarian and petty bourgeois masses. Thus, you have the strength of the masses to win the battle for democracy, overthrow the monopoly bourgeoisie and establish socialism. The organizational tasks involve upholding democratic centralism and expanding the ranks of communists by drawing the most advanced from the mass movement.

**Question: Could you explain further the relationship of revolutionary struggles in both imperialist and oppressed countries?**

**JMS:** The revolutionary struggles in imperialist countries and those in oppressed countries interact and support each other. They have a common enemy in imperialism and reaction.

Revolutionary work must be done in both imperialist and oppressed countries. The working class exists in every country and should take the lead in the revolutionary movement for the best possible revolutionary outcome in the era of imperialism and proletarian revolution. There must be proletarian internationalism among communist and workers parties, and revolutionary solidarity among the peoples.

**Question: What is the main contradiction in the world today?**

**JMS:** It is valid to say that the struggle between the people of the world and imperialism is the main contradiction. But we can make a more penetrating distinction of contradictions in the world. There is the contradiction between the imperialist powers and the oppressed peoples and nations. There is the contradiction among the imperialists. And there is the contradiction between the monopoly bourgeoisie and the proletariat within imperialist countries.

The contradiction between the imperialist countries and the oppressed peoples and nations is the main contradiction today. It is the most intense in terms of oppression and exploitation, and in terms of counterrevolutionary violence being unleashed, either one-sidedly or opposed by revolutionary violence.

**Question: Does the focus of armed revolution change in terms of location?**

**JMS:** Yes. In the early years of the 20<sup>th</sup> century, Lenin observed that after the bourgeois democratic revolutions in Western Europe, armed revolutions had shifted from the West to the East. The focus can change from continent to continent and from country to country. Lenin pointed out that if the revolutionary

movement in oppressed countries develops, it helps the struggle in the imperialist countries.

Revolutionary struggle in the oppressed countries can help bring about the best conditions for armed revolution in the West. However, inter-imperialist wars have also given the workers in the West the opportunity to rise up. Mao was very confident that revolutions in the East would develop and help revolutions in the West. But revisionism has sabotaged the world proletarian revolution and caused big setbacks.

**Question: What is the revolutionary role of the peasantry in the East?**

**JMS:** The peasantry is the most numerous class in the predominantly agrarian East. It is a class that cries out for the democratic revolution to solve the land problem. The proletariat and its revolutionary party can and must bring about the worker-peasant alliance in order to win the bourgeois-democratic and socialist stages of the revolution. Stalin spoke of the peasantry as the reserve of the proletariat. Mao went further. He spoke of the peasantry as the main force, actively following the working class as the leading force.

**Question: You once said in a forum that the revisionists opposed Mao's line of people's war but Reagan would use a kind of "people's war in reverse?" What do you mean?**

**JMS:** The Soviet and other revisionists worshiped the high-tech military power of the Soviet Union. But Reagan had a strategy of people's war in reverse: the use of mass-based reactionary forces against the targets of imperialism. In Afghanistan, the mujaheddins had a religious kind of mass base against the Soviet occupation. In Angola, the UNITA had a tribal kind of mass base against the Soviet-supported government. There were the Contras in Nicaragua, who used a kind of religious and anti-communist mass base against the Sandinistas.

In every revolutionary situation, the US tries to form some kind of a reactionary mass base against the revolutionary mass base. In the Philippines, the US and the local reactionaries periodically use the elections in trying to draw the masses away from revolution. In the countryside they also field psy-war experts in order to form anti-communist communities based on tribalism and religious cultism. Ahead of Reagan, Kennedy had the idea to use counter-guerrilla tactics by mimicking the revolutionary guerrillas. He tried to use the tribes in the central highlands in Vietnam against the Communists. But the big US defeat came anyway. Thus, the role of Kennedy as a pioneer in counter-guerrilla tactics has been obscured.

**Question: What is the status of people's war in the East right now?**

**JMS:** At the moment, there are not too many people's wars led by Marxism-Leninism-Maoism. These are in India, Nepal, Peru, Philippines and Turkey. But they are very weighty in relation to what communist and workers' parties are doing in the West. These people's wars are directly answering the central question of revolution by seizing political power wave upon wave in the rural areas. People's war can and must be the effective counter to the wars of aggression, high-tech weapons of mass destruction, and the possibility of nuclear war.

**Question: What is the role of the people of imperialist countries in relation to wars and the possible use of nuclear weapons?**

**JMS:** The people of the imperialist countries, led by the proletariat, have a special mission of preventing the imperialists from waging wars and using nuclear weapons. When the people have sufficient organized strength, they can surround, weaken, isolate, and remove from power those officials who wish to launch wars of aggression and use nuclear weapons. Stockpiles of nuclear weapons were useless when the revisionist regimes were

disintegrating. At the moment, there are no big nuclear powers blatantly threatening each other. But the Bush regime is planning to miniaturize nuclear weapons to make them more useable.

**Question: After 9/11 the US has benefited much from further penetrating Central Asia. Is there any counter from Russia and China?**

**JMS:** Indeed, the US has benefited much from intrusions in Central Asia. It is trying to outflank both China and Russia. These seem to be allowing the US to do what it wants. But in fact they take steps to prevent one-sided penetration. The Shanghai Cooperative Organization was originally an agreement to stabilize the borders of five countries: Russia, China, Kyrgyzstan, Uzbekistan and Tajikistan. But they are now undertaking joint military exercises under the guise of "relief and rescue operations". Russia and China are also setting up some military outposts in their Central Asian neighbors in connection with said exercises.

**Question: To return to the question, how may revolutionaries in imperialist countries develop in connection with revolutionary struggles in oppressed countries?**

**JMS:** When the imperialists engage in wars of aggression in the East, the revolutionaries and people in the West can rise up against such wars. They can condemn these wars as detrimental to the people at home and abroad. The solidarity and support that they extend to the revolutions in the East are ultimately useful and beneficial to the entire people of the world. But the revolutionary party of the proletariat must grow from within the imperialist country. It must lead, build and correlate with the mass movement. A small party can actually lead the mass movement and grow in stages. Such a party grows faster as the crisis worsens and the mass movement expands.

Go into the trade unions and communities. Lead the struggles there and recruit members into the revolutionary party. You can start with a few, go through a slow process of developing Party cadres and members through study and mass work. In a big crisis you can attract many people to the mass movement. From this you can draw more Party members than when the mass movement was nonexistent.

The Philippine Communist Party started with a few members. To increase, we required each of five members in a Party group to recruit five candidate members. It was five times larger every six months. In a short period of time, we became scores. When it was time to break away from the old party, which had degenerated into a revisionist party, the proletarian revolutionaries outnumbered the revisionists. Clarity of line is the first thing, and work among the masses follows quickly.

Utrecht, Netherlands, 25 December 2003

12.

## **War, Imperialism and Resistance From Below**

24 April 2004

Dear Colleagues,

Good afternoon!

Let me thank the Global Studies Association for inviting me to speak on the occasion of its Third Annual Conference. It is an honor to speak before a distinguished assembly of scholars.

For someone like me who is banned from entering the US, it is gratifying to be able to speak on an occasion like this.

### **I. The Phenomenon of War as Concomitant of Imperialism**

Let me speak first on the relationship of modern imperialism and war.

Free competition capitalism reached the apex of its development in several industrial capitalist countries from 1860 to 1870. At the end of the 19<sup>th</sup> century, monopoly capitalism or modern imperialism became dominant in the leading industrial capitalist countries.

Industrial capital had merged with bank capital to form the finance oligarchy. The export of surplus capital began to gain importance over the export of surplus goods. The imperialist countries and their monopoly firms formed international combinations (such as cartels, syndicates, trusts and so on) against the people and against each other.

Beyond the imperialist and colonial countries, the economic hinterland of the world was divided into colonies, semi-colonies and dependent countries. These were coveted by the imperialist powers as markets, sources of cheap raw materials, fields of investment and spheres of influence.

After the frenzied acquisition of colonies by the chief European states in the years 1884-1900, the division of the world among imperialist and colonial powers became complete. No country could be found outside the clutches of modern imperialism and old style colonialism.

The manufacturing surpluses and the ensuing crisis of overproduction in imperialist countries impelled them to compete bitterly with each other, expand economic territory, and come into violent collisions that culminated in wars. Chauvinist calls and war hysteria became convenient for drawing away the consciousness of the working class, particularly the unemployed, from class struggle against the monopoly bourgeoisie.

Imperialism as the highest stage of capitalism in America and Europe, and later in Asia, became conspicuous through wars and the economic crisis in the period 1898-1914. The Spanish-American War (1898), the Anglo-Boer War (1899-1902), the Russo-Japanese War (1904-05), and the economic crisis of 1900 in Europe were the signal events in the appearance of modern imperialism on the stage of world history.

The competing protectionist drives of the imperialist powers prevailed over the pretenses at free trade. The crisis of overproduction sharpened the political and economic conflicts within each imperialist state and among the imperialist powers, and led to the first global inter-imperialist war from 1914 to 1918. However, these also provided the conditions for the rise of the first socialist country and encouraged the anti-colonial struggles of the people in many countries.

After an alternation of crisis and boom in the aftermath of World War I, the Great Depression came upon the world capitalist system after the Crash of 1929. It was a prolonged crisis of overproduction and financial collapse. It exacerbated the contradictions among the imperialist powers and caused the second inter-imperialist war to break out. World War II was even more destructive than World War I. But it also resulted in the rise of several more socialist countries and a great wave of national liberation movements.

In 1948, the US launched the Cold War in order to contain and combat the challenge of socialism and the national liberation movements, and to counter the tendency of the US economy to slide into a crisis of overproduction. The Cold War was actually a series of hot localized wars. These included the big US wars of aggression in Korea and Indochina, the US-supported Israeli wars on Palestine, and the anti-Soviet wars in Angola, Ethiopia, Nicaragua and Afghanistan.

During the Cold War, the US instigated the overthrow of independent governments and propped up repressive puppet regimes, which unceremoniously killed people in great numbers. The massacre of at least 1.5 million Indonesians was a major campaign of repression intended to secure US, British and Dutch oil interests, and countervail the losing position of the US in Indochina. The death toll as a consequence of the daily violence of exploitation and the intolerable burden of foreign debt should also be taken into account in a complete reckoning.

The US could not solve the problem of stagflation within the framework of Keynesianism for several reasons. It served the interests of the military-industrial complex and thus obscured the cost-push effect and limited job growth in high military spending, especially for high-tech weaponry and space research and development. It wanted to wreak vengeance on the working class and pointed to wage inflation and state social spending as the

cause of stagflation. Thus, the neoliberals and monetarists of the Chicago School went to town to replace the Keynesians.

Running parallel to the economic decline of the US, the phenomenon of modern revisionism and monopoly bureaucrat capitalism was undermining and degrading the socialist-labeled countries and pushing them towards open and unabashed adoption of capitalism. Afflicted by its own stagnation, corruption and military overspending, the Soviet Union was outplayed by the US in the contest of neocolonialism for hegemony over the newly-independent countries.

## **II. Imperialism: Neoliberalism and Neo-Conservatism**

In the period of 1989-91, all the revisionist-ruled and pseudo-socialist countries were in turmoil. The big bourgeoisie proceeded to legalize all previous ill-gotten private assets, and accelerated the open privatization of the most important and largest public assets. The Soviet Union collapsed. The bipolar world of the Cold War ended. The US emerged as the sole superpower.

There was the widespread notion that the end of the Cold War would result in "peace dividends" for humanity, especially in terms of more funds for poverty alleviation and socio-economic development. But subsequent developments showed that the US became more rapacious and aggressive. The consensus in Washington to this day is to let the phoney free market of monopoly capitalism solve the problems of the world, and to let high-tech weaponry take out any "rogue state" or unwieldy client regime.

The disintegration of the Warsaw Pact provided the opportunity for the US and NATO to expand to Eastern Europe and to some former Soviet republics. The US and NATO were able to wage wars on Iraq and the former Yugoslavia. The US strengthened its position in the Middle East and built positions of strength on the

southern flanks of Russia. Further, the US gained foothold in the Caucasus, Caspian sea region and Central Asia, all regions related to the overweening desire of the US to control the sources and routes of energy supply.

After the collapse of the Soviet Union, it became fashionable for some bourgeois propagandists to proclaim the end of history with capitalism and liberal democracy. In fact, the crisis of the world capitalist system was conspicuously worsening in the 1989-1991 period, as manifested by the bursting of the Japanese bubble economy, the stagnation of the German economy, and of course by the devastation of the economies of the former Soviet bloc countries and the third world countries.

The crisis of overproduction and financial collapses persisted in the world capitalist system throughout the 1990s. The US economy could shine only at the expense of its imperialist allies and the newly-industrializing economies. It continued to attract heavy doses of funds from abroad, especially from Europe, Japan and the oil-producing countries, due to high US interest rates and favorable rates of return on capital. It took the lead in the commercialization of high technology. It kept the US consumer market as "the market of last resort" of the entire world.

The moment of truth came for the US and entire world capitalist system in 2000. The high-tech bubble burst due to the global crisis of overproduction in high-tech goods. US industrial production plummeted. The financial meltdowns spread to the stock market and to the banks in the US and throughout the world. Until now, both the US and global economy are in a protracted state of stagnation and decline. Bankruptcies, production cutbacks and high unemployment rates continue to constrict the global market.

Neoliberalism has proven to be a futile policy for fixing the problems of the world capitalist economy. It has accelerated the concentration and centralization of capital in the imperialist

countries, chiefly the US. And it has whipped up financial speculation far beyond the real economy in the imperialist countries and in so-called emerging markets or transition economies. Financial collapses have been terribly devastating.

In connection with the invasion and occupation of Iraq and other aggressive actions elsewhere, neo-conservatism as a policy direction in Washington has gained global notoriety. It projects a new American century, in which the US as sole superpower develops full-spectrum power, uses this to impose a Pax Americana on the world and launches preemptive wars in order to take out recalcitrant regimes and prevent any power from being able to rival and challenge the US.

The 9/11 attacks have given the so-called neo-conservatives the pretext for claiming to wage a permanent war on terrorism and for seeking to deprive opponents of the US weapons of mass destruction. Indeed, the US went to war against Iraq in violation of the UN charter and UN Security Council resolutions by dishing out lies that Iraq had conspiratorial links with Al Qaeda and had weapons of mass destruction.

The real motives of the Bush regime and the so-called neo-conservatives are to take over the second largest oil resources of the world in Iraq, keep secure the US dollar as the currency of oil transactions, increase US control over Saudi Arabia and the Organization of Petroleum Exporting Countries (OPEC), use US military bases in centrally located Iraq to control the entire Middle East, and remove Iraq as a threat to the US-Israeli collaboration.

Neo-conservatism is apparently the unabashedly violent complement of neoliberalism. It adds the force of war to the myth of "free market" under modern imperialism. Both neoliberalism and neo-conservatism are intended to expand US economic territory and to make the pretense at building a market economy and democracy.

### **III. Resistance from Below**

Let me speak of the anti-imperialist resistance from below.

We may count as forces of resistance from below those non-imperialist states that stand up to defend their national independence against imperialism. In fact, the US has launched the most violent wars of aggression against such states, which have included Iraq, former Yugoslavia and Afghanistan in recent times. It has also emboldened and supported the Israeli Zionists to occupy Palestine and suppress the Palestinian resistance. As a consequence, we see the steady growth of armed and other forms of resistance in countries directly or indirectly attacked by the US.

During the first quarter of 2003, we saw the rising of millions of people in hundreds of cities all over the world. The biggest was on 15 February, when 30 million people rose up. The protest marches and rallies were reminiscent of those held at the peak of the people's resistance to the Vietnam war in the late 1960s and early 1970s.

The resurgence of mass protest actions against war and against imperialism in the imperialist countries reflects not only a high sense of solidarity of the people in such countries for other peoples but also the growing discontent over the crisis of the world capitalist system. The people are restive over high rates of unemployment, the reduction of social benefits, the deterioration of social services, and the highest priority given to corporate benefits and to military spending.

The Iraqi people are now waging a broad-based armed resistance of nationalists, communists, religious believers and various ethnic communities against the US

occupation and the puppets, and are laying the basis for bigger protest actions in the US and in the world.

The American and other peoples of the world are now demanding the withdrawal of US troops and bases from Iraq. It is difficult for peaceful mass actions to compel the US to withdraw from Iraq. But as in the US war of aggression in Vietnam, the increasing US body bags from the Iraqi battlefield and the gigantic mass actions of the American and other peoples of the world can persuade the US to withdraw from Iraq.

Throughout the world, the broad masses of the people have been roused by the exploitative character of "free market" globalization and by the oppressive character of "the new world order". They detest and resist the ugly character and consequences of neoliberalism and neo-conservatism. They are carrying out various forms of resistance, which are spreading and intensifying.

The most effective and most promising kind of resistance are the revolutionary armed struggles being carried out in such countries as the Philippines, Turkey, Nepal, India, Colombia and Iraq. There are also reemerging revolutionary forces of the oppressed nations and people that see the imperial overstretch of the US and are determined to wage armed revolution.

It is self-defeating for the US to have used cruise missiles and other weapons of mass destruction to take out regimes that are opposed to it, and also for it to have provocatively shown off its military strength in so many countries. Now, it has become clear that the US has nearly exhausted its deployable military forces by being absorbed in only Iraq and Afghanistan. It has also become clear that high-tech weapons are ineffective against people's revolutionary forces that wage an armed

resistance of fluid movement and offer no fixed targets to their enemy.

The resistance from below from the toiling masses of workers and peasants is the strongest, most inexhaustible and most important kind of resistance. The toiling masses are ever willing and eager to resist the most intolerable forms of oppression and exploitation, now surfacing under the current crisis conditions. The people's resistance is sustained and well-directed where there is a truly revolutionary party of the proletariat. The working class is still the principal agent for revolutionary change in the epochal struggle against imperialism.

So long as imperialism persists in oppressing and exploiting the people, the people's struggle for national liberation, democracy and socialism will continue. US imperialism and the local exploiting classes themselves create the crisis conditions which generate the people's resistance and pave the way for the revolutionary forces to arise. There is no stopping the wheels of history from moving, despite any curve, bumps or zigzags along the way.

Thank you. ###

The Attack on my Human Rights and Civil Liberties is Part of US  
Offensive Against the People's Right to National Liberation,  
Democracy and Social Justice

Keynote Address to the Conference  
On Laws, Labels and Liberation:  
The Case of Professor Jose Maria Sison

Université du Québec à Montréal

May 29, 2004

Dear Compatriots and Friends,

I am happy to be with you. Somehow through electronic means,  
we are able to go around the travel restrictions imposed on me by  
the US and other governments.

I thank the national organizing committee for holding this  
conference under the auspices of the International League of  
Peoples' Struggle (ILPS) in order to focus on my case for study. I  
am highly honored and deeply pleased to be invited as keynote  
speaker and given the opportunity to contribute my views on the  
case and related aspects.

I thank you all in this conference for your solidarity and support  
in defending me from the persecution arising from the unjust  
"terrorist" listing initiated by Washington. I appreciate your  
concern not only for my human rights and civil liberties as an  
individual but also more importantly for the right of the Filipino  
people and other oppressed peoples for national and social  
liberation.

I wish to express my views on the historical and current global  
context of my case, my inclusion in the "terrorist" list as a direct  
attack on the Filipino people's right to national liberation, the  
facts of my persecution and the violation of my rights, and certain

courses of action that have been adopted and undertaken to defend myself and oppose the malice and inhumanity of the US, its imperialist allies and the Philippine puppet government.

## I. The Historical and Current Global Context

The terrorism and barbarism to which we are all witness in the US invasion and occupation of Afghanistan and Iraq, we the Filipino people experienced from the start of the Filipino-American War in 1899 to the end of the "campaigns of pacification" in 1913. We should always remember the blood debt of US imperialism running up to 1.5 million Filipinos killed. We should also keep in mind that the US instigated and propped up the 14-year long Marcos fascist dictatorship. This rule of open terror served US economic, political and military interests.

We continue to recall and condemn the barbarities of the US in the course of aggressive wars and military intervention in China, Korea, Vietnam and the rest of Indochina. We can never forget the 1965 massacre of millions in Indonesia, perpetrated by General Suharto for the benefit of US, British and Dutch oil interests. After the success of the butchery committed directly by the US or indirectly through its puppets, the violence of daily exploitation by monopoly capitalism and its local puppets follows and victimizes the entire subjugated nation generation after generation and can only end upon the victory of a national liberation movement.

It is in the very nature of the US as an imperialist power to exploit and oppress the people of the world and to oppose violently the national liberation movements and the countries and governments that firmly assert national independence. For the purpose of extracting superprofits, the US has since the beginning of the 20<sup>th</sup> century acquired colonies, semi-colonies and dependent countries, and turned them into sources of raw materials and cheap labor, markets, fields of investments, spheres of influence and strategic points of control.

It has used the superprofits from the exploitation of the oppressed peoples and nations to augment the profits it extracts from its own proletariat and to counteract the tendency of profit rates to fall within its national borders. But ever pressed to maximize profits, the monopoly bourgeoisie keeps on raising the constant capital for plant, equipment and raw materials, and reducing the variable capital for wages. The reduction of incomes for the working people results in the shrinkage of the market. Thus arises the crisis of overproduction. This kind of crisis provides the conditions for state terrorism and wars of aggression by the imperialists as well as intensified national and class struggles and successful revolutions by the people.

The economic and financial crisis that recurs and spreads in the world capitalist system has become more and more severe in recent times and has intensified a series of contradictions: those between the imperialist countries and the oppressed peoples and nations, those between the imperialist powers and some states that assert national independence, those among the imperialist powers, and those between the monopoly bourgeoisie and proletariat within the imperialist countries.

Since the beginning of the 1980s, the US policy makers and strategic planners have thought that the policy stress on "neoliberal globalization" would solve the recurrent crises of monopoly capitalism, particularly the problem of stagflation in the 1970s. They have been hyping the myth of "free market" to push denationalization of client economies, trade and investment liberalization, privatization of public assets, and deregulation against the workers, women and the environment. These have only served to accelerate the concentration and centralization of capital in the US, aggravate the global crisis of overproduction in all products, and whip up financial speculation, hysteria and collapses.

Since 2000, the US itself has plunged into a severe economic and financial crisis, aggravating the global depression. Bush has come

into this situation with the notion of superimposing "military Keynesianism" on the "free market" pretense of monopoly capitalism. He wants to stimulate the US economy by promoting military production and giving tax cuts, subsidies and bigger state purchase contracts to the military-industrial complex. Unfortunately, high-tech military production generates capital growth for the monopoly capitalists but not jobs.

Bush and the "neo-conservatives" around him find the situation favorable for pushing the Project for a New American Century, a pipe dream for a global Pax Americana that is supposed to be without challenge and beyond compare. Since long before 9/11, they have calculated that they can use the position of the US as sole superpower, with overwhelming superiority in high-tech weaponry, to expand by force or threat of arms its economic territory and grab oil sources and supply routes, and to push the doctrine of preemptive war in order to destroy any challenge from disobedient client-state or any potential rival. Supposedly, this is the way for the US to realize peace, human rights, the free market and democracy.

The 9/11 attacks have been extremely useful to the US, particularly the Bush regime, in drumming up an "anti-terrorism" hysteria to support a policy of war production and aggression, and have been the pretext for so many US acts of aggression and terrorism. The US has unleashed wars of aggression such as those against Afghanistan and Iraq, in collaboration with the UN and NATO in the former case, and with the UK government in the latter case. It has turned the Philippines into a so-called second front in so-called war on terrorism. It has emboldened the Israeli Zionists to slaughter the Palestinians. It has threatened Cuba, North Korea, Syria, Iran and other countries.

It has established bases and forward stations of US military forces in Central Asia, Middle East and South Asia, and has brought up the number of such footholds to 140 countries. It has imposed a draconian law like the USA PATRIOT Act on the

American people and required US allied and puppet states to adopt similar repressive laws and put the national liberation movements and progressive leaders on the same list with such small terrorist groups as Al Qaeda and Abu Sayyaf, previously trained and used by the US for counterrevolutionary purposes.

Since 9/11, the US has once again proven itself to the world as the biggest terrorist force in the entire history of humankind. It launched the war of aggression against Iraq in gross violation of the UN Charter. It prevented the UN from completing the work of discovering whether the Iraqi government had or had no weapons of mass destruction. Instead, it trumpeted the lie that by invading Iraq it could locate those weapons. It has maimed and murdered tens of thousands of ordinary people and destroyed entire communities and the social infrastructure of Iraq with the use of bombs and artillery fire.

In gross violation of the international law on human rights and humanitarian conduct in time of war, it has arbitrarily arrested, humiliated, detained under inhuman conditions, tortured and murdered hundreds of thousands of people. It has caused the death of hundreds of thousands and the misery of millions of people in Afghanistan and Iraq alone. It has also encouraged the Israeli Zionists to slaughter the Palestinian people and destroy their homes, all in accordance with US imperialist plans.

Bush, Cheney, Rumsfeld and Ashcroft have underscored the fact that US imperialism is a superterrorist force by their public expression of contempt for the Geneva Conventions and its Protocols, and their claims that civilians and fighters labeled as "enemy combatants" are outside the protection of international humanitarian law and can be humiliated, tortured and murdered inside and outside US military prisons and concentration camps. The horrors of the US invasion and occupation of Afghanistan and Iraq have shocked all decent people of the world.

In sharp contrast to the US superterrorists, the revolutionary forces of the the national liberation movement and the revolutionary organs of political power of the Filipino people have stood and acted responsibly in accordance with international humanitarian law. In this regard, the National Democratic Front of the Philippines (NDFP) has deposited with the Swiss Federal Council a Unilateral Declaration of Undertaking to Apply the Geneva Conventions and Protocol I since 1996. It has carried out peace negotiations with the Government of the Republic of the Philippines (GRP) and has forged with it the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law since 1999.

## II. "Terrorist" Listing as Blackmail Against the NDFP

After Bush declared a new, permanent and borderless "war on terror" in the wake of 9/11, the Macapagal-Arroyo regime immediately expressed support and offered the Philippines as a hunting ground and regional base for US military forces. The US and the puppet government dueted about going after the Abu Sayyaf, a small terrorist band, previously organized and handled by the US Central Intelligence Agency. The top military officials of the puppet government loudly boasted that the "war on terror" would induce the US to give more financial and military assistance. They announced that US military operations would be extended to the areas of the New People's Army and would pave the way for the US to build the infrastructure for the return of US military bases.

The cabinet oversight committee, including the defense secretary, the national security adviser, the secretary for special operations and the presidential adviser on peace negotiations, prepared a proposal to the US government to designate as "terrorist" the Communist Party of the Philippines/New People's Army and the chief political consultant of the National Democratic Front of the Philippines. The proposal was formally presented by Macapagal-

Arroyo to Bush when she made a working visit to Washington in the third week of November 2001.

It was on 22 November 2001 when Speaker Jose de Venecia called me up from Mexico to inform me that the US would include me in its list of "terrorists", unless the NDFP agreed to sign a "final peace accord" prepared unilaterally by the Cabinet oversight committee. Thinking that it was best to have an interface, I told the speaker to come over to The Netherlands to discuss with representatives of the NDFP what he was talking about.

Towards the end of November 2001, he came to The Netherlands with the presidential adviser on peace negotiations, the chairman of the negotiating panel of the Manila government, and others. The NDFP representatives and I made clear to them that the NDFP does not capitulate and does not yield to blackmail. We asserted that The Hague Joint Declaration provides a clear framework for the GRP-NDFP peace negotiations. Then the chairpersons of the GRP and the NDFP negotiating panels drafted a document of understanding to resume the formal talks of the peace negotiations, reaffirming The Hague Joint Declaration, and thereby blocking the attempt at blackmail and the absurd demand for capitulation.

From the Netherlands, the GRP and NDFP delegations flew to Oslo, with the common intention of signing the aforesaid document in the presence of the then newly elected Norwegian prime minister on 1 December 2001. But just before the meeting, the GRP delegation informed the NDFP delegation that word had come from Manila, specifically from the defense secretary, for it not to sign the document. Thus, the meeting with the Norwegian prime minister became a simple courtesy call. Since then, the CPP, the NPA and the NDFP have more than ever intensified their opposition to the entire range of US imperialist domination and to the increased US military intervention in the Philippines.

After his visit to Manila within the first week of August 2002, US state secretary Colin Powell designated the CPP/NPA as a "foreign terrorist organization" on 9 August 2002. The US treasury department followed suit by listing the same and the NDFP chief political consultant as "terrorists" on 12 August 2002. The following day, the Dutch government issued its "sanction regulation" against the CPP, NPA and the NDFP chief political consultant. Other governments like those of the United Kingdom, Canada, Australia and eventually the European Council, joined the "anti-terrorist" lynch mob against me.

All these governments have shamelessly used the pretext of anti-terrorism in order to slander and demonize the CPP, NPA and the NDFP chief political consultant as "terrorists". They transgress the right of the Filipino people to fight for national liberation. They violate the rights of the Filipino people and my individual rights under international law. They violate the principles of national sovereignty and non-capitulation, and the safety and immunity guarantees in the GRP-NDFP agreements. They run against the resolutions of the European Parliament supporting the GRP-NDFP peace negotiations. In fact, they paralyzed these peace negotiations for a long while.

### III. My Persecution: Violations of Rights and Undue Punishment

By virtue of two judgments (1992 and 1995) of the Raad van State, the highest administrative court in The Netherlands, I am a recognized political refugee under Article 1 a of the Refugee Convention, and I am under the protection of Article 3 of the European Convention on Human Rights (ECHR) and consequently the entirety of this convention. Subsequently, the Dutch government (Justice Ministry) accepted the aforesaid judgments but asserted that it could refuse legal admittance even to one recognized by the Raad van State as a political refugee.

When it decided in 1997 that the Dutch government could deny legal admittance, the Chamber of Legal Uniformity of the Aliens

Court paid lip service to the the aforesaid Raad van State decisions and deliberately ignored the specific decision of the 1995 Raad van State that if I could not go to another country, without being put at risk of losing the protection of Article 3 of the ECHR, the Dutch government had no choice but to grant me legal admittance and the residence permit.

In the meantime in the Philippines, one false charge after another against me collapsed. The charge of subversion was nullified by the repeal of the anti-democratic anti-subversion law in 1992. The charge of multiple murder fabricated out of the 1971 Plaza Miranda bombing was dismissed by a formal resolution of the Manila prosecutors, declaring that the charge was based on pure speculation. Thus, the secretary of justice of the GRP made a formal certification in 1998 that there was no pending criminal charge against me.

Until now, there is no formal criminal charge against me in the Philippines or anywhere else in the world, including The Netherlands, where I have in fact resided since 1987. And yet I am put on the list of "terrorists" serially and indefinitely, and I am subjected to what are deviously described as temporary restrictive sanctions but which in fact are indefinite punitive sanctions.

All banks, insurance companies and other financial institutions are prohibited from having any transaction with me. My personal bank account has been frozen, including the amounts that have all come from the social welfare agencies. Previously, the social benefits for living allowance, housing and health insurance were provided because the Dutch authorities had prohibited me (as asylum seeker) from getting employment.

The Dutch authorities cut off these social benefits in connection with its August sanction regulations against me. Then they repealed those regulations and pretended to restore my social benefits. But they had requested the European Council to put me on its "terrorist" list. After my inclusion in the list on 28 October

2002, they terminated all the social benefits. All border authorities are under written orders to be constantly on the look out for me, as if I were a dangerous criminal. Despite such calumny, I am allowed to travel on laissez passer only for the purpose of attending the GRP-NDFP negotiations in Oslo upon the request of the Norwegian government.

The European governments have been swayed by the US-generated "anti-terrorism" hysteria, reminiscent of the anti-communist hysteria during the Cold War. They have collectively and separately adopted positions, decision and laws that are blatantly repressive and fascistic. They empower themselves to do the most undemocratic and unlawful acts, like arbitrarily arresting and detaining anyone on mere suspicion of being a terrorist, depriving him of access to counsel and to evidence, and separating him from other detainees and keeping him under conditions worse than those of other detainees. So far, the Dutch authorities have not yet made a move to arrest and detain me. But the sword of Damocles hangs over me. I am constantly under threat of being arrested and detained on the false charge of terrorism or being subjected to a US request for my detention prior to extradition or extradition straight to a place like Guantanamo or Abu Ghraib.

My rights under the European Convention on Human Rights are being so brazenly violated. I am deprived of the essential means for human existence. The seizure of such means violate my basic right to human life. The deprivations amount to punishment worse than that imposed on convicted murderers who are provided in prison with the essential means for human existence. The punitive measures have been applied on me without due process. I have been ordered to leave the house where I stay with my wife and my son. Thus, my right to private and family life is put at risk and violated.

When my lawyers cite Resolution 1452 of the UN Security Council, allowing transactions related to essential human needs

and professional fees, we are told by the lawyers of the Dutch government and the European Council that no benefit comes to me from said resolution because it is applicable only to those suspected of belonging to Al Qaeda. Thus, my lawyers protest that even the suspected perpetrators of 9/11 have more rights than I have.

I am subjected to worse material and moral damages due to the official efforts of the US and other governments to demonize and stigmatize me as "terrorist". Opportunities to share my knowledge and experience as a teacher or to earn income commensurate to my professional training and competence have been blocked. Potential employers and partners are discouraged. For instance, a book-publishing project has been delayed several times. But the loss of income is nothing compared to the grave threats to my life and physical integrity due to the official incitement of hatred and violence against my person. The Bush regime boasts of having renewed the license of its covert operatives to kill leaders who are deemed dangerous to US interests and are labeled "terrorists."

And yet nowhere in the world can I be held liable for the heinous crime of terrorism for the simple reason that there is no basis whatsoever for starting a criminal investigation. Not in the Philippines, because up to now the political descendants of Marcos have failed to push the passage of their anti-terrorism bill. The most reasonable and democratic-minded jurists know that there are more than enough laws to handle the most heinous of common crimes. Philippine jurisprudence upholds the doctrine of political offense, which differentiates rebellion or revolution from common crimes. But with overweening arrogance, the US and its imperialist allies seek to impose its hysteria on the Philippines and usurp jurisdiction over entities and events in the Philippines.

The Dutch government and European Council have acted unlawfully to negate the absolute protection that Article 3 of the

European Convention is supposed to guarantee. At this point, you might ask why the US, UK and Dutch governments are collaborating so closely to persecute me. They have always collaborated in opposing national liberation movements and in controlling oil and other natural resources in Southeast Asia. Their hands drip with blood from a long history of colonialism and imperialism, as well as from their more recent sponsorship of puppet regimes of open terror, such as those of Suharto and Marcos.

The US, UK and Dutch monopoly firms are among the biggest plunderers of the Philippines. They collaborate in exploiting the Filipino people. To cite one current major collaboration, Chevron and Royal Dutch Shell are the main partners in the Malampaya Sound project, involving the exploitation of gas resources and the operation of the long pipelines to Luzon. The US, UK and Dutch governments are accomplices in many current acts of aggression and plunder not only in Southeast Asia but also in the Balkans, Middle East and other regions of the world.

The matter of my being listed a "terrorist" by the imperialist monsters is so serious because it involves not only my life but also the integrity of the national liberation movement in the Philippines. But sometimes I get a big laugh from the fact that I am not in any way linked with Osama bin Laden and Al Qaeda, unlike the Bush family which has close relations with the Bin Laden family through the Carlyle group of investors, which have big investments in military production, oil and other enterprises dependent on state intervention and state contracts.

#### IV. Courses of Action

Compatriots, friends and I have acted resolutely and vigorously to expose and oppose the use of the false charge of terrorism against me in particular, and against the national liberation movement, the patriotic and progressive forces and their leaders and members in the Philippines. We are also conscious of

contributing thereby to the struggle of the national liberation movements in other countries.

We have adopted and undertaken several courses of action. These include educational work, political action, legal action, negotiation and fund-raising. The International DEFEND Committee and its country committees and the International League of Peoples' Struggle and its national chapters have been the most active in undertaking campaigns and activities to arouse, organize and mobilize the people and to raise resources for defense and for fighting back.

Let me describe the educational work. We have done various types of information and educational work on the case and its various aspects. We have published the pertinent materials in leaflets and pamphlets, in email circulars and on several websites, including the following: [www.defendsison.be](http://www.defendsison.be), [www.inpsison.freewebspace.com](http://www.inpsison.freewebspace.com), [www.sisonlegaldefense.250free.com](http://www.sisonlegaldefense.250free.com), and [www.justiceforjoma.org](http://www.justiceforjoma.org). We have held study meetings, conferences and seminars. We have encouraged organizations to do so. I am happy that this conference is being held. We have carried out cultural activities that defend me and support the call for national liberation of the Filipino people from US imperialism. We are urging further research, especially legal research, to aid both legal action and political action.

Let me describe the political action. We have collected signatures on petitions from the organized masses as well as the spontaneous masses at public places on ordinary days and during marches and rallies. We have also solicited the signatures and support of parliamentarians, trade union leaders, academics, jurists, religious leaders, human rights luminaries and other prominent personalities in order to encourage more people to join us. We have carried out pickets and demonstrations for the purpose of making protests and demands on the case. We have successfully requested other organizations to take up the case. We have joined international conferences and huge marches and

rallies against war and imperialism in order to condemn the US as a terrorist force and to raise the issue of the "terrorist" listing.

Let me also describe the legal action. We have filed complaints in administrative processes against Dutch agencies mainly for terminating my social benefits and violating my rights. We have laid the ground for legal action in the courts, up to the level of the European Court of Human Rights in Strasbourg. We have filed a complaint before the European Court of Justice (First Instance) in Luxembourg against the European Council for putting me on its "terrorist" list. In this case, the NDFP negotiating panel is an intervenor in my favor. In each of these cases going to a European court, we have an international battery of lawyers. The Amsterdam Clinic of International Law based in the University of Amsterdam is assisting us. The Philippine-based Public Interest Law Center is a participant or cooperator in all the cases. It stands guard against whatever legal mischief the GRP might do in collaboration with the US and Dutch governments. There are also lawyers ready to fight any attempt to use against me the US-Dutch extradition treaty.

Let me describe the method of negotiation. There have been several opportunities for availing of the method of negotiation. The NDFP has asked groups of parliamentarians to uphold the 1997 and 1999 resolutions of the European Parliament in support of the GRP-NDFP peace negotiations. It has also asked the third party facilitator, the Norwegian government, to deal with the obstacles posed by the European Council and certain governments to these negotiations. The NDFP has required the GRP to comply with solemn agreements and to join the NDFP in reaffirming the following: the mutually acceptable principle of national sovereignty in The Hague Joint Declaration in order to frustrate the usurpation of jurisdiction by the US and other governments; the safety and immunity guarantees in the Joint Agreement on Safety and Immunity Guarantees; and the Hernandez political offense doctrine in the Comprehensive

## Agreement on Respect for Human Rights and International Humanitarian Law.

The formal talks in the GRP-NDFP peace negotiations have been resumed recently upon the premise that effective measures are sought and realized to remove the CPP, NPA and the NDFP chief political consultant from the "terrorist" listing.

Let me describe the fund-raising. We consider fund-raising important because we need funds for publications and other necessities. Even as my lawyers provide their services pro bono, there are certain unavoidable expenses that must be met. The legal defense fund is under the care of religious leaders in a foundation based in The Netherlands. There are various ways of raising funds: passing the hat among the people in meetings, selling tickets to cultural affairs and to lunch or dinner lectures, and marking up, for the sake of solidarity and support, the prices of books, CD-ROMs and campaign paraphernalia (t-shirts, pamphlets and buttons). Recently, the fund-raisers have asked me to record my songs and poem recitations on video clips and CDs. I have agreed, in order to take on one more form of struggle, which is instructive and yet entertaining.

In concluding, I express my deep gratitude to all compatriots and friends who have joined and contributed to the campaign to defend me, and also those who have supported the struggle for national liberation, democracy and social justice in the Philippines. ###

14.

## CHRONIC FINANCIAL CRISIS AND THE WAY OUT

October 2, 2004

First of all, I wish to thank the rank and file of Bayan-National Capital Region for inviting me to this forum on the Philippines' chronic financial trouble and on seeking the way out of the rut. I am honored and pleased to serve as the main speaker on a subject that is so important and so urgent.

I will try to provide you with the facts and analysis of the problem and state a number of solutions proposed from various points of view. I hope that this forum would raise the level of our understanding of the problem and our determination to seek and carry out the solution with the participation of the broad masses of the people, especially the working people.

It is understandable why Bayan-NCR is acutely interested in analyzing the problem and identifying courses of action towards the solution. Anytime soon, the worsening conditions of mass unemployment, poverty and hunger are likely to result in unprecedented mass protests. Certainly, you are interested in galvanizing the people through an understanding of the problem and leading them to the best possible course of action.

### The Problem: Chronic Financial Crisis

The subject of chronic financial crisis in the Philippines is complex enough. But the puppet politicians and their retinue of economists and propagandists make it appear as far more complex than it is by obscuring its root causes. Out of fear, habitual ignorance, or craven dishonesty, they conceal above all the principal responsibility of the US imperialists or finance capitalists for the chronic and current economic and financial crisis.

Usually, puppet politicians blame each other for corruption and wanton spending. However, to evade or mitigate their major share of culpability, they sometimes refer to the crisis of the US and world capitalist system as the cause of the Philippine economic and financial crisis. Of course, they do not mention the fact that they are willing puppets who benefit from the status quo and accept the economic and financial bondage of the Philippines to foreign monopoly capitalism.

The economists and propagandists serving every reactionary regime never cease to sing the virtues of staying within the bounds of the economic, financial and trade policies dictated by the United States and such US-controlled multilateral agencies as the International Monetary Fund (IMF), the World Bank and the World Trade Organization (WTO).

Since the time that the Philippines became a US colony in the early years of the 20th century, the US imperialists have ensured political control of the Filipino people through acts and threats of military and police suppression. This has enabled them to hold the Philippine economy in their vise, keeping it pre-industrial, agrarian and semifeudal, afflicted by chronic budgetary and trade deficits, and therefore ever vulnerable to foreign indebtedness and financial manipulation.

Since their grant of nominal independence to the Philippines in 1946, after reconquering it from the Japanese fascists, the US imperialists have conceded national administration to the politicians of the big compradors and landlords but maintained a strong grip on the levers of political, military, economic, financial and cultural control over the people.

Among such levers of control, what the imperialist master considers the smartest is financial. This is supposed to be the most effective tool of neo-colonialism, in combination with the other tools, especially in ever prostrate economically backward colonies or semicolonies like the Philippines. Financial control

by the foreign monopoly capitalists negates or hollows out the substance of what the rulers of the semicolonial client state claim as political and economic independence.

What differentiates modern imperialism or monopoly capitalism from old style colonialism in the period of free competition capitalism is the growing importance of the export of capital over the export of goods. Basically, the export of capital from the imperialist country to the Philippines takes two forms: direct investments for internal control of the client economy, and indirect investments or loans to the puppet state and to private entities. Ultimately, the superprofits drawn from direct investments and the servicing of loans far exceed any new capital export from the imperialist countries.

The US has gained control over the Philippine economy by using various kinds of financial instruments. Let me mention some at crucial points in Philippine history. After conquering the Philippines, the US colonial authorities floated bonds on Wall Street in order to pay the costs for the invasion and occupation of the Philippines, and collected taxes from the Filipino people in order to redeem these bonds. The US would get far more in return after paying Spain USD 20 million for the Philippines.

After reconquering the Philippines from Japan at the end of World War II, US war damage payments to the Philippines were made mainly to US firms to assist these in rebuilding their plants and inventories. The rest went to the puppet government and private claimants, both of which promptly spent the money for consumption, especially the importation of consumption goods.

After the basic recovery of the Philippine economy from the ravages of World War II, the first big financial crisis in the Philippine semicolony occurred when in 1949 the foreign exchange reserves amounting to USD 2 billion (mostly from war damage payments) were depleted. The trade deficit had widened

because of unbridled importations of consumer goods. Austerity measures had to be adopted.

The US conceded for a while, up to 1959, to the puppet government the institution of foreign exchange controls and the establishment of so-called import-substitution industries. These encouraged Filipino entrepreneurs to raise the demand for national industrialization. Even the Garcia regime espoused the “Filipino First” policy. The US reacted by cutting off loans from the US Export-Import Bank and US private banks, thus causing a financial crisis. This destabilized the Garcia regime in 1960 and paved the way for Macapagal to get US support for ensuring his election to the presidency.

Thus, it was the Macapagal regime that proclaimed the full decontrol policy, which enabled the US monopoly firms to remit superprofits freely and legally. This policy caused the first big devaluation of the peso. The trade deficits widened from year to year as the importation of consumer goods increased. The regime touted a “land reform” program and an integrated steel mill project but failed to develop the economy as a whole. It used the slogan of “free enterprise” to mean further opening up the economy to foreign monopolies. The USD 200 million foreign debt at the end of the Garcia regime reached USD 600 million at the end of the Macapagal regime.

The Marcos regime adopted and implemented the “development plans” designed for the Philippines by the World Bank and the Asian Development Bank (ADB). These plans involved using domestic resources, Japanese reparations and foreign loans for rapid and massive infrastructure projects, and encouraging foreign monopoly firms to invest in raw material production (sugar and coconut mills) and mining mills (copper and nickel). The regime did not carry out any real program of land reform and national industrialization despite bombastic pretenses. It used colossal foreign borrowing in the name of development in order

to favor big comprador enterprises and undercut the people's demand for national industrialization.

After the declaration of martial law in 1972, the regime engaged in unbridled foreign borrowing. This went on under the encouragement of the World Bank, even as the inability of the Philippines to repay the loans became more and more obvious. The IMF offered special drawing rights, debt restructuring and structural adjustment plans, always demanding more incentives to foreign investments and ensuring foreign capital repatriation, profit remittances, state guarantees for private debt and priority for debt servicing. Ultimately, the regime pushed foreign debt to the level of USD 27.2 billion at the time of the Marcos fall. In addition, it left a local public debt of PhP 144.4 billion.

The flow of international credit started to slow down after 1979 when the crisis of overproduction in raw materials began to hit hard the third world countries, including the Philippines. The US policy makers began to criticize the World Bank policy of undertaking "Keynesian" official lending for infrastructure building and enhancing raw material production. They began to favor a monetarist and neoliberal policy of using high interest rates to attract global funds to the US.

The Philippines suffered a severe financial crisis in 1983. By then, the foreign debt level had reached USD 24.6 billion. Exports in sugar, coconut and copper concentrate fell. The favored construction and related firms floundered. The Marcos regime had to declare a moratorium on foreign debt payments. This combined with the public outrage over the killing of Benigno Aquino to mark the beginning of the rapid fall of the fascist regime.

The Aquino regime tried to take new foreign loans but could not get much beyond the amount needed to service the accumulated foreign debt, cover the growing trade deficits and buttress government deficit spending. It harped on the slogans of free

market and import liberalization. It did not undertake genuine land reform and national industrialization. It could not borrow much from abroad because global funds were attracted to the US by high interest rates and investment returns. It had to resort to local public borrowing, thus local public debt rose to PhP 521 billion in 1992. Foreign debt at the end of Aquino regime stood at USD 29.9 billion.

The Ramos regime surpassed the rate of both local and foreign borrowing by the Marcos regime that under its 20-year watch had accumulated some PhP 144 billion in domestic debt and USD 26.6 billion in foreign debt. In only six years, local public debt ballooned to PhP 922 billion and foreign debt to more than USD 45 billion. The regime's so-called medium term development program completely ignored land reform and national industrialization.

It used the local public debt to increase graft-ridden spending for the benefit of "independent power producers", special projects of various sorts, infrastructure related to private real estate projects, and state purchases of computers and vehicles. It used the foreign loans to cover the trade deficits that were due to high import costs of components for the so-called export-oriented, low value-added semi-manufacturing, and to finance a boom in private construction, which went bust in the Southeast Asia-wide financial crisis of 1997. The foreign loans came mainly from foreign commercial banks.

Since 1997, the Philippines has been in a protracted and unprecedentedly severe financial crisis. This was clearly due to an unrelieved crisis of overproduction in the types of goods for

export (raw materials and low value-added semi-manufactures) to the industrial capitalist countries, and in the overcapacity generated by the private construction boom. The financial crisis has followed from the crisis of overproduction and the failure to pay the loans. Ramos was complicit with the imperialists in further bankrupting the economy and making the people suffer. Ironically, the reactionaries still tout him as a great manager.

The Estrada regime was in dire financial straits from the very beginning because of the economic and financial state left by the Ramos regime. At any rate, it was still able to push the foreign debt level to USD 50 billion and the local public debt level to PhP 1.068 trillion at year end 2000. The new foreign loans were used for servicing the accumulated foreign debt and covering new trade deficits. With less foreign funds to manipulate for serving his corrupt ends, Estrada turned to local public borrowing, raiding social security funds for financing scams and collecting cash from the numbers game and other forms of gambling.

### Focus on the Arroyo Regime

So long as it can still borrow from domestic sources and from abroad, a puppet regime would not admit that the Philippines has a chronic financial crisis. But now the crisis has become so severe that the Arroyo regime cannot deny it. The widespread collapse of enterprises, massive unemployment, depressed incomes, peso devaluation, inflation due to scarcity of basic goods, declining social services and other realities expose the grave economic and financial crisis.

Foreign debt under the Arroyo regime is USD 56.3 billion as of end June 2004 and is expected to reach almost USD 60 billion by the end of this year. The local public debt is PhP 1.833 trillion. In so short a time, the Arroyo regime raised the foreign debt by USD 6.3 billion and the local public debt by PhP 765 billion. The accumulated debt will continue to rise to new levels because new

foreign loans are used to service foreign debt and cover budgetary and trade deficits. The Arroyo regime has made debt payments amounting to PhP 358 billion in 2002, PhP 425.7 billion in 2003, and has earmarked PhP 542 billion in 2004. It has claimed that in 2005, it can make PhP 310 billion and PhP 385 billion, respectively, in interest and principal payments or a total of PhP 695 billion.

Clearly, the “normal” or “non-crisis” situation, from the viewpoint of reactionary regimes, is for the debt payments to increase as foreign debt correspondingly increases. Despite all these, the balance of payments, which takes into account loans and debt repayments, as well as the trade balance of goods and services and transfers such as OFW remittances, is still projected to be at a deficit of PhP 600 billion in 2004.

The IMF prescription is for the Arroyo puppet regime to give priority to automatic appropriations for servicing the accumulated foreign debt, to raise the tax burden, to reduce deficit spending, and adopt austerity measures at the expense of the people in an already devastated economy supposedly in order to counter inflation due to scarcity of goods and the printing of money. The regime is frenziedly trying to con the Filipino people into accepting more and higher taxes, more wage cuts and freezes, more cuts on the already deteriorated social services, the privatization of government-controlled corporations and the assumption of their debts by the state, especially the colossal debts of the National Power Corporation.

Arroyo’s economic managers claim that the regime would be able to raise additional revenues and cut this year’s gargantuan P200 billion government deficit to more manageable levels, continue to making bigger debt payments, and thereby convince the IMF-WB and foreign commercial creditors of its ability to incur more and bigger debts.

The Arroyo regime is silent on losses due to rampant and high level graft and corruption, and the tax evasion by the wealthiest and most rapacious big compradors and landlords. Conservative estimates place losses due to graft and corruption at P100 – 120 billion annually. The most recent and most serious charges of graft and corruption have involved not only members of Macapagal-Arroyo's official family such as the alleged \$14 M IMPSA scam bribe and the P1.1 B GSIS loan to PEA for the Macapagal Highway, by members no less of Macapagal-Arroyo's immediate family.

The Arroyo regime is deaf to proposals for a review, not to mention reversal, of the policy of automatic appropriations for debt payments and adherence to the impositions of foreign monopoly capital. It persists in imposing new and higher taxes in accordance with IMF-WB and WTO prescriptions and impositions.

The fact is that time is fast running out on the Arroyo regime and the people are bound to rise up and resist the blatantly anti-people and anti-national policies and pretended solutions which are in fact further impositions and exactions. These so-called solutions will only aggravate the situation and exacerbate the suffering of the entire nation.

The Arroyo regime blames the crisis on an unfavorable international economic situation, and on the large deficits and debts that its predecessors incurred. But the main point of Arroyo is to conceal from the public her own culpability for subservience to the interests of foreign monopoly capitalism and the local exploiting classes, and for taking the path of surpassing the rates reached by her predecessors in local and foreign borrowing and in further sinking the Philippine economy into bankruptcy and beggary.

The Arroyo regime fails to mention all the root causes of the financial crisis: foreign domination of the economy, feudal

backwardness, and bureaucrat-capitalism. The current regime, like all its predecessors, conceals the culpability of the US and other foreign monopoly capitalists in keeping the Philippine economy agrarian and pre-industrial, with the collaboration of bureaucrat capitalists who are themselves big compradors and landlords.

Foreign monopoly and feudal exploitation of the people over the past century has resulted in economic stagnation, chronic crisis, the absence of basic industries, chronic trade and current accounts deficits, deepening indebtedness, and a quagmire of poverty and misery into which more and more of the toiling masses are forced to flounder. Even the doctored and manipulated government statistics would reveal that the percentages of employment in the industrial and manufacturing sectors have not increased over the past four decades but have in fact steadily decreased from 16.5% (industrial) and 12% (manufacturing) in 1970, to 15.1% and 9.2%, respectively, in 2003. Further underdevelopment and worsening crisis have pushed more than 80% of the population below the poverty line.

The Arroyo regime refuses to admit that the Philippine economy has further deteriorated and has been stricken with an unprecedented crisis after being brought into the WTO under the neoliberal policy of “free market” globalization. It must be recalled that it was through a legislation sponsored by then Senator Macapagal-Arroyo that Philippine entry into the WTO was effected.

“Free market” globalization enabled the foreign monopoly capitalists to plunder with utmost rapacity the third world economies, and to degrade the so-called “tiger” and “emergent” economies and weaker capitalist countries. The result has been the rapid reconcentration of capital into the hands of a few giant monopoly capitalists in the US principally, and in the two other centers of capitalism, Europe and Japan; and the consequent

devastation of the third world and retrogressive countries, which continue to sink in the ocean of foreign debt and poverty.

Third world countries are being crushed by a mounting debt burden. Total third world debt amounts to US\$ 3 trillion. Debt service, the ratio of debt to GNP, and the ratio of debt service to exports have rapidly increased over the decades, as the following table shows:

1970	1980	1990	2000	
Third World debt	72.8	609.4	1458.4	2492.0
Debt service	9.2	93.4	163.8	398.9
Debt/GNP ratio	10.9	21.0	34.1	39.1
Debt service/exports	13.5	18.1	18.1	

	1970	1980	1990	2000
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(Source: WB, Global Development Finance, different years)

For the Philippines, the average debt-to-GDP ratio from 1972 to 1980s was 15%. From 1980 to 1986, it had shot up from 19% to 55.6%, to 67.1% in 1993 and 77.3 % in 2003. Clearly, the 1990s figures were way above the third world average.

Even as the US and other imperialist countries enjoy the privileges of power within the WTO, they are nonetheless afflicted by economic and financial crisis arising from the inherent contradictions of capitalism. Japan and Europe were

struck hard by the crisis of overproduction and recession in the wake of the 1997 Asian financial crisis. Then, the “high-tech bubble” burst in the US in 2000. Since then, the global depression has worsened, driving the major imperialist powers all the more to intensify the exploitation and oppression of the proletariat and people of the world. At the same time, they have heightened their own competition and contention.

The worsening crisis of the world capitalist system has driven the US to become ever more rapacious and violent, to the detriment of the proletariat and people and even its imperialist allies. The US has been trying to stimulate its economy by giving tax cuts to the monopoly bourgeoisie and stepping up military production. Relatedly, it is whipping up repression on a global scale under the pretext of anti-terrorism and launching wars of aggression in order to assert hegemony and seize sources of raw materials (especially oil), markets, fields of investment and spheres of influence.

Acting in subservience to US imperialism, the Arroyo regime is imposing on the Philippines all the US policy dictates on the economy, finance and other matters. Thus the crisis of the US and world capitalist system will continue to worsen the crisis of the Philippine ruling system. There is no way out for the Filipino people but to fight for their national and democratic rights and interests in a comprehensive way against US imperialism and the local puppets.

### The Solution: Reforms and Revolution

The broad masses of the people demand the strengthening and completion of the struggle for national liberation and democracy, the cancellation of all fraudulent and odious foreign loans benefiting the foreign and local exploiters, the confiscation of ill-gotten assets obtained through such loans, and the termination of the puppet law providing automatic appropriations servicing foreign debt. They know that there can be no end to the chronic

economic and financial crisis and to the monopoly capitalists' practice of international usury, unless the entire nation, especially the toiling masses of workers and peasants, are able to wield power.

The comprehensive solution to the chronic economic and financial crisis is for the Filipino people themselves to gain power by fighting for national and social liberation, undo the dominance of US imperialism, domestic feudalism and bureaucrat capitalism, uphold national sovereignty and independence, defend economic sovereignty and national patrimony, and undertake economic and social development through genuine land reform and national industrialization.

There are various ideas on how to carry out the solution. These include carrying out the electoral struggle to put into office good men and women who will push the necessary reforms, using the GRP-NDFP peace negotiations to forge agreements on reforms, and arrive at truce and alliance against common problems, changing the present regime through a peaceful mass uprising in order to put up a new government that would undertake reforms, and overthrowing the ruling system through armed revolution in order to make a social revolution.

1. Let us consider electoral struggle. It is possible to put into executive and legislative offices some good men and women. They can advocate economic, financial and other reforms and, in the process, expose the rottenness and puppetry of those who oppose these as well as the entire ruling system. However, they need to be aware that the US and the local exploiting classes will always seek to ensure the overwhelming dominance of the rabid reactionaries and buy off or discredit those who seek to change or challenge the fundamentals of the system.

A good indicator of the rottenness and subservience of the local wielders of power in the semicolonial and semifeudal system is the fact that the presidential decree of Marcos providing for

automatic appropriations for debt servicing remains a law more than 18 years after his fall, through one presidential successor to another, and one Congress to another. This is not proof of how powerful is the ghost of Marcos. This is proof of how powerful is the US master over its series of puppets with regard to economic and financial policy.

A very small number of national executive and legislative officials express patriotic and progressive views. The US and the ruling politicians see them as ineffectual against the scheme to amend the 1987 constitution for the purpose of undercutting civil and political liberties, removing the nationality provisions that seek to limit foreign investments, and paving the way for the return of US military bases and the deployment of foreign troops on the Philippines. They are pushing the scheme under the guise of changing the form of government from presidential to parliamentary and shielding the Arroyo regime from a people's mass uprising similar to those against Marcos in 1986 and against Estrada in 2001.

2. Let us consider the GRP-NDFP peace negotiations. The NDFP can clarify and ventilate the reforms that need to be adopted and implemented. The objective is to work out comprehensive agreements in economic, social, political and constitutional reforms, and go for a truce and alliance against common problems or inimical forces. But these negotiations are easily subject to sabotage by the US and its worst puppets.

Right now, the NDFP wishes to negotiate social and economic reforms. With regard to economic and financial policy, the objective of the NDFP is to persuade the GRP to agree on the adoption of certain measures to protect the people from the devastating consequences of the policy dictates of the US and such US-dominated multilateral agencies as the IMF, World Bank and WTO. The Philippine government in the 1950s adopted some of these measures to some extent. In recent times, China and Malaysia have been able to hold their ground against the worst

US and IMF dictates on financial policy. But so far, the Macapagal Arroyo regime is tightly bound to US dictates and the myth of “free market” globalization.

The rabid puppets of the US imperialists in the Arroyo cabinet and in the military as well as agents of clerico-fascism are in control of the GRP side of negotiations and are blocking the progress of the GRP-NDFP peace negotiations. They endorse, condone and applaud US imperialism for listing the Communist Party of the Philippines, New People’s Army and the NDFP chief political consultant as “terrorists”. They agree to the US violation of the national sovereignty of the Filipino people and to the usurpation of jurisdiction over the internal affairs of the Philippines. They attack the safety and immunity guarantees for duly-authorized persons in the peace negotiations. They connive with the US in using the “terrorist” label to violate human rights in general and the Hernandez political offense doctrine in Philippine jurisprudence in particular.

3. Let us consider how a broad united front can replace the Arroyo regime. It is possible for a people’s uprising to occur as it did in 1986 and 2001 in order to remove the incumbent ruling clique from power, and to install a new government that is patriotic and progressive, enjoying the support of the broad masses of the people and a broad range of forces bound by a program of reforms similar to those envisioned by the Movement for the Advancement of Nationalism in 1966. I think that the NDFP would be open to such a possibility.

Recently, I have publicly exchanged views with the distinguished nationalist economist Alejandro Lichauco on how to confront the chronic all-round rottenness and crisis of the ruling system, and how to constitute a new government that can be the instrument for realizing the people’s demands for national independence, democracy, development, social justice and peace.

May I reiterate my view that all patriotic and progressive forces can try working together in forming a united front government, which includes the real and sincere representatives of workers, peasants and the middle social strata, as well as the civil bureaucrats and military personnel who criticize and repudiate the corruption and subservience of the ruling politicians to the US.

If such a government can arise, the question of economic and financial policy can be resolved along the anti-imperialist and anti-feudal line. It is possible for the working people and the middle social strata, represented in such a government, to agree on a firm policy of canceling all fraudulent and odious foreign debts, undertaking genuine land reform and national industrialization, and strengthening diplomatic and economic relations with the ASEAN, China and Japan as well as Russia, France and Germany against the hegemony of the US.

4. Let us consider the new democratic revolution through people's war. It has been going on since 1969. It aims at the armed seizure of political power in order to carry out the all-round social revolution of the working people and the middle social strata. It is the people's ever available and effective method for achieving optimal results.

It is extremely difficult or impossible to achieve basic reforms (like the end of foreign monopoly domination, land reform and national industrialization) within the ruling system because the US and the exploiting classes of big compradors and landlords wield powerful instruments of violence against the people. Thus, the people have chosen the path of armed revolution and built their own revolutionary army in order to carry out a new democratic revolution, with a socialist perspective.

Only when the workers, peasants and the middle social strata have won power would they be able to adopt and implement an economic and financial policy that defends economic sovereignty

and the national patrimony, abolishes completely the dominance of imperialism, feudalism and bureaucrat capitalism, develops the economy on a self-reliant basis through centralized planning, and carries forward an independent foreign policy of promoting international solidarity, development, fair and equitable economic relations among all countries and fostering world peace. ###

15.

**Message to the International Research Conference on the  
1955 Afro-Asian Summit in Bandung**

April 14, 2005

On behalf of the International League of Peoples' Struggle (ILPS), I wish to express deep appreciation to the Asia Pacific Research Network for cooperating with the ILPS Study Commission No. 2 and organizing this international research conference, and to the Institute for Global Justice, Aliansi Gerakan Reforma Agraria and Konsorsium Pembaruan Agraria for hosting it. To all of you and to all the distinguished guest speakers and participants from various parts of the world, I convey the warmest greetings of solidarity and best wishes of the ILPS as you celebrate the 50th anniversary of the Bandung Conference with your conference.

The theme of the conference, "Bandung in the 21st Century: Continuing the Struggle for Independence, Peace against Imperialist Globalization and War", is of great importance and acute urgency. We need to reaffirm and draw inspiration from the principles upheld and propagated by the Afro-Asian Summit Conference of 1955. These principles are still valid and relevant today in the face of the worsening conditions of oppression and exploitation under the shadow of imperialism and neocolonialism.

We, in the ILPS, are guided by the Spirit of Bandung in striving to arouse, organize and mobilize the broad masses of the people against the evil forces of imperialism and reaction. We fight for national and social liberation, development and social justice, human rights, unjust war and militarism, the rights of all the oppressed and exploited, and the aspirations for a just peace and

all-round social progress.

We agree with the aims of your conference: to deepen the study and analysis of issues pertaining to development and imperialist globalization, the need for national independence and the principles of peaceful coexistence against the rampages of the sole superpower and its cohorts, to identify issues for advocacy and topics of research and to create interest in conducting research and the role of the people in the struggle against neoliberal globalization and war, and to promote cooperation in developing the strategy and tactics of the people's struggle.

#### I. The Historic Significance of the Bandung Conference of 1955

The Bandung Conference of April 18-24, 1955 was preceded in a substantive way by the formulation of the Five Principles of Peaceful Coexistence in 1954 by China and India as guide to state-to-state relations and to international relations in general. The principles are mutual respect for national sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. These motivated the Bandung Conference and its Final Communiqué, They were integrated into and elaborated in the Declaration of Ten Principles, which are as follows:

1. Respect for fundamental human rights and for the purposes and principles of the Charter of the United Nations.
2. Respect for the sovereignty and territorial integrity of all nations.
3. Recognition of the equality of all races and of the equality of all nations large and small.
4. Abstention from intervention or interference in the internal affairs of another country.
5. Respect for the right of each nation to defend itself, singly or collectively, in conformity with the Charter of the United Nations.

6. Abstention from the use of arrangements of collective defense to serve the particular interests of any of the big powers. Abstention by any country from exerting pressures on other countries.
7. Refraining from acts or threats of aggression or the use of force against the territorial integrity or political independence of any country.
8. Settlement of all international disputes, by peaceful means, such as negotiation, conciliation, arbitration or judicial settlement as well as other peaceful means of the parties' own choice, in conformity with the Charter of the United Nations.
9. Promotion of mutual interests and cooperation.
10. Respect for justice and international obligations.

The Bandung Conference sought to consolidate the national sovereignty and independence of countries of Asia and Africa that had become newly-independent from colonialism since the end of World War II in 1945 through the defeat of fascism, to promote the process of decolonization, especially in Africa where plenty of colonies still remained, and to work for socio-economic development as the substance of national independence in the face of obvious efforts of the US, British and other imperialists to undermine and negate national independence through neo-colonial methods of economic and financial control as well through the US drive to impose treaties of military alliance and install overseas US military bases in the context of the Cold War.

Of the 29 countries represented in the conference, 23 came from Asia and 6 came from Africa. China, India and Indonesia were among the most active and instrumental in making the conference successful. The Philippine delegation, headed by the long-time US stooge Carlos P. Romulo, acted according to the baton of the US. He stood out by trying to stir up dissensions and water down the formulation of the conference documents. At that time, the US controlled and directed the foreign relations of the Manila government under the US-RP Treaty of General Relations. However, the delegations were guided by their experience of anti-

colonial and anti-imperialist struggle, their peoples' demands and aspirations and by the UN charter and international law.

Let us consider the positive consequences of the Bandung conference. It inspired the peoples and countries of Asia and Africa to struggle for real national independence, development, social justice and independent foreign policy against imperialism and colonialism. It led to the organization of the Afro-Asian peoples' solidarity, and Afro-Asian associations of youth, journalists, writers, and the like. It pushed the UN general assembly to proclaim the decades of decolonization and development in the 1960s and 1970s. It encouraged the spread of armed struggles for national liberation in Asia, Africa and Latin America. It gave impetus to the formation of the Non-Aligned Movement of states. It paved the way for the demands for a new international economic order and a new international information order in the UN general assembly in the 1970s.

But the imperialists headed by the US were not idle. They sought to reverse the trend of national liberation, people's democracy and socialism. In the Cold War, they used all kinds of instruments against the people and against anti-imperialist and socialist movements and governments. They used anti-communist propaganda, neocolonialism for economic and financial control (through the US Export-Import Bank, the IMF, ADB, and the GATT), and, of course, violence to undermine anti-imperialist governments and suppress revolutionary movements for national liberation and democracy. Among the most vicious crimes of the US and its Cold War allies from 1956 onwards were the wars of aggression against the Indochinese peoples, the brutal suppression of anti-colonial movements in Africa, the massacre of at least 1.5 million Indonesian people and the imposition of fascist military rule on the people in many countries in Asia, Africa and Latin America.

In the 1970s, the US could not really solve the problem of stagflation. As the US and world capitalist system were in serious

economic trouble in the latter half of the 1970s, the Soviet Union and its East European satellites were also conspicuously in economic stagnation and decline, and China rapidly took the same revisionist road of capitalist restoration and accommodation with the world capitalist system that the Soviet bloc had taken much earlier. The US found some leeway and conditions favorable for pushing monetarism and neoliberalism, for taking the offensive against the proletariat of the entire world and against the aspirations for genuine national independence and development in Asia, Africa and Latin America, for cutting back on social spending in favor of high-tech military production, and for concentrating capital in the US through superprofits and borrowing from foreign buyers of US securities (stocks and bonds).

## II. Relevance of Bandung Conference to the Present

The crisis of the US and world capitalist system has gone from bad to worse, from the 1980s to the present. The shift in policy stress from Keynesianism to monetarism and neoliberalism at the end of the 1970s has not solved but has aggravated the crisis. The US claims to "new economy, with inflationless growth based on high-tech production" in the second half of the 1990s have proven ephemeral. US prosperity and consumerism have been propped up by huge amounts of foreign borrowing that covered up huge trade deficits. Just like the rest of the world capitalist system, the US is vulnerable to the crisis of overproduction in its own economy. The financial collapses have come crashing down on the real economy.

The Bush regime has taken advantage of the 9/11 attacks to undertake "military Keynesianism" as a complement of neoliberalism in economic policy, and to adopt the "neoconservative" policy of using the military power of the US as sole superpower to impose its will on peoples, nations and countries. It has embarked on a course of heavy expenditures on war production contracts and overseas military deployment for

intervention and aggression supposedly to stimulate the economy.

The "war on terror" is the pretext for state terrorism against the people in the US and abroad and for whipping up war hysteria, war production and wars of aggression. Under the neoconservative policy, the US is arrogantly and brutally using chiefly its supreme military power to engage in "pre-emptive strikes" and wars of aggression against rivals and recalcitrants. It operates with a broad spectrum of instruments (economic, financial, military, cultural and diplomatic) to realize the Pax Americana it wants for the 21st century. It is frenziedly imposing its hegemony on other countries, pretending to spread democracy and expanding its economic territory (sources of oil and other raw material, markets, fields of investments and spheres of influence).

Now, the US is in the throes of a severe protracted crisis unprecedented since the end of World War II. The economy continues to stagnate. The real rate of mass unemployment is high. The budgetary surplus at the end of the Clinton regime is gone and the budgetary deficit is growing rapidly. The trade deficit is widening without cease. The domestic and foreign debt is mounting. The US is failing to serve as the "main engine of growth" for the global economy. Its role as the "consumer of last resort" and "limitless borrower" is in jeopardy.

But the US and other imperialist powers always try to shift the burden of crisis to the proletariat and people of the world, especially in Asia, Africa, Latin America and the retrogressive countries of the former Soviet bloc. They are intensifying oppression and exploitation in these parts of the world. They plunder their social wealth and natural resources. They aggravate and deepen the conditions of neocolonialism. And they occupy as colonies the countries most ravaged by neocolonial economic policy and by wars of aggression such as Iraq and Afghanistan and by civil wars, particularly in Africa.

The main contradiction in the world is still between the imperialist powers headed by the US and the oppressed peoples and nations who inhabit the overwhelming majority of countries and whose ranks have been expanded by the retrogression of countries previously belonging to the Soviet bloc. This contradiction is intensifying because the imperialist powers are stepping up oppression and exploitation. But the legal democratic mass movements against imperialism and reaction are spreading, and armed revolutionary mass movements for national and social revolution are developing.

The US and other imperialist powers are increasingly in conflict with governments that assert national independence and the social aspirations of their people, as well as from governments that must take a stance of national independence, either due to public demand or due to unbearable demands from one or more of the imperialist powers. The threats of imperialist aggression, economic sanctions and actual wars of aggression have been directed against countries that assert national independence.

More than ever, the peoples, nations and countries of Asia, Africa, Latin America and the retrogressive countries in the former Soviet bloc need individually and collectively to assert, realize and exercise the Five Principles of Peaceful Coexistence and the Ten Principles of the Bandung Conference. Conditions of crisis demand that they use all possible and necessary forms of struggle in order to frustrate and defeat the unjust impositions of the imperialist powers, and strive to put an end to imperialist plunder and war. They can take advantage of the contradictions among the imperialist countries, now being driven by the crisis to engage in more bitter competition and to seek the redivision of the world. They can avail of the resurgent anti-imperialist and socialist movements arising from the contradictions between the monopoly bourgeoisie and the proletariat in the imperialist countries.

### III. Conclusion

All the major contradictions in the world will continue to sharpen. The crisis of the world capitalist system inflicts terrible suffering to the broad masses of the people. At the same time it is a favorable condition for people's resistance. It drives them to fight for national and social liberation. The noble and intelligent course of action for the people is to fight and defeat imperialism for the purpose of bringing about a new and better world of national freedom, democracy, social justice, development and enduring peace.

The International League of Peoples' Struggle is dedicated to rally the people to action and help bring about a new and better world, and end the unjust world of imperialist plunder and war. I hope that this international research conference will shed light on the current conditions and on the ways for the people to overcome imperialism and its cohorts. May this conference lead to further research that would inform, enlighten and assist the democratic forces and the mass movements of the people for national and social liberation. ###

## Ideology and Religion in the Philippines

7 May 2005

*(Lecture to Filipino Catholic priests in The Netherlands, Belgium and Austria)*

Dear friends,

The subject given to me for discussion today is quite general and large. We need to reduce the scope to something more manageable. I propose that we take up the three ideologies that are historically most influential in the Philippines or have demonstrably most affected the Filipino people. These are Christianity, bourgeois liberalism and Marxism.

I use the term ideology, to mean the study of ideas or a system of ideas. For the purpose of our study, I shall make some differentiation of the aforesaid three ideologies at the philosophical level, by referring to their respective basic weltanschauung (world view) and some basic tenets.

We shall not go deep into philosophical questions, like ontology, epistemology, or even ethics as such from any viewpoint. But we shall discuss how each of these three ideologies has taken some material, institutional or social force in the Philippines, and how significantly it has influenced and affected the Filipino people.

We may discuss briefly how the ideologies are irreconcilable at the philosophical or theological level, and likewise how they are open to dialogue and cooperation. We can discuss how these ideologies have materialized in the Philippines and have resulted in friendly or unfriendly relations among their adherents. The ultimate purpose of the study is to prove that dialogue and cooperation among adherents of different ideologies are possible and desirable, especially at the social level, for the common benefit of the people.

## I. CHRISTIANITY

Some Christians say that there is a Christian philosophy in several respects but other Christians may say rigorously that Christianity is essentially not an ideology or philosophy but a set of religious beliefs that the best of philosophy cannot totally explain. For instance, how can human reason explain completely the Trinitarian mystery of three persons in one God? At any rate, I think that all Christians hold the view that Christian theology is the rational study of God and related religious questions.

St. Augustine said that it is alright for Christians to avail of philosophy so long as belief in the existence of the Supreme Being is affirmed a priori. Thus, he made use of Platonic philosophy (as interpreted by Plotinus) in order to assert the existence of God prior to all creation, and shed light on other fundamental doctrines of the church. Later in the Middle Ages, St. Thomas Aquinas in his theological work made use of Aristotle to deal more elaborately with the relations of the divine and the mundane.

From the point of view of Marxists, it is idealism of the objective type to believe in any supernatural being existing objectively and independently of and prior to material reality. Christian believers consider material reality as God's creation. At any rate, they stand for the combination of faith and good works as they follow the first great commandment "to love God above all" and the second great commandment "to love thy neighbor as thyself."

Christianity came to the Philippines with Spanish colonialism in the 16th century. The early Christian fathers acted in the service of the church and the Spanish crown. They served as the chaplains of the expeditionary forces and as missionaries to Christianize the natives and persuade them to accept Spanish colonial rule. In a manner of speaking, it was true that the sword and cross combined to subjugate the people.

The colonialists used divide-and-rule tactics. They recruited native troops from one part of the country to quell the rebellious natives elsewhere. But they also made use of the friars to persuade the natives to submit to the colonial authority. They made use of the catechism, the mass and the confessional box to great effect. They followed the line of reasoning that it was better to colonize and Christianize the natives than to let them be as pagans or as Muslims.

Spanish colonialism could last for so long in the archipelago because of the network of friars in parishes and convents. These provided a widespread base for the development of the central administration in Manila and the galleon trade between Manila and Mexico. The Spanish religious orders gained authority and wealth. A theocracy veritably came to exist.

Within the first century of Spanish colonial rule, the Spanish friars successfully pushed the formal abolition of slavery and the encomienda system. But the feudal system of land ownership by the religious orders and native landlords had already expanded. Serfdom took the place of the pre-colonial system of small scale patriarchal slavery. Corvee labor was required for public works.

The religious orders engaged in works of charity. They used these as the reason and the base for playing a major role in the galleon trade. They made money on the cargo space allocated to them. When agricultural production for export and foreign trade flourished in the 19th century, the religious orders arbitrarily expanded their landed estates and exacted higher rent from the tenants. Thus, the people became outraged.

Before the middle of the 19th century, most of the indios and mestizos that reached the university level studied for the priesthood. But upon the growth of foreign trade, local production and domestic commerce, more students could afford to reach the university to study not only for the priesthood but also for such other professions as law and medicine.

The increase of secular priests among the indios and mestizos eventually led to the secularization movement led by Fathers Burgos, Gomez and Zamora, who demanded that the religious orders turn over the parishes to the secular priests. These three priests were garroted in 1872 after having been convicted of the false accusation of masterminding the Cavite mutiny. Their martyrdom ignited an unprecedented wave of national sentiment against the injustice. The moral authority of the colonial authorities, lay and clerical, came into question in the minds of the people.

In the 1880s, well-to-do families sent their children to study in Europe for several reasons, like getting a better kind of higher education and avoiding the repressiveness of the state and friar-controlled university. The students who went to Spain started the propaganda movement for reforms within the colonial framework. Although they were reformists, they served as the conveyor of bourgeois liberal ideas from Europe to the Philippines.

In the 1890s the revolutionary current surged in the Philippines. The armed revolution led by the Katipunan of Andres Bonifacio broke out in 1896. It called for separation from Spain. It was inspired by the bourgeois liberal ideas of the French revolution. It stood for national independence, republicanism, separation of church and state, public educational system and the promotion of industry, agriculture and trade.

The Catholic Church hierarchy and the religious orders served Spanish colonialism to the end. But the Filipino secular priests in general were either supportive of or sympathetic to the revolution. Father Gregorio Aglipay joined the Filipino revolutionaries and became the vicar general of the revolution after Bishop Nozaleda sent him as emissary to them.

In both phases of the Philippine bourgeois-democratic revolution,

first against Spanish colonialism and then against US imperialism, Filipino priests actively participated by rallying the people to the revolutionary cause and by being the most effective collectors of resources for the revolutionary government and army. After the Malolos constitution was promulgated in 1899, Apolinario Mabini had to propose to the cabinet the suspension of the provision on the separation of church and state for fear that this would prevent the clergy from doing logistical work for the revolutionary movement.

After Spanish authorities surrendered Intramuros (the walled city of Manila) to the US military forces in 1898, the United States and Spain signed the Treaty of Paris under which the US purchased the Philippines from Spain for 20 million US dollars, and Spanish corporations and citizens, including the Spanish religious orders, retained their property rights in the Philippines. This was the big compromise between the outgoing and incoming colonial powers.

In the course of the Philippine revolution, the Filipino secular priests came in control of the parishes and the convents abandoned by the friars. After the revolution, the religious orders would recover from their losses by concentrating on their convents and schools and by taking missionaries from the US and Ireland to suit the circumstances of the US colonial rule. The Society of Jesus was quickest at taking in a mix of Spanish, American and Irish Jesuits. The Augustinians and Dominicans were slower in recomposing their religious personnel.

The US colonial administration expropriated large tracts of land from the religious orders for redistribution at a price to the tenants. The religious orders sent a part of their cash income to their Rome headquarters, and used another part to invest in big comprador operations run by the rich Spanish families, Roxas, Ayala and Soriano. Thus, the church became a major part of the comprador big bourgeoisie ruling the semifeudal society. To this day, the Bank of the Philippine Islands is a major factor of big

comprador collaboration between the church and the old Spanish super-rich.

As the US colonial government established the public school system and encouraged Protestant missions to enter the Philippines, the Catholic Church and the religious orders (including new ones from the US) developed their own educational system at various levels. They used both the churches and the schools to retain their role as the dominant church in the Philippines. Through the Catholic schools, they combined in the curricula religious instruction with the subjects of bourgeois liberal education and training.

In the social encyclicals since *Rerum Novarum*, the Popes present the Church as above Marxism and liberalism or above socialism and capitalism, and as being in favor of some idealized medieval guild system. But in Catholic schools in the Philippines, there is in fact a partiality to capitalism and bourgeois liberal ideas, especially in courses in business, accounting, law, economics, political science, and other social sciences. The Church believes that the encyclicals would help the members of the exploiting classes to have a social conscience and to cope with the social discontent and mass movements of the working people.

In the second half of the 1930s, the Commonwealth government president Quezon raised the slogan of social justice, and offered cooperation to progressive organizations in order to deal with the social discontent and the threat of fascism. Fascist-minded Spanish Dominican friars openly provoked President Quezon when they had the school band play a Spanish fascist march when he visited his Letran alma mater. A fascist-minded American Jesuit also used the Chesterton Guild to make radio broadcasts of anti-Bolshevik propaganda.

During my years in high school at the Ateneo de Manila in the 1950s, the Jesuits there were quite rabid in pushing Cold War propaganda, and were proud of the Jesuit-educated Senator

Joseph McCarthy of witchhunt notoriety. They called then Senator Claro Mayo Recto a "crazy communist". Jesuit-trained anti-communists like Manuel Manahan and Raul Manglapus were the rah-rah boys of the CIA-handpicked President Magsaysay.

I was deeply pleased when Fr. Hilario Lim rebelled against the Jesuit Order and, together with other priests belonging to other religious orders, advocated the Filipinization of the Catholic religious orders. I helped him to speak in the University of the Philippines and other universities. I was very glad to do so because I saw the colleges and universities run by the foreign-controlled religious orders as the hotbeds of the most reactionary ideas, intolerant of patriotic and progressive ideas.

The influence of Catholic thinking extended into the supposedly nonsectarian and liberal University of the Philippines, when I was a student and then a young teacher. The Catholic militants among the faculty and students tended to overreach. At one time, I denounced the authorities in my department for overloading a course on great ideas with the writings of such Catholic thinkers as Cardinal Newman, G. K. Chesterton, Hilaire Belloc, Pierre Teilhard de Chardin, the neo-Thomists Jacques Maritain and Etienne Gilson, and totally ignoring those of Marx and Engels.

Cardinal Santos and other bishops endorsed the martial law proclamation of Marcos in 1972 and called for giving the latter a chance to undertake "reforms". But I had high hopes that the pro-imperialist and reactionary big comprador-landlord character of the institutional church could be counteracted from within. The Christians for National Liberation (CNL) was then budding forth.

I expected that the CNL could take more courage and strength by availing of the tradition of the revolutionary clergy in the old democratic revolution and the progressive provisions in the social encyclicals of Pope John XXIII and Pope Paul VI. The CNL became a major organization in the National Democratic Front of

the Philippines in 1973. By 1974 the progressive clergy was ready to openly support the La Tondeña strike and subsequent strikes, and to press Cardinal Sin and other bishops to speak up against the human rights violations being perpetrated by the Marcos fascist regime.

The patriotic and progressive clergy and church people did splendid work in participating in the struggle to expose, oppose, isolate, weaken and overthrow the Marcos fascist dictatorship. They demonstrated that their faith in God is in harmony with their determination and passion to serve the people. After all, the teaching of the church requires that faith and good works must go together.

## II. BOURGEOIS LIBERALISM

What Marxists may describe as the philosophy of subjectivist idealism, using the perception or cognition of the individual as the starting point, reached the Philippines mainly in the form of the political philosophy of bourgeois liberalism. This was imbibed by the propagandists of the 1880s and adopted definitively by Andres Bonifacio and other revolutionary leaders in the 1890s through their reading of books about the Enlightenment and the French revolution and liberal constitutions from abroad in order to confront the colonial and feudal situation in the Philippines.

This bourgeois liberalism is more in the tradition of French rational philosophy bannered by Descartes (*cogito, ergo sum*) than British empiricism. The Cartesian deduction is that God created the world and left it like a clock to function by itself.

Whether it is that of John Locke or David Hume, British empiricism is preoccupied with the question of appearance and reality and the aspect of perception in human consciousness. The Lockean type of empiricism presumes a material substratum, while that of the Hume type presumes reality as nothing but the

complex of sense data.

At any rate, bourgeois liberalism as it has come to the Philippines upholds the Declaration of the Rights of Man, the principles of liberty, equality and fraternity, science and democracy, freedom of thought and belief, enlightenment and education. Our Filipino revolutionary forefathers drew the ideas of bourgeois liberalism from their original sources in continental Europe. If we look for earlier conveyors of bourgeois ideology other than the reformist propagandists of the 1880s, we can look at the records of the freemasons in the 19th century.

In connection with the French revolution, exponents of bourgeois liberalism divided into two: the Jacobins who were determined to end the Ancien Régime by armed revolution; and the Girondists who wanted to peacefully morph the monarchy into a constitutional one. A similar dichotomy occurred in the Philippines, with Jose Rizal seeking to establish the reformist La Liga de los Compromisarios, and Andres Bonifacio the revolutionary Katipunan.

Revolutionary ideology may come from abroad because the revolutionary movement developed there ahead and won power earlier. But it is not only a matter of subjective borrowing from abroad. The ideas must first of all be applicable to the general level of social development, and motivate the local revolutionary class and the people to wage revolution. In struggling against the colonial and feudal situation, the nascent bourgeoisie adopted bourgeois liberalism as the guiding ideology rather than Marxism, which then was also available.

It was fine enough that the Filipino people and revolutionary forces pioneered the bourgeois democratic type of revolution in colonial Asia. The Philippine revolution won resoundingly against Spanish colonialism. The revolutionary leaders and government produced political writings and adopted and implemented policies, which reflected the Filipino people's

conditions, needs, demands and aspirations for national independence, democracy, social justice and all-round social progress.

But US imperialism intervened and launched a war of aggression against the Philippine republic. To succeed, it used not only superior military power and tremendous economic resources but also ideological and political deception. To justify the aggression, it claimed to bring Christianity and democracy to the Filipino people. It proclaimed a policy of benevolent assimilation. It was monopoly capitalism on the rampage but used the Jeffersonian slogans of liberal democracy to deceive and co-opt the bourgeois leadership of the revolution.

Bourgeois liberalism bifurcated in the Philippines. One was the progressive kind still held onto by those who sought to pursue the revolutionary struggle for national independence. The other was the pro-imperialist kind that became increasingly dominant as the official signboard of the US colonial regime. The false claim to liberalism by the imperialist power had some semblance of truth because it had the leeway to carry out certain changes that appeared to make the Philippines freer and more progressive than under the decrepit colonial and feudal system under Spain.

The US colonial regime established the public school system. It expanded the system of transport and communications. It carried out some amount of land reform, which at first was impressive. It allowed the peasants free movement either to have homesteads in frontier areas or become farm workers in the expanding export-oriented plantations. It opened the mines. Its corporations established some manufacturing enterprises. The US was indeed a modern imperialist power that could make direct investments and impose loans on the Philippines for the purpose of bringing about a semifeudal economy and drawing superprofits from it.

Even after its proclamation of the defeat of the Philippine revolution, the US prohibited the public display of the Philippine

flag and suppressed other manifestations of Filipino patriotism. At the same, because the popular demand for immediate, absolute and complete independence could not be silenced, the US kept on promising the grant of national independence on the precondition that the Filipino leaders and people submitted themselves to the new colonial power and fulfilled their training in "democracy".

American teachers came in large numbers to teach in public schools at various levels. The University of the Philippines was proclaimed as a nonsectarian liberal institution of higher learning. In the Philippine Normal School and the regional teacher training schools, John Dewey's books were used as textbooks. His utilitarian brand of pragmatist philosophy was thus propagated. It asserts that only through experimentation and practical results can the truth or meaning of a proposition be proven.

The US colonial regime developed the public school system to assure itself of personnel for the expanding bureaucracy and the professions. It also pushed the pensionado system, which involved the sending of Filipino bureaucrats and academics to the US for further education in various professions. Thus, in education, government, politics, professions and other spheres, Filipinos with a pro-US colonial mentality ultimately outnumbered those who held allegiance either to the previous colonial and clerical authorities or to the Philippine revolution.

By 1946 when it granted nominal independence to the Philippines and turned it into a semicolony, the US was confident that it had adequately trained puppets to replicate themselves in the political, economic and cultural fields. A bourgeois liberal constitution had been made since 1935 in the name of a commonwealth government, in preparation for the neocolonial republic. The economy was securely semifeudal, under US hegemony and run by the big compradors and landlords. Politics and the bureaucracy up to the national level could be turned over to the politicians of the big compradors and landlords.

The educational system and mass media spread the ideas, information and entertainment that jibe with the US-controlled semicolonial and semifeudal system. The US uses scholarships and travel grants under US official agencies (e.g. Fulbright, Smith-Mundt, US State Department, AID, etc.) and US private philanthropic foundations (e.g. Ford, Rockefeller, etc.) in order to influence and control the thinking of the politicians, mass media personnel, academics, cultural workers, the intelligentsia in general and the masses. US commercial films and pop music have a strong impact on the minds of the people.

The "free marketplace of goods and ideas" is the most repeated liberal slogan used by the defenders of the status quo to describe the system. The glorification of the market is founded on bourgeois liberal philosophy and is sustained by the view of Adam Smith that the social good is attained through the invisible hand of self-interest in the market. The semicolonial political system controlled by foreign monopoly capitalism, domestic feudalism and bureaucrat capitalism is called a "liberal democracy". The semifeudal economic system is variably called "free enterprise", "market economy", and the like.

The US and the Filipino puppets play semantical games to deceive the people. From one puppet regime to another, they describe as land reform what amounts to an offer of commercial sale of land at a prohibitive price for the landless poor. They describe as industrialization the establishment of reassembly and repackaging plants to serve domestic consumption as in the 1950s or the export market in current times.

They scoff at the proposal of national industrialization on the basis of local resources as "backward integration" and putting up raw-material mills and sweatshops for low-value added semi-manufacturing for export as "forward integration". Since the neoliberal shift of economic policy stress to "free market" globalization, the puppet regimes have played up the myth of the "free market" to obscure the need for development through

national industrialization and land reform.

In the final analysis, the semicolonial and semifeudal system is a system of violence. This includes the daily violence of exploitation in factories, farms and service lines and the conspicuous brutal force for assaulting striking workers and protesting people and for suppressing the people's revolutionary movement. The imperialists and reactionaries justify such violence in various clever ways.

Since the launch of the Cold War after World War II, they have used the specter of communism as supposedly destructive of freedom, in order to justify the anticommunist hysteria and witchhunts and the violent suppression of the patriotic and progressive mass movements. Despite the successful bloody suppression of the people's revolutionary movement in the early 1950s, the US imperialists and reactionaries proceeded to enact the Anti-Subversion Law of 1957 for the purpose of conducting an anti-communist witchhunt. According to its main proponent, Rep. Joaquin Roces, the real main drafters of the law behind the scenes were an American Jesuit priest teaching at the Ateneo de Manila and the political secretary of the US embassy.

As earlier pointed out, a socioeconomic, political and legal compromise or alliance exists between the forces of imperialism and reaction, and the institutional church. This partnership provides the widest base for the most effective kind of anti-communist propaganda. In philosophical and theological terms, a close kinship exists between the church and the secular oppressors and exploiters. Of course, the relationship of the ideas and their history need to be examined if we hope for a change of situation or direction for the better.

The anti-communist propaganda of the Cold War and the Anti-Subversion Law prepared the climate for the emergence of the Marcos fascist dictatorship and the persistence of the most reactionary policies against the working people in the post

Marcos regimes. Once more in a big way the US-instigated "permanent war on terror" emboldens pro-US bourgeois governments the world over to adopt the open rule of terror under the pretext of anti-terrorism and drives the US to unleash pre-emptive strikes and wars of aggression.

Before, during, and after the Cold War, the US imperialists and their puppets have used all forms of anticommunist propaganda, ranging from the crudest military psywar and political rabble rousing, to the most sophisticated intellectual and philosophical anticommunist lines of thinking in universities, seminaries and the like. I have mentioned some basic positions and variants in bourgeois subjectivist philosophy. It is not necessary to try mentioning all of them here. They are too many. They are churned out daily by the university presses that publish doctoral dissertations. It is in the nature and method of subjectivist philosophy to be one-sided, fragmentary, self-indulgent, narrow-minded, too shortsighted sometimes and too farsighted at other times.

Certain bourgeois philosophical trends have influenced academics and professionals in the Philippines. They do not spread right away to the mass media and to the masses. But they serve to reinforce the more secular kind of bourgeois subjectivism, such as liberalism. They include logical positivism, existentialism, phenomenology, art for art's sake in aesthetics, behaviorism, behavioralism, structuralism, post structuralism, postmodernism and relativism. So much philosophizing has been done in the service of the Cold War and modern revisionism by those who present themselves as Marxists, neo-Marxists or quasi-Marxists, but who are actually anti-Marxists.

We can discuss any of the major or minor bourgeois subjectivist philosophies if you can raise the point or question pertinent to our topic today. None of these subjectivist philosophical trends has more influence and effectiveness in Philippine society than the political philosophy of liberalism.

### III. MARXISM

As a system of ideas established by Marx and Engels, Marxism has three basic components: the philosophy of dialectical materialism, political economy as critique of the capitalist system, and social science revolving around the concepts of class struggle and the class dictatorship of the proletariat. Each component is supposed to have come from the best sources at the time of Marx and Engels.

To develop dialectical materialism, Marx and Engels studied German philosophy, particularly the works of Hegel and Feuerbach. Hegelian dialectics was the best of idealist philosophy as it sought to explicate development, even if through the thought process of thesis-antithesis-synthesis, which is to be realized subsequently in history. The problem with this concept of the self-development of thought was that it does not originate from material reality and it ends with a "final perfection" in the form of the "transcendental state".

With the help of the materialist ideas of Feuerbach, Marx turned Hegel upside down to establish the philosophy of dialectical and historical materialism, which recognizes matter as the starting point and which explains development through the contradictions within matter, as well as contradictions between matter and consciousness. Engels tried to explain the laws of contradiction in terms of the natural sciences. Marx thoroughly applied the law of contradiction (materialist dialectics) in his works.

To develop Marxist political economy, Marx studied British political economy, particularly Adam Smith and David Ricardo, who recognized labor as the source of value. The labor theory of value is not original with Marx. What is original with him is the penetrating study of the commodity as the basic cell of the capitalist economy and the definition of the theory of surplus value. The surplus value is the unpaid labor from which the

industrial capitalist gets his profit and pays interest to the bank and rent to the landowner.

To develop the Marxist social science, Marx and Engels studied French social science (particularly the democratic-minded historians and writers) from which they drew the concept of the class struggle. They developed this further to the level of the concept of the class dictatorship of the proletariat. They asserted that the class dictatorship of the bourgeoisie (the bourgeois state) must first be overthrown in order to establish the class dictatorship of the proletariat (the socialist state).

According to a labor historian, the acclaimed founder of the Philippine trade union movement Isabelo de los Reyes came back to the Philippines at the beginning of the 20th century from his imprisonment in Barcelona, bringing with him the works of Marx and the anarcho-syndicalists. At that time, Marxism was already the dominant trend in the European trade union movement. But it would take some decades before Marxism came to be adopted by a definite Philippine organization as the ideological guide to action.

The Communist Party of the Philippines (CPP) was first established by Crisanto Evangelista and other working class leaders in 1930. It categorically adopted Marxism as the revolutionary guide to action. It was inspired by the Bolshevik revolution and the Third International. At the same time, it was well founded on the circumstances of the Filipino people and achievements of the Philippine working class movement. It directed the proletariat and the people to fight for their rights and interests.

Like the early Christians persecuted by imperial Rome, the Filipino communists were persecuted by the colonial regime of US imperialism. A few months after the founding of the CPP, the colonial authorities disrupted a peaceful mass rally of the workers and urban poor. Then, they falsely accused the CPP leaders of

sedition and had them arrested, imprisoned and convicted for sedition. They banned the CPP until President Quezon of the Commonwealth government agreed, for the sake of promoting his call for social justice and supporting the international popular front against fascism, to release the CPP leaders and allowed the CPP to operate legally in 1937.

Even when it was banned, the CPP did everything it could to develop the mass movement of the workers and peasants. It continued to do so after regaining legality in 1937 and going into a merger in 1938 with the Socialist Party headed by Pedro Abad Santos. When they occupied Manila in 1942, the Japanese fascists arrested and murdered Evangelista and Abad Santos, respectively chairman and general secretary of the merger party of the CPP and SPP.

The people's army led by the merger party was patriotic and independent of the other guerrilla forces who had sworn allegiance to the US within the USAFFE framework, and who were ordered by MacArthur to wait for the return of US military forces. It fought the Japanese occupation fiercely. It carried out land reform. It established democratic organs of political power up to the provincial level in Central Luzon.

But upon US reconquest of the Philippines, the US puppet troops viciously attacked the revolutionary forces and people, despite the declared policy of the merger party to welcome the return of the Commonwealth government and participate in the neocolonial republic to be established. The US imperialists were hell-bent on retaining and expanding economic, political, military and cultural control over the Philippines under the cover of the nominal grant of independence.

The merger party launched what it called an all-out armed struggle to win power in two year's time. The US-propped puppet government broke the backbone of the armed revolutionary movement in the first two years of the 1950s. In 1957, it enacted

the Anti-Subversion Law in order to destroy every trace of Marxist ideology, politics and organization by penalizing any vestige, substitute, extension or successor of the CPP. But conditions in the Philippines continued to deteriorate at the expense of the working people and broad masses due to the oppression and exploitation perpetrated by foreign monopoly capitalism, domestic feudalism and bureaucrat capitalism.

The patriotic and progressive mass movement, generated by the forces of the workers, peasants, youth, women, professionals, religious and others, became resurgent in the 1960s. In 1968 the Communist Party of the Philippines was reestablished under the guidance of Marxism-Leninism-Mao Zedong Thought and on the basis of opposing modern revisionism, rectifying errors in the history of the merger party and setting forth the tasks for waging revolution.

The re-established CPP is of the view that it has benefited from the three basic components of Marxism and from the contributions of Lenin, Stalin and Mao to develop them. It has learned from the lessons of carrying out socialist revolution and socialism under Lenin, Stalin and Mao, as well as from the negative lessons of revisionist betrayal. It considers as matters of the utmost importance Mao's penetrating analysis of the law of contradiction, epistemology and social practice, and his theory of continuing revolution under proletarian class dictatorship to consolidate socialism, combat revisionism and prevent the restoration of capitalism. .

However, in terms of the class analysis of Philippine history and current circumstances, the reestablished CPP considers as an advance on its predecessor CPP and the merger party of the CPP and SPP its explication of the semicolonial and semifeudal conditions, the need of a new type of national democratic revolution led by the proletariat, the friends of the revolution such as the toiling masses and the middle social strata, the enemies such as the exploiting classes of big compradors and

landlords, the basic tasks of struggling for national liberation and democracy and the socialist perspective.

The CPP has been able to strengthen itself ideologically by upholding and applying Marxism-Leninism, politically by pursuing the general line of new democratic revolution through protracted peoples war and organizationally by adhering to the principle of democratic centralism. It has overcome errors and shortcomings through rectification movements and criticism and self-criticism. It has also surmounted tremendous odds through hard work, arduous struggle and sacrifices.

It has succeeded in building its own nationwide organization among the toiling masses, the people's army, the democratic organs of political power, the mass organizations and various types of alliances. It has prevailed over a 14-year fascist dictatorship that aimed to destroy it as well as over succeeding regimes. It has prevailed over the ideological, political and military attacks unleashed by all these puppet regimes under US direction.

Sometime ago, the imperialists, their puppets and other camp followers have claimed that the history of humankind has reached its end in capitalism and liberal democracy and cannot go any further towards socialism. They have obscured the work of the modern revisionists in undermining and destroying socialism for decades and exaggerated the role of Reagan and the Pope in this regard.

They have gone so far as to claim that the success of neocolonialism in undermining and negating the national independence of the backward countries has rendered futile the struggle for national independence against imperialism, its neoliberal pretense of "free market globalization" and its neoconservative drive for wars of aggression in a bid to impose a Pax Americana on the people of the world in the entire 21st century.

Let me say with scientific certitude and revolutionary optimism that so long as the people are oppressed and exploited they will resist and fight for a new and better world. They will fight for national liberation, democracy and socialism. Indeed, as oppression and exploitation are now worsening, the people's resistance is steadily spreading and intensifying throughout the world.

#### IV. RELATIONS OF MARXISM, CHRISTIANITY AND LIBERALISM

In this concluding part of my presentation, let me discuss how Marxism, Christianity and liberalism can be related to each other in certain terms. To facilitate my discussion, let me proceed from the viewpoint of Marxism. I think that you expect that from me.

Marxists recognize that Christianity, liberalism and Marxism have appeared on the high road of civilization in that historical sequence in the world and in the Philippines. Each of these is supposed to offer something radically new and progressive relative to something old and reactionary in a certain period of history.

Christianity asserts the dignity of the human person, freedom of conscience and love of and service to others. These are principles that made Christianity radically new and progressive relative to those of the period of slavery. But Christendom and its theocratic presumptions became suffocating relative to the advance of science and the Enlightenment, the rising aspirations of the bourgeoisie and the common people, who began to demand a new society, the separation of church and state, and a comprehensive definition of rights, including the freedom of thought and belief.

In Philippine history, Christianity has had its positive and negative manifestations. Marxists acclaim the secularization movement and the Gomburza martyrdom, the partisanship of the

Filipino secular priests to the Philippine revolution, the Christians for National Liberation, the outstanding resistance of the priests, nuns and church people against the Marcos fascist dictatorship, and their continuing participation in the struggle for national liberation and democracy. These are in contrast to the long colonial history of the Catholic Church and its continuing institutional service and attachment to the secular powers of the semicolonial and semifeudal society.

Marxism appreciates the progressive role of the bourgeoisie against feudalism in world history. It honors the revolutionary bourgeois liberalism that guided the old democratic revolution. It continues to consider as a basic force of the revolution the urban petty bourgeoisie, which advocates a patriotic and progressive kind of liberalism. However, it upholds the leading role of the proletariat in the new democratic revolution. It condemns the pro-imperialist and reactionary kind of liberalism. It criticizes and repudiates bourgeois rule and the bourgeois concept of freedom.

In bourgeois liberalism, the democratic rights and freedoms are attributed to the individual in the abstract. The difference between exploited and exploiting classes is glossed over. The difference between the ownership of the means of production and the ownership of the means of subsistence is obscured by the generalized right to own property as means to pursue happiness. The difference between oppressor countries, as colonialists and imperialists, and the oppressed peoples and nations, is not at all taken into account in the bourgeois bill of rights.

What Marxism requires is that, aside from guarantees for the rights of the individuals and groups, there must be guarantees for the rights of the exploited class of individuals against the class of exploiters. Further, there must be guarantees for the rights of the entire people or nation against imperialism, neocolonialism and colonialism. Marxists fight for a new state and new constitution that guarantees freedom from oppression by a class, state and foreign oppressors.

It is already well proven in history that Christians, liberals and Marxists can live together, dialogue and cooperate with others for the common good of the people. They can enjoy in common the freedom of thought and belief. They can coexist without giving up their distinctive philosophies and beliefs. In the course of the new democratic revolution, the CPP has been leading the process of building various revolutionary forces (people's army, organs of political power, mass organizations, alliances, etc.) in which Marxists, Christians, liberals and people of other persuasions live in harmony and cooperate. They can stand on the same common social ground and negotiate and agree on social, economic, political and cultural guiding principles and policies that are beneficial to all.

In recent times, they were able to unite against the Marcos fascist dictatorship, oppose its grave human rights violations and overthrow it in 1986. Once more they were able to unite against the corrupt Estrada regime and removed it from power in 2001. Right now, they are considering how to oust the Arroyo regime. They can agree on the most resolute and militant course of action for the good of the entire people. They can go as far as overthrow the current unjust ruling system and replace it with a patriotic and democratic government.

It is possible, desirable and necessary for Marxists, Christians and liberals to dialogue, cooperate and work together in the struggle for national liberation, democracy, social justice and all-round development. Those who do not comprehend or who lag behind in comprehending this proposition can be persuaded through patient reasoning. There are no other methods than information, education and well-reasoned persuasion for raising the level of common understanding and cooperation.

But of course there are rabid anti-communists, pro-imperialists and die-hard reactionaries. If their position is a matter of conviction or opinion, they have the right to hold on to it and

there is no other way to deal with them but through debate or dialogue. It is an entirely different matter if they wield and use state power to suppress the Marxists and other people. The problem of armed counterrevolution is different from counterrevolutionary thinking and has to be dealt with differently.

But even when there is already a clash of arms, peace negotiations are possible. Thus, the National Democratic Front of the Philippines (NDFP) has agreed to undertake peace negotiations with the Government of the Republic of the Philippines (GRP). The substantive agenda includes respect for human rights and international humanitarian law, social and economic reforms, political and constitutional reforms, and the end of hostilities and disposition of forces.

If the pro-imperialists and die-hard reactionaries succeed in scuttling the peace negotiations, it only means that they want to settle the civil war through the application of the so-called purely military solution. They are carried away by the Bush line of permanent "war on terror". The revolutionary forces and people have to prepare against the worst in order to be able to hope for the best. ###

17.

Socio-Economic and Political Realities  
and Need for Peace Negotiations

1 June 2005

*(Delivered at the [International Peace Research Institute](#) in Oslo, Norway)*

Dear Colleagues and Friends,  
Greetings of solidarity!

Thank you for inviting me to speak at your well-known institution. I am delighted and honored by your invitation. I have long appreciated your work in peace research and in providing support to peace negotiations.

I wish to describe the socio-economic and political realities in the Philippines and proceed to a discussion of the need for peace negotiations between the National Democratic Front of the Philippines (NDFP) and the Government of the Republic of the Philippines (GRP).

### Socio-Economic Realities

Many people, including Filipinos, think that the Philippines is a small country. In fact, it has a population of 84 million, which is the 12th largest or within the top 6 per cent of national populations. It has an area of 300,000 square kilometers, which is the 73rd largest land area or within the top 38 per cent of the 191 member-states of the United Nations. At nominal prices, the gross domestic product for 2004 is PhP 843 trillion or USD 86.482 billion. It includes a lot of overvaluation in the industrial sector and a lot of false estimates in the agriculture and service sectors.

The estimated output value share of agriculture is 14.8 percent, industry, 31.9 percent and services, 53.2 percent. The output value share of agriculture is understated. It does not cover the considerable part of the agricultural product which the peasants

consume. The estimated employment share of agriculture is 36 percent, of industry 16 percent and of services 48 percent. Based on this, the peasants are responsible for more than 69 percent of the basic production of goods and the industrial workers for nearly 31 percent.

The Philippine social economy remains underdeveloped, despite all previous official rhetoric about development. It is still basically agrarian and pre-industrial in terms of the development of the productive forces. The principal means of production is still agricultural land, which is mainly for domestic food consumption and secondarily for export crops (coconut, sugar, bananas, pineapple, etc.).

The degree of mechanization in agriculture is limited and is concentrated on estates for export crops. In 2001, only some 11,500 tractors and 700 powered harvester-threshers were available for over 13 million hectares of agricultural land. Only 30 percent of the country's total farm area is irrigated as of 2002. Land ownership is heavily concentrated with less than 1/3 of landowners owning more than 80 percent of all agricultural land.

The Philippines has rich natural resources and most of the minerals for industrialization. But after extraction, the mineral ores do not go beyond the primary stage of processing and are exported as raw materials. There is a certain amount of modern industry but this is based on equipment, fuel and other inputs from abroad. The industrial sector produces neither capital goods nor basic metals and chemicals.

Export-oriented low-value added semi-manufacturing, which have come into favor with policymakers and investors since the late 1970s, is far more import-dependent and provides less regular employment than the repackaging and reassembly for import-substitution and domestic consumption in the 1950s and 1960s. It has reduced output value and employment since the 1997 economic and financial crisis in Southeast Asia.

The crisis of overproduction of semi-manufactures for reexport since the middle of the 1990s (1994 for garments and 1996 for electronic assembly) has come on top of the earlier crisis of overproduction of raw materials since the late 1970s. However, despite the continuing global oversupply of low value-added semi-manufactures, the Philippines has continued to stick to electronic assembly and garments. These account for 75 per cent of gross export earnings. However, the high imported content of the semi-manufactures – up to 85-95 percent in the case of electronic equipment – yield a very small amount of net export earnings.

The Philippine economy is a neocolonial adjunct of the US and world capitalist system. It is exceedingly dependent on direct investments, loans and trade with the global centers of capitalism. It is bound by policies dictated by major capitalist countries bilaterally or through multilateral agencies like the International Monetary Fund (IMF), World Bank (WB) and the World Trade Organization (WTO). Despite its external linkages, the Philippines retains a distinct system of socio-economic relations. These are precisely called semi-feudal. The comprador big bourgeoisie and the landlord class are the basic exploiting classes and together constitute a fraction of one per cent of the population. The basic exploited classes of workers and peasants are 15 and 75 per cent of the population, respectively. The intermediate social strata are the middle bourgeoisie and the far more numerous urban petty bourgeoisie.

The Filipino people have long clamored for genuine land reform and national industrialization as integral factors for breaking the persistence of large feudal holdings, and realizing Filipino-owned industrialization in order to raise the level of economic development and change social relations for the better. But one reactionary regime after another has done nothing more than to pay lip service to land reform and national industrialization.

After the US and other capitalist powers shifted policy stress from Keynesianism to "free market" globalization, the reactionary regimes in the Philippines have obscured the need for land reform and national industrialization by harping on the need for raising productivity for the global market. In this regard, the real drive has been to further allow the foreign monopolies to take over natural resources, privatize public assets, get more tax exemptions and tariff cuts, and dump their surplus goods on the Philippines.

The Philippine economy is in a chronic state of crisis. This has rapidly deepened and aggravated under the current policy regime of unbridled "free market" globalization under which foreign monopoly capitalism is actually on a rampage. The semi-feudal economy is incurring huge foreign trade deficits faster than ever from the unequal exchange of its raw-material exports and consumption-driven manufactured imports. The foreign trade deficits have not been relieved but in fact been aggravated by the export-oriented low-value added semi-manufacturing because this involves a high amount of overvalued imported content.

The huge trade deficits and rising debt service result in chronic current accounts deficits and unfavorable balance of payments. But the deficits are often covered by new debts at more onerous terms, including short-term portfolio investments and the flotation of bonds by state corporations in the capital market. These render the economy more vulnerable. The foreign debt is ever mounting. The foreign exchange remittances of overseas contract workers are in fact used for further import-dependent consumption but are often cited as a resource for paying a major part of the foreign debt.

The high level of government budgetary deficit is due to economic depression, the sale of income-generating state assets, reduction of tariffs, tax evasion by the exploiting classes including tax holidays and exemptions, bureaucratic corruption, and high military expenditures. Moreover, the reactionary

government and its various corporations enter into onerous loan and supply contracts with foreign banks and companies that aggravate the deficits to be covered by local public and foreign borrowing.

The Philippine economy and the reactionary government in particular are bankrupt. But they are kept afloat by exporting ever larger volumes of certain goods whose prices keep on sinking, by rescheduling of old debts and incurring new debts at ever more onerous terms under various programs dictated by the IMF and the World Bank, by privatization of government assets, and by capturing the foreign exchange remittances of Filipino overseas contract workers who now constitute 10 per cent of the population and whose annual remittances have grown to USD 8.5 billion in 2004.

We can trace the deterioration of the Philippine economy by looking at the growth and uses of foreign and domestic borrowing from one regime to another. The Marcos regime was the very first one to dramatically raise the level of foreign borrowing from the level of USD 600 million in 1965 to USD 27.2 billion in 1986. This regime used the foreign funds to finance the graft-ridden construction of sugar, coconut, copper and nickel mills, irrigation systems, roads and bridges, and tourist facilities. This was mainly under the auspices of the Keynesian policy stress of the World Bank before 1980.

But at the onset of the 1980s, economic policy stress would shift to monetarism and neoliberalism in the US and in the world capitalist system. Supposedly the time had come to act decisively against so-called wage inflation and social spending by the state. Both were blamed as the cause of the stagflation problem. While the US sought to attract funds from abroad by offering high interest rates in the market, the World Bank was made to cut down on concessionary official lending and the IMF was made to whip up trade and investment liberalization, privatization and deregulation as payback from the third world debtors.

The tight international credit situation in the 1980s compelled the Aquino regime to raise the level of local public debt from PhP 144.4 billion in 1986 to PhP 521 billion in 1992. The Aquino regime restricted imports and brought the level of foreign debt to USD 29.9 billion in 1992. To countervail depressed prices in the global market, the raw material exports of the Philippines had to be increased..

Still the financial crisis sharpened in the early 1990s.

The Ramos regime harped on "free market" globalization. It outstripped the Marcos regime in foreign borrowing and the Aquino regime in local borrowing. It brought the level of the country's foreign debt to USD 46.2 billion and total domestic public sector debt to PhP 922 billion in 1998. These borrowings were made in order to cover foreign trade and budgetary deficits, respectively. The deficits grew as the regime promoted the export-oriented low-value added semi-manufacturing and private construction of high-rise office buildings, residential towers, hotels, golf courses and other recreational facilities. The economic and financial collapse came as a major part of the 1997 Southeast Asia crisis.

The bankruptcy of the Philippine economy and state was conspicuous when the Estrada regime took over. Government expenditures went too far ahead of tax revenues. The IMF kept on pressing the regime to reduce government expenditures, adopt new tax measures and give priority to debt service. To pursue its bureaucrat capitalist purposes, the regime engaged in scams by raiding the pension funds of state and private employees and collecting money from the underworld. The Estrada regime raised the level of the country's foreign debt to USD 51.2 billion and local public debt to PhP 1.068 trillion by year end 2000.

The Arroyo regime raised the level of the country's foreign debt to USD 56.3 billion and the local public debt to PhP 1.833 trillion

in June 2004. The compounded foreign and local public debt is PhP 6 trillion. In fact, the foreign debt has gone beyond USD 60 billion and the local public debt beyond PhP 2.5 trillion. In terms of the size of the total public debt, the Philippines is in a worse situation than Argentina. The Philippine public debt/GDP ratio has risen from 56 per cent in 1997 to 80 per cent in 2004. Last year, the reactionary government paid 81 per cent of its revenues for both interest and principal amortization. This year it is allocating 94 per cent of revenues for debt service.

Since 2001, the Arroyo regime has overborrowed from the private capital market, mainly US, by floating bonds. It is now given a low credit rating and is being forced by the IMF to raise taxes amid a depressed economy. The value added tax is being raised by 20 percent. Other measures for raising taxes are being implemented. Under conditions of deregulation, the oil companies are allowed to freely raise their prices and so are the power, water and other public utilities, their service rates. The reactionary government is raising the fees for services it provides.

The IMF and WTO require the regime to undertake further denationalization, liberalization, privatization and deregulation. State assets such as those in the National Power Corporation are being bargained away. Debts of state corporations being auctioned off remain as sovereign debt and do not become the liability of the new private owners. The mineral, forest and water resources of the country are further being opened up for unrestricted exploitation by the foreign monopolies. Mimicking the Bush regime, the Arroyo regime is planning to privatize the social security agencies of the state.

Major official statistical data in the Philippines are falsified to conjure the illusion of achievement. The Arroyo regime claims that the GDP grew by 6.1 percent in 2004. The Employers Confederation of the Philippines describes this as jobless and industry-less growth. The regime pretends to surpass by so many times the stagnant growth rates in the most advanced capitalist

countries. It absurdly cites the heavy electoral spending last year, the proliferation of international call centers and false estimates of production rises in agriculture and service sectors of the economy as major items in the GDP growth.

The chronic rate of mass unemployment in the Philippines goes beyond 40 per cent. One can arrive at this rate by compounding the officially admitted unemployment and underemployment rates (the latter is actually unemployed). Unemployment has increased conspicuously since the 1997 Asian financial crisis, with the formal sector shrinking fast. The claimed unemployment rate of 11.7 per cent in 2004, which is comparable to that of Germany, is simply unbelievable. Supposedly "employed" by some specious definition are 30.635 million workers out of a total labor force of 34.571 million. But only 18.62 percent (5.067 million) are verifiably employed in the formal sector, while 67.47 per cent (20.670 million) are in the informal sector, which is a realm of random surveys and false estimates.

The real value of nominal wages has drastically gone down due to the rapidly soaring prices of basic commodities and services. Inflation has been pushed by the peso devaluation, the scarcities in import-dependent basic producer and consumer goods, and the heavy electoral spending by the regime. The inflation rate of 5.4 per cent for 2004 in IMF and government statistics is simply unbelievable.

The peso has been devalued vis-à-vis the US dollar and is now less than half its value in 1996 and only a third its value in 1985. Funds for essential producer and consumer imports have become scarce because of superprofit-taking by the monopoly firms, the huge amounts of debt service, spending for foreign-made luxuries and weapons and salting away of dollars by big Filipino businessmen and high bureaucrats.

The broad masses of the people suffer the rising costs of basic commodities and such services as transport, water and electricity.

Since the privatization and deregulation of public utilities in the 1990s, the price of oil products has increased on average by 160 percent, of electricity by 175 percent, and of water services by 450 percent. The social infrastructure is breaking down and the allocations for such social services as health, education, unemployment relief and housing are being cut back. The Arroyo regime has drastically slashed real spending on education by 3.2 percent, on health by 24.5 percent, and on housing by 61.0 percent from 2001-2004.

Contrary to absurd government claims that poverty has fallen from 40 per cent to just 30.4 percent of the population in 2003, some 90 percent of the population live on the equivalent of around USD 3 a day. A recent report by the Asian Development Bank points out that the Philippine government achieved the reduction of the poverty level not by raising the people's income but by lowering the poverty line. Indeed, while the general price level supposedly rose by some 15 percent between 2000 and 2003, the government raised the poverty line by just 7 percent - to just PhP 33.60 or some USD 0.60 a day.

Millions of children are subjected to forced labor, malnutrition, deprivation of education, military assaults on rural communities and forced evacuation. Women are degraded and forced to leave their families in order to earn a living abroad. Large numbers of women and children are forced into prostitution. The environment is being damaged by logging for export and foreign mining, pesticide-dependent plantations, and other pollutant enterprises.

Social discontent is acute and widespread among the toiling masses of workers and peasants and the middle social strata of entrepreneurs, traders and intelligentsia. They are increasingly engaged in strikes, protest rallies and other forms of concerted action. But the regime always tries to intimidate the people and orders the military and police to attack them. Human rights violations are rampant. There is more than enough of socio-

economic exploitation and political oppression to drive so many people to wage revolutionary resistance.

The Filipino people demand such bourgeois democratic measures as land reform and national industrialization in order to break the agrarian, pre-industrial and semi-feudal character of the economy. They demand measures to be undertaken to uphold national sovereignty, conserve and use wisely the rich natural resources of the country, and make sure that the social wealth created serves the material and spiritual well-being of the current and future generations.

### Political Realities

The Philippine ruling system is semi-colonial. It has been so since the US formally ended its colonial rule, granted nominal independence on 4 July 1946 to the Philippines, and turned over the reins of national administration to Filipino bureaucrats and politicians from the exploiting classes. At the same time, it has retained strategic control over the Philippines in the economic, financial, security and other fields.

Unequal treaties have ensured the subservience of the Philippine ruling system to the US. The Treaty of General Relations of 1946 guaranteed that US corporations and citizens retained their property rights, and that US military forces kept their military bases and their radar and LORAN stations. A series of bilateral economic and trade agreements gave US corporations and citizens so-called parity rights to exploit natural resources and operate public utilities. The predecessor agencies of the USAID started the practice of planting agents in key agencies of the puppet government.

A series of bilateral military agreements on US military bases, military assistance and mutual defense has bound the Philippines to US military power. Even after the dismantling of the US military bases in 1992, following the non-renewal of the military

bases agreement by the Philippine Senate in 1991, the US continues to exercise military control over the Philippines through control of military logistics, planning, indoctrination and training of military officers.

It continues to encroach on Philippine territory and use Philippine military facilities under the Visiting Forces Agreement ratified by the Philippine Senate in May 1999, and the Mutual Logistics Support Agreement signed by US and RP defense officials in November 2002. It uses various general pretexts such as mutual defense, regional security and war on terrorism, and more specific pretexts like joint military training exercises, civic action, humanitarian mission, and the like.

The key binding factor of the Philippine ruling system is US hegemony. But the politicians and bureaucrats of the local exploiting classes of big compradors and landlords have their relative autonomy from the neocolonial master. They feed on the common trough of bureaucrat capitalism and compete in pretending to be for public service. They are divided into factional parties of the same dominant classes.

From 1946 to 1972, a two party system or a duopoly existed, patterned after that of the US. In this system, the political factions of the exploiting classes engaged in political and electoral struggle in an increasingly violent way. Subsequently, the Marcos ruling clique usurped all powers of government through a fascist dictatorship from 1972 to 1986. Since the fall of the Marcos regime, there has been a proliferation of reactionary political parties and coalitions. There is not a single reactionary party or coalition that can claim a majority of the electoral votes at the national level.

The instability of the ruling system has worsened from the period of 1946 to 1972, through the Marcos fascist dictatorship, and further on to the period of the post-Marcos regimes. The political crisis is chronic and it involves the contradictions within the

ruling system becoming more violent. It is a reflection of the ever worsening socio-economic crisis. As the pie for bureaucrat capitalist looting decreases, the struggle over it becomes more bitter and more conspicuous.

There is of course a semblance of civility and noblesse oblige among the reactionary political factions in the ruling system when they utter platitudes to the public and try to show good behavior to the US, the chambers of commerce and the dominant church. But they do have their own violent factional strife. To consolidate and expand their power and wealth against their rivals, they cultivate links with groups of military and police officers and they operate armed groups and private security agencies.

The coercive apparatuses of the state, the military and police, are themselves divided into factions. These reflect the major political factions whose patronage is necessary to ensure promotions in rank and assignments to lucrative posts. They also arise from rivalries in operating or taking payoffs from criminal syndicates of various types, including those engaged in the numbers game (jueteng), illegal logging, drugs, kidnapping for ransom, bank heists, smuggling, and so on.

At this moment, the Arroyo regime is extremely unstable and isolated. The sentiment is widespread that Arroyo was not really elected as president last year. She is widely perceived to have bought the votes and cheated in the counting. But what is really most damaging about the regime is the crudity and conspicuousness of its puppetry to the US and the colossal multinationals, the corruption of gargantuan proportions, the imposition of a heavier tax burden on the people in a depressed economy, the soaring prices of basic commodities and services, and the escalation of human rights violations in the urban and rural areas under the pretext of counterterrorism.

A broad united front of opposition forces is growing against the

Arroyo regime. The key forces in this broad united front are the political parties and groups that have demonstrated significant electoral following, military and police officers that dissociate themselves from rampant corruption and other criminality of their colleagues, and the patriotic and progressive forces with the organized masses willing to confront the regime and cause its downfall, as in the case of Marcos in 1986 and Estrada in 2001.

The broad united front is reportedly trying to form a revolutionary council of patriotic and progressive forces to succeed the Arroyo regime and to lay the basis for the election of a new government in six months to one year after the ouster of Arroyo. It seeks to unite the military and police officers in upholding the principle of civilian supremacy, withdrawing their support from the regime, letting the masses rise up in protest, and causing the regime to resign.

In reaction, the Arroyo regime has become even more servile to the US, more corrupt, more arrogant, and more ruthless in the face of the developing broad united front. It believes that it can continue borrowing from abroad by complying with the demands of the IMF for increasing the tax burden and giving priority to debt service, and that it can receive huge amounts of US military and financial assistance in exchange for its support for the Bush "war on terrorism", the rise of US military intervention, the re-establishment of US military bases and the inflow of foreign investments.

There is a trend towards an unbridled rule of open terror, without any proclamation of martial law. The minions of the regime are now busy pushing the enactment of an anti-terrorism law and the removal from the 1987 constitution of the provisions that put limitations on the declaration of martial law, that guarantee the basic rights of a criminal suspect under the Miranda doctrine, that assert economic sovereignty and limit foreign investments, that protect the national patrimony, and that prohibit foreign military bases and foreign troops.

To say the least, the extremely pro-imperialist and reactionary elements in the Arroyo regime wish to prevent the implementation of the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law and the negotiation of social, economic and political reforms, and would rather scuttle the peace negotiations than address the roots of the civil war in the Philippines. The terrorist-listing is calculated to extort from the NDFP the capitulation and pacification of the revolutionary forces either under the guise of a "final peace agreement" of empty generalities, and a prolonged ceasefire without the substance of a just and lasting peace.

Relatedly, the most vicious kinds of pressure are being exerted on the NDFP. Under the direction of US psywar experts, the military and police have unleashed a campaign vilifying the most respectable institutions, organizations and personages as "terrorists", and then telling them to clear themselves by denouncing the revolutionary forces. This psywar campaign is combined with a campaign of assassinations and abductions directed against patriotic and progressive religious, lawyers, human rights activists, journalists, leaders of the party list parties (like Bayan Muna, Anakpawis and Gabriela), and leaders and members of the mass organizations of workers, peasants, urban poor, women, youth and others.

It is reprehensible that the Arroyo regime has collaborated with the US government in demonizing and listing as "terrorists" the Communist Party of the Philippines, the New People's Army and the chief political consultant of the National Democratic Front of the Philippines. In the current wave of assassinations and abductions, the NDFP senior legal adviser Justice Romeo T. Capulong has been clearly targeted for assassination. NDFP consultants residing in the Philippines are experiencing increased surveillance and intimidating actions from armed agents of the GRP.

This "terrorist" listing violates the mutually acceptable principle of national sovereignty and the non-capitulation principle in The Hague Joint Declaration, the safety and immunity guarantees for all duly-authorized persons in the peace negotiations under the Joint Agreement on Safety and Immunity Guarantees, and the basic democratic rights and the Hernandez political offense doctrine as affirmed by the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law.

Since August last year, when the US renewed the "terrorist" label and listing of the CPP, NPA and the NDFP chief political consultant, the NDFP has expected the GRP to join it in condemning the unjust act of the US, and to comply with all the aforesaid agreements as well as with the related agreements in the Oslo Joint Statements I and II. The GRP must comply with existing agreements or else the NDFP sees no point in negotiating with it.

At whatever rate the GRP complies with mutual agreements or whether the formal talks in the peace negotiations will resume sooner or later or never, the NDFP is committed to upholding, defending and promoting the national sovereignty of the Filipino people. This is the main guiding principle of the NDFP in seeking political and constitutional reforms through the peace negotiations.

The NDFP can consider the GRP-NDFP peace negotiations worthwhile and useful only if these can become the way for asserting the national sovereignty and empowering the workers and peasants who comprise ninety per cent of the Filipino people. The toiling masses should have all the conditions and possibilities for expressing and realizing their national and democratic rights and interests.

#### Need for Peace Negotiations

The two contending and negotiating parties, the Government of

the Republic of the Philippines (GRP) and the National Democratic Front of the Philippines (NDFP) have in their respective ways recognized the need for peace negotiations and have set forth the objectives they wish to achieve.

According to the stalwarts of the national security division of the Arroyo cabinet, the maximum objective of the GRP in pursuing the peace negotiations is to cause the capitulation of the NDFP or facilitate the military victory of GRP and the minimum objective is to conjure false illusions, befuddle the consciousness of the revolutionary forces and people, and split the ranks of the revolutionary movement.

The NDFP has been quite open in declaring that the line of struggle for national liberation and democracy is the same line that it pursues in the negotiations for a just and lasting peace. This is the maximum objective of the NDFP in the peace negotiations. The NDFP also has the minimum objective of propagating the national democratic line on issues, arousing the people in their millions to raise the level of revolutionary struggle and seeking allies within the ruling system for the purpose of isolating and defeating the intractable foe.

Since the time of the Marcos fascist dictatorship, I have been privileged to be involved in discreet and public discussions about the question of peace negotiations. I can use the historical method to demonstrate clearly the development of the position and attitude of both the GRP and NDFP about the question of peace negotiations. But such an approach might only ignite a speculative debate about the motivations and calculations of the contending parties. We are on more solid ground if we look at the existing agreements of the two negotiating parties.

Since 1992, the GRP and NDFP have forged twelve agreements. We can use these agreements to determine and measure what the two parties are willing to consider and agree upon as matters in the interest of the Filipino people. The preliminary stage of 1992

to 1995 yielded serious agreements that paved the way for the stage of formal talks from 1995 to the present.

The Hague Joint Declaration was mutually approved by the principals of the GRP and NDFP negotiating panels in 1992. It proclaims the need for peace negotiations in order to address the roots of the armed conflict, and arrive at reforms for laying the stable foundation for a just and lasting peace.

It declares the mutually acceptable principles of national sovereignty, democracy and social justice as the guiding principles for the negotiations. It is against any precondition that negates the inherent character and purpose of peace negotiations. It sets the substantive agenda, to include respect for human rights and international humanitarian law, social and economic reforms, and political and constitutional reforms.

The Joint Agreement on Safety and Immunity Guarantees (JASIG) was mutually approved in 1995 by the principals of the GRP and NDFP negotiating panels. It protects the panelists, consultants and all other persons duly-authorized in the peace negotiations, and provides the mechanism for terminating the peace negotiations by any of the two parties and for allowing persons duly-authorized to participate in the peace negotiation to go to their safe positions within 30 days after the date of the notice of termination.

The Joint Agreement on the Formation, Sequence and Operationalization of the Reciprocal Working Committees was mutually approved in 1995 to guide the drafting of the tentative comprehensive agreements one after the other in accordance with the substantive agenda as set forth by The Hague Joint Declaration. A supplementary agreement was mutually approved in 1997 to require mutual approval by the principals of the comprehensive agreement on social and economic reforms before there can be a negotiation of political and constitutional reforms.

The Comprehensive Agreement of Respect for Human Rights and International Humanitarian Law (CARHRIHL) was approved by the principals of the NDFP and GRP in 1998. This is the first of the four comprehensive agreements in accordance with the substantive agenda. Since 2004, the GRP and NDFP have agreed on the operating guidelines of the Joint Monitoring Committee and has fully constituted it, together with its Joint Secretariat in Manila, to monitor the joint and separate implementation of the CARHRIHL.

At the opening session of the resumption of formal talks in Oslo in April 2001, the NDFP Negotiating Panel and the GRP Negotiating Panel agreed to cooperate in trying to finish the Comprehensive Agreement on Social and Economic Reforms within six months from June 2001. Had the GRP cooperated with the NDFP, this comprehensive agreement would have been finished a long time ago. There would have been a chance to finish the comprehensive agreement on political and constitutional reforms in 2002 and that on the end of hostilities and disposition of forces in 2003.

Unfortunately, in June 2001, the GRP suspended indefinitely the formal talks until 2004, avowedly in protest to the killing of Colonel Rodolfo Aguinaldo by the New People's Army. He was one among the most notorious torturers and murderers of the Marcos fascist dictatorship. Even while in civilian office, he continued to participate in military operations against the NPA and the people in Cagayan province. The NPA therefore had long regarded him as an armed combatant with abundant blood debts.

To further complicate matters, the GRP agreed with the US government in November 2001 to put the CPP, NPA and the NDFP chief political consultant in the "terrorist" list, in a bid to pressure the NDFP to capitulate by signing the so-called final peace agreement which the GRP had unilaterally drafted. The US made the "terrorist" listing in August 2002, followed by various other governments (Netherlands, Britain, Australia and Canada)

and by the European Council.

There are now two major obstacles blocking the resumption of the GRP-NDFP peace negotiations:

1. The "terrorist" listing. It is a malicious act which seeks to blackmail and pressure the NDFP to capitulate. It violates the principles of national sovereignty and non-capitulation in The Hague Joint Declaration; the protection to persons duly-authorized to participate in the peace negotiations under the JASIG; and the basic democratic rights and the Hernandez political offense doctrine in the CARHRIHL.

The GRP has made the resumption of the formal talks impossible by failing to end its complicity with the US in labeling and listing the CPP, NPA and the NDFP chief political consultant as "terrorist". It has also failed to join the NDFP in upholding the Oslo Statements I and II against the "terrorist" listing. Worst of all, it has repeatedly dueted with the US on the line that the NDFP must capitulate in order to have the names of revolutionary forces removed from the list. It must join the NDFP in complying with the existing agreements to pave the way for the resumption of the formal talks.

2. The demand for capitulation. The NDFP rejects the demand for capitulation carried by the so-called final peace agreement drafted by the GRP. This violates the non-capitulation and substantive agenda provisions in The Hague Joint Declaration and the Joint Agreement on the Formation, Sequence and Operationalization of the Reciprocal Working Committees. The NDFP also rejects any attempt to convert the peace negotiations into ceasefire negotiations that lay aside the principle of addressing the root causes of the armed conflict through the negotiations on social, economic and political reforms.

The GRP must comply with the existing agreements. If it does not, how can the NDFP expect that the GRP will ever comply

with the comprehensive agreements on the substantive agenda? But it is highly probable that the GRP is already looking for a way to prevent the negotiation of social and economic reforms and to scuttle the peace negotiations. It is trying to make the NDFP capitulate and, if the latter does not capitulate, to subsequently escalate the war against the revolutionary forces and people.

It should be realistic and reasonable for the Arroyo regime to agree to the resumption of the formal talks on social and economic reforms.

The broad masses of the people expect this; they are looking for a way out of the current social, economic and political crisis. After resumption of the formal talks, conversations between special representatives of the GRP and NDFP principals on how to accelerate negotiations and agreements are possible, without violating the existing agreements.

But the problem of the Arroyo regime might be the false illusion that the US can provide it with economic and military assistance sufficient for buoying up the ruling system and defeating the revolutionary forces and people. In the meantime, the regime is becoming more and more isolated, weak and vulnerable to the rising resistance of the people and broad united front of opposition forces. This is the worst time for the Arroyo regime to be arrogant and shun the peace negotiations with the National Democratic Front of the Philippines. ###

18.

## **The NDFP's Defense of the Rights of the Filipino Child**

25 October 2005

## What Most Filipino Children Suffer

At least 90 per cent of Filipino children suffer gross human rights violations under the semicolonial and semifeudal ruling system of the comprador big bourgeoisie and landlord class. They are victimized by the same foreign and feudal oppression and exploitation that torment their worker and peasant parents.

They live in appalling conditions of poverty and gross deprivation. They are malnourished and are prone to illness. They have extremely limited or no access to education, health care, medicine and proper housing. The overwhelming majority of them do not go beyond grade 4 and generally retrogress into illiteracy and innumeracy. Long before they reach the age of 15, they engage in hard labor to help their parents in eking out the subsistence of the family.

The overwhelming majority of children live in the countryside under feudal and semifeudal conditions and they take part (often as unpaid labor) in agricultural production, some primary processing of the products and handicrafts.

Under the system of export-oriented semi-manufacturing, children are harnessed as cheap wage labor to do piece work either in their own homes, in plantations, or in makeshift sweatshops in urban slums and village communities. They are made to work for long hours, at times extending beyond 12 hours, at subhuman wages. A considerable number of children take to the streets to engage in petty peddling and other odd jobs in order to augment the inadequate incomes of their parents or make up for their parents' lack of employment.

Street children are exposed to extremely degrading conditions. Some of them are drawn to petty crimes, prohibited drug use and prostitution. They experience daily extortion and bullying from the police and are vulnerable to sexual molestation. They are

often rounded up and dumped into crowded jails where they are mixed with hardened criminals. Here, some of them are recruited as runners between the corrupt police officers and crime gangs, and generally they are further abused by their hardened criminal cell mates.

The worst cases involve the murder and trafficking of children. In a southern city, street children are murdered by the police whenever the local authorities want to show off that they are suppressing street crimes, drug trafficking and burglaries in wealthy subdivisions. There is also the trafficking of children for illegal adoption, for making them sex slaves or sometimes for the sale of their internal organs abroad.

Not only the children of workers and peasants are vulnerable to human rights violations. Children of low middle class parents who go abroad in large numbers and take up menial jobs are left behind, and also become susceptible to the risks of being without direct parental attention and motherly care. In these cases, the violations of the rights of the child are often veiled by the illusion that the remittances of their parents take care of everything.

The children of the Bangsa Moro and other national minorities suffer not only the class exploitation and oppression of the workers and peasants. They also suffer national discrimination in general and specific terms. The Manila-based authorities know well how to deliver the rich natural resources and cheap labor in the areas of the national minorities to foreign plantation and mining corporations and to local exploiters. But they allot extremely low public funds for the education, proper nutrition and health care of children and nursing mothers. There are no resources available for promoting intercultural understanding to combat discrimination at all levels.

Filipino children of the toiling masses in any ethno-linguistic community in the Philippines are usually made invisible or of less concern by the powerful and wealthy in the current social

system. When the sight of them cannot be denied, because genuine advocates of their rights call attention to them, they are often regarded as merely the objects of pity and not as conscious and active actors in gaining respect for and fulfilling their rights. There is an ever urgent need to arouse, organize and mobilize the children to fight for their own rights and interests.

### Comprehensive NDFP Position on Child Rights

The National Democratic Front of the Philippines (NDFP) concerns itself with the rights and welfare of the millions of children below 18 years of age by addressing the root causes of the violations of the rights of the child. These root causes are in the rotten ruling system of oppression and exploitation, of extreme wealth for a few and extreme poverty for so many. In the concrete, the NDFP defends the children from the assaults on their rights by the three evils in semicolonial and semifeudal Philippine society: foreign monopoly capitalism, feudalism and bureaucrat capitalism.

The NDFP upholds, defends and promotes the rights of the child in accordance with its own principles, policies and regulations, as well as with the international norms and standards set forth directly and indirectly in conventions and treaties. It has a program for the Filipino people to work and fight for national liberation and democracy against the foreign and local oppressors and exploiters. It aims to uphold national sovereignty and empower the working people, to carry out land reform and national industrialization, to foster a patriotic, scientific and democratic culture, and to pursue an independent foreign policy for world peace and development.

The NDFP requires the working committees on education under the organs of political power, the designated teachers for elementary and high school education, and the mass organizations (especially of the teachers, women, youth, children and cultural activists) to realize the educational program of

children below the age of 18 years in the areas under the people's self-government. Public school teachers of the GRP are encouraged to perform conscientiously their teaching functions and to promote patriotic and democratic values, ideas and practice among the children.

The NDFP looks after the health of the mothers and children, promotes health education, healthy diet and sanitation, and directs the building of a system of disease prevention and health care delivery. The working committees on health under the organs of political power and the mass organizations of health workers cooperate with the other mass organizations and the health department of the New People's Army. The health system includes professional health workers and local paramedic volunteers. Day care centers or systems of collective or shared child care are established wherever possible.

The parents are advised to keep in school their children who are 15 years and below, and to let them perform tasks that are commensurate to their age and that do not prevent study time at home. Due to extreme poverty, the children as young as 8 or 9, as long as they are able-bodied, want to participate in the work of adults. Nevertheless, the organs of political power and the mass organizations prohibit exploitative practices in farms, plantations and sweat shops. Children below 18 and above 15 are given basic instructions and training on how to protect, in cooperation with their parents and the rest of the community, their family and community from the assaults of the GRP military, police and irregular forces.

The NDFP encourages the organs of political power and the mass organizations of youth, women, teachers and cultural activists to set up children's organizations in recognition of the right of children to uphold and advance their own rights and participate in social transformation on the basis of their capacities and capabilities.

The Government of the Republic of the Philippines (GRP) is a gross violator of the rights of the child for as long as it is the instrument of the oppressive and exploitative ruling system. All the policy proclamations and legislation and signing of the Convention on the Rights of the Child and related conventions and treaties by the GRP, avowedly in favor of the children, amount largely to hogwash because they are used merely to prettify a system that oppresses and exploits the toiling masses of workers and peasants and their children.

The NDFP takes pain to stress to all entities honestly concerned with human rights in general and the rights of the child in particular to take a comprehensive and profound view of the fact that human rights violations against the toiling masses of workers and peasants, women and children are rampant in the Philippines, whether the people wage armed resistance or not. And when armed conflict occurs, it is the military, police and irregular forces of the GRP that wantonly unleashes the unjust violence to preserve the unjust ruling system.

The US and other imperialist governments and their puppet governments like the GRP are today using their official agencies and those of the United Nations as well as certain imperialist-funded non-governmental organizations, academic hacks, ideologues and publicists to obfuscate the fact that human rights violations are generated by systems of oppression and exploitation, such as the world capitalist system and domestic ruling system of the exploiting classes, and to make it appear that armed revolutionary movements for national liberation are responsible for human rights violations.

From the viewpoint of the armed revolutionaries, the oppressed and exploited people have no choice but to wage a just war of national liberation, strive for victories, and thus have hope of fundamental change for the better. They cannot simply allow the oppressors and exploiters to escalate oppression and exploitation. The absence of the people's armed resistance does not put a stop

to human rights violations. In fact, it emboldens the escalation of human rights violations through the daily violence of exploitation.

Indeed, the imperialists and their minions are busy escalating exploitation and oppression under various slogans. With the slogan of "free market" globalization, the monopoly capitalists inflict a vicious assault on the national industries and economies of the undeveloped countries, on the hard-won trade union and social rights of the working class and people, and on the social and natural environment. With the slogan of "preemptive war on terror" they justify wars of aggression against assertively independent states and the open rule of terror against national liberation movements and the people of the world.

#### Child Rights as Issue in the Civil War

The ideologues, politicians and publicists of imperialism and puppetry constantly devise "new language" to discredit and stigmatize the national liberation movements. Semantically they frame and denigrate these as "non-state actors" to be contraposed to what is presumed as "duly-constituted state actors". Then they proceed to misrepresent the "non-state actor" as "terrorist" and pontificate that the latter can undo the misrepresentation only by capitulating to the oppressive state and betraying the people.

The NDFP represents in peace negotiations with the GRP the people's democratic government which is the co-belligerent of the GRP in the current civil war. This people's democratic government has effective power over an extensive population and territory. It is led by the Communist Party of the Philippines (CPP). It has the New People's Army (NPA) as main component of state power. The NDFP encompasses a wide array of political forces and mass organizations. In fact, two states now exist in the Philippines: one is revolutionary, representing the people's democratic power; and the other is counterrevolutionary, representing the foreign and domestic oppressors and exploiters.

In peace negotiations with the GRP, the NDFP represents the people's democratic government, which has its own constitution with a bill of fundamental rights. As a belligerent force under international law, the NDFP has proclaimed its Unilateral Declaration of Undertaking to Apply the Geneva Conventions and its Protocols and has deposited it with the Swiss Federal Council. The GRP and the NDFP have succeeded in forging and approving the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law (CARHRIHL), by acting as co-belligerents equally, using the International Bill of Rights and the International Humanitarian Law as frames of reference.

Since 1988, ahead of the Convention on the Rights of the Child, the Communist Party of the Philippines and the New People's Army have categorically adopted the policy of prohibiting the recruitment of children below 18 to serve as combatants. And time and again, the NDFP has declared that both its policy and the law of the people's democratic government prohibit the NPA from recruiting children below the age of 18 to serve as combatants that can be deployed for military offensive campaigns and operations.

Those between the age of 15 and 18 may be trained and directed by the mass organizations not for the purpose of participation in combat or hostilities but for the purpose of safety and self-defense in their own homes and communities. They are civilians and are not required to carry firearms. They are no more military combatants or actual soldiers than high school and college students engaged in preparatory or basic military training. In this regard, the position of the NDFP and the people's democratic government is far more advanced than the standard set by the Geneva Conventions. Such standard allows the military recruitment of children or youth from the age of 15 to 18, provided within this age bracket priority is given to the recruitment of the older ones.

However, certain malicious detractors of the NDFP and the people's democratic government, in UN and US official agencies, and imperialist-funded non-governmental organizations define a so-called child soldier as anyone below 18 years of age, who may simply be in a community under attack by the armed forces of the reactionary state, and who, even if without arms, may be misrepresented as combatants for being presumably lookouts, spies, porters, messengers, cooks and what else of the NPA. It now becomes a crime just to be a Filipino child living in a community under attack by the GRP military, police and paramilitary forces. By lumping the NPA with certain irregular forces in Africa, there is even the insinuation that the NPA could be recruiting children as sex slaves. This shows complete ignorance of the strict Family Code of the people's government, which governs courtship, marriage and family relations.

There are those slanderers who have faked researches and findings, blatantly using hearsay, and have come up with such fantastic claims that from 10 to 30 percent of children in NPA areas are "child soldiers." These claims are patently false because they would make the number of NPA fighters run into hundreds of thousands, instead of the well-known varying estimates of 7000-12,000 NPA fighters made by the Armed Forces of the Philippines (AFP). The shallowest kind of slander has been made by a foreigner who upon mere sight of short-sized NPA fighters concluded that they were children below 18. Filipino adults are often 4'10" to 5'2" in height. An American or European can easily mistake Ka Roger Rosal, CPP spokesman, for a teenager.

There are those who have capitalized on a handful of false cases of "child soldier" fabricated by the GRP military psywar experts and have extrapolated these into a far bigger number of "child soldiers" supposedly arrested by the GRP military and police. These are belied by the records of the Joint Monitoring Committee (created by CARHRIHL) and by earlier reliable records.

In the well-known case of the child Edfu de la Cruz, the GRP military misrepresented him as a "child soldier" and actually subjected him to a series of human rights violations. He was seized by AFP troops while he was outside of his home. They forced him to tell them in which house were his parents and they proceeded to strafe the house and murder his parents. Then he was misrepresented and humiliated before the press as NPA "child soldier". He was illegally detained indefinitely in the compound of the Department of Social Welfare and Development (DWSD). His grandmother and other close relatives were prevented from taking him home, until the demands of the NDFP in the peace negotiations and public opinion compelled the authorities to release him.

All entities spewing out the propaganda that the NPA recruits "child soldiers" below 18 years and that there is a high proportion of NPA "child soldiers" among the children below 18 years in NPA areas are themselves violators of the rights of the child. They play loose with the definition of the so-called child soldier. Anyone below 18 who is alleged to have any role in the NPA, even if a non-combatant, is a child soldier. In a perversion of justice and due process, they put on the NPA the burden of proving that it has no "child soldiers" and they do not bother to bring their accusations and evidence to the GRP-NDFP peace negotiations or the Joint Monitoring Committee under CARHRIHL.

After four years of existence, the UNICEF-funded Philippine Coalition to Stop the Use of Child Soldiers has not attempted to establish direct communication with the NDFP. Even the UNICEF has neither presented positive proof nor asked NDFP to comment on the researches (which is normal academic practice) that it has used to conclude that there are child soldiers in the NPA.

The detractors have maintained a hypocritical silence over the

well-proven misrepresentation of children as "child soldiers", as in the well-documented cases of Edfu and others. They thus make themselves party to the violation of the rights of these children by acquiescing to the military psywar labeling the children as "child soldiers". The UN and UNICEF have not engaged the NDFP in serious dialogue but have preferred to rely on the false claims of the GRP military and some NGO entrepreneurs with special axes to grind against the NDFP.

Contrary to their claims that they defend the rights of the child, the detractors of the NPA actually pave the way for the GRP military, police and irregular forces to arrest, detain, torture and murder children in their own homes and communities. In their attempt to demonize the NPA, they spread the propaganda that children in communities suspected of being pro-NPA are fair game for military attack. They also conceal the crimes of the armed minions of the GRP and make the large-scale real violators of the rights of the child appear innocent of their crimes.

### Gross Violations of Child Rights in GRP Military Campaigns

The outlandish and irresponsible definition of the so-called child soldier emboldens the military, police and irregular forces of the GRP to perpetrate the worst violations of the rights of the child when they unleash campaigns of suppression against the people and areas suspected of supporting the revolutionary movement. The aggressors justify their brutal attacks on the children because supposedly these are active members or reserves of the NPA. They direct lethal fire at children whom they subsequently misrepresent as NPA fighters.

GRP military campaigns of suppression often involve the wanton killing of adults and children through bombings, artillery fire, strafing from airplanes and by infantry, looting and burning. After the GRP troops secure control of a village, children who are estimated to be at least 10 years old are at risk of being falsely accused as NPA combatant and being arbitrarily arrested, beaten

up, tortured or murdered. In fact, it is an old continuing practice of GRP troops to feel out the shoulders of such children supposedly to find out whether the shoulders are hard enough to indicate frequent carrying of rifles. The GRP troops continue the tradition set by US General Jacob Smith in Samar during the Filipino-American War when he ordered the killing of all Filipino males who were at least 10 years old and supposedly old enough to carry a gun.

Increasingly, the military and police of the GRP abduct the children from suspected NPA-supporting communities and misrepresent them to the mass media as so-called child soldiers of the people's army. Then these children are detained in compounds of the DWSD or in municipal or city jails, and the closest relatives are prevented by orders of the military from visiting them and bringing them home. These children detained in such a manner are relatively better known to the public, especially when there is military psywar in the press that these children are NPA combatants. In such cases, human rights organizations can quickly move to get the facts against the false claims of the military. In the worst cases, the children who are detained in military camps and forced to become orderlies and sometimes sex slaves are practically closed to human rights organizations for prompt investigation and documentation, unless the parents and other close relatives and mass organizations of the child or children concerned approach the human rights organizations for assistance.

Whenever they target an area for military suppression, the GRP military, police and irregular forces engage in food blockades, force the people to evacuate or let them stay in their community under the terms of the concentration camp or "strategic hamlet". Under conditions of food blockade or forced mass evacuation, the worst harm is inflicted on so many children. They go hungry, become sick without health care and have no chance to go to school for a long time. When the people are made to stay in their village, the troops occupy the school house as barracks and

deprive the children of schooling.

In evacuation centers, the children are mainly the casualties. They are hit the hardest by outbreaks of diseases, like diarrhea, respiratory illness, measles, and the like. They are also vulnerable to sexual abuse due to the flimsy accommodations, if any. If they survive, long after suffering hunger and illness, they will bear for a long time in their adulthood or until the end of their lives the invisible scars from their traumatic experience, and will have serious difficulties in attaining normalcy or relating to conditions as they grow up.

### Harsh World for the Children and the People's Resistance

The children of today live in an unprecedentedly harsh world, in which US imperialists and their followers can violate human rights with impunity and stigmatize the victims as the culprits. Under the auspices of the United Nations, the IMF, World Bank and the WTO coordinate the exploitation of the people of the world under the inhuman neoliberal economic policy. The US and other imperialist powers have used the UN repeatedly to justify, facilitate, carry out, prolong or prettify aggression and repression.

How many children in Iraq were killed by being deprived of food and medicine under the UN and US-UK policy of economic sanctions for more than ten years? At least 500,000 children. And how many more children have been killed by the US war of aggression against Iraq and Afghanistan, and by the murderous policies and acts of the occupation and puppet government? How many of the children have been felled by disease for lack of clean water and proper food, and have been deprived of education due to the destruction of the social infrastructure? How many children are scarred for life by the traumatic experience of the cruelties of aggressive war? Further, how many more children are to be killed, maimed or traumatized by cruel sanctions and wars of aggression as the US continues to impose its imperialist power on

the entire Middle East, Central Asia, South Asia, East Asia and elsewhere?

The US and its bilateral and multilateral instruments (including the UN) cannot claim moral authority whatsoever to sit in judgment of and discredit genuine national liberation movements. It is clear that the US and its imperialist and puppet allies exploit the issue of human rights and humanitarianism as the pretext for military intervention and aggression.

Thus they work hard to manipulate the highly emotive issue of child rights and invent stories of the violation of child rights by the revolutionary forces, in order to discredit the very people and the revolutionary forces that oppose the system that exploits and oppresses children and that therefore violates their rights in so many ways.

But the people of the world know better than to let the US and its accomplices go on violating the national and democratic rights and the entirety of human rights, including those of women and children. They are rising up to resist imperialist war and plunder. They want to build a new and better world in which they can enjoy the blessings of national independence, democracy, social justice, development and world peace. #

## Junk the WTO! Resist Imperialist Plunder and War!

14 December 2005

I am deeply pleased and honored to be given the task of keynoting this forum on Trade and War. Let me congratulate the Hongkong People's Alliance for successfully organizing and holding this People's Action Week on the occasion of the World Trade Organization (WTO) 6<sup>th</sup> Ministerial Conference. I extend warmest greetings of solidarity to the alliance and to all participants in this forum, and in the week of protest actions here in Hongkong.

The theme of this forum, "Junk the WTO! Resist Imperialist Plunder and War" most appropriately encapsulates the demand and tasks of progressive forces all over the world with respect to the WTO. The people of the world, especially the toiling masses, must unite to demand the dismantling of the WTO and to resist imperialist plunder and war.

### **Historical Background**

The very essence of capitalism is the exploitation of labor in the process of commodity production. The capital in the hands of the capitalist class is congealed labor, originally taken away and alienated from the working class to further exploit it. New material values can be produced only by new inputs of living labor and not by "dead labor" in the form of capital. The capitalist class is driven to extract profits by minimizing wage costs, maximizing the surplus value over the wage costs and accumulating capital. This leads to the crisis of overproduction relative to the shrinkage of the market, as a result of the loss of jobs and incomes.

In a growing industrial capitalist society, the social wealth created by the working class is appropriated by the capitalist class. But

the capitalists themselves compete and try to gobble each other up. From this process within “free competition capitalism” emerged and grew the monopolies in the latter part of the 19<sup>th</sup> century. The winning enterprises in the competition countered the tendency of the rate of profit to fall by resorting to the export of surplus goods and capital, and the acquisition of cheap sources of raw materials and labor. Thus, the era of monopoly capitalism or imperialism began at the onset of the 20<sup>th</sup> century.

It was in the nature of the industrializing countries to consolidate their national markets and compete for economic territory beyond these. Upon the advent of modern imperialism, the world beyond the national borders of the capitalist powers had been completely divided as colonies, semi-colonies or dependent countries. Conflicts easily arise among the capitalist powers because they always seek to expand economic territory at the expense of others. War erupts when they can no longer settle their differences amicably. Any number of capitalist powers can start war when they use their political and military strength to forcibly seize territory and thus redivide the world according to changes in the balance of economic and politico-military strength.

The series of capitalist crises in the last quarter of the 19<sup>th</sup> century gave rise to industrial-financial monopolies that gained control over entire economies, shifted the balance of power among the highly industrialized countries, and led to a scramble for territories at the end of the 19<sup>th</sup> century that was ultimately decided by wars (e.g. Japanese-Russo War, Boer Wars, and the Spanish-American War), and ushered the era of imperialism. These were followed by the most destructive wars in the history of mankind, the two successive world wars within the first half of the 20<sup>th</sup> century.

As history has proven, it is in the nature of modern imperialism to plunder natural resources and the social wealth created by the working class and the entire people of the world, to engage in

repression and fascism, and to unleash war, either to subjugate entire countries and peoples or settle the conflicts of the imperialist countries over sources of raw materials, markets, fields of investment, spheres of influence and strategic points of control. Direct wars and proxy wars have arisen among imperialist powers after some periods of arranging their respective shares of the world.

The US emerged practically unscathed from the Second World War, and with its industries intact and greatly expanded, was in the position to profit the most from post-war reconstruction. It became the No. 1 imperialist power in terms of economic and military power. It assumed the role of perpetuating the world capitalist system, containing the socialist states and opposing or coopting the national liberation movements. However, contrary to the wishes of the monopoly capitalists, the global wars considerably contracted the capitalist market as it had given rise to the socialist USSR, the East European states, the People's Republic of China, and the Democratic People's Republic of Korea. By mid-20<sup>th</sup> century, the socialist system had encompassed one-third of the world population.

During World War II and shortly thereafter, the US economy was boosted by a large amount of public spending on war production that further expanded and fattened the military industrial complex. To justify further war production, the US embarked on the Cold War. This consisted of at least two major wars (Korea and Vietnam), several more proxy wars (especially in the Middle East and Africa), hundreds of military interventions and pocket wars in the entire third world, global troop and bases deployment, and an expensive arms and space race with the USSR (especially nuclear ICBM systems) to contain the socialist challenge, suppress national liberation struggles and prop up fascist dictatorships and other repressive regimes.

## **Economic Relations After World War II**

The economic relations among countries and nations take form through trade (the exchange of goods and services) and finance (investments, loans, “aid” and other financial transactions). The legal fiction is that these are carried out on terms that are mutually agreed upon by equal and sovereign nations, and therefore mutually beneficial. In fact, the terms of trade and finance are always dictated by the stronger country to its advantage, and invariably to the detriment of the weaker country.

After World War II, the US was determined to direct and control the world capitalist system through the Bretton Woods Agreements. It wanted to build an alliance of all the capitalist countries against socialist countries and to coopt the newly-independent countries and national liberation movements. It used a comprehensive range of political, economic, trade, financial and security policies for the purpose. To stem the wave of nationalism in the colonies and divert the anti-colonial struggles from the socialist path, the imperialist powers led by the US granted nominal independence to their colonies but secured their semi-colonial or neocolonial hold on them through various lopsided economic, security, and other treaties and arrangements.

The US plan in 1948 to establish the International Trade Organization was frustrated when the European powers objected to provisions that patently favored the US. In the absence of a global trade organization, trade issues were discussed and settled multilaterally through successive rounds of the General Agreement on Tariffs and Trade. Under the pretext of social and economic development, underdeveloped countries were pushed to avail of massive lending under the auspices of the IMF and World Bank. But the loans carried conditionalities that effectively stunted the growth of local industries and consigned the economies to a chronic state of backwardness, all the better to serve as sources of raw materials and cheap labor, and as dumping ground for surplus products and capital. Thus were third world countries mired in chronic depression and debt and the

resulting devastation of domestic productive sectors further deepened their dependence on monopoly finance capital.

The need for the imperialist powers to set up the WTO arose from the intensifying and insoluble crisis of overproduction. Average world GDP growth declined from 5.1% in 1945-70 to 3.8% in the 1970s (and only 3.1% for the industrialized countries). Stagflation, as a consequence of huge federal state spending for the military and import-based consumerism, had become a chronic phenomenon in the US since the full reconstruction of Japan and Western Europe in the late 1960s and the US accommodation of so-called newly industrializing economies (Taiwan, Brazil, etc.) with some manufacturing and exports to the US market in the 1970s and 1980s. These would steer the US towards lessening its manufacture of tradeable goods, overborrowing from abroad, and becoming the world's biggest debtor from the 1980s onwards.

Keynesianism had been credited for helping monopoly capitalism to cope with the Great Depression in the US and the continuing crises in most capitalist countries after WWII. More than New Deal pump priming, it was at first production stimulated by exports of supplies to the hungry war building industries of Japan and Germany, and then full-blast participation in the war effort of the Allied Powers against the Axis Powers that brought the US out of the depression. Even then, the civil works of Keynesianism could not solve fully the basic problem arising from the monopoly capitalists' drive to increase profit by reinvesting heavily in new machinery to increase productivity while pushing down wages, consequently contracting the market and resulting in overproduction. But Reagan and Thatcher in the 1980s blamed the crisis instead on rising wages and government spending on social benefits and services, and led the capitalist economies away from Keynesianism to monetarism and "neoliberalism".

Neoliberalism is anachronistic and deceptive. Its claim of "free market" globalization misrepresents monopoly capitalism as

“free competition” capitalism. After the collapse of the Eastern European regimes in 1989-91 and the disintegration of the USSR in 1991, the monopoly capitalists carried out an ideological, political and economic offensive, proclaiming the “end of history” with the triumph of capitalism over socialism, and heralding an era of world peace, progress and prosperity with the full integration of the world into a single capitalist system.

The WTO was conceived, formed and operated as a major instrument in the hands of the imperialist powers to dictate on and dominate the weaker states, and allow the monopoly capitalists to extract more superprofits from the world’s toiling peoples. The WTO, more than any other prior imperialist device short of military intervention and wars of aggression, blatantly compels the weaker countries to accede to the negation and violation of their political and economic sovereignty. Since its establishment in 1995, it has been the main instrument for propagating the myth of “free market” globalization and pushing unequal trade agreements chiefly at the expense of the underdeveloped countries.

The WTO currently encompasses 98.8 percent of the world population, with 147 member countries plus the European Union and 33 observer countries, including Russia and Vietnam that are due to accede within five years. It purports to be a democratic institution where member states discuss and decide trade issues by consensus, on the basis of equality and mutual benefit, mutual respect of national sovereignty and independence. In reality, the few imperialist states, acting in behalf of their respective monopoly capitalists, compel the weaker states to further open up their economies to imperialist plunder, and they subject them to arm-twisting, blackmail and bullying. They use economic as well as political sanctions on non-compliance with unequal “agreements”. In this way, the biggest monopolists aim to overcome the chronic crisis of overproduction by shifting the burden of the crisis to the people of the world.

The WTO serves as a mechanism for the dominant imperialist powers to compel the underdeveloped countries as well as the retrogressive countries (the erstwhile newly-industrializing and socialist countries) to desist from upholding their economic sovereignty and protecting their economies from the assaults of foreign monopoly capitalism. Since the 1990s, some 130 countries have amended their constitution and enacted laws to further accommodate imperialist demands affecting labor, trade and other economic aspects. On the other hand, the US, Europe and Japan continue to use protectionist measures (prohibitions, restrictions, high tariff walls and subsidies) to develop and overdevelop their economies but prohibit other countries from using these to develop their own economies.

The main thrust of so-called free market globalization is the denationalization of the underdeveloped economies. The “neoliberal” policies of liberalization, deregulation and privatization have destroyed national barriers to the flow of imperialist trade and investments. They have removed government subsidies, anti-trust laws, and social regulations to protect labor, women, children, the aged and the environment. They have delivered public assets and other resources to the foreign monopolies and their big comprador accomplices for privatization, private profit-making and capital accumulation.

Rapid advances in high technology since the 1960s and 1970s (due to massive investments in R&D and retooling with the use of state monopoly capital, e.g. war technology -- laser, nuclear, electronic, fiber optic and information technology) and the private appropriation and utilization of such technology in an environment of WTO-facilitated neoliberal “globalization”, have further aggravated the inherent contradiction between the increasingly social character of production and the extremely rapacious monopoly capitalist appropriation of profit.

This has accelerated the overconcentration and overcentralization of capital in the advanced imperialist centers, chiefly in the US.

Only 300 multinationals and big banks account for 70 percent of all foreign direct investments. The 100 biggest companies now control 70 percent of world trade. The 50 largest banks and financial companies control 60 percent of all global capital. The total assets of the three wealthiest persons in the world are greater than the GDP of the 48 poorest countries with a total population of 600 million.

While the imperialist powers conspire and collude to dominate and exploit the weaker economies, they cannot avoid intensifying their own conflicts within and outside the WTO, despite its supposed function to promote harmony among nations with respect to trade, by averting trade and shooting wars through the “rule of law”, negotiations, consensus, settlements, and whenever necessary through a system of hearing grievances and imposing sanctions. But there is no escaping the laws of motion inherent to the capitalist system. The rules of the WTO can only mitigate for a while but cannot override the objective workings of these laws.

### **The Trend After the Collapse of the US “New Economy”**

In most of the 1990s, especially in the latter half of the decade, the US appeared to have established a “new economy” that was supposedly propelled by high technology and characterized by inflation-free full employment. It seemed as if the US would be able to override any crisis by being at the commanding heights of global high-tech production and finance, as well as by being the sole global superpower. But eventually in 2000, the crisis of overproduction hit high-tech production in the US. The stock market collapsed at the head of a financial meltdown.

Like the rest of the world capitalist system, the US is economically recessive and stagnant. All types of products (including raw materials, basic industrial products, machine tools and high-tech products) are in relative oversupply. The economic and financial crisis has devastated and depressed the global economy. The US is suffering from huge trade and budgetary

deficits and debts. Just as it did in the past, during the Great Depression, the two World Wars and the entire Cold War period, US imperialism is now stepping up war production under the notion of military Keynesianism, promoting state terrorism on a global scale and unleashing wars of aggression.

Using the 11 September 2001 attacks as pretext, the US imperialists launched their so-called “war on terror”. They accelerated their blatant acts of aggression and military intervention on a global scale. The invasion and occupation of Afghanistan and Iraq; the restructuring, upgrading and redeployment of the US armed forces; and the skyrocketing defense spending and the revival of costly defense programs such as the Anti-Ballistic Missile Defense Program and the Space Program, are all part of the “Project for a New American Century”, hatched by US neo-conservatives to consolidate US global hegemony by seizing strategic resources and territory, deterring, pre-empting and eliminating opposition and long-term rivals. In the process, the US flagrantly violates international law, tramples on the rights of sovereign nations and peoples, wreaks havoc and destruction on civilian population centers and on the environment.

After nearly 11 years, the World Trade Organization has achieved exactly the opposite of what its proponents – the imperialist powers led by the US – claimed it would. It has wrought greater poverty and misery instead of bringing progress and prosperity to the world’s peoples. It has deepened instead of lifted the poor countries from their state of underdevelopment and exploitation. It has forced weaker countries to open up their economies to plunder by the stronger countries, instead of promoting equality and mutual benefit among nations. It has exacerbated the rivalry and competition among the imperialist powers and abetted aggression and war, instead of ushering in an era of harmony and world peace.

## **People’s Resistance**

History shows that the people resist imperialist oppression and exploitation. Since the beginning of the 20<sup>th</sup> century, the world's peoples have stood up and fought against imperialist plunder and war. The working class has built political parties and trade union movements to realize immediate and long-term aims. It has led the people in national democratic and socialist revolutions on a global scale. Peoples in Asia, Africa and Latin America have waged wars for national liberation, either resulting in revolutionary victories or compelling the colonial powers to shift to semi-colonial or neocolonial rule. Today, there is a forward interaction between the popular struggles in the imperialist and dominated countries.

Patriotic movements have arisen to uphold national and economic sovereignty against foreign intervention. Various social movements advocating people's rights, including self-reliant economic development, environmental protection, gender equality, cultural diversity, and so on, have proliferated and exerted significant pressure on governments while raising the awareness of the public on various issues. Propelled by revolutionary movements as well as by legal protest and advocacy movements, countries have stood up to assert national sovereignty and independence against flagrantly one-sided impositions and onerous conditions, and all sorts of threats and intimidation by the US and other imperialist powers.

The people of the world have established historically a certain high level of resistance against imperialism and reaction. Consequent to the betrayal of socialism by the modern revisionists and the disintegration of revisionist-ruled states, it would seem as if the US and other imperialists had scored a permanent victory over the socialist cause and all movements of national and social liberation. But the intensification of oppression and exploitation under such policy stresses as "free market" globalization, repression and fascism, and imperialist wars of aggression drive the people to recall their revolutionary

legacy, muster their capabilities, act on their current needs and demands, and rise up resolutely to fight for their rights and interests.

We should avail ourselves of all forms of struggle in exposing and opposing imperialist plunder and war. We should do all we can to frustrate, if not defeat the schemes of the imperialist powers to pursue the Doha Round negotiations for further reducing agricultural and non-agricultural tariffs and other non-tariff protection in third world countries, expanding the coverage of GATS to service sector, and thus privatize such social services as education, health, communications and water, and pursuing the Singapore issues relating to investments, competition policy, government procurement and trade facilitation. We must demonstrate our resolute opposition to imperialist plunder through the WTO.

Whatever is our success in exposing and opposing the objectives of the 6<sup>th</sup> Ministerial Conference, we should build on our gains to pursue further the long-term struggle against the WTO and neoliberal “free market” globalization by raising the consciousness of the world’s peoples against imperialism and by organizing and mobilizing them for various anti-imperialist struggles. The struggles against WTO, against “neoliberal” globalization and against imperialist wars enhance and compliment each other. They combine naturally and most effectively within the framework of anti-imperialism.

The imperialists can and will continue to maintain the WTO and implement the neoliberal policies and measures of liberalization, deregulation, privatization and denationalization for some time as the crisis of overproduction worsens. They anticipate and react to the resistance of the people. And they increasingly use coercive force as deception fails to stop the advance of the people in their struggle for national and social liberation.

The US imperialists, their allies and puppets are hell-bent on unleashing state terrorism and wars of aggression for the purpose of attacking anti-imperialist social movements, national liberation movements, and countries that assert national independence. It is therefore important and necessary that we strive to build international solidarity against imperialism and reaction and the broadest possible people's anti-imperialist united front in every country and region.

The epochal struggle between imperialism and the people is once again intensifying. Imperialism is bound to weaken further as the people of one country after another break free from the chain of imperialist exploitation and oppression. We are confident that we shall win greater victories in the struggle and rise to a new and higher level of revolutionary struggle and social achievement against imperialism and reaction. Ultimately, total victory belongs to the people. ###

20.

## **Reflections on the 1965 Massacre in Indonesia**

18 December 2005

Amsterdam, Netherlands

I wish to thank the 1965 Commemoration Committee for inviting me to speak. It is an honor for me to be with other speakers very knowledgeable about the subject and very distinguished in the struggle to seek justice for all the people victimized by the 1965 massacre in Indonesia.

I have become acquainted with Indonesian history and current affairs since 1961 when I took a scholarship from the Jajasan Siswa Lokantara. I stayed in Indonesia during the first half of 1962 to study Bahasa Indonesia and translate the poems of Chairil Anwar. I went back to Indonesia twice in 1963 and 1964 as a correspondent of the London-based Eastern World and as a member of the Afro-Asian Journalists' Association.

I had the opportunity to meet Yusuf Isak in 1963. He was then an officer of the Indonesian journalists' association. I admire him for his longrunning fight for human rights in connection with the 1965 massacre and other barbarities of the so-called New Order of the US-directed Suharto military fascist dictatorship.

Since 1962, I have been exceedingly close to Indonesia and the Indonesian people. As general secretary of the Philippine-Indonesian Friendship and Cultural Association up to 1965, I arranged quite a number of cultural exchanges between the Philippines and Indonesia. I also met officers and members of Indonesian progressive forces, including communists, nationalists and religious believers, and gained some insights into the factors and events before, during and after the 1965 massacre.

### US and Other Imperialist Forces Behind the 1965 Massacre

The US and other imperialist powers were behind the 1965 massacre in Indonesia. They had the largest interest in and strongest motive for using the Suharto military clique to end the Sukarno government and the national united front that were

opposed to colonialism, imperialism and neocolonialism. They provided the most decisive means for the Suharto military clique to do their brutal bidding. And they got what they wanted through the puppet instrumentality of the Suharto military fascist dictatorship.

In the aftermath of World War II, the US emerged as the strongest imperialist power and coveted Indonesia as a rich source of cheap raw materials, a large market and a wide field for investments. It regarded control of the country as necessary for having hegemony over the entire Southeast Asia. It wished to have Indonesia as a semi-colony in the face of the determination of the Indonesian people to uphold and fight for their national independence as proclaimed in 1945, as well as the failed attempts of the British and Dutch imperialists to bring back the old colonial times.

The sense of national unity among the Indonesian people was strong against colonialism and imperialism, particularly because of the revolutionary role of the Communist Party of Indonesia (PKI) and the constant willingness of this party to be in alliance with the nationalists and religious believers against foreign domination. The US, Dutch and British imperialists saw the PKI as an obstacle even only to making a semi-colonial or neocolonial arrangement.

Thus, the US and its Indonesian stooges were always seeking to suppress the PKI. In fact, the Madiun incident of 1948 was the first serious provocation aimed at eliminating the PKI and its followers through mass arrests and mass murder after World War II. It pushed the communists out of the government and paved the way for the neocolonial compromise like the Round Table Conference Agreement of 1949. The US, British and Dutch held on like mad to their oil interests and plantations in Indonesia.

Under the Eisenhower administration, the US National Security Council had already adopted by 1953 a series of documents

whose essential line called for "appropriate action, in collaboration with other countries, to prevent communist control of Indonesia". Military training of Indonesian officers was planned as a means of increasing US influence. At the same time, the CIA concentrated on undertaking and developing relations with the right-wing political parties and organizations, including the Masjumi, the pseudo-socialist parties, the SOKSI trade unions and certain Islamic youth organizations. And it provided them with funds.

The ceaseless attempts of the US and other imperialist powers to press their neocolonial demands eventually compelled the nationalist Sukarno to seek alliance with the PKI against US-lining political opponents like Hatta and Sumitro, the Partai Socialis Indonesia and Masjumi up to the mid-1950s, and the regional rebellions like those of Permesta-PRRI and the Darul Islam-TNI in 1958. The US supplied arms and money to the regional rebellions through various channels, including Filipino military agents, and even openly launched an assassination attempt on Sukarno in 1957 by airplane from the US Clark Air Base in the Philippines.

But all the hostile US maneuvers and intrigues resulted in the intensified resistance of the Indonesian people and in the strengthening of the PKI and the NASAKOM, which was the united front of the nationalists, religious believers and communists. Failing with using blatantly crude methods, the US used a wide range of methods of subversion.

While robbing Indonesia of its oil wealth through the operations of Stanvac and Caltex, in exchange for paltry amounts of royalty payment, the US offered economic and military aid in grants and loans. It promoted exchanges between US and Indonesian universities and the Ford Foundation used research, study and travel grants in order to influence the academics and indirectly some students.

The most subversive activities of the US were undertaken by the Pentagon, the CIA, the US air force, RAND corporation and the Ford Foundation, and were aimed at generating influence within the Indonesian military officer corps. The US military assistance program offered and provided arms, communications and transport equipment. Indonesian military officers were induced to undertake US-designed military training program locally and in American military forts.

Under US influence, Generals Nasution and Suwanto established the Indonesian Army Staff and Command School in Bandung (SESKOAD) to convert the Indonesian army fully into a counter-revolutionary organization under the strategic doctrine of "territorial warfare" or "counterinsurgency", and developing civic mission or "civic action" programs. The main thrust of the training was supposedly to prevent a PKI seizure of power, by preparing military officers to take over functions in administration and in the economy, and cooperate with civilian officials and anti-communist organizations at all levels.

### The Ascendance of the Suharto Military Fascist Dictatorship

It was at SESKOAD that Colonel Suharto became the protégé of General Suwanto and took a prominent part in the early 1960s in the formation of the Doctrine of Territorial Warfare and Civic Mission. CIA agents like Guy Pauker and assets like Colonel Jan Walandouw spotted Suharto as an excellent puppet officer, one who was clever and corrupt. The latter had wormed his way into the confidence of Sukarno and became the commanding general of the Strategic Reserve Command.

He quietly focused on counter-intelligence and became prominent by playing both ends in the rivalry between Generals Nasution and Yani, and eventually making in the army seminar of April 1965 the SESKOAD doctrine as the compromise army doctrine Tri Ubaya Cakti, touting the independent political role of the army. Under the pretext of counter-intelligence and loyalty to

Sukarno, he was able to spread intrigue in his favor and gained advantage at having access to and using elements and parts of the presidential guards and the Diponegoro Division. His main collaborators were officers associated with the US-linging PSI.

Suharto and his military clique became the key instrument of the US in preparing the destruction of the PKI, the NASAKOM and the Sukarno government to allow the US neocolonial takeover of Indonesia. They rapidly developed in that role from 1961 to 1965. Although Nasution had been publicly perceived since the Madiun massacre as the principal Indonesian military agent of the US, the CIA was disappointed with him in 1961 for failing to make a coup against Sukarno on a number of occasions and for going along with him on the line against Britain, especially with regard to Malaysia.

During the 1961-65 period, the Indonesian people pressed hard for the realization of their national democratic rights and interests. The MANIPOL-USDEK was the guiding light within the NASAKOM framework. The people, especially the workers, pushed for the nationalization of imperialist-owned enterprises and plantations. The PKI deepened peasant support for the Indonesian revolution by undertaking a campaign of rural research, mass organizing and land reform.

The people compelled the Dutch to leave Irian Barat under Indonesian sovereignty. They induced the foreign oil monopolies to agree to the production-sharing agreement. They mobilized in opposing the British neocolonial creation of Malaysia. The US-inspired Maphilindo initiative of the Manila government could not stop the "ganyang Malaysia" campaign of Indonesia. The Sukarno government became active in pursuing a policy of non-alignment and anti-imperialism, and demanded the dismantling of US military bases in the region. It developed closer relations with the Soviet and Chinese governments.

After Sukarno declared, "To Hell with US Aid", the US

government suspended non-military aid, and the CIA instigated and manipulated currency speculation and the scarcity of goods, especially food. But it continued to deliver military assistance to the Indonesian army in the form of arms, communications equipment, land vehicles and 200 aero commander planes from Lockheed.

Apart from receiving secret CIA funds, the Suharto military clique received money for counterrevolutionary operations and self-enrichment from the Lockheed payoffs and the royalty payments of US oil companies to the army's oil company Permina run by General Ibnu Sutowo and another oil company Pertamina run by Chaerul Saleh, head of the pseudo-proletarian and pro-US Murba party.

The intelligence agencies of the US, British, Dutch, Japanese, German and Australian governments collaborated in sharing their intelligence stock with the Suharto military clique before, during and after the process of eliminating the PKI, NASAKOM and Sukarno. As early as December 1964, a Pakistani ambassador in Europe wrote to foreign minister Ali Bhutto that a Dutch intelligence officer with NATO had told him the following: Western intelligence agencies would organize what would appear as a premature PKI coup, provide the army the opportunity to crush the PKI and make Sukarno the army's prisoner of goodwill. In early 1965, Sukarno himself complained to Lyndon Johnson's special envoy Michael Forrestal about the letter of British Ambassador Gilchrist referring to the planned coup against Sukarno.

The so-called Gerakan September Tigapuluh (Gestapu) was neither a movement nor a coup against "Rightist generals" by the PKI and leftists, as claimed by Suharto and his imperialist masters. All the generals that the so-called Gestapu targeted were pro-Sukarno, with the possible exception of defense minister General Nasution who had the reputation of being Rightist and anti-Sukarno. The army chief of staff General Yani and the other

five generals murdered were either pro-Sukarno or followed state policy as put forward by Sukarno.

The so-called Revolutionary Council supposedly headed by Colonel Untung of the presidential guards had no more reality than the press statement issued in his name. It was used by the Suharto military clique to give the Gestapu a semblance of reality and to implicate Sukarno inasmuch as Colonel Untung allegedly claimed that he was acting in defense of Sukarno against a "Council of Generals". Even Sjam the former PSI member and double agent in the PKI special bureau was used merely as a conduit for the tale about the "Council of Generals" and as a tool for giving a semblance of truth to the claim that PKI had foreknowledge of the Gestapu and participation in it.

Suharto used the Gestapu to frame up the PKI and to eliminate the army generals who outranked him and who could stop his rise to power or even counter the plan to massacre the PKI and other stalwarts of the NASAKOM. He directed some army units to arrest and murder the six generals in the name of the illusory Gestapu, and then put himself in command of the entire armed forces under the pretext of stabilizing the situation and defending the leadership of Sukarno. He proceeded to direct the mass arrests and massacre of the PKI and other people. Government officials and the mass media of the imperialist countries kept quiet as most of the carnage was done by the Indonesian army and its irregular recruits.

Suharto pretended to protect Sukarno and systematically removed the pro-Sukarno and pro-Yani officers from key army positions. In carrying out the massacre and rendering Sukarno impotent, he was assisted mainly by pro-Suharto and anti-Yani generals, like Basuki Rachmat and Sudirman, and other officers from SESKOAD. He capitalized on Nasution's support for the anti-PKI pogrom but he also undercut and boxed him out eventually.

Sukarno apparently trusted Suharto until it was too late. In March

1966 Suharto demanded and got from him the presidential authority to exercise martial law powers. In March 1967, he made the Provisional People's Consultative Assembly name him as the acting president. Sukarno remained under house arrest until his death in 1970. The US gained full control over Indonesia as a semi-colony or neocolony through the instrumentality of the Suharto military fascist dictatorship.

It seemed as if this dictatorship would stay in power forever. It proceeded from one anti-national and anti-people socio-economic policy after another. In the 1960s and 1970s, it seemed to have stabilized the Indonesian economy by using its oil export and other natural resource income and rising level of foreign debt to allow imperialist superprofit-taking, bureaucratic and military corruption, consumption-oriented imports and infrastructure-building.

Then with the oil income declining, it shifted into export-oriented semi-manufacturing and into a foreign-funded program of private construction that boomed in the 1980s and 1990s. These were excuses for a cash flow to favor conspicuous consumption (cars and palaces) and were in fact sustained by ever more onerous foreign borrowing. Came the 1997 financial collapse in Southeast Asia, the protest mass actions spread, became bigger and intensified. The Suharto dictatorship was ripe for a fall in 1998.

The economic, social and political conditions in Indonesia continue to deteriorate. They are indicated by Indonesia's having become a net oil importer since 2004, by its severe difficulties in serving the foreign debt, and by the US imposition of the "war on terror" or a "strategy of tension" calculated to stir up religious and ethnic conflicts and to justify US hegemony over Indonesia and the rest of Southeast Asia.

Seeking Justice for the Massacre Victims

The army officers and troops of the Suharto military clique could

easily communicate, coordinate and go around to massacre people in the regions of Indonesia in 1965 because of the US-supplied communications equipment, land vehicles and planes. In sharp contrast, the people being massacred by the military and their paramilitary collaborators had no way of knowing the Gestapu nor the killing of the six generals because in extensive areas they did not even have radio sets.

As clear proof that it had no accountability for Gestapu, the PKI did not mobilize its own large following among the people and within the Indonesian state and the armed forces either to advance the supposed objectives of the Gestapu or defend themselves against the massacre. In November 1965, there was a Philippine delegation attending a conference against US military bases. An Indonesian comrade delivered to a Filipino comrade a half sheet of paper bearing the most recent decision of the PKI Politburo in effect calling on the PKI rank and file to stay calm and let Sukarno solve the internal problem of the Indonesian army. By this token, we in the Philippines were convinced that the PKI had no accountability for the Gestapu.

Regarding the number of victims in the 1965 massacre, I prefer to take the face value of the statement of General Sarwo Edhie that three million were killed, in the absence of a more accurate accounting by more credible entities. He should know what he was talking about because he was the commanding general of the command in charge of the massacre. The problem with being too indeterminate in the estimates, from the low of 300,000 to 1.5 million, is that the imperialists and their press are playing down the number and trying to induce the people to forget about the butchery. At the same time, they busy themselves with upping the number of supposed victims of revolutionary forces in other countries.

Bourgeois journalists, writers and academics usually claim that the victims in the 1965 massacre were PKI members. I do not agree with limiting the range of victims to PKI members. The

victims were communists and other people. There were a lot of non-communist victims of the massacre in view of the fact that the PKI was good at building mass organizations and doing united front work. The sweeping massacre done by the military and its irregulars, included many non-communists who were mistaken as communists because they were known as friends or relatives of communists.

At any rate, whether communists or non-communists, the victims had inherent and inalienable human rights. The imperialists and their puppets had no license to violate the human rights of anyone. Moreover, they are reprehensible for ordering the murder of three million people and the indefinite detention of 750,000 more people in exchange for the murder of six generals. In the first place, the latter were the victims of Suharto's crack raiders and not by PKI women and youth, contrary to the psywar of Suharto and the US. It is utterly absurd that the imperialists and their puppets are so vituperative about their false claims of human rights violations by communists but keep silent about or even condone the 1965 massacre, which is one of the most horrendous crimes in the 20<sup>th</sup> century, and is comparable to the US acts of aggression in Korea, Vietnam and Iraq in terms of the death toll.

The Indonesian people and their institutions, non-governmental organizations, people's organizations, professional associations and personages concerned with human rights are the most reliable in establishing and documenting the facts about the victims of the 1965 massacre, locating the remains of the dead and the surviving family members, identifying the human rights violators, seeking justice for the victims and their families, rehabilitating and indemnifying them, and conducting mass meetings and mass movement in furtherance of seeking the truth and justice.

The people of the world and their organizations can and should extend their solidarity and support to and cooperation with the

Indonesian people in their struggle for justice for and in behalf of the victims in the 1965 massacre. They can provide moral and material support. They can spread the findings and conclusions of human rights organizations in Indonesia. They can help the victims and their survivors run after the human rights violators by filing the possible and necessary cases against them and somehow holding responsible the Indonesian reactionary state. They can denounce the imperialists, the multinational firms and banks that benefited from the 1965 massacre and the resultant Suharto military fascist dictatorship.

Not only the great number of victims of mass arrests and massacre in 1965 and thereafter were victims of the Suharto fascist dictatorship and its imperialist masters, but the entire Indonesian people who were subjected to increased oppression and exploitation, to national humiliation and deeper underdevelopment and poverty, because of the suppression of the movement for national liberation and democracy.

The Indonesian people must therefore strive to carry out the new democratic revolution against imperialism, feudalism and bureaucrat capitalism. The best way to seek justice for the martyrs of 1965 is for the Indonesian people to continue the revolutionary struggle under the revived leadership of the PKI.  
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21.

### **Impact of the Communist International on the Founding and Development of the Communist Party of the Philippines**

Delivered at the ICS, Brussels, Belgium

5-7 May 2006

## I. Background on the Philippine Working Class

In the second half of the 19th century, a germinal modern industrial proletariat emerged in the colonial and feudal Philippines under Spain. The machines for modern industry and commerce were imported. The workers were in rail transport, shipyards, communications, power generation, construction, warehouses, printing, tobacco processing, brewery, cordage, tobacco processing, sugar refining, leather processing and the like. The formation of the Union de Litografos y Impresores de Filipinas (the union of printers), and then the labor federation Union Obrero Democratica (UOD) in 1902, signified a progression from the gremios or guilds of artisans and wage-earners of the previous century to modern trade unionism.

The Filipino founder of the UOD, Isabelo de los Reyes, had returned to the Philippines in late 1901 after having been imprisoned in Barcelona from 1897 onwards for anti-colonial activities, but later released by the Spanish authorities to do some anti-US propaganda campaign in Europe from 1898 onwards. He was knowledgeable about the various social and political movements and trends in Europe and brought home radical literature, including some works of Marx. But he was most influenced by petty bourgeois nationalism and anarcho-syndicalism. He considered the formation of the trade union movement as the way to build the nationalist movement against the new colonial power, the US.

As a modern imperialist power, the US aimed at developing a semi-feudal economy in the Philippines, absorbing surplus goods and surplus capital from the US, but limited to producing more agricultural and mineral raw materials for unequal trade with the US. It did not industrialize the Philippines, although it increased the proportion of the modern proletariat by about 10 per cent as a result of the improvement of transport and communications, the

opening of mines, establishment of modern plantations, increased private and public construction, metal fabrication, and increased production of pharmaceuticals, beverages, home-use products, textile, leather products and so on. The proportion of the peasantry decreased by some 10 to 15 per cent but the basic agrarian character of the economy remained. The peasant decrease meant the increase of the working class and urban petty bourgeoisie.

More than the yellow trade union leaders who merely followed the baton of the company bosses, the patriotic and progressive trade union leaders were aware of the radical and trade unionist currents abroad, especially in Europe and the US. They had notions of socialism as the way to end exploitation and to bring about the benefits of material progress to the working people after the realization of national independence. But they were at best well-versed in the ideas of nationalism and liberalism in the tradition of the French revolution. Although no Marxist study circles existed in the Philippines in 1917, the most advanced labor leaders and many workers heard and welcomed the earth-shaking salvos of the Great October Socialist Revolution.

Crisanto Evangelista, the prospective founder of the Communist Party of the Philippine Islands (CPPI) still belonged to the Nacionalista Party when he was included in the Independence Mission to Washington as representative of Philippine labor in 1919. He had extensive discussions about the Bolshevik revolution with the leaders of the Industrial Workers of the World (IWW). But there is no historical evidence that he had any serious meeting with the members of the left wing of the Socialist Party of America who were then engaged in forming the Communist Labor Party and the Communist Party of America, the earliest antecedents of the Communist Party of the USA (CPUSA).

In most of the 1920s, Evangelista and other progressive leaders of the working class movement preoccupied themselves with

striving to unite the trade unions and labor federations in the Congreso Obrero de Filipinas (COF). It was only in 1925 that they established the Partido Obrero (Workers' Party) on the basis of the trade union movement and the peasant movement. It became the occasion for the patriotic and progressive labor leaders, who were in the majority in the COF, to distinguish themselves from the yellow labor leaders. But the Partido Obrero was not yet a Marxist vanguard of the working class.

Filipinos love to congratulate themselves for having carried out the first bourgeois-democratic revolution in Asia. The Philippine Revolution of 1896 was indeed well ahead of the Chinese revolution of 1911, the Indonesian uprising of 1926 against Dutch colonialism, Indian independence and so on. But certainly the Filipinos have to salute the Indonesians for having established the Communist Party of Indonesia in 1920 and the Chinese, the Chinese Communist Party in 1921, much ahead of the establishment of the Communist Party of the Philippine Islands in 1930. Like all other communist parties, the CPPI came into being upon the congruence and interaction of objective conditions and subjective factors.

## II. The Communist International vis-à-vis the Philippines

The Third International or the Communist International (Comintern) was established by its First Congress in Moscow on 2-6 March 1919. It brought together 52 delegates of 36 communist and socialist parties, organizations and groups. It was the logical and necessary consequence of the victory of the Great October Socialist Revolution, which made Russia the center of the world proletarian revolution. It was in clear repudiation of the bankrupt opportunist and revisionist line of the Second International, which had turned the social democrats into social-chauvinist and social-pacifist subalterns of imperialism in capitalist exploitation, colonialism and waging aggressive war.

The program of the Comintern optimistically declared that the

imperialist system was breaking down and that there was ferment in the colonies, among the former dependent small nations, insurrections of the proletariat, victorious proletarian revolutions in some countries, dissolution of imperialist armies, complete incapacity of the ruling classes to guide the destinies of the people. It pointed out that the chaos could only be overcome by the largest class, the productive class. It expected the working class to create genuine order – a communist order – by destroying the rule of capital, making war impossible, abolishing state frontiers, changing the entire world into one cooperative community, and realizing the brotherhood and freedom of the peoples.

The great Lenin challenged the delegates to the Congress of Communist Organizations of the Peoples of the East in Baku on November 22, 1919: "You are representatives of communist organizations and communist parties of various Eastern peoples. I must say that the Russian Bolsheviks succeeded in forcing a breach in the old imperialism, in undertaking the exceedingly difficult, but also exceedingly noble, task of blazing new paths of revolution, whereas you the representatives of the working people of the East have before you a task that is still greater and newer. ... The period of awakening of the East in the contemporary revolution is being succeeded by a period in which all the Eastern peoples will participate in deciding the destiny of the whole world, so as not to be simply an object of the enrichment of others. The peoples of the East are becoming alive to the need for practical action, for every nation to take part in shaping the destiny of all mankind."

In his "Draft Theses on the National and Colonial Questions" for the Second Congress of the Comintern on 5 June 1920, Lenin declared: "...the Communist International's entire policy on the national and colonial questions should rest primarily on a closer union of the proletarians and the working masses of all nations and countries for a joint revolutionary struggle to overthrow the landowners and the bourgeoisie. This union alone will guarantee

victory over capitalism, without which the abolition of national oppression and inequality is impossible."

Lenin further wrote, "With regard to the more backward states and nations, in which feudal or patriarchal-peasant relations predominate, it is particularly important to bear in mind: first, that all Communist parties must assist the bourgeois-democratic liberation movement in these countries, and that the duty of rendering the most active assistance rests primarily with the workers of the country the backward nation is colonially or financially dependent on".

In the "Theses on the National and Colonial Questions" it adopted in July 1920 during its Second Congress, the Comintern proclaimed: "All communist parties must support by action the national-revolutionary movements in colonial countries. The form which this support should take should be discussed with the communist party of the country in question, if there is one. This obligation refers in the first place to the active support of the workers in that country on which the backward nation is financially, or as a colony, dependent." The Program of the Comintern would subsequently include the following: "The Communist Parties in the imperialist countries must render systematic aid to the colonial revolutionary movement, and to the movement of oppressed nationalities generally."

In its 5th Plenum in April 1925, the Comintern approved its first resolution on the Philippines. This urged the American communists to support the liberation movement in the Philippines and to encourage the formation of a Communist Party from the revolutionized trade union and peasant movement, as well as that of a national-revolutionary mass party from all groups actively campaigning for national independence. Through the Communist Party of the USA (then known as the Workers Communist Party up to 1930), the Comintern would take the task of encouraging and assisting the organization of the communist party in the Philippines.

The Filipino workers themselves would have to organize their own party, taking into account objective conditions and subjective capabilities. Since its Second Congress in 1920, the Comintern had adopted terms of admission which required that all decisions of the Comintern are binding on all affiliated parties but at the same time enjoined itself and its Executive Committee to take into account the diversity of conditions in which the various parties have to fight and work and to adopt decisions binding only on matters in which such decisions were possible.

### III. Initial Contacts with the Comintern and American Communists

The Comintern established a number of revolutionary organizations of working people. These included the Red International of Labor Unions (or RILU or its Russian abbreviation Profintern) which was organized in 1921 and the Peasants' International (or Krestintern) in 1923. Subsequently, subsidiary offices of these were established in China in order to cover the Far East and Pacific area.

Under the auspices of the RILU, the Conference of the Pacific (Oriental) Transport Workers was held in Canton, China on 18-24 June 1924. Five Filipino delegates were able to attend. To enable them to attend, the American Communist named Alfred Wagenknecht (otherwise known by his alternate names as William Elliot or Mateus Girunas) brought the invitation to the Philippines, made a survey of the labor organizations and arranged the trip of the chosen delegates who accompanied him to Canton.

The delegates were: Domingo Ponce and Jose Hilario of the Legionarios del Trabajo, Eliseo Alampay of the Manjla Railroad Transportation Workers' Union, Jose Salazar of the International Mariners' Union of the Philippines, and Eugenio Enorme of the Nuevo Gremio de Marineros Mercantes. They were able to meet

and discuss with labor leaders from China, Indonesia, Japan, Korea, Australia, USA, England, France and USSR.

They were also able to bring home a resolution of the conference calling for the immediate independence of the Philippines from US colonial rule, and another resolution urging the Asian workers and peasants to organize unions and struggle against imperialism and the local exploiters. Upon their return home, they were at first enthusiastic and formed a "Bolshevik secretariat" to issue a secret periodical. But in a short while, they lost their enthusiasm and not one among them would later join the communist movement.

At any rate, the communication links with Comintern organizations, the flow of publications from the Communist International, and consultations with visiting American, Chinese and Indonesian communists had begun, and eventually helped to stimulate a leftward trend in the Philippine labor movement, amidst the worsening social conditions and upsurge of anti-imperialist and class struggles. In 1924, the Congreso Obrero de Filipinas (COF) elected Francisco Varona as president and Crisanto Evangelista as secretary. In 1925, Evangelista became the secretary of the COF-based Partido Obrero and led it to adopt the Left position of waging anti-imperialist and class struggle but still seeking to reform the existing social system and peacefully demanding independence. This was not yet a Marxist Leninist position.

From 1924 to 1928, cadres of the CPUSA (known up to 1925 as the Workers Party of America and then as the Workers Communist Party), who were linked to the China-based RILU Pan-Pacific branch, visited the Philippines and interacted with Filipino labor leaders. They included Harrison George (who represented the union of the US railroad workers) and Earl Browder before he became the secretary of the Pan-Pacific Trade Union Secretariat (PPTUS). They represented the CPUSA-led US Trade Union Educational League (TUEL) in the RILU's Pan-

Pacific branch, located at different times in Canton, Hankow and Shanghai.

A Pan-Pacific Trade Union Conference was held by the RILU on 20-26 May 1927. Invitations were sent to Philippine trade unions and labor federations. But no Philippine delegation was able to attend. A permanent Pan Pacific Trade Union Secretariat (PPTUS) was established. On behalf of American workers, Harrison George pushed a resolution expressing solidarity with the workers and peasants in the Philippines and support for their struggles for national freedom and emancipation from exploitation.

In its 15th convention on 30 June to 1 July 1927, the Congreso Obrero de Filipinas declared its adherence to the PPTUS and pledged efforts towards the realization of the Program adopted in the Hankow conference. The COF and the Kalipunang Pambansa ng mga Magbubukid ng Pilipinas (KPMP, National Federation of Peasants of the Philippines) affiliated with the PPTUS. The KPMP also started to communicate with the Peasants' International (Krestintern).

#### IV. Evangelista Visit to Moscow and Filipino Workers as Students

In March 1928, the RILU invited Crisanto Evangelista and Cirilo Bognot of the COF to attend the 4th congress of RILU in Moscow. At the same time, the Peasant International also invited Jacinto Manahan of the KPMP to attend its conference. They passed through Shanghai in February to consult with Earl Browder and other PPTUS cadres. Evangelista and Manahan stayed for three months in Moscow. They had lengthy discussions with the Political Secretariat of the Comintern on the question of organizing the vanguard working class party in the Philippines.

The Secretariat adopted a resolution on 20 April 1928, "The Main Tasks of the Communists in the Philippines". It put forward the

following: "the primary and necessary condition for the establishment of a communist party is the formation of an initiating communist group that has educated itself in the revolutionary spirit of Marxism-Leninism, that has studied the principal lessons of the experiences of the international communist movement, that has learned how to apply that experience to the particular conditions of the working class movement in the Philippines, and that can undertake to transform gradually the Labor Party (Partido Obrero) into a party of the masses, into an effective communist party."

Evangelista proposed the sending of Filipino workers to study in Moscow in April 1928. He visited the Communist University of the Toilers of the East and talked with the director and educational coordinators of the Profintern and Krestintern. Earlier in October 1927, after his visit to the Philippines in September, Harrison George had already recommended that the Comintern invite six Filipinos every year to study in Moscow at the communist university.

Upon his return to the Philippines, Evangelista arranged for three young workers to study in Moscow. These were Dominador G. Galvez, a leader of the union in Ang Tibay slipper factory; and Liborio Natividad and Ambrosio Candido who were officers of cigar-making unions. They left for Shanghai on 20 August 1928 and reached Moscow on 2 October 1928 after a grueling trip via Dairen, Harbin and Manzhouli on the Chinese-Soviet border and the Trans-Siberian Railway.

They studied at the Communist University of the Toilers of the East. This was a special secondary school for students from Asia, preliminary to admission to the higher institute Lenin School. The schoolmates of the Filipinos were from China, Indochina, Mongolia, Korea, India, Indonesia and the autonomous Soviet Asian republics in the Caucasus and Siberia. The biggest number of non-Soviet students were the Chinese.

The subjects in the university included dialectical and historical materialism, political economy, world history, history of the labor movement, natural sciences, physics and mathematics. They had rudimentary military training and educational tours. Their teachers were English speaking Soviet professors and an American communist cadre in the Comintern, Eugene Dennis, who gave lectures on trade unionism. He would later travel to the Philippines under the name of Tim Ryan.

Galvez finished the full course of three years and joined the KOMSOMOL or Young Communist League of the USSR. The American communist cadre Sam Darcy assigned to the Comintern gave him briefings on Party work. Upon his return to the Philippines in November 1931, Galvez became active in the work of Party education. Natividad who finished only two years of the course, had returned earlier to the Philippines and had become a delegate to the First Congress of the CPP on May 30, 1931.

In June 1929 two more Filipino workers were sent to Moscow to study at the Communist University of the Toilers of the East. They were Emilio Maclang, a peasant organizer of the KPMP, and Pascual Bambao from the Katipunan ng mga Anakpawis ng Pilipinas (KAP, Proletarian Labor Congress of the Philippines). The former finished the three-year course and stayed on for one more year to translate texts and documents into the Philippine national language. Upon return to the Philippines in 1933, he would be chosen as the head of the second line of leadership. He became the underground secretary of the CPP as soon as the open leaders of the CPP were imprisoned and banished.

American communist cadres appeared prominently as the most helpful to the Filipino cadres in the formation of the CPPI. But comrades of other nationalities, especially the Chinese were also helpful, especially because they had their own labor and youth organizations in the Philippines. The Philippine branch of the Chinese Communist Party (CCP) was established in the early

1920s, much ahead of the establishment of the Communist Party of the Philippine Islands (CPPI). Comrade C who led the aforesaid branch was a longtime close comrade of Crisanto Evangelista in the trade union movement. The Young Communist League of the CCP was formed in 1926. It was otherwise known as the Hoa Chiao Chung Kung Hue (Overseas Chinese Communist Union).

This was led by Co Sing Liat, who together with two other Chinese comrades (Ko Keng Seng and Sun Ping) later became a member of the first Central Committee of the CPPI in 1930. The Chinese communists organized the Philippine Chinese Labor Federation (PCLF). The PCLF had close ties with the COF and the Partido Obrero. In October 1929 the Chinese Communist Party and the Young Communist League decided that the Chinese communists should assist the efforts of Partido Obrero in forming the Communist Party of the Philippine Islands (PCCI). At the same time, the contacts of the PCLF with the Profintern were coursed through the leadership of the Partido Obrero. When the PPTUS transferred from China to Vladivostok, the PCLF continued to receive Chinese language publications through Partido Obrero.

## V. The Foundation of the Communist Party of the Philippine Islands

In the year before the establishment of the Communist Party of the Philippine Islands (CPPI), the Great Depression engulfed the world capitalist system. The economic and social conditions deteriorated rapidly. The toiling masses of workers and peasants were restive. Workers' strikes and peasant uprisings spread. There was widespread clamor for national independence against the US colonial regime, and class struggle intensified against the local comprador big bourgeois and the landlord classes. The objective conditions were ripe for establishing the CPPI.

Twenty-seven out of the 35 labor federations and associations in

the COF broke away to form the Katipunan ng mga Anakpawis ng Pilipinas (KAP, Proletarian Labor Congress of the Philippines). The KAP and the Kalipunang Pambansa ng mga Magbubukid ng Pilipinas (KPMP, National Federation of Peasants in the Philippines) became the organized mass base of the prospective CPPI. The PPTUS recognized the KAP as the legitimate representative of the organized workers in the Philippines. The CPUSA-led Trade Union Unity League (TUUL) reserved a seat in its National Executive Committee for a KAP representative by way of honoring the KAP.

After the formation of the KAP, the Committee for a Vanguard Workers' Party was set up in order to recruit the initial communist members. By June 1930, there were 96 of them. Fifty per cent were industrial workers, 25% peasants and 25% handicraft workers and office clerks. Most were recruited from the KAP unions. At about this time, 60 Chinese communists from the PCLF and YCL were ready to join the CPPI but retained their autonomous all-Chinese nuclei.

A convention organized the party on August 26, 1930 and elected the First Central Committee, with 35 members. The Political Bureau was composed of Crisanto Evangelista, Antonino D. Ora, Jacinto G. Manahan, Juan N. Feleo, Felix Caguin Urbano Arcega and the Chinese "Comrade C". It elected Evangelista as general secretary and Antonino D. Ora as chairman. Subsequently, the party was formally launched at a public rally on November 7, 1930, to mark the anniversary of the Great October Socialist Revolution. During the rally, 3000 of the 6000 attending masses of workers and peasants filled up the forms to apply for party membership.

Among the aims of the CPP were the following: to struggle for the immediate, complete and absolute independence of the Philippines; to fight for the overthrow of American imperialism that dominates the Philippines; to struggle against the exploitation of the masses and to defend their liberties; to

struggle for the overthrow of the capitalist system; to strengthen the unity of the labor movement and in particular the unity of the workers and peasants; to struggle against reformism and opportunism in the labor movement; to establish a Soviet or communist form of government under the authority and direction of the masses; and to unite with the revolutionary movement internationally, including the Soviet Union and liberation movements in the colonies.

Unlike other communist parties in East Asia, the CPPI was established legally and openly, despite its proclaimed aim of overthrowing US imperialism and the capitalist system. It was therefore vulnerable to illegalization a few months after its establishment. The US colonial authorities conducted close surveillance on and disrupted the legal mass actions of the newly-founded party in 1931. They made a mass arrest of the leaders of the CPPI and the delegates to the First Congress of the Party. They filed charges of sedition and illegal association against the party leaders, who were subsequently sentenced to imprisonment and exile in 1933 after a series of court appeals.

## VI. Weaknesses of the Newly-Founded Party

Soon after the founding of the CPPI, the Comintern sent the American communist Eugene Dennis (Tim Ryan) to the Philippines in order to inquire into and report on the Party's situation and make recommendations. He reported that the CPPI had considerably broad influence and that its crystallization was of tremendous significance to the workers and peasants and to the revolutionary movement as a whole, and laid the basis for the rapid development of the national liberation movement under proletarian class leadership. But he also found out that the party was lagging far seriously behind in the development of the strike movement among the workers (with only a few of the strikes led by the CPPI) and in organizing the growing mass discontent of the peasantry.

He pointed to the serious deficiency of the CPPI in building its work from below and in leading the workers and peasants in struggles based on their day-to-day needs and demands. He observed that there was a tendency to work from the top and not through mass work from below. The founding of the party was not preceded by mass work and discussions leading to the election of delegates from communist groups within the KAP, KPMP and other organizations. He commented that the CPPI functioned mainly as a propaganda organization and not yet as a fighting force of the workers and peasants. The fight against reformist union leaders was not organized in the shops but was waged in mass meetings and through leaflets outside shops. At the same time, there was a dearth of instructional materials and publications to propagate Marxism-Leninism and apply this on Philippine history and circumstances.

Party work among the peasantry was even worse, according to Eugene Dennis. The KPMP was detached from the everyday life and struggles of the peasantry. It had failed to build peasant committees as organs for waging struggles and strikes against tenant rents and taxes, and for mobilizing peasants to stop evictions. He noticed the tendency to rely on legal battles in the courts and to solicit the support of local politicians in the bourgeois parties. He also observed that no effective organizing of youth or women was taking place. There was political and organizational confusion caused by failure to distinguish the CPPI, the KAP, the KPMP and the Anti-Imperialist League.

Following the recommendations of Dennis in his "The Present Situation in the Philippines and the Immediate Tasks of the Communist Party", the Comintern advised the CPPI to hold the First Party Congress within six months and to make intensive preparations for it at lower levels of the party, including discussion of a draft program. The party was warned that its legal existence would be of short duration because US finance capital was preparing to suppress the party. It was therefore advised to build an underground apparatus that was not isolated from the

masses but still linked to them through mass organizations and mass struggles.

The CPPI took the Comintern advice and held its First Congress on 30 May 1931. The 400 delegates were very representative of the toiling masses. The resolutions tackled the political and organizational problems in line with Comintern recommendations. The spirit of proletarian internationalism was manifested by resolutions in solidarity with the Chinese workers and in support of the Soviet Union, and by decisions strengthening ties between KAP and the PPTUS as well as with the Trade Union Unity League led by the CPUSA. The Congress passed a resolution formally applying for affiliation to the Comintern.

The CPPI received a reply dated 7 September 1931, with the following content:

"The Executive Committee of the Communist International greets the formation of the CPPI and approves the decision of the 1st Congress of the CPPI in May 1931 to request affiliation to the CI. This decision will be presented to the 7th World Congress of the CI for confirmation.

"The establishment of a new sector of the CI in the Philippines reflects the rapid growth of the national revolutionary movement in the colonial countries. Moreover, it marks an historical turning point in the development of the Philippine revolution away from the treacherous path of national reformism and on to the road of organized revolutionary struggle under the banner of the Communist Party, the vanguard of the working class. It indicates the developing revolutionary upsurge in the Philippines and the political awakening of the Filipino proletariat and peasant masses. It expresses their determination to fight for a revolutionary way out of the capitalist crisis, for the complete and immediate emancipation of the Philippines from the rule of American imperialism and its native lackeys, and for the

establishment of a workers' and peasants' government.

The organized crystallization of the Communist movement in the Philippine Islands and its affiliation to the CI – the leader of the world organized revolution – further signifies coordination of the national liberation movement in the Philippines with the revolutionary struggle in other colonial and semi-colonial countries and with the proletarian movement in the Soviet Union and in the capitalist countries, particularly in the United States; and represents the surest guarantee for the victorious carrying through of the anti-imperialist and agrarian revolution in the Philippines. Simultaneously, it strengthens the international fighting front of the workers and peasants and colonial slaves the world over, and expresses their growing confidence to struggle under the leadership of the CI which alone is able to help and guide them to victory in their fight for final liberation from the yoke of imperialism."

## VII. Underground Years of the CPPI, 1933 to 1937

The CPPI did not pursue the whole line of anti-imperialist and agrarian revolution in order to overthrow the enemy and establish a government of the workers and peasants, as indicated by the Comintern and exemplified by the Chinese Communist Party (CCP). In the case of China, the CCP under the leadership of Comrade Mao Zedong carried out revolutionary armed struggle in order to pursue the anti-imperialist and agrarian revolution. By doing so, it was able to realize the effective basic alliance of the working class and peasantry and bring about the gigantic force of the peasantry in support of the national democratic revolution under the leadership of the working class.

The CPPI made statements for overthrowing US imperialism, the entire bourgeoisie and landlord class, and attaining what the working class had achieved in Russia. But such statements were merely rhetorical. The CPPI did not fully recognize US colonial rule and the chronic crisis of the semifeudal economy as

favorable conditions for armed revolution. Also, it did not see any form of armed revolution but the short discontinuous outbursts of uprisings which could easily be quelled by the colonial authorities. It had practically no idea about the strategic line of protracted people's war under conditions of chronic crisis in a colonial or semi-colonial and semifeudal kind of society.

With regard to anti-imperialism, the CPPI competed with the Nacionalista Party and other bourgeois parties in verbal demands for immediate, complete and absolute national independence within the legal and political processes of the US colonial system. It did not do any analysis of the local bourgeoisie and thus could engage only in generalized anti-bourgeois and anti-capitalist rhetoric. Lacking an analysis of the local bourgeoisie, it had the sectarian tendency to close the door to the urban petty bourgeois (especially the intelligentsia) who were willing to remould themselves into proletarian revolutionaries. It failed to distinguish the middle bourgeoisie from the comprador big bourgeoisie. It denounced the populist and pro-Japan Sakdalista party as adventurist for advocating and carrying out armed insurrection against the US colonial rule. But it used its denunciations of this party to justify the foreclosure of revolutionary armed struggle.

With regard to the question of agrarian revolution, the CPPI had no comprehensive grasp of how to carry it out by integrating armed struggle, land reform and mass work, and doing so within the framework of the national democratic revolution. It praised for a short while the Tayug peasant uprising against the feudal system and practices. But subsequently, in the entire decade of the 1930s, it sweepingly denounced as anarchist and adventurist all the armed peasant revolts which occurred in various provinces of Luzon, Visayas and Mindanao. It rejected these to justify avoidance of agrarian revolution. It regarded the communist Teodoro Asedillo as a renegade for trying in 1934 to wage an anti-imperialist and anti-feudal armed struggle in the province of Laguna. It also held the Socialist Party and the Aguman deng Maldeng Tagapagobra (League of Toiling Masses) accountable

for the spontaneous burning of sugarcane fields and killing of abusive landlords, and accused them of being adventurist and even terrorist.

Immediately after the US colonial authorities cracked down on it in 1931, the CPPI membership of 2000 abruptly shrank to only a few hundreds. It was a membership with a generally low level of ideological and political consciousness and with no experience and organizational preparation against repression. The CPPI leadership had not yet applied Marxism-Leninism comprehensively and profoundly on Philippine history and circumstances in order to define the character of Philippine society and the corresponding stage of the Philippine revolution, the friends and enemies of the revolution, the strategy and tactics, basic tasks, and perspective of the revolution.

After serving their prison sentences, the CPPI leaders were banished to different provinces in the Philippines. They could have easily escaped their banishment and pursued the line of anti-imperialist and agrarian revolution. But they did not. They preferred to be where they were banished, although they continued their links with the CPPI underground. As second line leader, Emilio Maclang who had studied in Moscow under the auspices of the Comintern took the place of Evangelista from 1933 to 1935. He could not stem the weakening of the CPPI organization. Rufino Tumanda replaced him as general secretary from 1935 to 1938. He had been a Filipino member of the CPUSA and had founded the Filipino Anti-Imperialist League in Brooklyn. He carried the endorsement of the CPUSA on a bilateral basis and within the Comintern framework. He could not stop the shrinkage of the CPPI membership to only 197 in 1938.

Although the party membership remained small, the active party members within the KAP and the KPMP had wide influence in Manila factories and certain Central Luzon towns, respectively. Also, the CPPI-led League for the Defense of Democracy had increasing influence among the urban petty bourgeois, especially

the intelligentsia. Its core included a few university-based intellectuals as well as Filipino members of the CPUSA (Dr. Vicente Lava was a prominent example) who returned to the Philippines.

The Popular Front was formed in 1936 as an anti-fascist united front. It gave the underground CPPI a relatively wider room for maneuver. But it became too expansive as to include the Sakdalista Party and the National Socialist Party of Emilio Aguinaldo, became preoccupied with electoral struggles against the ruling Nacionalista party, and had difficulty in drawing attention to fascism in Japan, Germany, Italy and Spain until 1938.

Despite being underground, the CPPI could dispatch its delegation to the exceedingly important 7th World Congress of the Comintern in 1934, with the assistance of the CPUSA. The delegation consisted of Lazaro Cruz, Martin Bautista and Ramon Espiritu. Because the congress was postponed to 1935, they had the opportunity to study for a year at the Communist University of the Toilers of the East. The 7th Comintern Congress of 1935 laid stress on developing a broad anti-fascist and anti-war united front of communist and non-communist forces and targeting fascist powers as the gravest dangers to humanity. The congress also approved the 1931 CPPI application for Comintern membership although conditionally due to the inability of the CPPI to station a leading cadre in the Moscow headquarters. Lazaro Cruz stayed for a few more months in Moscow to learn staff work at the Comintern headquarters.

A batch of five Filipino students went to Moscow in 1935 via China and the Trans-Siberian Railway. They were Felipe Sevilla of the tobacco worker's union, Godofredo R. Mallari of the KPMP, Pablo Antonio of the KPMP, Primitivo Arroyo of the dockworkers' union and Fermin Rodillas from a cigarette factory. They were escorted by CPUSA cadre Isabelle Auerbach, wife of the writer Sol Auerbach, otherwise well-known by his pen-name

James S. Allen. The Filipinos were able to return in 1937 and 1938 via Western Europe and the United States. Further attempts of the CPPI to send Filipinos to Moscow through China and the Trans-Siberian Railway failed in 1936 and 1937 because of the full-scale war of aggression of Japan against China.

The CPPI had a highly creditable record of proletarian internationalism from the beginning. It supported the revolutionary movements of the Indonesian, Chinese, Indochinese, Malayan, Indian and other peoples against the colonial powers and their puppets. Filipino-Chinese communists belonging to the CPPI either supported the Chinese revolution from the Philippines or went to China to join the CCP and the people's army. Filipino members of both the CPPI and the CPUSA joined the Abraham Lincoln Battalion to fight on the side of the Spanish republicans against the fascist forces of Franco in the Spanish civil war.

#### VIII. Legalization of the CPPI and Merger Party of the CP and SP

The CPUSA directed James S. Allen (Sol Auerbach) in 1936 to go to the Philippines to promote among the Filipino communists the implementation of the anti-fascist popular front line of the 7th World Congress of the Comintern. It also mandated him to work for the release of the imprisoned and exiled CPPI leaders and the legalization of the CPPI, and explore the merger of the CPPI and the Socialist Party led by Pedro Abad Santos. Allen traveled to the Philippines as a correspondent of the prestigious liberal US magazine, *The Nation*. He and his wife Isabelle Auerbach stayed in the country from August to November 1936.

They knew very well the underground CPPI general secretary Rufino Tumanda, who had been a CPUSA member in New York City. He arranged their meetings with Crisanto Evangelista, Guillermo Capadocia and Mariano Balgos in their places of exile. He eventually organized a conference of 25 central cadres for

briefing James S. Allen and consulting with him about the situation, views and plans of the CPPI. He was also able to consult and develop close relations with Pedro Abad Santos, chairman of the Socialist Party, the Supreme Bishop Gregorio Aglipay of the Philippine Independent Church, and personalities in intellectual circles.

On 20 September 1936, the CPPI Central Committee issued a manifesto entitled, "Forward for the Formation of the Popular Front". It called for an alliance of all labor, peasant and middle class organizations and political and social groups who were in opposition to the policies of the Commonwealth government, particularly the Quezon-Osmeña coalition, and were willing to work for better social conditions and absolute national independence. It announced as the aim of the Popular Front "to save the Filipino people from the danger of imperialist war, dictatorship and fascism, to improve the conditions of the masses and obtain independence".

A conference was held in October 1936 to organize the Popular Front. But the CPPI leadership did not yet comprehend fully the nature of the united front and the anti-fascist purpose of the Popular Front. It allowed the entry of a hodgepodge of organizations from Left to Right, including pro-Japan and pro-fascist organizations. The wrong notion was held in common that the Popular Front was mainly for electoral purposes to oppose President Quezon as an authoritarian and as a betrayer of the cause of national independence, and to demand immediate separation from the US. The objective of opposing fascism and war from the direction of Japan and other fascist powers was unclear to CPPI cadres for at least two years, and was also beclouded by the view that Japan was a threat to the Philippines only because of US colonial rule.

On 23 November 1936, James Allen had a day-long interview with President Quezon on a wide range of issues, such as democracy, the fascist threat, social unrest, social justice and

independence. He took the opportunity to urge Quezon to release the communist leaders in order to strengthen national unity against the growing threat of aggression from Japanese fascism.

Quezon was noncommittal about the release of the communist leaders. But on New Year's Day of 1937, he used his presidential powers to release them through conditional pardon. The CPPI leaders at first refused to accept the terms of release. But on 16 October 1937, they agreed to be released. Upon the request of the CPUSA, Quezon permitted Crisanto Evangelista to get medical treatment for tuberculosis in the Soviet Union, where he stayed for more than a year.

Against the reality of US colonial rule, the CPPI Central Executive Committee issued a statement on 7 September 1937 declaring that the immediate recognition of Philippine independence would save the Philippines from possible invasion by Japan. The statement prompted James S. Allen to write a long letter to Socialist Party chairman Pedro Abad Santos to explain that the demand for immediate independence or US agreement to such a demand would be precisely the invitation to invasion by Japan. The letter was published in the Philippines Herald dated 1 November 1937. It served clear notice to the CPPI to direct its fire against the threat from Japanese fascism. Much earlier in 1936, in view of the impending Japanese attack on Indochina, the Communist Party of Indochina had withdrawn the demand for independence from France upon the advice of the French Communist Party within the Comintern frame.

On 18 August 1938, James S. Allen was back in the Philippines to be present for consultations in the preparation and holding of important gatherings of the CPPI. The CPPI Central Committee held a meeting on 28-30 August 1938 to discuss and approve the two documents, "Memorandum on the Chief Tasks of the CPPI" and "Independence, Democracy and Peace". The memorandum declared that the central task of the CPPI was to organize a national democratic front against Japanese militarist fascism as

the main obstacle to the establishment of an independent democratic Republic of the Philippines and to ensure its security. It was decided that the CPPI disassociate itself from pro-Japanese and terrorist elements, to carry out the immediate and most urgent task of ensuring legality for itself, and to convene in the near future an open Congress.

On 29-31 October 1938, the Third Congress of the CPPI was held, with the theme: For a National Democratic Front Against Reaction and Japanese Aggression, For Security, Democracy, Peace and Freedom! It marked the surfacing of the CPPI from the underground to legality. The CPPI accepted the Commonwealth government, its constitution and the US promise of independence to be granted in 1946. The congress also served to merge the CPPI and the Socialist Party to become the Communist Party of the Philippines (CPP). It approved a new party constitution and elected a new Central Committee, which in turn elected the Political Bureau. The highest party officials were Crisanto Evangelista as Chairman, Pedro Abad Santos as Vice Chairman, and Guillermo Capadocia as General Secretary.

The threat of Japanese invasion was strongly discerned in the Philippines from 1938 onwards. Japanese economic interests and pro-Japanese politicians, businessmen and organizations had become exceedingly conspicuous and alarming. Japanese aggression in China and against Indochina served as a forewarning to all Asian peoples. The Chinese residents in the Philippines were active in campaigning for support for China against Japanese fascism. The Spanish Civil War was also strongly felt in the Philippines as the Spanish superrich (Roxas, Soriano, Ayala, Zobel and Ortigas families) and the Spanish-dominated Dominican and other religious orders provocatively sided with the Franco falangistas, and as the progressive forces and the people opposed them.

In less than two months before the Japanese invasion on 8 December 1941, the CPPI Central Committee called on its

organized masses to prepare for armed resistance and appointed a second line of leadership headed by Dr. Vicente Lava to assume the leadership in case the first line of leadership would be eliminated by the Japanese invaders. Indeed, Chairman Evangelista, Vice Chairman Pedro Abad Santos and General Secretary Capadocia were soon captured in Manila by the Japanese fascists.

The People's Army Against Japan (Hukbalahap) was founded only on 29 March 1942, and the plan for building the Barrio United Defense Corps was also laid out belatedly. The principal leaders of the CPPI did not heed much earlier urgings of Comrade C and other Chinese comrades in the Philippines to build the people's army and incorporate the Chinese fighters, whose units would come to be known as the Wa Chi. It would be in the course of fighting the Japanese occupation from 1942 to 1945 that the CPP would be able to develop armed revolutionary strength, carry out land reform, expand the mass base, and establish local organs of political power.

The CPUSA disaffiliated from the Comintern in 1940 after the Voorhis Act was adopted by the US government, requiring the CPUSA to register with the office of the US Attorney General as a foreign agent of the Soviet Union seeking to overthrow the US government. The CPP thereby lost its connection with the Comintern. On May 15, 1943, the Comintern adopted a resolution to dissolve itself because of the raging war conditions.

The final words of the resolution are the following: The Presidium of the Executive Committee of the Communist International being unable in the conditions of the world war to call a congress of the Communist International:

- (1) The Communist International, as the directing centre of the international working class movement, is to be dissolved.
- (2) The sections of the Communist International are to be freed from the obligations of its rules and regulations and from the

decisions of the congresses of the Communist International. (3) The Presidium calls on all supporters of the Communist International to concentrate their energies on whole-hearted support for and active participation in the war of liberation waged by the peoples and states of the anti-Hitlerite coalition for the speediest defeat of the enemy of the working class – German fascism and its associates and vassals.

## IX. Conclusion

In summary, the Comintern had a relationship with the CPPI at its conception and birthing, and during its childhood from 1930 to 1941, and together with the CPUSA, had a significant measure of impact on it. It is interesting to study how such impact has been favorable and unfavorable to the development of a Philippine revolutionary party of the proletariat not only within the period of 1930 to 1941 but also in succeeding periods. This article can make only a starting frame of reference and to point to noteworthy historical data and objective conditions, as well as subjective responsibilities mainly on the part of CPPI and its cadres under the leadership of Crisanto Evangelista.

The Comintern and the CPUSA had far reaching influence on the CPP long after it lost contact with them at the outbreak of World War II in the Asia-Pacific region. The influences are positive and negative. Among the positive were the inspiration to wage armed resistance against the forces of fascism, carry out an anti-imperialist and agrarian revolution, and build the revolutionary strength of the proletariat and entire people under the leadership of the communist party. Among the negative were the opportunist and revisionist influence of the Earl Browder leadership of the CPUSA in the CPP's acceptance of US colonial rule and the Commonwealth government, the Rightist tendency in the "retreat for defense" policy of the Vicente Lava leadership, and in welcoming the return of US imperialism and the "peace and democracy" slogan after World War II.

The founders of the Communist Party of the Philippine Islands were themselves responsible for failing to take advantage of the conditions favorable to anti-imperialist and agrarian revolution, especially the conditions for agrarian revolution from the 1920s onwards. They consistently followed the line of legalism and reformism on the peasant question and opposed the peasant revolts as adventurist and anarchist, without finding out how the proletarian party could lead the agrarian revolution. They were therefore unable to develop the peasant masses as the main support for the new democratic revolution led by the working class.

Until today, the Communist Party of the Philippines-1930, which is the revisionist successor of the CPPI, hews to the line of legalism and reformism on the peasant question and denounces the Communist Party of the Philippines as "adventurist" or even as "terrorist" in carrying out the armed revolution. The revisionist line regarding the peasant question was reinforced after World War II by the Titoite and Khrushovite line that land reform is unnecessary because socialist industrialization is supposed to solve the land problem automatically and economically by mechanizing agriculture and dissolving the peasantry.

When the CPUSA through James S. Allen pushed the anti-fascist line of the Popular Front from 1936, with the obvious cooperation of the US and Commonwealth governments onwards, the CPPI had no revolutionary peasant mass base and people's army for maintaining initiative and independence. It was necessary to prepare against the forthcoming invasion and occupation by fascist Japan. But it would have been much better if the CPPI had developed a revolutionary peasant mass base and people's army in the period before World War II.

The CPPI would have shifted more easily the direction of its main blow from the US colonial rule to fascist Japan during the late 1930s. It would have been able to build a far larger people's army and liberated more regions during the resistance against the

Japanese occupation. Thus, it would have been able to fight far more effectively against the return of US colonial rule and the Commonwealth government. Instead, it accepted the framework of welcoming back US imperialism and letting it grant sham independence to its Filipino puppets in 1946.

In the case of China, Comrade Mao Zedong had always been grateful to Comrade Stalin declaring as advantageous to the Chinese revolution the continuous fact of armed struggle due mainly to agrarian revolution. The Comintern held a similar position. Comrade Mao commended the Comintern for having done great service to the Chinese revolution and world proletarian revolution. But what he strongly criticized were the undue interferences. These were made by Wang Ming and others who did so in the name of the Comintern, with regard to strategy and tactics. The interlopers were responsible for gross errors that damaged the people's army in the Chingjang mountains and that made the Long March necessary. According to Comrade Mao, at the dissolution of the Comintern in 1943, the Comintern had ceased to interfere in the Chinese revolution since 1935.

When the definitive break between the Filipino revisionists and Marxist-Leninists occurred in 1967, the former boasted of having the longest running cadres from the 1930s. In fact, the veterans who sided with the revisionists had entered the Party in 1935 and thereafter, and had been under the heavy influence of the tradition of legalism and reformism with regard to the peasant question, as well as Browderite reformism and opportunism with regard to US imperialism and the reactionary state. They easily fell for the modern revisionism centered in the Soviet Union from 1956 onwards.

The Marxist-Leninists who encouraged or worked for the re-establishment of the CPP since 1966 staunchly supported the essential revolutionary content of the First Great Rectification Movement that focused on the errors of the old merger party, from 1938 to 1962. They included the most senior veterans of the

old party, like the two surviving Filipino members of the First Central Committee of the CPPI (Comrades Lucio Pilapil and Max Gutierrez) and outstanding cadres in subsequent periods. The re-establishment of the CPP was also enthusiastically supported by Comrade C, who had been a member of the First Central Committee and Political Bureau of the CPPI, and who became a high official in the Higher Party School of the Central Committee of the Chinese Communist Party.

In the 1960s the author had the privilege of meeting most of the surviving CPPI/CPP cadres who had been involved in one way or another in relations with the Comintern and the CPUSA. As a CPP cadre, he worked then for the revival of the old CPP (merger of the CP and SP) from 1962 onwards, and later for the reestablishment of the CPP on the theoretical foundation of Marxism-Leninism-Mao Zedong Thought from 1966 onwards. He also had the opportunity to meet even some of those who had dropped out of the CPPI or CPP but who had some direct knowledge of relations with the Comintern and the CPUSA when he advised Antonio S. Araneta, Jr. for his doctoral dissertation on communism in the Philippines in Oxford University. ###

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22.

## **Global Trends, Challenges and Opportunities After 9/11**

Contribution to the International Solidarity Conference  
on the Struggle of the People of Nepal for Democracy and  
Human Rights

Kathmandu, Nepal

September 22, 2006

On behalf of the International League of Peoples' Struggle which is co-sponsoring this conference, I wish to express warmest greetings of solidarity to all delegations from Nepal and other countries, and congratulate the Nepali colleagues for organizing and hosting this conference and all related activities.

I am deeply pleased to be asked to speak on the subject of global trends, challenges and opportunities after 9/11. I shall make a general presentation of these, with the hope that you can relate these further to the struggle of the people of Nepal for national liberation and democracy.

I propose to give a brief background and discuss major socio-economic and political contradictions within the US and those in the relations of the US with other imperialist powers, with countries and governments that invoke national independence or express anti-imperialist positions, and with the proletariat and peoples of the world.

I shall restate the three fundamental contradictions in the epochal struggle between the proletariat and the bourgeoisie and then point to the four major contradictions that I observe in the current world situation and arrange them according to their current order of strategic importance.

Brief Background

The US has enjoyed the position of sole superpower since the disintegration of the Soviet Union and end of the Cold War. It is the No. 1 imperialist power in economic and military terms. It still dictates the policies governing the world capitalist system through the Group of 8, OECD, the IMF, World Bank, WTO, NATO, the UN Security Council, and numerous bilateral and regional treaties and agreements with other countries.

But while the US has apparently become the strongest imperialist power, it has become fundamentally weaker and more vulnerable in a number of definable aspects. It has undermined its own economic, commercial and financial position by expending huge amounts of resources for the military aspect of its anti-communist crusade, and promoting since the late 1940s the reconstruction and growth of the German and Japanese economies and the industrial development of some economies like South Korea and Taiwan since the 1970s.

By providing financial and trade accommodations to the manufactures of the aforesaid countries, the US has been able to maintain and head an all-round imperialist alliance. It has reaped huge benefits from the alliance but in certain important respects it has also paid a heavy price for containing socialist countries, encouraging revisionism to subvert these, and co-opting the newly-independent countries through neocolonialism. It has stunted its production of many types of exportable goods by providing economic and trade accommodations to its allies. It has long assumed the main burden of spending public resources heavily on military production, deployment of US military forces abroad and wars of aggression.

In countering stagflation in the 1970s, the US has blamed so-called wage inflation and social spending by government as the cause of the problem. It has obscured the stagflationary effect of big government spending for military purposes and that of the ever-increasing cost of import-dependent consumerism. Since the end of the 1970s, it has shifted its policy stress from

Keynesianism to monetarism and neoliberalism. It has sought to keep up the rate of economic growth through sheer manipulation of interest rates and money flows.

The Reagan regime is known for its policy of providing the giant corporations with tax cuts and other favors, its highspeed high-tech military production, and a high level of consumerism financed by foreign debt. Reaganism eventually made the US the biggest debtor in the world and placed the succeeding regime of the elder Bush in a difficult economic situation that would require the raising of taxes. Basically, the problem of stagflation has remained unsolved and has been covered up by heavy local and foreign borrowing and financial manipulation.

The Clinton regime is known for building a "new economy", supposedly characterized by inflation-free growth due to the US lead in high technology and due to the pressing down of the wage level, loss of regular jobs, erosion of workers' rights and reduction of social spending. Since 2000, the high-tech bubble in the US has burst and a protracted financial meltdown has been going on, exposing the overproduction of high-tech goods in the US and the huge trade deficits due to the heavy importation of other types of goods priorly in overproduction in other countries (basic industrial goods, raw materials and low value-added consumer goods).

Since the collapse of the Soviet Union, the US has become more rapacious and aggressive. Under the policy of "free market globalization", it has accelerated the flow of foreign funds to the US, it has reaped superprofits on certain exports and investments, and has imported cheap the products of other countries. Manifesting the brutal character of imperialism, it has waged wars of aggression against Iraq (twice), Yugoslavia and Afghanistan, and engaged in military intervention elsewhere in order to tighten its grip on sources of oil and other natural resources, on markets and fields of investment. It has taken advantage of the weaknesses of the former Soviet bloc countries

before Russia can offer any significant kind of economic competition to further cramp the world for imperialist profit-taking.

### Contradictions within the US

For a while, Bush has been benefited greatly by 9/11. This has given him the chance to stir up war hysteria in order to capture bipartisan support for his role as wartime commander-in-chief, and thus to consolidate his political position against charges of cheating in the elections of 2000 and 2004. Relatedly, he has used the war hysteria and the fear of terrorism to justify bigger government spending for military production and for wars of aggression against Afghanistan and Iraq, and to push state terrorism both within the US and on a global scale.

He has the Reaganite notion of reviving the US economy through heavy government spending for military purposes. He has thus combined military Keynesianism with "free market" globalization. Moreover, he is consciously carrying the "neoconservative" scheme of using a full spectrum of weapons to make the 21<sup>st</sup> a century of Pax Americana, by undertaking pre-emptive actions against current adversaries and potential challengers to US hegemony, and consequently spreading "democracy" and the "free market".

It has seemed for a while that military Keynesianism could revive the US economy. But contracts with the military industrial complex for military production in the US and for other war requirements in the field employ only a few people and provide a limited amount of income for US workers and consumers. So, the US economic planners have encouraged the "housing bubble". The rapid appreciation in value of private homes has allowed many people to use these as collateral for further borrowing for the purpose of consumption.

US imperialism has expected to benefit greatly from its invasion

and occupation of Iraq by taking over its oil wealth and all kinds of enterprises. But the problem of the US is the resistance of the people of Iraq. The resistance keeps on blowing up the oil facilities and pipelines, and cutting down oil production to a low level. The US budgetary deficit has been ballooning because of the war. And the American people observe that the US easily spends USD 250 billion for the war but appropriates only USD 3 billion for the victims of the Katrina disaster and even releases this in dribbles.

The "housing bubble" has begun to burst. This is expected to further harm the US economy in a big way. Those who have been encouraged to engage in high consumption will pay dearly. This is the second huge financial disaster for American families in less than a decade. The preceding disaster was the bursting of the "high-tech bubble" and the widescale loss of pension funds in stock market speculation. The extremely high levels of federal, state and household debts can have far-reaching adverse consequences to the US and global economy. Any sharp drop in US consumption can put China and other countries dependent on exports to the US in an economic tailspin.

The American people in their millions have opposed the US war of aggression against Iraq before it even started. Their opposition is fast growing and is fast isolating the Bush regime. The American people denounce Bush for spouting lies to push the war. They cannot accept the heavy casualties suffered by both the American troops and Iraqi people, as well as the huge amounts of resources expended. An increasing number of the American people are offended by the Bush regime's misuse of 9/11 for further misdirecting the US economy and politics, for pushing repressive laws and human rights violations, and for promoting aggressive wars and fascism.

The US has overreached and overextended itself in the world in the vain hope of expanding the scope of its political hegemony and economic territory. The conditions of socio-economic and

political crisis in the US are worsening and are pushing the American working class and the rest of the people to rise in resistance. They have risen up in great number against imperialist war. The millions of migrant workers have also risen up against the criminalization and harsh conditions that they suffer.

There is a high potential for the broad masses of American workers and people to rise up against exploitation and oppression, especially the loss of job tenure, the decrease of jobs, including part-time jobs, the inadequacy of incomes, the lack of pension, health insurance and other social benefits, and the continuing erosion of workers' rights. The US monopoly bourgeoisie and its state are increasingly hard put in devising new ways for deceiving and appeasing the public.

### Contradictions between the US and Other Countries

Following the pattern set during the Cold War, the imperialist powers of the West and Japan have by and large continued to find common interest under the chieftainship of the US against the proletariat and people of the world and against countries that take the line of national independence and anti-imperialism.

In the wake of 9/11, the imperialist powers easily united behind the US to wage a war of aggression against Afghanistan, because the Taliban government was held responsible for coddling al Qaeda. But France, Germany and Russia together with China objected to the war of aggression instigated by the US and United Kingdom against Iraq in 2003. There were clear contradictions between the US and UK on one side and the other imperialist powers on the other, based on differing interests in Iraq. But the US and UK had their way and ultimately the other imperialist powers compromised with them within the framework of the UN Security Council.

There are contradictions among the imperialist powers with regards to economic, trade, financial, political and security issues.

But the imperialist powers can still make compromises among themselves so long as these can be made at the expense of the proletariat and people of the world and the semi-colonies and dependent countries. The various frameworks for imperialist compromise and agreement are still intact and operative. If for a time no agreement can be arrived at, the imperialist powers simply postpone the resolution of the problem, let the status quo remain, and work around the problem.

But the crisis of the world capitalist system and the crisis in each imperialist country is worsening. The economic and financial crisis is relentlessly driving the imperialist powers to redivide the world and expand their respective sources of materials and cheap labor, markets, fields of investments and spheres of influence. What appear to be constant amicable relations among the imperialist powers can eventually break after a period of imperceptible changes in the balance of strength among the imperialist powers. If they become strong capitalist countries, Russia and China would cramp the world capitalist system and upset its balance. If they become countries of turmoil, they can generate big problems.

The US has overextended itself in outsourcing the production of goods, in over-borrowing from certain countries like Japan and China, and in "staying the course" in the quagmires of Iraq and Afghanistan. In the process, it has aggravated its weaknesses and vulnerabilities in so many ways. Its own imperialist allies can become relatively stronger than before and can move into areas where US attention and strength have thinned out. As a result of its preoccupation with Iraq, the US capability to deal with other regions of the world has lessened.

The European Union has a growing economic interest that is at odds with that of the US in the entire of Europe, Africa and elsewhere in the world. Russia and China have made border agreements with certain Central Asian countries to counter US incursions. China is steadily spreading its interest and influence,

mainly in the whole of East Asia, even as Japan banks on its partnership with the US and maintains a prominent imperialist role in the region. North Korea asserts its national independence and continues to defy and oppose US imperialism.

In Latin America, Cuba, Venezuela and Bolivia have anti-US governments and mass movements, and are encouraging other countries to follow suit. Even in the Middle East, the US is far from being able to stop the initiatives of Syria and Iran in cooperation with Russia and China. It has penetrated South Asia in a big way but it has difficulties in gaining complete control over the region.

The imperialist powers can still dictate on most countries. They have been successful in undertaking neocolonialism. But there are countries and governments which are driven by bourgeois nationalist motivations or socialist aspirations and assert national independence in order to fend off the unacceptable impositions and threats of the US and other imperialist powers. We have seen how Iraq of Saddam, Yugoslavia of Milosevich and Afghanistan of the Taleban have come into cross purposes with the US and been at the receiving end of US aggression. We have seen the governments of China, North Korea, Cuba, Venezuela, Iran and Syria invoke and assert national independence against the worst dictates of the US. But the US has so far refrained from attacking any of these countries for various reasons.

The sharpest and most dramatic contradictions resulting in war have arisen between the imperialist powers and certain countries whose governments refuse to accept imperialist dictates. It is also in this kind of contradiction, as in the run up to the 2003 US-UK invasion of Iraq, where significant contradictions among the imperialist powers have surfaced. That is because imperialist powers have their own drive to compete for advantages offered by non-imperialist countries. The Saddam government attempted to counter the US-UK combine with concessions to the other imperialist powers.

Under pressure of the crisis of the world capitalist system, imperialist countries can engage in proxy wars among their client states or back different conflicting parties within a client state. Another major potential cause for hostility among imperialist powers would be the rise to power of fascist forces within any or some of them. The severe socio-economic and political crisis of imperialism and the currency of the so-called global war on terror have laid the ground for fascism and inter-imperialist wars. In fact, the making of so-called anti-terrorist laws in the wake of 9/11 has intensified repression and spawned state terrorism within the US and on a global scale.

### The Resistance of the Proletariat and the People

Throughout the world, the broad masses of the people have engaged on varying scales in protest mass actions and strikes to resist imperialist plunder and aggression. The largest mass mobilizations on an international scale have involved tens of millions of people in hundreds of cities against the US war of aggression in Iraq. In various countries at different times, millions of people have risen up against the exploitative and oppressive policies and practices of their rulers.

In the US, Western Europe and elsewhere, strikes and protest marches have broken out against attacks on the rights of working people, deteriorating working conditions, racial and minority discrimination, the criminalization of migrant workers, and discrimination against the youth in employment. In the former Soviet bloc countries, struggles between the exploiting and exploited classes and between the dominant nationality and the minorities are intensifying. In China, the workers, peasants and the lower petty bourgeoisie are frequently rising in large numbers against the ruling bourgeoisie and their accomplices in private business.

In the imperialist countries, certain factors check the continuous

vigorous development of anti-imperialist mass movements. The monopoly bourgeoisie erodes the rights and social benefits of the workers and people but in a gradual or surreptitious way so as not to provoke revolt. The major bourgeois parties, mass media, trade union bureaucracy and schools cloak big bourgeois interests with petty bourgeois rhetoric. There are yet no Marxist-Leninist parties and revolutionary mass movements that are large and strong enough to challenge the monopoly bourgeoisie and its agents.

It will take sometime before the internal crisis of monopoly capitalism and the anti-imperialist resistance of the people in the non-imperialist countries can accelerate the sharpening of the class struggle between the proletariat and the monopoly bourgeoisie in the imperialist countries. In Russia and other former Soviet bloc countries, the proletariat and people should be more inclined to wage armed revolution against the new bourgeoisie that privatized the social assets that they have created for decades. But the revisionists masquerading as communists did their work for decades to undermine and destroy socialism from within. That is also the case in China. However, imperialist plunder and aggression are generating the people's growing armed resistance to imperialism in a number of countries.

The peoples of Iraq, Afghanistan, Palestine, Lebanon and other countries have waged armed resistance against US imperialism and its lackeys. The war of national liberation in Iraq is of great significance and has far reaching consequences in weakening US imperialism. The people's resistance in Afghanistan is growing and is delivering lethal blows to the US and NATO forces. The people of Palestine and Lebanon and other Arab peoples have successfully combated the US-directed and US-supplied Israeli Zionists.

There are many armed conflicts of different types in Asia, Africa and Latin America. There are those between the imperialists or the reactionary state on the one hand, and the revolutionary

movements for national liberation and democracy on the other hand, as in Iraq, Palestine, Afghanistan, Nepal, India, Turkey, Peru, Colombia and the Philippines. There are those between the reactionary state and the oppressed minorities fighting for self-determination.

There are also those between reactionary forces who struggle for power by following different imperialist masters and taking advantage of communal, ethnic, religious and racial differences. These armed conflicts have arisen in the wake of economic and social ruin due to depressed prices of raw-material exports and unbearable debt burdens, especially in Africa.

The Marxist-Leninist and Maoist parties that are waging the new democratic revolution through protracted people's war play a signal role in bringing about the world proletarian revolution. They hold high the torch of armed revolution. They illumine the road of revolution for the peoples in the underdeveloped countries, in the retrogressive countries of former socialist countries, and in the imperialist countries. They encourage the formation of Maoist parties where these do not yet exist.

### Current Major Contradictions in the World

In the epochal struggle of the proletariat and the bourgeoisie, the fundamental contradictions to reckon with are those between labor and capital, among the imperialist countries, and between the imperialists and the oppressed peoples and nations. From time to time, the arrangement of these contradictions changes according to concrete conditions.

At this time, these fundamental contradictions may be seen as four major contradictions and may be arranged according to current world reality. These are contradictions between the imperialist powers and the oppressed peoples and nations, between the imperialist powers and countries upholding national independence, among the imperialist powers, and between the

proletariat and the monopoly bourgeoisie in imperialist countries.

The contradiction between the imperialist powers and the oppressed peoples and nations ranks first because armed revolutionary movements have arisen within it, even if still few, and the central question of revolution is being answered through the serious endeavor to seize state power. Every day that these armed revolutions for national liberation and democracy exist and develop, they demonstrate that the US and other imperialist powers do not have enough power to suppress them and pacify the entire world. They encourage the people to wage armed revolution. There is high potential for more armed revolutions to arise in Asia, Africa and Latin America because the peoples and nations in these parts of the world are the most oppressed and exploited.

The contradiction between the imperialist powers and countries upholding national independence has in fact resulted in wars that are even more dramatic for a certain time than the revolutionary wars of oppressed peoples and nations. Any government, whether motivated by bourgeois nationalism or socialism, invokes national independence against imperialism to assert its legitimacy and compliance with the sovereign will of the people. We have seen the blitzkriegs launched by the US and its allies against Iraq and Afghanistan. The governments of Saddam and the Taleban have fallen. But the people continue to wage a war of liberation against the occupation and has pushed the US into a quagmire.

Individually, China, North Korea, Cuba, Iran and Syria invoke national independence and take a stand against the dictates of US imperialism on certain outstanding issues, like Taiwan, nuclear research and development, economic sanctions and Israeli Zionism, to cite a few. Politically, economically, financially and militarily, there are limits to US imposing itself on any or all of the aforementioned countries. It is already in serious trouble even only in Iraq. Together with its NATO allies, it is increasingly faced with armed resistance in Afghanistan.

The contradiction among the imperialist powers has long been cushioned since the end of World War II by their anti-communist alliance against the socialist countries, the national liberation movements, and the proletariat and people. But it can easily take the No. 1 position when it results in war among the imperialist themselves, as in World War I and World War II. Such a war is always of high significance because it is the most devastating to the people, it is self-destructive to world capitalism in general and gives the people the opportunity to turn the war into a revolutionary civil war for national liberation and socialism. No direct inter-imperialist war has arisen since the end of World War II because the imperialist powers have developed various frameworks for settling their differences at the expense of the proletariat and people.

The contradiction between the proletariat and the monopoly bourgeoisie can be looked at first within the imperialist countries. It can develop rapidly only after the other contradictions develop first. The revolutionary potential of the proletariat can arise from the internal economic and political crisis of imperialist countries. But before the monopoly bourgeoisie resorts to the use of fascism, it uses its superprofits from the rest of the world to counter and delay the rise of a revolutionary movement of the proletariat with the use of reforms and concessions.

We can reckon with the contradiction of the proletariat and the monopoly bourgeoisie on a global scale. The proletariat has a global presence. Outside of the imperialist countries, there are varying degrees of modern industrial development. On the basis of this, the trade union movement and the revolutionary party of the proletariat can arise. As the most advanced political and productive force, the proletariat can amplify its strength by uniting with and leading the peasant masses in the people's democratic revolution in countries like the Philippines and Nepal.

The people's democratic revolutions through people's war on the

basis of the worker-peasant alliance and under the leadership of the revolutionary party of the proletariat are very crucial today in keeping alive the hope of the broad masses of the people to defeat imperialism and its lackeys, free themselves from oppression and exploitation, and enjoy a life of freedom, democracy, justice, plenty and progress in socialism. ###