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# CONFRONTATION OF THE TWO SYSTEMS AND METAMORPHOSES OF MILITARISM

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There is more than sufficient evidence to witness that the forces of peace and socialism are steadily consolidating, while the positions of imperialism are deteriorating and crisis phenomena in its economy and politics are piling up. This is an objective process which does not mean, however, that monopoly capital is willing to accept it as such. Moreover, it is drawing on all resources at its disposal seeking to reverse the course of history.

Recent attempts on the part of the more bellicose elements of the bourgeoisie to seize the social initiative have dramatically heightened the level of confrontation between the two social systems, capitalism and socialism. In this context there has been a sharpening of the debate within the ruling quarters of Western countries over the possible solutions of problems besetting capitalism and over the basic tenets of the West's long-term policy towards existing socialism and the national liberation movement.

Prominent among the Western "brain trusts" busy shaping imperialist power politics in the changing world is the Trilateral Commission, which is at pains to justify the militarist course, simultaneously trying to avoid its more dangerous and odious manifestations.

The Trilateral Commission, whose membership is now listed at around 300, was formed in June 1973, when the crisis which continues to convulse the capitalist world was already looming ahead. The idea of such a body was conceived by David Rockefeller, who until recently headed the Chase Manhattan Bank, one of the more powerful financial empires in the West. Among the Commission members are prominent political figures in the USA, West European states and Japan, heads of major corporations, and leading bourgeois economists and political scientists.<sup>1</sup>

Recommendations issued by the Trilateral Commission cover a broad range of issues and at times pursue openly short-term goals. However, persisting in all its documents starting with the initial report is concern caused by the state-monopoly capital's diminishing ability to influence the course of social development and by the growing economic, social and political instability of the capitalist system. A major permanent line is also the conviction underlying all the Commission's activities that a col-

<sup>1</sup> For details see *International Non-Governmental Organizations and Agencies*, Moscow, 1982, pp. 338-339 (in Russian).



ries, pressure which the USA will not hesitate to use against the African peoples should it need to.

Seeking to drag the African countries into its far-reaching militaristic plans the US Administration would like to turn Africa into an arena of global military and political confrontation. As always, Washington presumptuously believes that the peoples of the developing countries are unaware of the true reasons behind the US manoeuvres to achieve these aims. Moreover, the US strategists are certain that this task will be made easier by increasing the African countries' financial and economic difficulties, and hence their dependence on the West. All this is wishful thinking. The peoples of Africa are far from indifferent to the ways of settling key issues of the times. They are growing ever more aware that in the conditions of global confrontation and mounting international tension, it is hardly possible even to speak of escape from the vicious circle of neocolonialist relations and the achievement of economic decolonisation.

Africa is moving into the second half of the 1980s with a burden of unsolved problems. The pressure of neocolonialist forces on the young sovereign states, which they are trying to bring under their total control, is still as strong as ever. In this arduous struggle to preserve their independence against imperialist diktat, the peoples of Africa, as before, can count on the selfless support of the Soviet Union and the entire socialist community.

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lective effort by the three centres of imperialism is required if the world balance of power is to be tilted in favour of capitalism, and its weakened position improved.

The aggravation of the general crisis of capitalism is interpreted in Commission documents in military terms as, above all, greater vulnerability of the West to unspecified "outside" forces which are supposed to threaten the very existence of bourgeois society. "Forces outside the trilateral regions [the Trilateral Commission's name for the USA, Western Europe and Japan.—*Yu. F.*] will threaten the international political and economic order more severely in the 1980s than in any decade since the 1940s," proclaimed a recent report.<sup>2</sup> A "derangement" of this order, the report stressed further, was fraught with disastrous consequences for the developed capitalist countries.

The way the issue is formulated is characteristic enough. First, the ideologists and politicians of the West cannot acknowledge that the crises phenomena weakening capitalism stem from within; second, it is a convenient justification of the ever tougher and more aggressive foreign policy pursued by the imperialist states. Indeed, the very assumption that the source of all misfortunes that beset the capitalist system is to be found outside it leaves the reactionary circles of the bourgeois states free to make the fullest possible use of military, political and economic pressure, blackmail, etc. It is for this reason that the Trilateral Commission's theorists maintain that the threat to the Western social and economic order proceeds primarily from the "challenge" presented by the Soviet Union and the processes under way in the Third World.

On the strength of these assumption, as early as in the second half of the 1970s, the Trilateral Commission experts advocated rejection of detente and a vigorous interference into the affairs of both the peoples building socialism and communism and those who have just begun introducing progressive reforms. A Commission report which was issued in 1978 read: "As a basic guideline for our long-term relationship with the communist powers, then, the West should not be content to defend its fundamental values and seek to implement them on its own territory. It should set itself the objective to influence the natural process of change that occurs in the Third World and even in the Communist world..."<sup>3</sup> As is known, these appeals did not remain unheeded by the ruling elite of the United States and certain other imperialist powers.

Confrontation with the existing socialism is of course a plan of action approved by the entire ruling capitalist class. However, its different sections frequently differ as to the ways and means of struggle best able to meet the requirements and adapted to the available Western resources. As a rule, the Trilateral Commission represents the viewpoint of the cosmopolitan faction of big capital closely linked with transnational corporations. Developing the strategy of imperialism, it seeks to coordinate the whole range of global economic and political objectives pursued by the monopolies and adapted to the current balance of power in the world with the strengthening of capitalism's rear. Commission reports insist that to attain this it is essential to overcome or at least alleviate the antagonism between the Western centres of power which makes a coordinated policy in international affairs impossible. The emphasis is on the removal of the steadily exacerbating crisis phenomena in the capitalist economy and the contradictions between the USA, Western Europe and Japan which are becoming worse as a result. "The revitalization of the world economy [capitalist economy—*Yu. F.*] is a precondition for any en-

<sup>2</sup> N. Ushiba, G. Allison, T. de Montbrial, *Sharing International Responsibilities Among the Trilateral Countries. The Trilateral Commission*, 1983, p. 2.

<sup>3</sup> J. Azrael, R. Löwenthal, T. Nakagawa, *An Overview of East-West Relations. The Trilateral Commission*, 1978, p. 46.



during improvement in the security situation," stated the Trilateral Commission's report on military and political issues. "But beyond that, the continuing economic disputes on trade, monetary, and macroeconomic management issues are prejudicing our alliances, detracting from efforts to achieve greater support for trilateral security interests from other countries and giving encouragement to the Soviet Union and its allies."<sup>4</sup>

These considerations reflect, though in a distorted way, the processes taking place in the world. Seeking to strengthen their positions, Western ruling quarters in recent decades have been feverishly trying to find a way to dull the edge of inter-imperialist contradictions. They realize that competition between the national sections of monopoly bourgeoisie within the trilateral region has a damaging effect on the potential of imperialism in the global class confrontation. Experience has shown, however, that appeals to big capital not to prejudice its common class interests are not enough to subdue the effects of the above contradiction. Hence the attempts of the Trilateral Commission theorists to find new organisational forms and mechanisms that would supposedly allow to attain the stated objectives.

Commission reports published in the 1970s proposed, among other things, the establishment in the West of international structures able to make the developed capitalist countries accept the leadership of the few most powerful imperialist states headed by the USA. The theoretical foundation was provided by the "interdependence" theory interpreted in a way promoting the interests of transnational corporations. "The objective of the Trilateral Commission is clear," wrote the French magazine *Economie et politique*. "It demands that this interdependence be enhanced and systematized, and that we work for a sort of supra-national arrangement that would meet the requirements of big capital which is reorganizing itself, and ensure the USA, the FRG and Japan increasingly greater freedom of action in the world economy."<sup>5</sup>

These ideas are still being advocated by the Trilateral Commission, which, however, has been forced to admit that their implementation is at present unfeasible. "Economic interdependence will continue and will require, over the long term, the creation of new and stronger international institutions to manage the issues of interdependence," stated one of the Commission's reports. "It's now politically impossible to establish the international institutions."<sup>6</sup>

The Trilateral Commission has recently been impelled to relinquish its ambitious plans to establish supra-national mechanisms regulating the economic and socio-political processes in capitalist society. It is now concentrating not so much on the settlement as on taking the edge off the more urgent problems besetting the capitalist world. The reason is the exacerbation and growing complexity of the whole system of inter-imperialist contradictions in the first half of the 1980s.

The recent recommendations of the Trilateral Commission rest on the idea of "partnership" and "division of responsibility". The stress is on coordinating the efforts by the leading imperialist states which are to do their best to find mutually acceptable compromises, as a practical policy promoting the common class interests of bourgeoisie would, according to trilateral theorists, yield tangible benefits to bourgeoisie in each trilateral country. An attempt has been made to elaborate the general principles of such partnership. "Contributions to collective efforts should be roughly proportionate to the capacities and interests of the parties and the bene-

<sup>4</sup> G. Smith, P. Vittorelli, K. Saeki, *Trilateral Security: Defense and Arms Control Policies in the 1980s*. The Trilateral Commission, 1983, p. 76.

<sup>5</sup> *Economie et politique*, July-August 1979, p. 66.

<sup>6</sup> T. Watanabe, J. Lesourne, R. McNamara, *Facilitating Development in a Changing Third World. Trade, Finance, Aid*. The Trilateral Commission, 1983, p. 2.



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fits derived from contributions.<sup>7</sup> In other words, the idea should be roughly proportional to the relations between the capitalist countries should be principles the same as those regulating the activities of joint-stock companies. It is apparent that the implementation of this idea, if and when, further the interests of a small group of the more economically and militarily advanced Western states, the USA first and foremost.

The theorists of the Trilateral Commission are by no means confining themselves to the formulation of abstract principles of partnership of imperialist states with a view to consolidating the positions of the monopolies in the global class confrontation. They also adapt them to facilitate a solution of those very real problems which cause the greatest anxiety among top Western summits by the leaders of major capitalist states. A special place among those problems belongs to the US federal budget deficit which during the Reagan Administration has increased by nearly five times to \$200,000 million and is causing severe repercussions. It has caused a rise of US banks' interest rates and, consequently, the rechanneling of West European capital into the USA. This restricts Western Europe's investment capacity which is making itself felt in skyrocketing unemployment, and that, in the opinion of bourgeois experts, may result in socio-political destabilization.

Inflated US banks' interest rates are making a considerable "contribution" to the rapidly growing debt of the developing countries, which according to UN data, has reached the huge sum of a trillion dollars. This tendency is causing grave concern to Western politicians and economists who see in it a sign of an unprecedented financial upheaval in the capitalist world. There is growing realization in the West that inflated bank rates give Washington an opportunity to shift part of the rapidly growing military expenditures and the allocations for restructuring and modernising its economy to its West European partners and the developing countries.

Concerned over the situation, West European leaders insist though in vain that the White House reduce the federal budget deficit. Refusing to grant their wish, the American Administration demands, in its turn, that its NATO allies and Tokyo step up their military spending. Besides, both Washington and Tokyo are trying to get West European states to lower the protectionist barriers which obstruct a more active American and Japanese economic expansion.

A heated discussion flared up around these closely interwoven problems posed by inter-imperialist relations at the session of the Trilateral Commission held in Washington in April 1984. A report, pretentiously entitled "Democracy Must Work", was submitted for its consideration which was prepared by David Owen, former British Foreign Secretary, Saburo Okita, former Japanese Minister for Foreign Affairs, and Zbigniew Brzezinski, Assistant to the President for National Security Affairs in the Carter Administration. It proposed "six steps" towards surmounting the contradictions rendering the Western world apart, which, the report stressed, must be taken concurrently: "It is politically unrealistic to expect individual governments to tackle some of these problems unless they feel confident that the benefits they receive."<sup>8</sup>

However, the authors of the report failed to suggest any really efficient formulas for reducing the bite of the contradictions between the tri-

<sup>7</sup> N. Ushiba, G. Allison, R. de Montbrial, *op. cit.*, p. 19.  
<sup>8</sup> *The International Herald Tribune*, Apr. 9, 1984.

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In the long run, this type of straightforward determination to maintain that any economic and for armed aggression by imperialist of this sort, the Reagan Administration systems and a world by beginning the refining itself to "defensive objectives". More implies that interference into affairs of other dispensable part of imperialist objectives. force able to arrest the "dynamic changes", i. e., social and economic development, apart, perhaps, from a thermonuclear catastrophe, which would exterminate civilization as such.

However, the US ruling circles have gone so far in their militarist policies that this cannot but arouse the anxiety of many Western leaders. The Trilateral Commission has opposed some of the military programmes adopted by Washington which threaten to upset the strategic balance. It demanded that the USA begin talks with the USSR on limiting the testing and deployment of space-based weapons, including the introduction of strategic armaments in the 1990s or thereafter.<sup>12</sup> The Commission insisted that the USA should relinquish its "complex, hard to understand, and potentially destabilizing" stand on the limitation and reduction of strategic weapons. It also urged Washington to support the necessity of a complete nuclear test ban. The Commission refused to support the declaration stating that the Soviet Union has resumed talks on a complete nuclear arms race and military have not yet renounced the course to its own advantage. The Commission report read: "Others, including apparently President Reagan, believe that the Soviet Union already has acquired a position of superiority in offensive forces which has practical significance. We do not share this view."<sup>13</sup>

Statements like the one quoted above show that even the imperialist ruling circles do not always extend support to the policies of the military-industrial complex under way aimed at "super-arming" the West. Indeed, heated debate is under way among the ruling class of bourgeois society on the trends and objective limits to the militarist course. At the same time, the Commission's reports make it clear that the influential sections of big capital have not yet renounced the course towards the arms race and military confrontation with the existing social-ultra-militarist policies does not mean that it is prepared to promote peaceful coexistence of states with different social systems; rather, it is aware that keeping up the rates and scope of the arms race draws away the West's resources, which are by no means unlimited, from the more promising directions in the military confrontation and results in the development of expensive weapons systems of dubious efficiency. Seeking to disguise the cynicism of its stand, the Trilateral Commission devotes a great deal of time and space to discussing the "Soviet threat", this much-worn myth beloved by bourgeois propaganda, advocating the deployment of nuclear weapons systems intended for "limited" nuclear wars, the building up and qualitative improvement of general

<sup>12</sup> G. Smith, P. Vittorelli, K. Saeki, *op. cit.*, p. 81.  
<sup>13</sup> *Ibid.*, p. 38.



lateral regions, they have merely represented these regions' claims as a single packet. The USA was advised to take urgent steps to reduce the federal budget deficit, and Japan and Western Europe were urged to enhance their contribution to "collective defense effort". The authors insisted on coordination of efforts to achieve an up to 4 per cent rise in economic growth rates of the developing countries. Finally, they voiced an opinion that the colossal growth rates of the West "must be more flexible in dealing with key countries whose political or strategic importance means that they cannot be allowed to slide into anarchy".

A prominent place in the report and the debate following it was taken up by the problems besetting Western Europe, which was pictured as "hopelessly behind the United States and Japan in technological innovation, and so mired in unemployment".<sup>9</sup> Discussing the reasons for the deplorable condition in neo-conservatism, the Commission was clearly riding on the wave of neo-conservatism. Specifically, it opined that allocating their members' economic rights tie up the resources needed to modernize West Europe's economic sector and the firm stand of the trade unions protecting anti-crisis measures onto the working people while preserving or even augmenting monopolies' profits. True, the Trilateral Commission also noted that the flow of capital into the USA caused by the high interest rates restricts the scope of technological innovation in Western Europe—an admission, albeit explicit on the part of the capitalist ruling elite that pursuit of military-strategic superiority aggravated the economic situation not only in the USA but in Western Europe as well.

The nature of the recommendations advanced by bourgeois experts and the modest outcome of the regular top-level meetings of leaders of the seven major capitalist states shows that an efficient way of blunting the edge of imperialist contradictions is simply non-existent. Experience has again proved the historical significance of Lenin's idea that "...a league of equal nations *under* capitalism" is a reactionary utopia.<sup>10</sup> This does not mean, however, that in the struggle against the existing socialism and anti-imperialist forces, the imperialist powers cannot coordinate their action effectively enough.

The works produced by the Trilateral Commission have mirrored the changes that have occurred at the turn of the 1980s in the military and political strategy of imperialist states. At that time more strident and aggressive foreign political attitudes were resuscitated, and a search for arguments began to justify the need for the protection of "vital interests" of capitalism through stepping up the arms race to achieve military superiority over existing socialism.

The Trilateral Commission did not fail to make its own contribution to the modification of the foreign political doctrine of imperialism. True, its reports did not echo the hysterical urges to launch a "crusade" against the Soviet Union. The ideas set forth in them were couched in more and even superficially "scientific" terms. The report dated 1977 "The idea of a stable world order... is incompatible with the changes in economics, technology, ... population, and resource energy and raw materials.... The Western illusion of stability confine its holders to defensive objectives and to a reactionary attitude."<sup>11</sup>

<sup>9</sup> *The International Herald Tribune*, Apr. 7-8, 1984.  
<sup>10</sup> V. I. Lenin, *Collected Works*, Vol. 22, p. 167.  
<sup>11</sup> J. Azrael, R. Löwenthal, T. Nakagawa, *op. cit.*, pp. 62-63.

purpose forces, and the development of increasingly more powerful and sophisticated types of conventional weapons.

The Trilateral Commission approves the deployment in a number of West European countries of new American first-strike nuclear systems and makes no attempt to conceal its far-reaching plans. "The deployment of U.S. missiles is justified less by need to offset the SS-20s than by the necessity to have NATO forces backed by missiles that would strike deep in Soviet territory, taking into account increasing difficulty for NATO bombers to penetrate Soviet anti-aircraft defences," said Raymond Barre, former French Prime Minister, at one of the Commission's sessions.<sup>14</sup> And this is much closer to the truth than the hypocritical assertions of certain Western politicians who seek to represent the deployment of Pershing and cruise missiles in Western Europe as a forced response to the modernisation of Soviet medium-range missiles.

The Trilateral Commission's theorists have not approved the suggestion to freeze the nuclear arsenals of the USSR and the USA, which has won worldwide support. Should this idea be realised, the nuclear arms race would have been limited, and that would have facilitated agreement on their further reduction up to complete elimination. However, the Commission chose to echo the hypocrisy to erase the alleged Soviet superiority in offensive strategic weapons, although that same document stated that no such superiority existed. Discrepancies of this sort, which some times occur in the authors' reports, are neither slips nor oversights on the part of the USA but an attempt to prove, contrary to all logic, the need for the USA to drastically modernize its strategic potential to be able to blackmail the Soviet Union.

However, many representatives of the ruling elite in the West are aware that the use of nuclear weapons even in "limited" nuclear wars holds grave risks for defensive purposes but above all to create a threat to the Soviet Union. With this end in view, one of the reports of the Commission states quite openly that non-nuclear conventional weapons should be used not only for defensive purposes but also to create a threat to the Soviet Union. The Commission would like to translate the "division of military powers", which is defined as the more general approach of imperialism to the confrontation with existing socialism, into the language of military directives: "The distinction between the direct defense of imperialist powers, which is vital to the trilateral countries, and the posing of a threat to the trilateral countries." It is also hoped that in the end, the destructive power of conventional weapons will approach that of nuclear arms. This would give the capitalist states an opportunity to deal with powerful blows against major Soviet military and political centres without going as far as a nuclear war. The Commission stated that "during the 1980s and 1990s, the likely advent of more effective long-range conventional strike systems, including cruise and ballistic missiles with advanced munitions, will probably make escalation."<sup>15</sup>

A prominent place in the works sponsored by the Trilateral Commission is assigned to imperialist policies in the developing world, which is considered an important area of the confrontation between different social systems. The Commission has displayed particular concern over the fact that the aggravating contradictions between the capitalist and the

<sup>14</sup> *Dialogue*, April 1983, No. 33, p. 9.  
<sup>15</sup> G. Smith, P. Vittorelli, K. Saeki, *op. cit.*, pp. 62-63.



developing countries cripple the overall positions of imperialism. Hence the urge to work out a more flexible policy and utilize the whole range of means to offset the operation of tendencies prejudicial to the West.

A great deal of attention is given to those regions of the developing world which are strategically important for the capitalist states as sources of fuel and mineral raw materials. These are, above all, the Middle East and the Persian Gulf. Sophisticated political and economic techniques are being supplemented by power politics. The Commission stated in a most straightforward manner that "security interests call for a military dimension of policy in the area". In the given case, the "division of responsibility" between the leading imperialist states implies, according to the Commission, that the USA should shoulder the main burden of the armed struggle against the anti-imperialist forces, while the other NATO countries and Japan will undertake to enhance their military effort so as to be able to step in should American armed forces be engaged elsewhere in all sorts of neocolonial ventures. This idea is almost identical with the scheme developed by NATO in the course of lengthy debates which envisages a "southward expansion" of the zone covered by that bloc activities.

It is therefore clear that all this verbiage about the security of the Western economy serves to justify the attempts of imperialism to control the natural resources of the developing countries and decide their political future. This is a line which goes against not only international law and political ethics but which may engender dangerous flareups and crises adversely affecting world politics.

This is ample evidence to show that the reactionary quarters in capitalist states continue to entertain hopes of forcefully altering the course of the historical confrontation between the two social systems, and establish, by fire and sword, the rule of big monopoly capital throughout the planet. However, such plans are doomed to failure. The USSR is strong enough to foil any aggressive plans nurtured by the enemies of peace and independence of the peoples.

The Trilateral Commission's reports show that influential sections of monopoly capital, concerned with the weakening of the positions of the world capitalist system, still regard armed force as the means to resolve the principal contradiction of the epoch. This position dramatically aggravates the threat of war and increasingly clashes with the realities of the nuclear age.

There is no, nor can there be, a reasonable alternative to the consistent course towards peaceful coexistence of states with different social system pursued by the socialist community. Refusing to accept this obvious truth, the Trilateral Commission rather resembles a blind man with other blind men in tow. Its ambitious reports are another proof of the unsoundness of bourgeois ideology, which has failed to either understand the profound processes of social development or capture the moods and strivings of millions of people who are determined to avert a nuclear catastrophe.

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# THE PEACE POTENTIAL OF SOVIET FOREIGN POLICY

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In accordance with the decision of the April 1985 Plenary Meeting of the CPSU Central Committee, the Party and the nation have begun intense and diverse work to prepare for the next, 27th Congress of the CPSU, which will convene on February 25, 1986. This work includes the political, economic, organisational, and ideological-theoretical activity of the Party, in the course of which a profound assessment is to be made of the current situation, achievements and shortcomings in all areas of our life are to be analysed, and bold and energetic actions are to be planned, the implementation of which would bring the country to new frontiers in improving developed socialism.

As practice has convincingly shown, congresses of the Communist Party of the Soviet Union become events of exceptional international political significance. Their importance and place in history extend beyond the boundaries of our country and exert a profound and far-reaching influence on the course and perspective of world events.

The importance of the congresses of the CPSU stems from the fact that they tackle problems of truly worldwide significance. It also stems from the place and role of the Soviet state in the system of contemporary international relations. The process of improving further socialist society exerts a direct influence on the overall development of international relations and contributes to the strengthening of the international position of the new social system. The successful development of the USSR is the main factor determining the logical inevitability of the general change in the correlation of forces between the two social systems in favour of socialism and to the detriment of imperialism. The well-grounded nature, the material and moral strength, and the ideological-political potential of the decisions of our Party congresses are rooted in the strength of the socialist society which has been built in the Soviet Union.

The political and theoretical conclusions made by the congresses of the CPSU are of exceptional significance for the modern world, particularly for working out the political strategy of the world revolutionary movement. Scientific-theoretical treatment of the cardinal problems of world development has never been a prerogative of one party—it depends on the objective place a given party occupies in the process of the revolutionary transformation of the world.

The political and scientific-theoretical significance of our Party's congresses stems from the following:

— congresses of the CPSU work out a comprehensive programme of socio-economic development for the USSR, determine the ways and pers-

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# THE TRILATERAL COORDINATION CENTRE FOR IMPERIALIST POLICY

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As the worldwide crisis affecting capitalism becomes worse and the economic and political positions of capitalism weaken, as socialism grows in strength, together with national liberation and democratic movements, capitalist leaders are seeking new ways and means of consolidating their ranks and pitting them against progressive forces.

One such attempt is the creation of a Trilateral Commission, a consultative body made up of leading figures from the United States, Western Europe and Japan. This commission deserves attention primarily because the reports it prepares, and the publications, statements and articles by its members reflect the current thinking of ruling circles in the capitalist world. Also of signal importance is the fact that 17 of its former members hold now top positions in the Washington administration, including practically all the major foreign-policy posts.

"The international system is undergoing a drastic transformation, through a number of crises", notes the resolution of the executive committee of the Trilateral Commission. "Confrontation in an attempt to maintain the underlying assumption of the old system could lead to a general breakdown. On the other hand, creative policies to adapt it to the new partners and conditions could extend the area of effective cooperation more widely ever before".<sup>1</sup>

The Trilateral Commission was set up in July, 1973, by a small group consisting of Columbia University Professor Zbigniew Brzezinski, Harvard University Professor Robert Bowie, head of foreign-policy studies of Brookings Institution Henry Owen, and George Francklin, who for a long time held the post of director of the Council of Foreign Relations.

The man behind the commission was Chase Manhattan Bank President David Rockefeller who, in a number of speeches before American business leaders, proposed the idea of creating a non-governmental organization uniting the most influential private persons from North America, Western Europe and Japan. This idea was approved by the Bilderberg Conference held in 1972—an annual closed meeting of public and political figures and businessmen from Western Europe and the United States.

Originally the commission consisted of 200 people. The last membership list, dated July 26, 1977, revealed 84 Americans, 92 West Europeans and 73 Japanese. Approximately half the commission's members represent big business, being owners or presidents of large international corporations and banks, and heads or partners of the law firms that serve them. The other members are professional politicians and prominent bourgeois scholars—experts on the world economy and international relations. It is of note that the members of the commission cannot occupy official posts on state executive bodies.

The commission has three headquarters, one each in New York, Paris and Tokyo. Its chairmen are David Rockefeller, Georges Berthoin, a for-

<sup>1</sup> *Dialogue*, No. 6, Winter 1974-1975, p. 3.



Now a new social system has emerged which is waging an uncompromising struggle against world war. The victory of the socialist revolution in Russia has opened the way to the establishment of peace on Earth. "Democracy is most clearly manifested in the fundamental question of war and peace,"<sup>15</sup> Lenin emphasized in 1920. The victory of the socialist revolution and peace throughout the world are organically linked.

Lenin wrote: "*The first Bolshevik revolution has wrested the first hundred million people of this earth from the clutches of imperialist war and the imperialist world. Subsequent revolutions will deliver the rest of mankind from such wars and from such a world.*"<sup>16</sup>

History has justified these words. As a result of World War II, which was even greater and more terrible than the first one, and, to a considerable extent, of the fact that the Soviet Union stood at the head of the liberation struggle against fascist Germany, which personified the worst form of reaction the world has ever known, new states and peoples were snatched from the clutches of the capitalist system and a world socialist system arose.

In advancing the principle of peaceful coexistence between the two social systems, the Bolsheviks based themselves on the social nature of the new socialist state, on the common interests in the struggle for socialism and democracy and on the objective laws of the final triumph of socialism in this peaceable contest. However, the peace programme and peaceful coexistence could not become a reality in conditions of capitalist encirclement, with the Soviet Union being the only socialist state in the world. Peaceful coexistence turned out to provide only a breathing space before fascist aggression against the USSR in World War II. After this war, when the socialist system became established on a world scale, radical changes took place in the correlation of forces in the international arena, and peaceful coexistence acquired a firm foundation.

The current development of international affairs reflects the general laws and main trends of our age. The leading trend in world historical development in this century is the continued extension of the sphere of socialist influence, which has become a determining factor in this process, and limitation of the sphere of influence of the imperialist powers on the course of world history.

Under these conditions, the possibilities for avoiding a new world war and new armed conflicts have risen tremendously. Of great importance in this are the policy of detente, advanced and developed by the USSR and the other socialist countries. It accords with the interests of each nation and the interests of mankind as a whole, for it creates the best conditions for the struggle of the working class and all democratic forces, for establishing the inalienable rights of each nation freely to choose and follow its own course of development, for the struggle against monopoly domination and for socialism. Therefore, the "left" revisionist and Maoist ideas of the "usefulness" of a third world war for advancing the world socialist revolution and the concepts of "exporting", "planting" or "pushing" and imposing the revolution on peoples by military force have nothing in common with Marxism-Leninism. These methods can only serve to discredit the liberation struggle of the working people of the world and, on the contrary, help the export of counter-revolution by reactionary imperialist circles in various parts of the world.

The struggle for peace and peaceful coexistence reflects the historical optimism of a new system that is gaining strength and that does not need war to ensure its final triumph.

<sup>15</sup> V. I. Lenin, *Collected Works*, Vol. 30, p. 319.

<sup>16</sup> *Ibid.*, Vol. 33, p. 57.



mer head representative of the Commission of the European Communities based in Britain, and Takeshi Watanabe, a former president of the Asian Development Bank. There is an executive committee of 35 members. Zbigniew Brzezinski was the commission's director, and to a great extent, its ideological leader until his appointment to the post of national security adviser to the President of the United States.

The commission's budget, which from mid-1976 to mid-1979 will reach \$1.2 million, comes from donations by philanthropic organizations and contributions from private persons and corporations.

The commission forms "special groups" of experts to report on specific pressing political and economic problems facing the capitalist countries. The preparation of the reports is, as a rule, entrusted to the eminent specialists from the countries of the three regions. Many of them do not officially belong to the commission. While drawing up the reports, they consult with other experts, on particular issues and with the members of the commission itself. The reports are discussed at the commission's conferences, held usually twice a year. So far 15 reports have been prepared and published. The reports not only contain analyses of the state of affairs in various spheres of international relations, but also elaborate recommendations for measures that the commission's members feel should be taken. The commission puts out a special bulletin called *Dialogue*.

"Trilateralism" upon which the commission is founded stems from the need to strengthen relations between these three "power centres" of modern capitalism, and to coordinate their economic, social and foreign policies, with the leading role of the US being maintained. In this way Western leaders hope, as far as possible, to unite the major capitalist countries, develop a common course with respect to the socialist and developing countries, and, in the final analysis, to hamper any further changes in the balance of power in the world in favour of the forces of socialism, democracy and national liberation.

Back in the late 1960s, Zbigniew Brzezinski wrote in his book *Between Two Ages. America's Role in the Technotronic Era*, which outlined the ideas brought up in the commission's reports, that the association of developed countries that was taking shape needed some sort of organizational expression. A council, he continued, initially perhaps, bringing together only the US, Japan and Western Europe to form a political alliance of leaders of the countries that share interests and problems, would be more effective in working out joint programmes than the United Nations is, whose effectiveness is invariably limited by the cold war and contradictions between North and South.<sup>2</sup>

Fred Bergsten, a leading member of the commission and Assistant Secretary of the Treasury (international affairs) remarked: "After every major war in this century Americans sought a new world order. Wilson pushed the League of Nations; Roosevelt and Truman constructed the UN—Bretton Woods system; and now, after Vietnam, Jimmy Carter gives us the Trilateral plan".<sup>3</sup>

The key to "trilateralism" is "coordination", which has become especially popular in the mid-1970s, when the balance of power between the United States, Western Europe and Japan has changed to the detriment of the US. Speaking before a Rotary Club branch in Wilmington, Delaware, Senator William Roth, one of the commission's active members, touched upon relations between the industrially developed countries: "Trilateralism denotes a new emphasis on consultation and equality within the Western entente (and here the word entente is quite appropriate).

<sup>2</sup> See Z. Brzezinski, *Between Two Ages America's Role in the Technotronic Era*, New York, 1970, p. 297.

<sup>3</sup> *Atlantic*, July 1977, p. 57.



This new emphasis is required because of the lessening of disparities between the three regions.. Twenty years ago, because of the abnormal situation, resulting from World War II, we were by far the predominant partner in these alliances. Today we are still the leading country and should remain so, but income disparities have been sharply altered".<sup>4</sup>

Coordination presupposes not only due consideration of each country comprising the "trilateral system" and the possible consequences of its economic policies for the partners, but also the necessity of elaborating joint measures to regulate world economic relations. "As the world's economies become increasingly interdependent", one of the commission's reports noted, "increased coordination of this type becomes increasingly necessary. Indeed, the economic officials of at least the largest countries must begin to think in terms of managing a single world economy".<sup>5</sup>

The majority of the commission's documents reflect attempts by leading capitalist states to create more authoritative and effective supra-national bodies to coordinate their economic policies. For example, in order to solve the problems of managing a world capitalist economy, it has been proposed that regularly meeting or permanently operating committees be formed (perhaps within OECD), consisting of top officials from the US, Canada, Japan and West European countries. Moreover, it has been suggested that a committee of finance ministers from 20 of the leading non-socialist states be set up to handle monetary and financial issues.<sup>6</sup> This, as well as several other proposals the commission tabled back in 1973 on changing capitalist monetary and financial system, have been implemented. On April 1, 1978, the International Monetary Fund announced a new system of capitalist currency and financial relations, which is basically similar to the plan proposed by the Trilateral Commission.

As was widely recognized by the Western press the reports of the Trilateral Commission in fact pointed to the need for the meetings between the heads of the leading capitalist states in Rambouillet, Puerto Rico, London and Bonn and influenced the work of the Conference on the International Economic Cooperation held in Paris from December, 1975, to June, 1977, which drew a number of industrially developed capitalist countries and developing nations.

In view of the weakened position of the United States, the Trilateral Commission put forward the idea of "collective leadership". "Collective leadership is indispensable at this point of history", stated one of the commission's reports.<sup>7</sup> Belittlement of the leading role of the United States in the world capitalist system in no way means, however, that the latter is about to give up this role. In fact, the US proceeds from the premise that in acting in accord with West European countries and Japan, it is capable under present conditions of achieving more than if it acted alone.

Considerable attention is focussed in the reports of the Trilateral Commission on the problem of relations between transnational corporations and states. There are a number of indications that the present Washington administration is striving more than ever to utilize the transnationals to achieve its expansionist designs throughout the world. It is noteworthy that American official representatives, especially Andrew Young, US representative to the UN and formerly a Trilateral Commission member, pointed in his negotiations with leaders of developing countries to the need for creating more favourable conditions for the activities of American transnationals.

The commission's reports constantly pose the question of forming some

<sup>4</sup> *Dialogue*, No. 4, February-March, 1974, p. 6.

<sup>5</sup> "The Reform of International Institutions", *Triangle Papers*, No. 11, 1976, p. 22.

<sup>6</sup> "Towards a Renovated World Monetary System", see *Triangle Papers*, No. 1, 1973, pp. 7, 23, 27.

<sup>7</sup> "The Reform of International Institutions", *Triangle Papers*, No. 11, 1976, pp. 12, 26.



sort of supra-national body to defend the transnationals from the threat of their property being nationalized by the host countries. One of these reports refers to the absence of such a body as an anomaly in modern international relations: "There is one economic issue where new institutional arrangements are clearly needed: foreign direct investment and multinational enterprises. Yet there are no rules or institutions whatsoever to govern international investment."<sup>8</sup> The creation of this type of institution would place countries that have opted to nationalize transnationals' property in a situation where they would have to oppose not an individual corporation supported by its country of origin, but an organization operating on behalf of all transnationals or at least the majority of their countries of origin. The commission also proposed the establishment of a special information and research centre, supposedly as a counterweight to the UN Commission on Transnational Corporations operating within the framework of the UN Economic and Social Council.<sup>9</sup>

One of the main problems in the relations between industrially developed capitalist countries and developing nations is that of the trade in raw materials and fuel. It is not accidental that the proposals of the Trilateral Commission invariably touch on ways to expand and strengthen the influence of capitalist states on exporters of vital raw materials.

Consequently, the commission put forward the idea of a three-billion-dollar, annually replenishable fund to provide loans to the poorest developing countries. This would consist of dues paid by OPEC countries within the framework of the International Bank for Reconstruction and Development. The interest on the loans is to be covered by OPEC countries and leading capitalist states. However, loans are to be granted on condition that goods and equipment are purchased in industrially developed capitalist countries.<sup>10</sup>

The commission also elaborated a plan for the industrially developed states to create a sort of buffer stocks of raw materials to deprive the developing nations of the opportunity to use raw materials exports as a political lever against their Western partners. One of the commission's documents, however, states: "This should not preclude individual nations from undertaking their own supplementary buffer stock programs."<sup>11</sup> This is exactly what the United States is doing today—building up its strategic reserves of oil in underground reservoirs. What filters through is the commission's interest in using international agreements to create favourable conditions, mainly for the expansion of American monopolies.

"We reject the idea that special aid trade policies should be developed tying Africa to Europe, Latin America to the USA or Southeast Asia to Japan," one commission report states. "This does not exclude the free collaboration between developed and developing countries of the same region on projects based on mutual economic interest. What does rule out are the exchange of tariff preferences between limited groups of developed and developing countries or the granting of military and economic aid in return for preferred access to raw materials. A system that emphasizes multilateral aid flows and multilateral trade concessions is most likely to prevent this development and serve the long-term interests of all".<sup>12</sup>

It is well known that the operations of many American international

<sup>8</sup> *Ibid.*, pp. 15, 16.

<sup>9</sup> "Seeking New Accommodation on World Commodity Markets", see *Triangle Papers*, No. 10, 1976, p. 31.

<sup>10</sup> "OPEC: The Trilateral World and the Developing Countries: New Arrangements for Cooperation 1976-1980", see *Triangle Papers*, No. 7, 1975, p. 11.

<sup>11</sup> "Seeking a New Accommodation on World Commodity Markets", *Triangle Papers*, No. 10, 1976, p. 25.

<sup>12</sup> "A Turning Point in North-South Economic Relations", *Triangle Papers*, No. 3, 1974, pp. 20-21.



corporations spread worldwide, and their expansion is being thwarted not only by national boundaries, but also by the confines of regional economic blocs and groupings. Raw materials that previously reached the United States through London or Amsterdam are now usually imported directly by American transnationals. However, the American corporations are facing competition from major West European and Japanese ones, which have clients and capital investments in dozens of countries.

This situation is leading to the exacerbation of inter-imperialist contradictions, "trade wars" and a weakening of the unity of the developed capitalist countries in face of the developing nations. This accounts for the efforts being undertaken by capitalist leaders to unite on a trilateral basis and naturally preserving the leading role of the United States, in order to continue weakening and undermining the anti-imperialist struggle of the developing states.

Of particular note are the recommendations of the commission on the policies of the imperialist countries with respect to the socialist countries, especially the USSR. In the latest, 15th report of the commission, published in 1978 under the title "An Overview of East-West Relations", no attempt is made to hide the authors' hopes that advantage might be taken of the hegemonistic, splitting policies of the present Chinese leadership to the detriment of the Soviet Union. They openly put forward the idea of coordinating pressure on the socialist countries in order to shake the foundations of the socialist system. One of the report's conclusions is: "The West should not only be content to defend its fundamental [political—S. K.] values and seek to implement them on its own territory. It should set itself an objective to influence the natural change that occur in the Third World and even in the Communist world in a direction that is favourable rather than unfavourable to those values."<sup>13</sup> The report justifies post factum the increasingly aggressive line being taken in US foreign policy, as well as the attempts to prove the "necessity" of all the other capitalist countries pursuing such a policy.

The formation of the Trilateral Commission and its activities testify to the fact that imperialist leaders see the solution to the worsening crisis in which imperialism is enmeshed in unification of its forces on a global scale and in a more effective counterbalancing of these forces against those of socialism, democracy, and national liberation.

In essence, "trilateralism" is extremely expansionist in nature. This fact is even pointed out by bourgeois scholars. For example, liberal political scientist and Princeton University Professor Richard Falk writes that, if we divide the world into predators and prey, then from this standpoint the proposals of the Trilateral Commission represent the initiative of the predators.<sup>14</sup>

Despite the mounting tendency towards unification and cohesion of the leading capitalist countries, the exacerbation of the political, trade economic and monetary conflicts among them is not abating. This is further confirmation of the conclusion of a report made by the CPSU Central Committee to the 25th Party Congress, to the effect that "the nature of imperialism is such that each endeavours to gain advantages at the expense of others, to impose his will. Differences surface in new forms, and contradictions erupt with new force".<sup>15</sup>

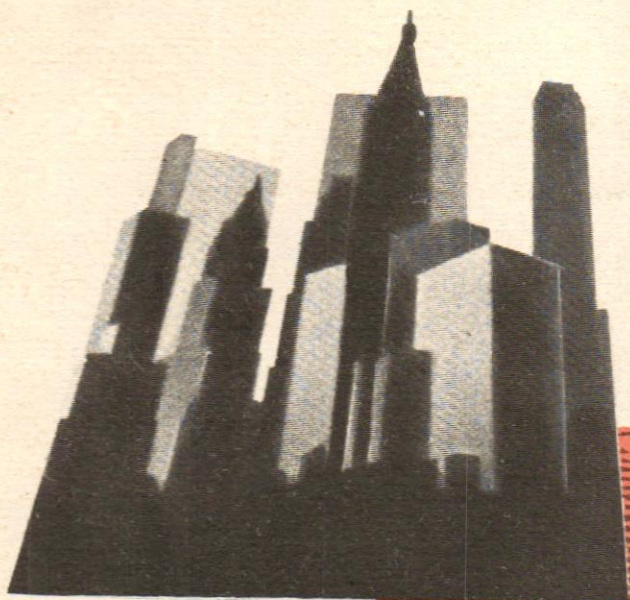
<sup>13</sup> "An Overview of East-West Relations", *Triangle Papers*, No. 15, 1978, p. 46.

<sup>14</sup> See *The Yale Law Journal*, Vol. 84, 1975, p. 1005.

<sup>15</sup> *Documents and Resolutions. 25th Congress of the CPSU*, Moscow, 1976, p. 34.

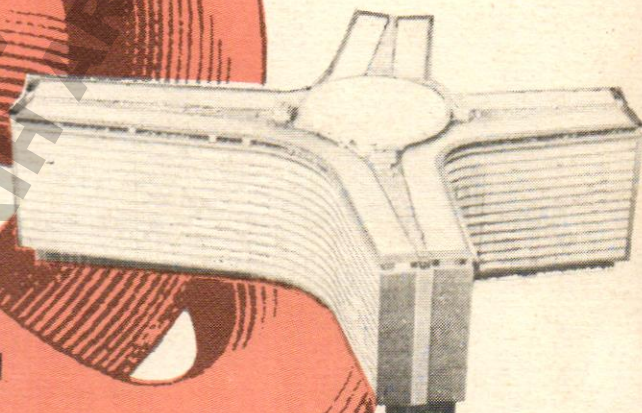


# THE THREE CENTRES OF PRESENT-DAY IMPERIALISM:



**U.S.A.**

**E.E.C.**



**JAPAN**

**A SURVEY**



**NEW  
TIMES**



## STRATEGY



S. MENSHIKOV

## CLASS AFFINITY AND CLASHING INTERESTS

1

The development of capitalism at its imperialist stage is determined by two tendencies: gravitation towards class alliance and unity in the struggle against world socialism, against the national liberation movement, and the working class of the capitalist countries, on the one hand, and rivalry in recarving the non-socialist part of the world, on the other. Although the contest between the two opposite social systems is the central issue in world politics, it does not mitigate the contradictions among the imperialist powers themselves.

## ECONOMICS



F. GORYUNOV

## MEASURED BY ECONOMIC AND FINANCIAL MUSCLE

7

The general instability and the crisis tendencies in the capitalist world economy have aggravated the economic contradictions among the U.S.A., the EEC, and Japan. Their relative strength is increasingly determined by scientific and technological leadership and the concentration of capital and financial resources in the hands of a few transnational multibillionaires. The superprofits amassed through financial plunder and the arms buildup are evidence of the parasitism and decay of capitalism as a system.

## FOREIGN AND MILITARY POLICY



V. KUZNETSOV

## EURASIA THROUGH WASHINGTON SIGHTS

17

The Reagan Administration is creating a new seat of international tension in East Asia by tying its Pacific Ocean allies to the aggressive strategy of NATO. However, the security of this region is inseparable from international security in general, primarily in Eurasia. Washington's military and political plans in the Far East present a new threat not only to the Soviet Union, but to all countries of the two continents without exception.



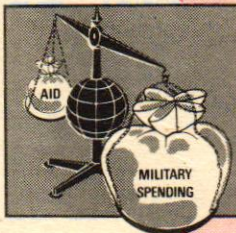
D. POGORZHEL'SKY

## "EUROPEANISM" HARNESSSED TO THE PAX AMERICANA

22

In its confrontation with world socialism, Washington has made the West European NATO countries hostages to its adventuristic military strategy. Western Europe has begun to awaken to the fact that its security is imperilled not by some "Soviet threat" but by the reckless, self-seeking policy of the U.S. The sights in Western Europe have been set on strengthening "European defence," on "Europeanizing" NATO ... under the watchful eye of the Pentagon, of course.

## HISTORICAL PERSPECTIVE



N. ZHOLKVER, Y. SHISHKOV

## THROUGH THE PRISM OF GLOBAL PROBLEMS

27

Never before has humanity been faced with so many pressing problems as it is today. The main problem is the prevention of a nuclear conflict, the termination of the arms race started by imperialism. Imperialism is also to blame for retarding the economic and social development of the Third World countries and for the fact that many global problems—exhaustion of raw material resources, pollution of the environment, hunger, disease—have not yet been solved. At the present level of development these problems could be solved were it not for imperialism, the main brake on human progress.

## CONCLUSION

A. KUZIN

## BORNE OUT BY HISTORY

32



STANISLAV MENSHIKOV

## CLASS AFFINITY AND CLASHING INTERESTS

**T**wo opposite tendencies have been at work in the imperialist camp ever since capitalism entered its highest phase at the end of the 19th century.

One of them, centripetal, manifested itself in the imperialist powers uniting and entering into alliances to achieve their common class ends, capture and jointly exploit colonies and semi-colonies, and suppress, by joint effort, the forces of social and national liberation. The other, centrifugal, tendency showed in a continuous rivalry among the imperialist powers for markets, raw material sources, spheres of capital investment, for monopoly control over certain spheres and territories and for the redivision of those already divided.

The question of which tendency will prevail within the given time limit and under the given circumstances is of extraordinary importance. Now, too, as in the past, the destiny of world peace depends to a great extent on the answer to this question.

### The Dialectics of Rivalry

Back at the beginning of the 20th century Lenin discovered a key regularity which makes it possible to explain the complicated dialectics of imperialism. Individual countries and regions of the capitalist economic system develop extremely unevenly, some of them even spasmodically. As a result, the alignment of economic, political and military forces among them keeps changing sharply. Any new alignment of forces inevitably

enters into contradiction with the division of markets, spheres of influence and territories reflecting the previous alignment of forces. The countries that "lost" revengefully seek a new redivision of the world in their own favour—by "peaceful" pressure and blackmail, if they can, or else by sheer armed force. Imperialist wars, local and worldwide, are characteristic of the first half of the 20th century.

But even in this nuclear age of ours, imperialism has not given up the impudent use of armed force. Whatever the grounds given to justify an imperialist aggression against this or that country—be it Vietnam, Angola, Lebanon, Grenada or Nicaragua—each act of aggression is prompted by the desire of this or that imperialist power to expand its sphere of influence at the weaker countries' expense.

It goes without saying that the socio-political alignment of forces today is largely different from that at the beginning of the 20th century. The main distinguishing feature of the present situation is that imperialism no longer holds undivided sway on the planet. More than a quarter of the world's territory is taken up by socialist countries, and over a half, by the former colonies and semi-colonies which have now become sovereign states. The time when a few imperialist powers reigned supreme over practically the entire planet has passed never to come back.

All this creates a number of entirely new objective circumstances which have an effect on the correla-



tion of the centripetal and centrifugal tendencies in the imperialist camp. To begin with, the disintegration of the colonial empires makes armed conflicts among the imperialist powers for the redivision of territories highly unlikely. Predatory wars involving a direct annexation of weaker countries are still possible, but such wars are spearheaded not so much against imperialist rivals as against the newly free states which uphold their national sovereignty and their right to an independent choice of orientation.

In such cases, too, frictions, contradictions and discord among imperialist powers are unavoidable, of course. Britain waged its war against Argentina in a dangerous proximity to what the U.S. considers its "sphere of influence." It was no accident that the Thatcher government showed open displeasure with Washington's insufficient support of its punitive expedition, and protested to Paris over its supplies of missiles to Argentina. After the U.S. had—unknown to Britain, its closest ally—invaded defenceless Grenada, which is still a member of the Commonwealth and under the symbolic aegis of the British crown, Mrs Thatcher openly voiced her discontent over her senior NATO partner having poached on "Britain's preserves," and brushed aside the "class arguments" offered by the Reagan Administration, which tried to justify its aggression against Grenada by the need to "suppress communism."

### Two Groups of Contradictions

The key problem that arises in connection with the radical socio-political changes in the world today is correlation between the acuteness and depth of contradictions between imperialist powers, on the one hand, and the antagonism between the two world social systems, on the other.

It would seem that the main contradiction of contemporary world development—the basically antagonistic and irreconcilable contradiction between socialism and capitalism—should have the indisputable priority in the complicated hierarchy of social differences. This is indeed true as far as the depth of the processes under discussion is concerned. For in the final analysis, historically, this is a matter of gradual but universal transition from one socioeconomic formation to another—what is more, from the last exploitative society to a classless and harmonious one. From the viewpoint of world history, this process cannot



but take precedence over the rivalry among imperialist powers. What we have here is clearly a case of two groups of contradictions, one of them being by an order of magnitude higher than the other in its profound social essence.

At the same time, from the viewpoint of interstate relations, the acuteness of contradictions among individual capitalist powers in a concrete historical situation may prove much higher than the immediate contradictions between socialist countries, on the one hand, and capitalist countries, on the other.

This can be illustrated by glaring historical examples. In 1917-20 the affinity of the imperialist powers' anti-communist, anti-socialist interests should have prevailed, by the logic of things, over their differences. But, first of all, the real situation of a war between two coalitions of powers made possible the victory of the socialist revolution in Russia. And later, the contest among the imperialist powers for the "tit-bits" of the planet relegated to the background and even helped bring to a flop their joint intervention against young socialist Russia—an intervention in which the U.S., Britain, France, Japan and their fosterlings, the home counterrevolutionaries, took part.

Another case in point is the outbreak of World War II. It is common knowledge today that in the thirties the U.S., Britain and France made every effort to channel Germany's and Japan's aggression towards the Soviet Union. That time, too, the "class affinity" did not work.

These photographs, taken at various times, show fragments of the contention among the imperialist powers for spheres of influence. A street scene in Luftwaffe-bombed Coventry, 1940.

World War II started as a war between blocs of capitalist powers, and it was only later that a different anti-Hitler coalition of socialist and a number of capitalist states formed as a single military alliance.

### Record of Coexistence

Could the above-mentioned developments have been exceptions from the rule, caused by special unique historical circumstances and situations? Not at all. An analysis of the history of interstate relationships between socialism and capitalism over two thirds of the century will show that they are governed by laws of its own and present a complex combination and interlacement of struggle and co-operation.

From the very outset, socialism called for peace and made the principle of peaceful coexistence between states with different socio-political systems the cornerstone of its foreign policy. Many in the West found it paradoxical that consistent revolutionaries firmly believing in the inevitable worldwide triumph of communism should profess peaceful coexistence in their practical policy. Was that logical?

A convincing answer to this question was furnished a long time ago.



The Communists have always been against the export of revolution and never practised it. The Western propaganda talk about the "export of revolution" distorts and primitivizes the essence of communism and has nothing to do with reality. We have always been rendering assistance to liberation forces and progressive regimes, especially those threatened with the export of counterrevolution. This is our internationalist duty. But from the angle of the Marxist-Leninist theory the "export of revolution" is altogether impossible, and a revolutionary preaching it would be a dangerous visionary. Our theory says that socialism and communism arise only given objective conditions for them in each particular country, i.e., when there arises a social need for them.

The advantage of socialism lies not in military force, but in a crisis-free development, in its ability to ensure a harmonious development of society in the interests of all its members, in the abolition of class inequality, exploitation and all forms of discrimination and oppression. It is a society which brings people full and genuine emancipation, gives them vital rights and offers them opportunities for a full disclosure of their abilities. This society, based on social justice, sometimes finds it hard to compete with the age-old society of money-grubbing and unlimited egocentrism. This is a historical competition between two entirely different social cultures and world outlooks. But the Communists are certain that their ideas and principles will prove superior and prevail only in peaceful competition with capitalism. The fewer the wars and the lower the intensity of the arms race, the sooner will the advantages of socialism come to the fore.

Pearl Harbor after the Japanese air attack in 1941.

The Soviet state has been pursuing this principled policy since the day of its inception. This policy meets with understanding and recognition on the part of many capitalist states. What's more, it manifests itself in the development of peaceful and mutually beneficial economic, scientific, technical, cultural and other forms of co-operation with the overwhelming majority of the non-socialist countries. Ever more statesmen, public figures, capitalist firms and ordinary citizens in the West come to realize, from their own experience, that such co-operation is a norm in the relations with socialist countries.

### Cordon Sanitaire and Imperial Ambitions

The long record of peaceful co-existence and co-operation is marred by endless political and propaganda campaigns in the West about the Soviet communist "threat"—in the military, political, economic and any other sphere. The White House must be under the delusion that the "crusade" and "the empire of evil" are its original inventions. Like Molière's "bourgeois gentilhomme" it does not suspect that it is expressing itself in trite and unimaginative prose. In 1918, its predecessors proclaimed the need to put an end to the "communist epidemic." Later, they insisted on putting up a "cordon sanitaire" as if they were threatened by cholera or leprosy. In 1946, Winston Churchill set afloat the phrase "the iron curtain."

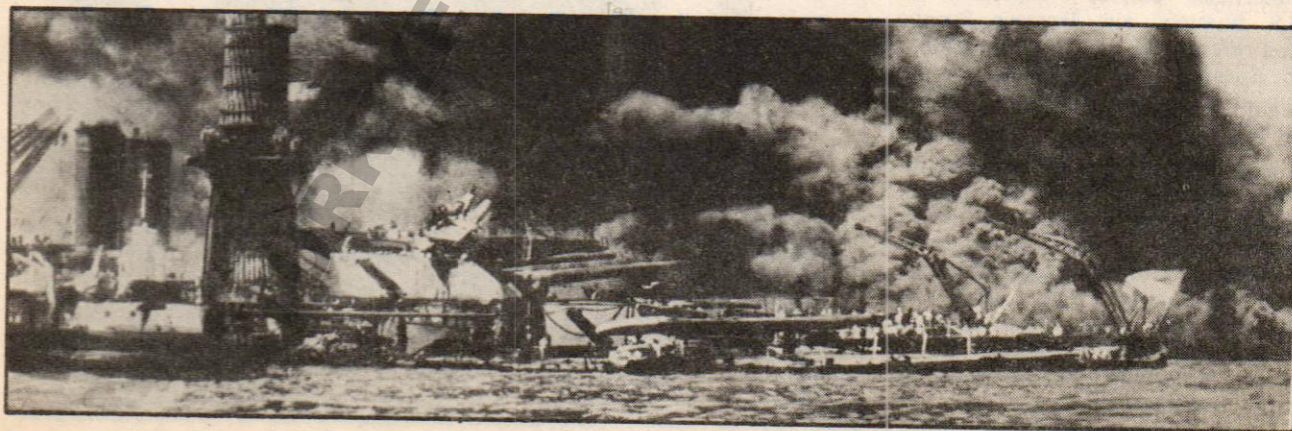
We are realists and we understand that peaceful coexistence does not cancel out struggle between ideologies. But the Soviet Union is categorically against extending ideological differences to international relations. This is a dangerous practice, especially so in this nuclear age of ours.

The "ideologization" of interstate

relations with socialism has always stemmed more from the militarists' chauvinistic hypocrisy than from genuine concern for the class interests of the bourgeoisie. The aggressive Berlin-Rome-Tokyo axis, created in the 1930s, was designated the "anti-Comintern pact." Fascism hated the Comintern; nevertheless, the axis states first pounced upon the European capitalist countries and their colonies and semi-colonies in Asia and Africa. Behind the "anti-Comintern" phraseology there lurked plans for their own world domination.

The knocking together of the NATO bloc in 1949 was also "substantiated" by the need to "deter" communism, to "save" Europe from "invasion from the East." But there is no denying the fact that NATO has always reflected the United States' absolute superiority over Western Europe in military might, that the bloc was intended to keep and consolidate the position of the United States as the military-political leader of the capitalist world. Having promised its allies to defend them from "communist expansion," America has burdened them with extra military spending, undermined their positions in their former colonies, and redivided spheres of influence in its own favour. All this has happened relatively "peacefully" and under the motto of imperialist class affinity.

Today, the hue and cry about "saving the free world" amounts to the selfsame imperialist yearning for world domination. It is not for nothing that even in the West the present U.S. Administration is ever more frequently identified with "imperial policy" and "imperial ambitions." Anyone can see that these notions stand for Washington's frustration over its shattered "American age" dream which certain quarters were sure would come true through the medium of NATO.







### Rising from Ashes

The growth of the socialist world has not detracted from the uneven and spasmodic nature of capitalism's development. On the contrary, this feature has become even more strongly pronounced over the past few decades.

Of the several rivalling imperialist centres Lenin wrote about (the U.S., Britain-France, Germany, Japan), only one—the U.S.—emerged from World War II. Two of the other centres (Germany and Japan) had been routed militarily, and the third (Britain-France) had been weakened sharply by the war, as well as by the forces of national liberation in the colonies and by the U.S. concerns' "peaceful offensive." In the late 1940s, the U.S. accounted for a half of the capitalist world's industrial output, a third of its export, three quarters of its gold reserves, and a lion's share of its investments abroad. It had absolute domination in the sphere of international credit and in all currency areas. Even the biggest imperialist powers depended on U.S. financial aid. Western Europe was referred to then as "Marshallized Europe," and Japan—as an occupied province under U.S. military governor.

A quarter of a century later, towards the early 1970s, the picture changed beyond recognition. In 1973, Western Europe came almost level with the U.S. in the volume of industrial production. The output of Western Europe and Japan combined topped that of the United States by far. America's share in capitalist export dropped to 14 per cent and was only a quarter of that of West-

Forty years later, in spring 1982, British Marines landed on the Falklands in dangerous proximity to what the United States regards as its "sphere of influence."

ern Europe and Japan taken together. The share of its rivals in the sphere of foreign investment rose substantially. West European and Japanese concerns grew and strengthened. Only eight of the 30 capitalist world's biggest industrial corporations (oil concerns excluded) had their headquarters in the United States.

And so, two of the rival imperialist centres—Western Europe and Japan—had risen from ashes. As distinct from what was the case in the past, the F.R.G., France, Britain and other countries were united in the Common Market and began coordinating their foreign economic policy vis-à-vis the U.S. and Japan

and as regards a large group of the "associated" and other countries gravitating economically towards the EEC. Japan too was becoming, to an ever greater extent, a centre of gravity for the Pacific countries—both industrialized like Australia, and industrially emergent ones like South Korea, Hongkong, Singapore, plus the less developed countries of Southeast Asia.

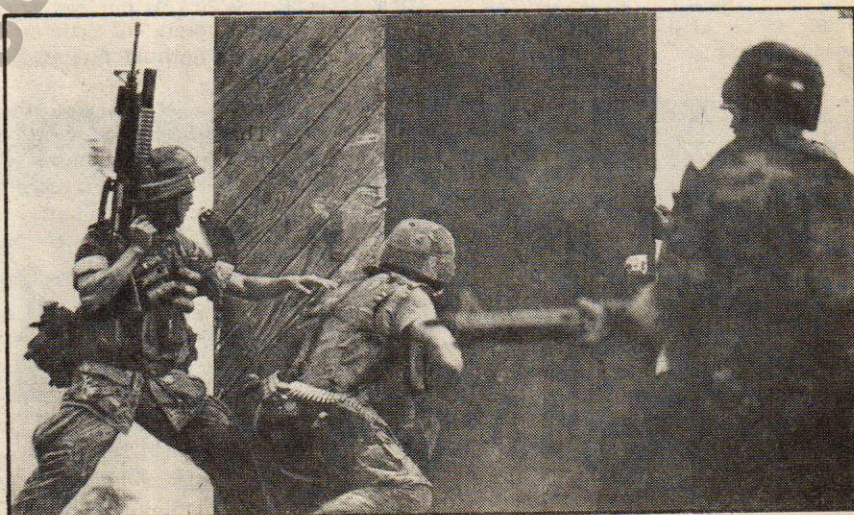
The rivals offered the U.S. an ever tougher competition not only on "their own" markets but also on the more or less neutral ones; what's more, they had infiltrated the U.S. home market. What was mostly trade expansion at first, developed now, in the 1970s, into takeovers of factories and banks in the New World by West European and Japanese monopolies. While in the 1940s it was said that America was conquering Europe, now there was ever more frequent talk of Japan and Europe conquering America.

In 1971, the dollar dropped far below the gold standard and, practically on a par with other currencies, plunged into the turbulent ocean of the "floating" exchange rates. Leading American concerns started placing bond issues in Europe and Japan. The U.S. currency and credit monopoly was now also a thing of the past.

### Clubs and Oligarchy

The new alignment of forces compelled the American ruling elite to

In a year's time, American Rangers crushed Grenada, which is still formally a member of the British Commonwealth.





revise its further methods of "managing" the capitalist world. At the end of the 1940s, Wall Street and Washington ordered their partners about. Later, in questions involving joint effort, they started consulting the United States' closest and most trusted West European partners—the British, West German and French heads of government, on the one hand, and banking and industrial tycoons, on the other. Taken together, they constituted an international oligarchy which also included top brass and intelligence service chiefs. In May 1954, at the Bilderberg Hotel, Osterbeck, Holland, select representatives of the NATO countries' elite founded a "think tank," with American and pro-American conservatives ruling the roost. This body, which came to be known as the Bilderberg Club, regularly met in session to work out, behind closed doors, a common policy as regards the socialist and developing countries, the Communist and other Left-wing movements.

As Western Europe and Japan gained economic independence, the Bilderberg Club kept losing in importance. The system which rested on indisputable American predominance and on adherence to the cold war developed cracks. De Gaulle withdrew France from NATO's military setup. Brandt radically changed West Germany's Ostpolitik. Soviet-Japanese relations began to improve. The rival centres' economic independence resulted also in foreign policy changes undesirable to the U.S.

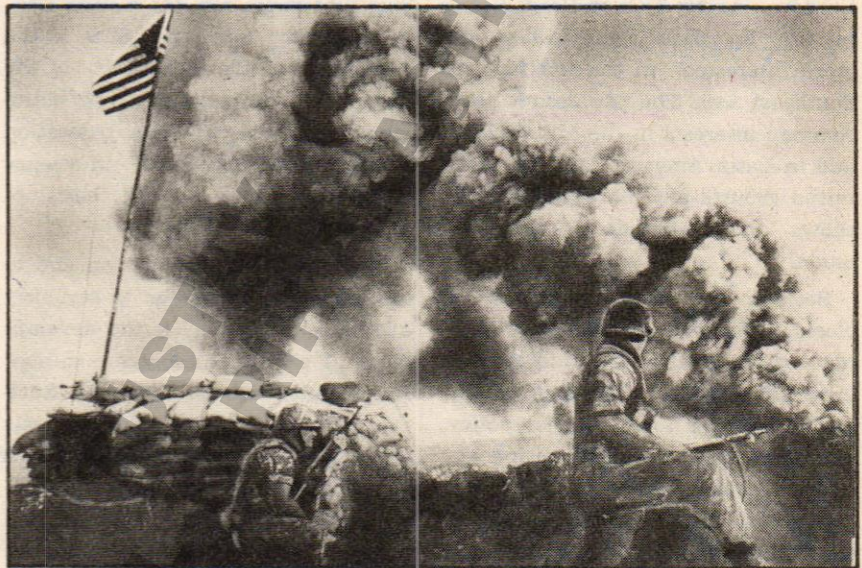
In July 1973, the Trilateral Commission was set up, comprising representatives of the political and business elite of all the three imperialist centres. The Commission met regularly to draw up recommendations on a joint and co-ordinated political line. The "trilateral" concept meant a formal renunciation of American diktat and more flexible methods of action. But, for all that, the initiator of the commission was David Rockefeller, the then chairman of the New York Chase Manhattan Bank, and its executive director, Zbigniew Brzezinski, who later became the U.S. President's special assistant for national security affairs. That is, the Americans retained control over the trilateral forum.

As compared with the Bilderberg Club, another concession was made to the realities of the new epoch: the Trilateral Commission included reformist politicians—Social Democrats, in particular. That was a tribute to the Leftward shift in Western Europe's political spectrum.

The Trilateral Commission had an official twin in the shape of the regular economic conferences of the Big Seven—the heads of state and government of the leading capitalist countries of three continents. The first one was held in 1975. The aim of that session, and the ones that followed, was to work out concerted measures to fight economic crises—cyclical and structural—and co-ordinate policies towards socialist and Third World countries.

### Behind the Façade of Unity

Well, it would seem that the split of the capitalist world into three centres was made up for



Washington sent troops to Lebanon. Who will get hold of the Middle East oil? The imperialist rivals' strife for the redivision of the world continues. Who will be its next victim!

by the establishment of trilateral organs. This was nothing but an illusion, however. Actually, co-ordination proved verbal for the most part. That was particularly obvious in the economic sphere. In the early 1980s, contradictions flared up again, with the Reagan Administration's policy adding fuel to the flames.

Reagan's main slogan on the international arena is the anti-communist crusade. But essentially his policy is aimed at mounting a counteroffensive on America's rivals and competitors. The American concerns are sick and tired of retreating and ceding place to the Common Market

and Japan. The White House's instructions are to stabilize the U.S. position in the world, to broaden the American sphere of influence. To the thinking of Reagan and the forces behind him, "trilateralism" was just a scrap of paper fit only to be dumped to a garbage heap. The President was out to revive the methods of diktat by any means—pressure, blackmail, and, of course, intimidation by military might.

That meant complete renunciation of a co-ordinated economic policy if co-ordination ran counter to the interests of the United States. Naturally enough, economic differences and

conflicts reached their peak under Reagan. Here are some of the numerous aspects of these conflicts:

- mutual charges of dumping practices, and reciprocal protectionist measures and countermeasures;
- the currency tussle, with Western Europe accusing the U.S. of deliberately raising the dollar's exchange rate to undermine its partners' financial stability;
- the lending rate issue, with Western Europe accusing the U.S. of bleeding Europe white and dooming it to economic stagnation by boosting lending rates;
- the budget deficit fight, with Western Europe accusing the U.S. of financing its arms build-up at their expense as well;
- the Japanese-American battle on the automobile, electronics, steel and



other markets, with the U.S. accusing Japan of stealing American microelectronic secrets to outstrip its senior partner in research-intensive spheres.

Why, and whence, Washington's aggressiveness as regards its "partners in class"?

The fact is that transnational capital—American included—is not a single whole but is divided into rival groupings. Some, such as Wall Street (where the Rockefeller clan has a no mean role to play) have close links with the Old World and are traditionally more interested in Western Europe. Others, such as the California group (where Reagan and his top associates come from), are more interested in the Pacific and Southeast Asia. The two groups have common interests in the Middle East and in Latin America. But the California group's anti-European feeling shows in its attitude to the "triangle."

Besides, the California group is closer to the munitions business and has coalesced with the military-industrial complex. The logic of the arms race calls for a tougher policy and for a more uncompromising attitude to partners. The California, Texas and other such groupings of the U.S. have the backing of the most conservative, expansionist and aggressive circles of monopoly capital. They want the nuclear preponderance to serve the "American age" already now—or tomorrow, at the latest.

The Trilateral Commission asks, while Reagan and those behind him demand and dictate. This is the difference between them, and an important one at that.

### Facing Common Problems

It is not only a matter of stepping up American expansionism and seeking to "re-Marshallize" Western Europe and Japan. The three centres' fundamental economic and even military-political interests differ substantially.

All the three centres are in the throes of a prolonged structural crisis

which compels them to restructure their economies, to curtail and shrink their traditional industries—ferrous and non-ferrous metallurgy, auto-making, shipbuilding, oil refining, petrochemical, and many others. In the circumstance, there is no room for compromise; a tough fight for existence is going on.

All the three centres seek to cure their troubles through promoting high technology industries—micro-electronics, data-processing system building, biotechnology. But this sphere, too, is an arena of a tooth-and-nail fight for survival—if a country lags behind the others today, it will be gone from the world's geopolitical map tomorrow. Such is the reasoning of the ideologists of the new high-technology imperialism who regard the monopoly possession of the latest discoveries in science and engineering as the basis of might.

One of the ways to put an end to the prolonged crisis—or to seriously alleviate it, at least—is the development of extensive economic co-operation with socialist countries. Such co-operation is in the vital interests of the West European industry, which is not doing too well in the micro-electronic race so far. Washington would like to block or to minimize this opportunity so as to make its West European allies fully dependent on it. It is for this reason that West Europeans are persistently advised to keep the latest technology secret, that attempts are being made to extend discriminatory American legislation to Europe, and to bar West Europeans from the highly promising and stable energy sources of the Soviet Union.

Europe is being warned of the "Finlandization danger." However, the record of Finland, Austria and other capitalist countries which maintain long-term co-operation with socialist countries shows that this practice consolidates national sovereignty, cushions the blows of economic depressions, makes it possible to conduct independent policy and to prevent subordination to transnational (mostly American) capital.

### The Imperatives of the Nuclear Age

As for the military-political interests of the capitalist countries, they can be seriously considered today only from the viewpoint of the nuclear age imperatives. Until very recently, these problems remained in the shadow. It was taken for granted that the U.S. ensures the security of Western Europe and Japan by covering them with the "nuclear umbrella." It is this shaky foundation that underlies NATO and the U.S.-Japanese Security Treaty. The present deployment of American missiles in Western Europe and around Japan is also being explained by the need to maintain this sinister "umbrella."

But does the "umbrella" exist at all? In an epoch when any nuclear war will inevitably spell an end to civilization, all this strategic doctrine holds no water whatsoever. It is simply absurd and suicidal. Even in a more narrow sense, with strategic nuclear parity taken into account, the idea of the first nuclear strike for the sake of preserving class unity and the class positions of the capitalist powers has discredited itself. In America, Western Europe and Japan, the general public and the elite circles are increasingly tending towards "nuclear isolationism" (meaning unwillingness to get involved in a nuclear conflict contrary to national interests).

In the nuclear age, class interest consists primarily in physical survival. A reasonable concept of any capitalist state's class interest cannot but proceed from the premise that there is no sensible alternative to peaceful coexistence between the two social systems. This being so, the obsolete, anti-human ideas of a "crusade," of settling the historical issue between the two systems by force of arms, and of world domination must sooner or later be discarded. Whatever the disagreements between states with similar or different social systems, in this nuclear age they must be resolved by peaceful means only.



FELIX GORYUNOV

## MEASURED BY ECONOMIC AND FINANCIAL MUSCLE

The expression "economic interdependence" as applied to Western countries is most frequently used by bourgeois politicians today. It is mentioned whenever the economic situation deteriorates and governments seek a way out in a protectionist trade policy. In Western Europe reference to interdependence is made when Washington is rebuked for dangerously rocking the boat of monetary relations by its selfish policy which threatens to capsize the Western banking system. In its turn, Washington insists that it is due to this interdependence that the American locomotive is pulling the economies of the NATO allies out of the depression. It is also used by the White House to justify the trade war it has unleashed against socialist countries and its tough course in respect of developing countries...

Western politicians claim that the interdependence rests on "free enterprise," "free trade" and "honest competition," that is, on bourgeois ideals that are as old as capitalism itself. It is these ideals, they contend, that open before everyone pos-

sibilities to apply his knowledge and abilities, to enjoy the boons of economic development, and to enrich the life of all by utilizing the results of innovations, creative imagination and scientific discoveries. This is what the world public was told in the declaration of capitalism's "democratic values" issued by leaders of the Big Seven at their tenth meeting in London in June 1984.

In reality, however, the record of capitalism's economy in the 20th century shows that it is based on principles that are the very opposite of free enterprise and free competition. Dominance—first in the national economies and now on the scale of the entire world capitalist economy—has been gained by Monopoly. And the "economic interdependence" which is made so much of by bourgeois politicians today is nothing but a desire to ensure maximum freedom of reproduction of monopoly capital for their "own" transnational corporations (TNCs). The merging of banking and industrial capital in a handful of industrialized capitalist countries has led

to the emergence of financial oligarchic groups that are locked in struggle for the most profitable spheres of investment. The share of the world's capitalist pie they get depends on their economic and financial muscle.

The United States, the European Economic Community, and Japan have in recent decades substituted the leading imperialist and colonial countries of the prewar period as centres of power and capital. For all the industrial and financial might the transnational Big Business of each of the three centres wields, none of it can secure a place for itself under the capitalist sun without reliance on the economic, scientific, technical and military-political potential of its "own" state or its "own" interstate imperialist grouping, as the EEC, for instance. What makes this support particularly important for the international monopolies is the increasingly complicated conditions for the reproduction of transnational capital.

The sphere of imperialist domination has substantially shrunk owing, first and foremost, to the growth and strengthening of world socialism and its growing influence in international economic relations. Many countries that used to belong to the colonial periphery of imperialist metropolitan countries have opted for a non-capitalist road of development and are taking effective steps to protect their economic independence. In a number of major Third World countries (for instance, in India, Brazil and Mexico) the positions of the national bourgeoisie have strengthened and in many cases it now successfully resists the expansion of the Western transnational business. Nor can the transnational oligarchies ignore the interests of the medium and small bourgeoisie in their own countries which are adversely affected by the TNC domination in the domestic and foreign markets.

### The Era of Stagflation

A qualitatively new element in the rivalry of the imperialist pred-

AVERAGE ANNUAL RATES OF INCREASE OF INDUSTRIAL PRODUCTION (I)  
AND THE GROSS DOMESTIC PRODUCT (II)  
(in per cent)

	1970-73		1974-79		1980		1981		1982		1983	
	I	II	I	II	I	II	I	II	I	II	I	II
All developed capitalist countries	6.3	4.6	2.3	2.7	-0.4	1.2	0.2	1.9	-3.9	-0.4	3.1	2.2
U.S.A.	4.0	3.6	2.7	2.8	-3.6	-0.4	2.7	2.6	-8.2	-1.9	6.5	3.4
EEC	4.9	4.5	2.0	2.4	-0.4	1.3	-2.2	-0.2	-1.6	0.4	0.4	0.8
Japan	10.9	8.0	2.3	3.6	4.7	4.8	1.0	4.0	0.4	3.3	3.6	3.0



ators at the present level of development of the productive forces has been introduced by such factors of competition as the research-intensity of output and new manufacturing technologies that have moved to the forefront. The imperialist powers' competitive capacity now directly depends on their rate of scientific and technological progress as well as foreign trade and monetary-financial positions.

The uneven economic development

was typical of all industrial capitalist countries.

The rapid expansion of international trade turnover and export of production capital, facilitated by the liberalization of foreign trade and monetary-financial stability ensured by the firm exchange rate of the U.S. dollar, were also conducive to the accumulation of capital.

These stimuli of economic development made for a more rapid growth of the West European and

Western Europe's economic development was also accelerated when the Common Market was formed in 1957 by six West European countries—West Germany, France, Italy, Belgium, Holland and Luxemburg subsequently followed by Britain, Denmark, Ireland and Greece. It was faster growth rates that determined the relatively swift (in terms of history) changes in the comparative economic strength of the EEC and Japan, and their principal imperialist rival, the United States, as is illustrated by the figures showing the share of the three centres in industrial production and foreign trade of the developed capitalist countries.

By the early 1970s industrial capitalism had largely exhausted its postwar sources of development, growth rates began to decline until the economy became stagnant. During the past decade—in 1973-75 and 1980-82—the capitalist world system saw two of its worst and longest crises of overproduction in the entire postwar period. The once "creeping" inflation gave way to the "galloping" one—a new phenomenon in the 1970s, when the depreciation of money continued even in periods of slack business. The capitalist world entered the "era of stagflation," as the combination of industrial stagnation and chronic inflation was dubbed by Western economists.

By the early 1980s the declining rates of economic growth and stagnation made the unemployment problem particularly acute. It was aggravated by structural crises: production downturn in some industries, those that grew vigorously in

SHARE OF THE THREE CENTRES IN THE INDUSTRIAL PRODUCTION (I) AND THE EXPORTS (II) OF DEVELOPED CAPITALIST COUNTRIES (in per cent and comparable prices)

	1960		1970		1980		1983	
	I	II	I	II	I	II	I	II
U.S.A.	40	24	36	19	36	18	37	18
Western Europe including the EEC*	49	60	46	61	44	63	43	60
Japan	41	49	38	50	36	52	35	49
	7	4	13	8	15	10	16	13

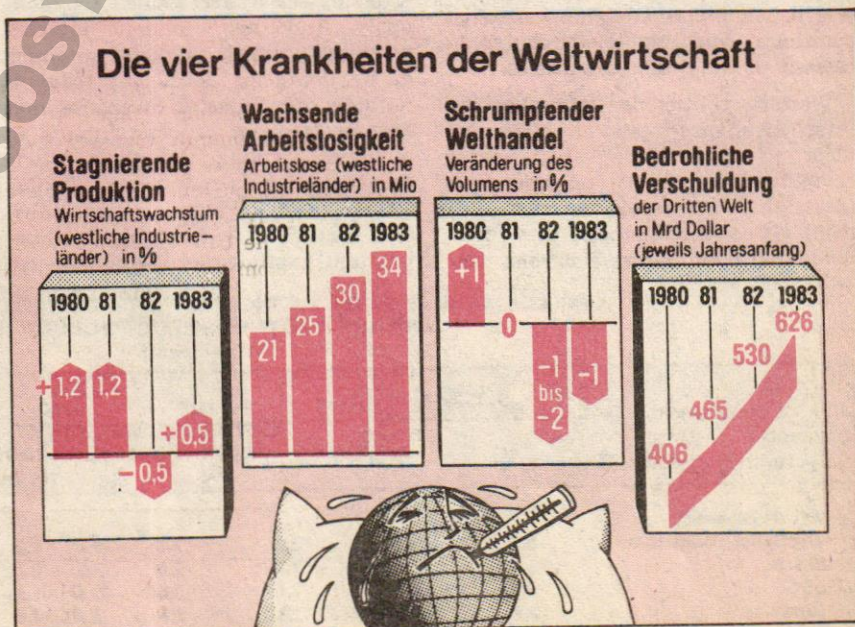
\*in its present composition (ten countries).

of the centres of imperialism stems first of all from the differences in their economic growth rates, which depend on the conditions for the reproduction of capital obtaining in individual countries and the overall long-term situation in the world capitalist economy.

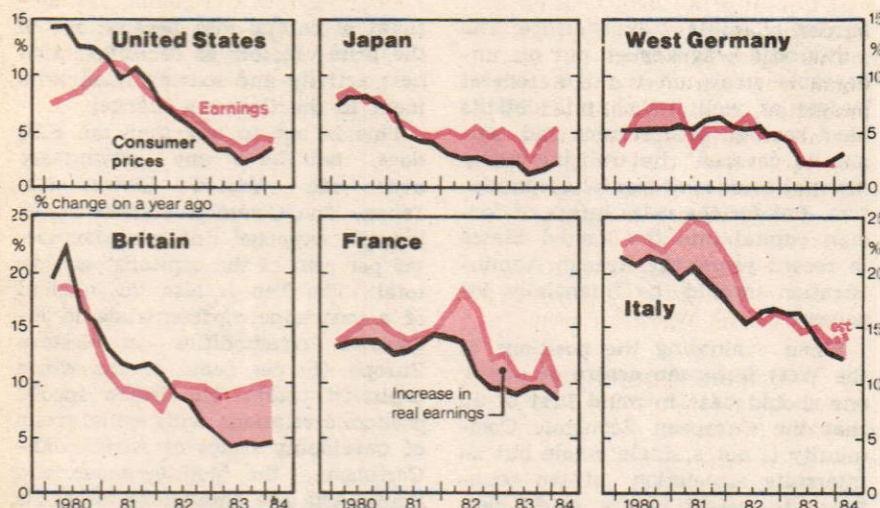
In the two postwar decades these conditions were relatively favourable. The production potential destroyed in a number of capitalist countries during the war was rebuilt and then modernized in the first wave of the scientific and technological revolution. Trying to adjust themselves to the new forms of class struggle in conditions of competition with world socialism, the ruling circles of the West placed the emphasis on the state-monopoly regulation of the economy. To take the sting out of the class antagonisms they made partial concessions to the working class in wages and social security. This made it possible to expand consumer and production demand while simultaneously increasing labour productivity and the norm of surplus value. Demand was stimulated also by the militarization of the economy effected by redistributing—through the state budget—a part of the national income to the benefit of military business. The swollen state expenditures, which exceeded tax revenues, were covered by deficit financing of state budgets. This resulted in a depreciation of money—inflation. The inflationary stimulation of economic growth

Japanese centres. Whereas in the 1950s and 1960s the average annual rates of production growth in the United States amounted to 4.5 per cent, in West Germany and Italy they were 7 per cent and in Japan as high as 14 per cent (Britain was an exception with rates of increase averaging about 3 per cent).

The four diseases afflicting the capitalist economy: stagnation of production, growing unemployment, decline of world trade, and mounting debts of Third World countries.







Although the cost of living growth rates have slowed down, the economic crisis and mass unemployment have resulted in a drop of real wages in the leading capitalist countries.

the immediate postwar years (steel, motor, shipbuilding, chemical and textile industries), and the replacement of workers by robots ushered in by the second wave of the scientific and technological revolution. A serious blow was also dealt to the economy of the developed capitalist countries by the energy crisis, which changed the price proportions in foreign trade and production costs. Starting with the mid-1970s, foreign trade balances and payments accounts of most of the developed capitalist countries showed drastic fluctuations. The Bretton Woods monetary system set up 40 years ago and based on the firm rate of the dollar fell apart as a result of the deteriorating external economic positions of the United States—the monetary hegemon of the West. The transition in the mid-1970s to floating exchange rates only added to the instability of the world capitalist economy.

In the late 1970s these crisis tendencies were exacerbated as the ruling circles of the West rejected détente and set their sights on achieving military superiority over world socialism, and bleeding it white by a new round of the arms race. The diverting of tremendous material and financial resources from civilian production in the "era of stagflation" still further tightened the knot of world capitalism's economic and social problems.

The somewhat higher domestic demand and brisker international trade in 1983 did not take the edge off inter-imperialist rivalry. Monetary and financial might, scientific

and technical leadership, and a higher degree of exploitation of working people as compared with rivals had come to play an even more important part than before. It is on the latter factor that the state-monopoly elite of the leading capitalist countries was banking in its policy of class revenge for the concessions they had to make in the 1960s and 1970s under pressure of the working-class and democratic movement. The monopolies' offensive against the working class, launched on a scale without precedent in postwar years, resulted in a substantial decline of the workers' living standards in the early 1980s.

Such are the factors adversely affecting the reproduction of monopoly capital that are common to the three centres of imperialism, factors on which the relative strength of each also depends.

### Imbalance of Forces

For the economy of the United States the world crisis of 1980-82 proved more serious than for the Old World. Economic recovery, however, began there in the spring of 1983 whereas in the EEC countries it started only early in 1984. The recovery in the United States helped Japan's economy, via foreign trade channels, to get back into stride, the more so since the decline in production there was not as great as in the case of its trade rivals. The cyclic

improvement of the economic situation enabled the United States to stabilize its positions in the world capitalist economy to some extent. Japan's share in it has again increased, while that of the Common Market dwindled. So a new imbalance of forces is now taking shape in the world capitalist economy.

The present stabilization of the positions of the United States can hardly be credited to the economic policy of Reagan's Administration. Modernization of the production apparatus and a restructuring of American industry on a new technological basis are proceeding at a slower pace than the White House has expected. This is due primarily to the fact that military production gets the lion's share of the investments and allocations earmarked for research and development. Nevertheless, with the position of the world capitalist economy as a whole deteriorating, the U.S.A., its biggest national production complex, has reserves giving it a number of advantages over the EEC and Japan.

The first of these is a more capacious domestic market with a considerable potential for production and consumer demand. The second reserve is the continuing scientific and technological leadership: the United States leads in the creation of computers of almost all classes and the software for them, in laser technology, the aerospace industry and genetic engineering. In absolute terms the federal government and private firms spend more on research and development than Western Europe and Japan taken together. The share of research-intensive output in American exports prior to 1983 exceeded that of Japan or West Germany. The U.S.A. is also the biggest exporter of farm produce, handling about 40 per cent of the world trade in it. Likewise, it is ahead of its rivals in the export of services.

The dollar's leadership in capitalism's monetary system is the third important advantage enabling the United States to make the entire non-socialist world adjust their monetary and credit policies the way it wants. Exploiting this

EXPORT OF MACHINERY AND INDUSTRIAL EQUIPMENT  
FROM THE SEVEN LEADING CAPITALIST COUNTRIES  
(in bln. dollars)

	U.S.A.	Britain	F.R.G.	France	Italy	Canada	Japan
1980	84.5	39.6	85.4	36.8	25.3	16.2	71.2
1983	79.5	26.9	76.8	31.0	21.5	22.8	81.5



fact, American transnational corporations and banks siphon out of the two other centres and especially from developing countries tremendous material and financial re-

**STEEL OUTPUT  
IN CAPITALIST COUNTRIES**  
(in mln. tons)

	1980	1983
<b>All developed capitalist countries</b>	<b>404</b>	<b>330</b>
U.S.A.	102	77
Britain	11	15
F.R.G.	44	36
France	23	18
Italy	27	22
Canada	16	12
Japan	111	97

sources necessary for the reproduction of capital and unprecedented militaristic programmes.

And, finally, the most powerful armed forces and military economy are the fourth and decisive factor of

burden of military expenditure. The militaristic programmes put an unbearable strain on the U.S. federal budget as well; its chronic deficits have reached record sums and cannot be covered by utilizing solely internal sources of capital accumulation. But for the mass influx of foreign capital into the United States in recent years, the Reagan Administration would be financially insolvent.

When evaluating the positions of the West European centre of power one should bear in mind first of all that the European Economic Community is not a single whole but an interstate association of ten countries, its weight in the world capitalist economy being made up of the sum total of the national economies. Having united in a common market of capital, commodities and manpower, the ten West European countries have failed as yet to create an economic and monetary union with a single industrial, scientific and technological policy. Co-ordination of the economic policy of the EEC countries, each of which has its specific, and in some cases even con-

flight of capital also became one of the prime factors of declining business activity and soaring unemployment in the Common Market.

This is not to say that the EEC does not have any advantages over the United States and Japan. The Common Market is the biggest exporter of manufactures (45 per cent of the capitalist world's total). The Ten is also the nucleus of a vast zone of free trade in industrial commodities in Western Europe (40 per cent of the world capitalist trade). The EEC's special economic relations with a big group of developing states of Africa, the Caribbean, the Mediterranean and South Asia are another factor of its strength. Some 80 Third World countries belong to a greater or lesser extent to the sphere of the Common Market's economic influence and the positions of West European capital in them are stronger than those of its imperialist rivals.

Despite their conflicting interests on some issues, in matters of foreign trade policy the Ten practically in all cases present a united front. It is this circumstance that compels its rivals to treat the Common Market as a single economic force. A considerable role is also played by the political weight carried by some EEC countries whose stand on major international economic issues, such as the development of the Third World or East-West trade, often differs from that of their American NATO ally.

Japan's economic growth has slowed down in the early 1980s as compared with the preceding decades, but it is still the most dynamic of the three centres when viewed against the background of the general worsening of the situation in the world capitalist economy. There is a noticeable improvement in the structure of the Japanese economy: technically advanced branches hold a greater share in it than in the West European countries. The high competitive power of a number of research-intensive branches, achieved as a result of cheaper high-qualified labour as compared to the rivals, enables the Japanese monopolies to continue their trade expansion.

Japan drew extensively on foreign technology, and the big role this had played in overcoming the scientific and technological lag behind the United States and Western Europe is well known. In the period from 1950 to 1978 Japanese companies concluded 32,000 licence agreements with foreign firms totalling \$9 bil-

**PRODUCTION (I) AND EXPORT (II) OF ELECTRONIC EQUIPMENT  
IN SIX COUNTRIES**  
(in bln. dollars)

	U.S.A.		Britain		F.R.G.		France		Italy		Japan	
	I	II	I	II	I	II	I	II	I	II	I	II
1980	78.8	19.7	10.7	4.8	19.7	7.9	11.8	3.8	2.6	1.9	37.6	15.9

American imperialism's economic strength, but also of its weakness. The "nuclear umbrellas," U.S. bases and troops on the territories of the two other centres of imperialism are for their financial oligarchies a guarantee of the social status quo should revolutionary situations occur. It is for the sake of this class alliance that they make political and not infrequently economic concessions to Washington. The militaristic business has also become the most profitable sphere of investment. The Pentagon's military spending is responsible for a lion's share of the newly created production capital (about 20 per cent in West Germany and 4 per cent in Japan). The United States accounts for 75 per cent of the arms trade in the capitalist world.

Yet militarization is a malignant tumour on the body of the U.S. economy, many branches of which find it ever more difficult to compete with rivals shouldering a smaller

flucting economic and political interests, remains to this day the principal method of interstate regulation. The Ten have different levels of industrial development, different economic patterns and export orientations. The deterioration of the economic situation in the West European centre as compared with that in the United States and Japan, must also be attributed to a bigger share of traditional industries in its economy and greater damage inflicted on it by the energy crisis.

The European Community has very limited common resources for investing capital in new industries, developing backward regions and conducting joint research and development. In recent years the financial hunger of the Ten has been aggravated by the exodus of capital to the United States and the depreciation of currencies as a result of the high lending rates introduced by Wall Street banks and the dollar's rising exchange rate. This



**OUTPUT (I) AND RESERVES (II) OF OIL AND NATURAL GAS  
IN DEVELOPED CAPITALIST COUNTRIES  
(as of 1983)**

	Oil (mln. tons)		Natural gas (bln. cu. m.)	
	I	II	I	II
U.S.A.	427	3,680	475	5,604
Canada	69	906	67	2,563
Western Europe including	160	3,148	182	— *
Holland	—	—	80	1,417
Britain	113	1,807	80	711
Norway	29	1,029	39	1,665
F.R.G.	4	—	24	193
Italy	—	—	18	—
France	—	—	13	69
Austria	—	—	1	—
Australia	19	204	12	501
New Zealand	—	—	3	—
Japan	—	—	2	—

\* output and reserves are insignificant or not known.

lion and launched the production of technical novelties of a quality often superior to similar products of their foreign competitors. But it is no less important that Japan, drawing on the experience of Western countries in applying methods of state-monopoly regulation of the economy, has surpassed them in combining the economic power of the state with the industrial and financial might of the monopolies.

It is the co-ordination of their activities that enables Japan to work out and pursue a long-term strategy of economic, scientific and technological development and quickly react to changes in the world market. Flexible state-monopoly regulation makes Japan less dependent on foreign capital than West European countries, reduces the damaging effect of the competition in the domestic market and also allows it to pursue a monetary and credit policy that protects its economy from the import of inflation. It is these factors of economic strength that have made this Pacific power the most aggressive trade rival of the two other centres of imperialism.

### Drown Thy Neighbour

The dwindling of international capitalist trade during the world crisis of 1980-82 and the subsequent depression again aggravated capitalism's age-old trade contradictions. To avoid a repetition of the all-out trade war that had erupted after the Great Depression of the 1930s, the West aimed its foreign trade policy

in the postwar period mainly at abolishing trade barriers. This objective was formalized in the General Agreement on Tariffs and Trade (GATT), signed in 1947, and in the agreements on the gradual lowering of customs duties that were reached in 1962, 1967 and 1979. But despite the liberalization of trade not a single capitalist state has renounced protectionist measures based on the "drown thy neighbour" principle.

Protectionism flourishes even in the EEC although trade between its members has been liberalized to the greatest extent. In 1981 the Commission of the European Communities had to examine some 150 cases concerning the use of protectionist measures inside the EEC. In 1982 the number of such cases doubled. Since the level of customs duties in the Common Market is insignificant, the members of the Community most often use non-tariff import restrictions to protect their domestic market from competition: national sanitation regulations and technical standards, stricter requirements as regards packaging and technical documentation, complication of customs formalities, etc.

But the import restrictions practised in respect of other EEC members are very modest as compared to EEC's collective protectionism. The average size of customs duties levied on goods imported to EEC countries amounts to about 5 per cent of the cost of the commodities, whereas in Japan it is 3, and in the U.S. 4 per cent. The EEC holds first place in the imperialist triangle also for

the number of import quotas. The Common Market has import quotas for 50 categories of commodities as against 27 in Japan. Protectionist measures against the Pacific rival are most often taken by those EEC countries whose goods are less competitive in the world markets. In 1980 Italy introduced import restrictions on Japanese automobiles, motorcycles, bearings, sewing machines and toys. Similar measures have been taken in recent years by France. On the insistence of the weaker members of the Common Market the Commission of the European Communities is forcing on Japan "voluntary" restrictions on the export of cars, household electronic appliances and machine tools.

No less acute are the Common Market's trade contradictions with the United States. The steel industry and agriculture, those branches of the two centres' economies that are most vulnerable to foreign competition, have now become objects of fierce clashes. In 1982 Washington imposed on Brussels "voluntary" restrictions on the export of special steels accounting for 5-6 per cent of the total sold on the American market, and later introduced a 40 per cent duty and quotas for half of the special steels imports. The U.S. Congress accuses West European suppliers of dumping practices in their export of steel pipes and is discussing measures for restricting their import from the EEC. In retaliation Brussels intends to introduce partial restrictions on the import of animal feeds, which account for a substantial part of the American export to the Old World.

Even more acute for the United States is the problem of trade with Japan conducted for many years already with a big deficit. Washington believes that the special terms of purchasing enjoyed by Japanese companies protect the Japanese market from foreign competition more effectively than customs barriers and that herein lies the reason for the situation. In recent years the problem of access to the Japanese market of commodities and capital has become a stumbling block in the economic relations of the Pacific partners-cum-rivals.

What prompts the U.S. monopolies to look for keys to the doors of the Japanese economy is that in recent years the volume of their trade with East Asian and Pacific countries has been bigger than their trade with Western Europe. Trade between the countries of that region, where Japan is the centre of economic gravity, has already exceeded in volume



the trade turnover inside the Common Market. Whereas the East Asian and Pacific countries depend on intraregional trade for 52 per cent of their exports and 54 per cent of their imports, the figures for the EEC Ten intraregional imports and exports are

ican companies are superior to Japanese in 72, inferior in 54, while 60 of them are of approximately equal quality. The United States is still ahead in research and development in the field of industrial robots but lags behind in their manufacture:

whereas that of the United States slumped from 60 to 55 per cent. At the same time Japan is still behind the United States in the manufacture and export of computers, accounting for only 15 per cent of the capitalist computer market, while a single American transnational corporation, International Business Machines (IBM), controls about 60 per cent of this market. The indications are, however, that the gap will soon be narrowed down in this field too.

The lag of the West European centre is particularly manifest in branches determining scientific and technological progress. The economic development of the Old World during the first postwar decades was greatly helped by production investments made by U.S. corporations. At present they are pursuing a policy of technological neocolonialism in respect of their West European partners. American TNCs are either withholding the latest technology from them or make its receipt dependent on all sorts of terms.

The Common Market's lag behind the United States is especially great in the manufacture of electronic goods. The EEC accounts for 20 per cent of the use of modern computers

SHARE OF THE U.S.A. IN THE CAPITALIST WORLD'S EXPORT  
OF SOME TYPES OF MACHINERY AND EQUIPMENT  
(in per cent)

	1962	1970	1979	Decline of U.S. share [1962-79]
Motor transport	22.6	17.5	13.9	38.5
Aircraft	70.9	66.5	58.0	18.2
Telecommunications equipment	28.5	15.2	14.5	49.1
Metalworking machine tools	32.5	16.8	21.7	33.2
Farm machinery	40.2	29.6	23.2	42.3

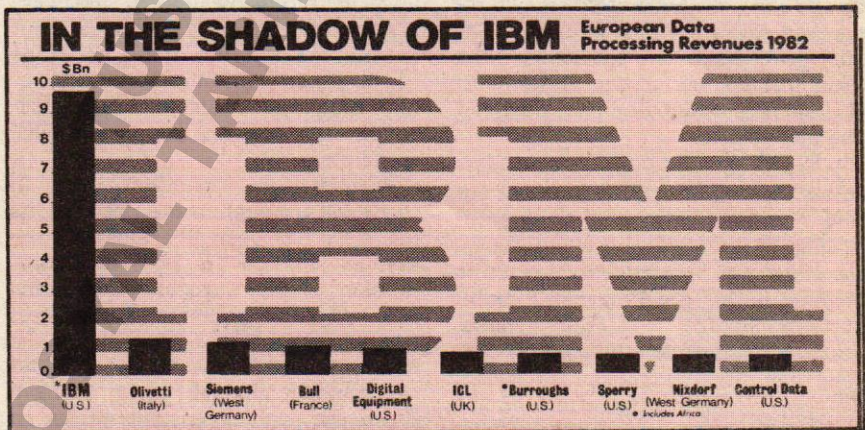
51 and 47, respectively. It is not fortuitous, therefore, that the countries of the Pacific region are already discussing the question of setting up an Organization for Pacific Trade, Aid and Development (OPTAD). Japanese monopolies will in all likelihood hold dominant positions in this organization.

Japan has already over 3.5 times more robots in use than the United States. Japan is ahead of the United States and Western Europe in the quality of ships, cars, refrigerators, TV sets, video tape recorders. The Pacific centre is also in the lead in the manufacture of optical

### Technological Race

Trade protectionism can be a temporary expedient, but in the long run it will not save the domestic market from foreign competition. At the present stage of the scientific and technological revolution the competitive power of products, which is determined by their technical novelty, is becoming an increasingly decisive factor in the three centres' rivalry. To be in the forefront Japan continues to draw on foreign technology while rapidly expanding its own research and development efforts. According to an American Congressional report published in the spring of 1984, on the whole the United States is ahead of the EEC and Japan in research and development spending, but most of this money is allocated for military research. As for the civilian branches, in West Germany and Japan the share of spending on research and development is roughly 30 per cent higher than in the United States. As a result America's share in the output of research-intensive products in the capitalist world dropped in the 1970s from 23 to 20 per cent.

A comparison of the quality of 186 types of similar industrial products put out in the United States and Japan has revealed that Amer-



This graph from the London Financial Times shows that the bulk of the profits accruing from the manufacture and use of computers in the Old World flow into the coffers of the American IBM. Its profits are nine times those of the Italian Olivetti, the West German Siemens, the French Bull and the American Digital Equipment, and more than ten times those of five other British, West German and American firms.

fibres, special steels, synthetic dyes and ceramics.

America is particularly alarmed by the rapid development of Japan's electronic industry. The share of its semiconductor products in the world capitalist market increased from 23 per cent in 1980 to 34 in 1982,

but only for 9 per cent of their manufacture. West European subsidiaries of the American IBM control the lion's share of the market of big and medium computers in the EEC. For 12 years the Commission of the European Communities has been trying to break this monopoly accusing the IBM of violating anti-trust legislation, but to no avail. Tangible results are yet to be produced by the European Strategic Programme of Research in Information Technology (ESPRIT) that incorporates leading electronic companies of Common Market countries. The Community trails behind the United States also in biotechnology: state allocations for research and development in this field in the EEC



LABOUR PRODUCTIVITY IN FIVE CAPITALIST COUNTRIES AS COMPARED TO THE U.S.  
(in per cent)

	Britain	F.R.G.	France	Belgium	Japan
In all branches of the economy	60	88	90	91	64
In the manufacturing industry	50	93	92	97	93

amount to \$160 million a year as against \$200 million in the United States.

The aviation industry is one of the few branches in which the West Europeans have succeeded in gaining some ground from their American rivals. In the mid-1970s American companies got 95 per cent of the orders for airliners, while by 1981 Airbus Industrie, an Anglo-French-West German consortium, already produced 25 per cent of all jumbo jet airlines and got some 50 per cent of the orders for such aircraft.

Since at present the economic rivalry of the three centres is confined to a small number of advanced, research-intensive branches a comparison of average labour productivity in capitalist countries sometimes distorts the picture of their relative competitive power. In the early 1980s, for instance, the level of labour productivity in Japan in all branches of the economy as a whole (including agriculture and the services) was considerably lower than in the United States, was close to the U.S. level in the manufacturing industry and equal to that in West Germany. This is attributable to a big share of medium and small firms with a low profit margin in the Japanese economy. But at the same time labour productivity and production cost indices in Japan's leading export industries are much better than in the U.S.A. or Western Europe.

For example, at Japanese motorcar plants a worker assembles 50-55 cars a year as against 12-15 at the Ford plants in Europe, the West German Volkswagen or the French Renault. The production overheads of numerical control machine tools in Japan are roughly half those in West Germany. This competitive edge comes as a result not only of smaller expenditure on wages but also of the greater automation of production and of more advanced technology that ensures a high quality of output. Thus, whereas five out of every 1,000 TV sets in Japan are discarded by quality control, the corresponding figures for West Germany and the

United States are 20 and 40, respectively.

The competitiveness of goods is today determined not only by production costs and novelty, but also by quality, reliability and a number of other parameters. According to Western economists, Japan holds first place among the industrial capitalist countries for all these parameters, with the United States occupying third place, the F.R.G. fourth, and the other Common Market countries trailing far behind.

#### DEVELOPED CAPITALIST COUNTRIES LISTED ACCORDING TO THE COMPETITIVE CAPACITY OF THEIR OUTPUT

1. JAPAN
2. SWITZERLAND
3. U.S.A.
4. F.R.G.
5. SWEDEN
6. FINLAND
7. AUSTRIA
8. NORWAY
9. DENMARK
10. HOLLAND
11. CANADA
12. AUSTRALIA
13. BELGIUM and LUXEMBURG
14. BRITAIN
15. FRANCE
16. IRELAND
17. ITALY
18. NEW ZEALAND
19. SPAIN
20. TURKEY
21. GREECE
22. PORTUGAL

Estimated by the European Management Forum organization.

But even a comparison of competitive power does not provide a full picture of the relative strength of the three centres because they are competing now not so much in commodity exports as in the export of capital. The economic muscle of each of them is being increasingly determined by the might of their industrial and financial transnational capital.

#### Stranglehold of Transnational Business

A drastic qualitative change occurred in 1971 when for the first time in the history of imperialism the total volume of production at TNC enterprises abroad exceeded the volume of export from their home countries. By the early 1980s the production of the American TNCs abroad exceeded commodity exports from the United States five times over. The following figures give an idea of the economic strength engaged in the clash of transnational giants. Already in the mid-1970s the TNCs controlled about 40 per cent of industrial production, and 60 per cent of the foreign trade of capitalist countries, as well as 90 per cent of their direct investments abroad and almost 80 per cent of new technologies. The financial assets of the TNCs are more than double the total monetary reserves of capitalist countries and international credit and finance organizations. The financial resources of such international monopolies as General Motors, Exxon, Ford, IBM, Royal Dutch Shell and Unilever exceed the national income of most developed and developing countries.

It is important to note when evaluating the correlation of forces between the three centres in terms of capital that three quarters of their direct investments abroad are concentrated in developed capitalist countries. In the 1950s and 1960s, capital was mostly exported from the United States to Western Europe and Japan, while in the 1970s the direction of the flow began to change. During the past ten years, it was noted in May 1984 by the American Business Week magazine, direct foreign investments in the United States (mostly from EEC countries and Japan) have grown sixfold and come to \$111.3 billion.

By 1980 the sum of Japan's direct investments in the United States reached 67 per cent of the American investments in Japan, where U.S. TNCs control about 4 per cent of industrial production. But the current



greater flow of capital from the Old World to the New World than in the opposite direction does not signify a lessening of Western Europe's dependence on American transnational business. West European countries account for more than 40 per cent of all U.S. direct investments, which exceed the investments of West European companies in the United States by about \$50 billion. It is also important that the American TNCs prefer to multiply the capital of their subsidiaries in the Old World by reinvesting profits and borrowing in the European credit market, whereas the flow of capital from Western Europe to the United States consists mostly of new direct investments.

When comparing the total volumes of direct U.S. and West European investments abroad it should also be borne in mind that, these investments being roughly equal, a third of the capital taken out of West European countries is placed inside the region. It means that the American centre's overall overseas production is substantially greater than the external expansion of its West European rival. Thus, whereas the output of the subsidiaries of the American TNCs accounts for about 4 per cent of Western Europe's total GDP (6 per cent in the case of EEC countries), the share of the subsidiaries of the West European TNCs in the United States is a mere 2.3 per cent. The leading branches of the Common Market's economy are infiltrated by American business to a still greater degree: its total share

cent years of the flow of direct investments to the United States from the EEC countries and Japan it is yet early to say that their TNCs have gained control over any leading branch of American industry. Although the volume of West European direct investments in the United States is seven times greater than that of Japanese monopolies, the

**VALUE OF OUTPUT OF TNC SUBSIDIARIES ABROAD IN PER CENT OF THE VALUE OF EXPORT FROM THE THREE CENTRES**

	U.S.A.	Western Europe	Japan
1960	265	72	12
1973	415	85	80
1980	500	125	144

latter operate much more vigorously. They have set their sights mostly on such industries as automaking, metallurgy and electronics, whereas the West European TNCs invest their capital mostly in the oil-refining, chemical and food industries, the services, trade and, to a lesser extent, in machine building.

At the same time one cannot fail to notice that in recent years the transnational business of the Common Market and Japan is clearly gaining ground from the American TNCs. In the lists of leading industrial firms that are annually classified by the American Fortune magazine according to their sales, Japanese TNCs (134 companies) come

European TNCs are beginning to catch up with the American ones as regards their number, while still trailing behind many of them in the volume of output and sales.

**Financial and Militarist Parasitism**

The industrial, scientific and technological muscle of the international monopolies determines in many ways the course of competition between the three centres of imperialism. But not in everything because standing behind each TNC or several of them is a powerful financial group uniting multibranch conglomerates headed by transnational banks (TNBs).

Complaints about the expansionism of Japanese trade monopolies (sogo shosha) are frequent in the Western press. But they could hardly have had the chance to rough up their Western rivals were they not a component part of a few financial groups (shudan) that have monopolized whole branches of the Japanese economy and have "their men" inside the ruling Liberal Democratic Party.

Eight financial oligarchic alliances controlled by the Rockefellers, Morgans, du Ponts, Mellons, Dillons, the Cleveland, Chicago and California groups have long been operating in the United States. They have acquired rivals in recent years—the multi-billionaires in southern and western states who have grown rich on the Pentagon's lucrative contracts. The financial might concentrated in the hands of the oligarchic clans can be illustrated by the following fact: the Rockefeller family controls a \$500 billion capital, a sum that exceeds many times over the stock value of all the West German firms put together. A third of their capital in the F.R.G. is controlled by the Deutsche Bank financial group which shares economic power with the Dresdner Bank, the Commerzbank and two smaller Bavarian banking groups. In Britain there are eight major financial groups some of which are linked with American capital. In France and Holland the tone is set by two banking groups while three state-monopoly multibranch conglomerates are dominant in the Italian economy.

These financial empires make money not only on the manufacture and sale of commodities in their home countries and abroad. They are getting ever bigger profits from the monetary capital itself: it is actually the transnational expansion of banks with multibillion assets. Today the biggest TNBs of the three

**VOLUME OF THE DIRECT INVESTMENTS ABROAD OF THE THREE CENTRES (I)  
(in bln. dollars)  
AND THEIR SHARE IN THE TOTAL INVESTMENTS ABROAD (II)  
(in per cent)**

	1960		1973		1980		1981	
	I	II	I	II	I	II	I	II
U.S.A	31.9	55.1	101.3	48.9	213.5	45.4	227.3	43.3
Western Europe	21.5	37.1	84.8	41.0	197.2	41.0	224.1	42.7
Japan	0.3	0.5	10.3	5.0	36.5	7.8	46.4	8.8
Others	4.8	7.8	10.5	5.0	23.0	4.9	27.2	5.2
Total	58.0		207		470.2		525.0	

in the output of the EEC manufacturing industry exceeds 11 per cent. American TNCs account for 80 per cent of the computers, 50 per cent of semiconductors, 40 per cent of motorcars, and 15 per cent of radio and TV sets and tape recorders manufactured in Western Europe.

Despite the drastic growth in re-

second after American ones. They are followed by British (87), West German (59) and French (41) companies. This "industrial club of 500" includes also 37 West European and Japanese subsidiaries of American TNCs. Judging by the volume of sales of the 50 biggest corporations of the capitalist world, the West



centres are keeping pace with the industrial TNCs both as regards financial assets or the network of their subsidiaries abroad. The American bankers, for instance, have increased the number of their subsidiaries from 100 in the early 1950s to more than 800 in 1983.

In the list of the 500 biggest capitalist banks published by the British magazine *The Banker*, the capital of the three centres is represented by 318 (64 per cent) banks

which account for 75 per cent (\$5.2 trillion of the \$6.9 trillion) of all bank assets. The share of U.S. banks was \$1.3 trillion (19 per cent), West European banks, \$2.5 trillion (36 per cent) and Japanese banks, \$1.4 trillion (20 per cent). Today the West European banking centre wields greater financial power than the American one primarily because the Old World is the biggest international credit market of the so-called Eurocurrencies: its annual volume

has grown from \$600 billion in 1976 to \$2 trillion by 1983. American bankers issue slightly upwards of 25 per cent of Eurocredits and are behind their West European counterparts as regards the scale of international monetary operations. Nevertheless Wall Street sets the tone in capitalism's monetary and credit system by virtue of the role played in it by the American dollar.

Three quarters of the monetary reserves in the capitalist world are

#### WHO IS WHO AMONG THE BIGGEST TNCs OF THE THREE CENTRES

U.S.A.	Industry	Volume of sales (in bin. dollars)
1. Exxon	oil, petrochemical	97.1
2. General Motors	automobile	60.0
3. Mobil	oil, petrochemical	59.9
4. Texaco	oil	46.9
5. Ford Motor	automobile	37.0
6. International Business Machines	electronics	34.3
7. Standard Oil of California	oil	34.3
8. Du Pont de Nemours	chemical	33.3
9. Gulf Oil	oil	28.4
10. Standard Oil (Indiana)	oil	28.0
11. General Electric	electrical engineering, electronics	26.5
12. Atlantic Richfield	oil	26.4
13. Shell Oil	oil	20.0
14. U.S. Steel	metallurgy	18.3
15. Occidental Petroleum	oil	18.2
16. International Telephone and Telegraph	telecommunications	15.9
17. Phillips Petroleum	oil	15.7
18. Sun	oil	15.5
19. Tenneco	ship- and machine building	15.2
20. United Technologies	aircraft	13.5
21. Standard Oil (Ohio)	oil	13.2
EEC		
1. Royal Dutch Shell Group (Anglo-Dutch)	oil	83.7
2. British Petroleum	oil	51.3
3. ENI (Italian)	oil	27.5
4. IRI (Italian)	metallurgy, machine building, food	24.8
5. Unilever (Anglo-Dutch)	food and chemical	23.1
6. Française des Pétroles (French)	oil	20.0
7. Elf-Aquitaine (French)	oil	17.8
8. Siemens (West German)	electrical engineering, electronics	16.9
9. Philips (Dutch)	electronics, radio engineering	16.0
10. Daimler-Benz (West German)	automobile	16.0
11. Renault (French)	automobile	15.8
12. BAT Industries (British)	tobacco	15.4
13. Volkswagen (West German)	automobile	15.4
14. Fiat (Italian)	automobile	15.3
15. Hoechst (West German)	chemical	14.4
16. Bayer (West German)	chemical	14.3
17. BASF (West German)	chemical	12.9
18. Thyssen (West German)	metallurgy, machine building	12.9
19. Imperial Chemical Industries (British)	chemical	12.8
JAPAN		
1. Nissan	automobile	16.4
2. Hitachi	electronics	16.2
3. Toyota	automobile	15.6
4. Matsushita Denki	electronics	14.8
5. Shin Nippon Seitetsu	metallurgy, machine building	14.4
6. Mitsubishi Jukogyo	automobile, machine building	13.2

Data of the Fortune magazine (U.S.A.) for 1982.



held in U.S. dollars and more than 60 per cent of all commercial accounts are settled in the American currency while the West European centre of power still remains a "monetary dwarf." The European Monetary System created in 1978 is merely an agreement on the joint floating and adjustment of currency rates in the Common Market (Britain and Greece have not joined it). The dollar remains the main currency reserve of the Ten, while the European Currency Unit (ECU) accounted for only a tenth part of their foreign currency resources in 1983. ECUs are used mostly in interstate payments between EEC members; commercial payments between the Ten's firms in ECUs is only a recent development. For Japan, too, the dollar is the main means of interstate and commercial payments whereas the share of the yen in its external settlements does not exceed 12-15 per cent.

It is the sway of the dollar in the system of the International Monetary Fund that enables the United States to impose its financial will on other countries. Attempts to bring the IMF system in line with the actually existing financial and crediting policentrism encounter Washington's fierce resistance. Thus, in 1982 it rejected the French President François Mitterrand's proposal to hold an international monetary conference modelled on the Bretton Woods conference at which the question could have been raised of deposing the dollar from the monetary throne of the West. The continued hegemony of the dollar even when American imperialism's financial might is being eroded allows the United States to ignore the interests both of its allies in the imperialist triangle, and of the developing countries, which are demanding a restructuring of the unfair international monetary order.

The disastrous consequences of this for the world capitalist economy were highlighted by the pumping out of capital from Western Europe, Japan and the developing countries organized by the U.S. Federal Reserve System to finance deficits of the U.S. federal budget. The main instrument of this financial plunder was the artificial increase of U.S. bank rates, which caused the dollar's exchange rate to soar. In the period from 1980 to 1983 the dollar exchange rate in respect of the French franc rose by 85 per cent, the British pound sterling by 64 per cent, the West German mark by 39 per cent, and the Japanese yen

by 14 per cent. According to some Western economists, financial means to the tune of \$150 billion were transferred to the United States in the period from 1979 to 1982. The sale of U.S. Treasury bonds to foreigners alone enabled Washington to finance 14 per cent of the federal budget's deficit in 1983, while the total inflow of foreign capital to the United States, it has been estimated, finances at least half of this deficit.

The mass influx of foreign capital takes care, for the time being, of the Reagan Administration's budgetary problems but at the same time it creates a crisis of trust in the U.S. banking system. "Uncle Sam could soon be one of the world's biggest debtors," Business Week wrote, noting with alarm that the huge influx of capital to the United States was already turning its foreign debt into a financial "hay pile" that might at some point "burst into flame." The huge foreign debt of Third World countries to transnational, mainly American, bankers has become the torch that can set this "hay pile" on fire. According to International Bank for Reconstruction and Development estimates, the total foreign debt of developing countries reached \$810 billion in 1983, \$730 billion being medium-term and long-term debts. Last year some 30 countries, unable to repay this debt on time, requested the rescheduling of their debt payments totalling \$100 billion. Some countries intend to refuse to repay the debts altogether because of the usurious interest rates forced on them by the American creditors.

Starting with the late 1970s, loans and credits to countries experiencing currency difficulties because of the increased oil prices and dwindling export earnings have become virtually a gold mine for the transnational bankers. The profits of the TNBs soared, the grave crisis in most capitalist countries notwithstanding.

Usurious loans now bring the international banks, parasitizing as they are on the financial difficulties of the Third World countries, bigger profits than industrial investments. Here one cannot but recall V. I. Lenin's words that "the development of capitalism has arrived at a stage when, although commodity production still 'reigns' and continues to be regarded as the basis of economic life, it has in reality been undermined and the bulk of the profits go to the 'geniuses' of financial manipulation. At the basis of these manipulations and swindles lies socialized production; but the

immense progress of mankind, which achieved this socialization, goes to benefit... the speculators."

It is in the arms race unleashed by imperialism that the undermining of commodity production and the utilization of the accomplishments of scientific and technological progress to the detriment of mankind have acquired their ugliest forms. The militaristic business brings the military-industrial complexes of the three centres which include many TNCs and the international banks financing them, profits that are on a par with the money they make on foreign loans.

**GROWTH OF THE ASSETS  
OF THE 25 BIGGEST BANKS  
OF EACH OF THE THREE CENTRES**  
(in bln. dollars)

	1972	1980	1982
<b>U.S.A.</b>	<b>301</b>	<b>761</b>	<b>892</b>
<b>Western Europe</b>	<b>330</b>	<b>1,504</b>	<b>1,488</b>
<b>Japan</b>	<b>240</b>	<b>1,020</b>	<b>1,175</b>

The General Electric transnational corporation, listed among the top ten Pentagon contractors, made a profit of more than \$2 billion in 1983, 25 per cent more than in 1982; General Dynamics, \$286 million, twice the 1982 figure. The profits of United Technologies came to \$500 million and Rockwell International, to \$400 million. The Martin-Marietta concern which produces the Pershing missiles boosted its profits by 50 per cent. Also waxing rich on military contracts are West German concerns Messerschmitt-Bölkow-Blohm (missiles, bombers, combat helicopters) and Krauss-Maffei (tanks), the Dutch transnationals Philips and Royal Dutch Shell, numerous major companies in Britain, France, Belgium and Italy.

The Big Business of the West European centre, and in recent years also the Japanese industrial and financial tycoons covet the multibillion profits of their American rivals and clearly want to grab a bigger slice of the militarist pie from it. It is the avarice of Big Business that prompts the European Atlanticists and the Japanese conservatives to clamour ever more persistently for a further swelling of military budgets, inflated as they already are. This pursuit of superprofits by the transnational oligarchs and barons of the military business brings the world dangerously close to the threshold of a nuclear Apocalypse.



VLADLEN KUZNETSOV

# EURASIA THROUGH WASHINGTON SIGHTS

**O**urs is an interdependent world in which distances between the most wide-spaced regions have been substantially cut by the development of technology, including military technology. And even if we have become accustomed to speak of European security or Asian security, we should never forget that these are parts, interdependent parts, of a single whole—international, universal, global security. When security is violated in one place, the flame instantly streaks to another as though along a blasting fuse.

In politics one must be able to peer into the near and more distant future. To identify dangerous tendencies in time. And just as timely to take precautionary, prophylactic measures.

Bloody wars and conflicts, Pearl Harbor, Hiroshima and Nagasaki forbid us to forget the past of the Pacific region. Besides, the skies are not cloudless there even today. Clouds are gathering, the wind is blowing stronger and eddies form—these harbingers of typhoons which cause so many calamities because of their suddenness and evil temper. But let us face the facts: in the Far East there is the possibility of a nuclear typhoon as well.

On having started the deployment of its first-strike nuclear missiles in Western Europe, Washington has now decided to start a similar operation in East Asia. While declaring Western Europe the centre of its global rivalry with the Soviet Union, the United States intends to create another such centre in the Asian-

Pacific area. "President Reagan wants Japan to undertake commitments equal to those of the United States' NATO allies," it was announced by a State Department spokesman.

Thus, it is intended to place Tokyo on the same plane as NATO, with all the ensuing consequences. High-placed NATO officials openly call on Japan to become "more involved in the affairs of the North Atlantic Treaty Organization in relation to strategic affairs," including questions concerning the deployment of American medium-range arms in Europe. In an attempt to create complications in Japan's relations with the U.S.S.R. fears are being fanned up in Tokyo as to Soviet medium-range missiles.

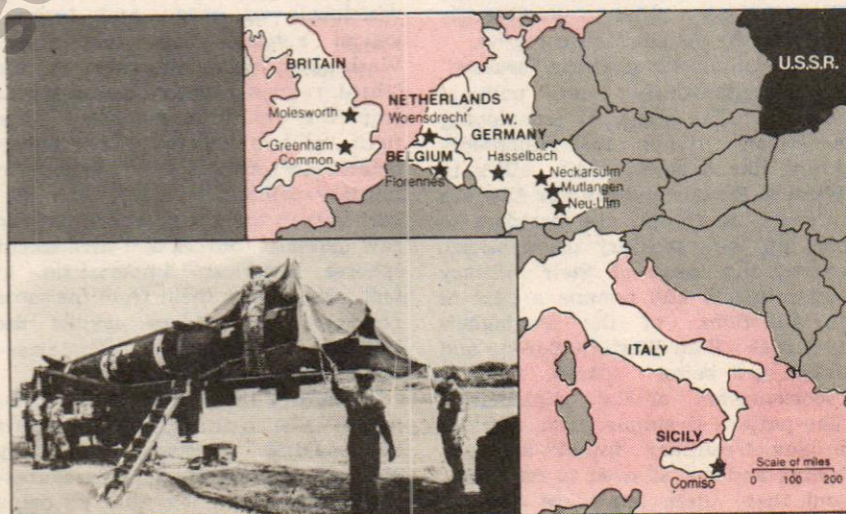
The results of such calls and intrigues are there for all to see. Japanese Prime Minister Yasuhiro Naka-

sone has voiced unconditional support for the plans to deploy the new American nuclear missiles in Western Europe. It appears that this approval has its logic. Those who make their territory available for the deployment of American offensive arms, in particular the latest nuclear-capable F-16 fighter-bombers, who allow foreign ships with a lethal cargo on board to enter their ports cannot deny this "right" to others.

But this is a dangerous logic, creating a risky precedent and programming a no less risky subordination to Washington's global strategy. "The danger of Japan being involved in a limited nuclear war becomes increasingly real as a result of the deployment of tactical nuclear missile weapons in the Far East," warned member of parliament from the ruling party Minenori Akagi on the pages of the newspaper Asahi. In his opinion, his country's blind following of this course under the Pentagon's "nuclear umbrella" will "result in the destruction of the Japanese nation." In any case, the "unsinkable aircraft carrier," as the Japanese Prime Minister chose to call his country, will hardly remain afloat.

And so, in addition to the West European bridgehead of "limited" nuclear war, yet another one is being created—in the Far East. According to the principle—the farther from the United States the better. Let others fight or, to be more precise, burn in the flames of a nuclear war. Meanwhile these two hotbeds are assigned the role of

**An American first-strike nuclear missile in Western Europe. Shown on the map are the American bases where Pershings and cruise missiles are being deployed.**





strategic pincers designed to encircle the Soviet Union and the entire socialist community from two sides and to threaten them with a "check," to use an expression from chess. Another designation of these pincers is to control their own partners, reducing them to the role of obedient executors of the will of others.

The aim in Western Europe and East Asia is to considerably increase American military presence, moreover nuclear presence, to set these regions on the course of preparing for war, to mobilize the forces and resources of many states for a "direct confrontation" with world socialism under American leadership and in the name of American interests of world domination. There are attempts to present NATO and the Washington-Tokyo-Seoul tripartite military alliance that is now being knocked together as innocent, purely defensive organizations, almost as guarantors of international security, which is supposedly threatened by those perfidious Russians.

Pentagon quarters are wont to give imaginative names to their militaristic doctrines and concepts. One of them, the "seasaw strategy," provides for the waging of war both in Europe and in Asia with a possible transfer of troops and armaments from one theatre to the other. The NATO armed forces in Europe may be sent to the Indian Ocean area or to other parts of Asia. On the other hand, American naval and air units deployed in those regions may, in case of need, be quickly brought to Europe.

Washington seeks to draw its partners into this "seasaw strategy," which sways international stability and security. It wants to tie up Tokyo to possible Pentagon-NATO operations in Europe, and the NATO West European allies to possible actions in the Asian-Pacific region.

The militaristic strategic "seasaw" is simultaneously a political "seasaw." The plans of redeploying American troops that supposedly guard like a shield their allies in Western Europe and the Far East are intended to compel the partners to step up their military preparations, extend the range of their military commitments and assume a part of the functions of the Pentagon's potential. Both Western Europe and Japan are being scared with a "reorientation of U.S. diplomacy." The pattern is simple: first, fears of a "Soviet military threat" are generated and not allowed to die down, and then, these fears are used to bully the partners, threatening them

"to pull out the American boys" or to scale down the U.S. "defence" functions.

When Washington started out to impose its nuclear-missile "rearmament" on Western Europe assurances were made that Western Europe holds an obvious priority in U.S. foreign policy. Now that Washington has decided to pull Japan, and some other partners up to the level of NATO and to deploy a first-strike nuclear-missile potential in the Far East, there is talk of a different order: about the "decline of Europe," on the one hand, and, on the other, about "growing interest in Asia," the "growth of the Asian factor" in the foreign policy of the White House and the "shifting of the centre of gravity from the Atlantic to the Pacific."

Washington is making no attempt whatsoever to conceal its new plans in the Pacific area. On the contrary, it advertises them, in an effort to generate excitement around the idea of the onset of the "Pacific age" and even to instil fears about the rapid growth of the share of Pacific countries in the world economy and politics and the perspective of being left trailing the Asian chariot. And the nervous strain has proved to be too much for some in Western Europe. Newsweek magazine writes that Western Europe has a "Pacific nightmare" bringing to mind "the wave of jitters that washed over Europe in the 1960s because of what was then perceived as a formidable 'American challenge' to European financial and industrial independence."

So, there is a new, Pacific challenge. No doubt it has a real, objective basis. But Washington is manipulating it quite skilfully, hoping to herd Western Europe into an exhausting competition in the Pacific where it must go down in the whirlpools of trade and technological rivalry. As for itself, Washington wants the role of the "third, rejoicing party" that observes from the top of a mountain "the fight of two tigers in the valley below." In setting its partners in military-political blocs at loggerheads in the struggle for markets, raw material sources and investment spheres, American imperialism in fact acts against them from the same positions as it does against the U.S.S.R. and other socialist states—from positions of strength.

A country that gives in to Washington in such fundamental matters as making national territory available for the Pentagon's aggressive potential cannot count on being taken into serious consideration.

When planning Western Europe's political weakening, the White House takes into account also the lessening of its economic might, especially in the development of modern technology which, in the opinion of Western specialists, is to play the key role in the economic future of the world. In 1981 the volume of the United States' trade with East Asian countries (\$118,200 million) exceeded for the first time the volume of its business deals with West European partners (\$117,200 million). Since then this difference has been steadily increasing. Eastern Asia has thus become America's biggest trade partner, and an object of its expansion. Everything attracts the American geopoliticians to this region—its tremendous market, its huge natural wealth, its rich raw material resources and its extremely important strategic location. They pin particularly big hopes on drawing Japan, China, South Korea and other countries into one or another military-political scheme.

First of all, it is intended to share with Japan the "burden of military responsibility" for the situation in the region, that is, to make it shoulder part of the police functions of which the Washington Administration would like to rid itself for one reason or another. The American NBC television company noted in one of its programmes on Japan's rearmament that, with the U.S. armed forces stretched to the limit because of military commitments throughout the world, the United States would like Japan to assume a greater role in the Western Pacific. Yet this redistribution of functions should leave the United States in full control of everything. In short, it is demanded of Japan that it put on its sword again while Washington would keep its hand on the hilt.

The pointed interest in Japan is explained also by another important circumstance. Already now Washington faces the real danger that Japan, being in possession of high military technology and broad possibilities of perfecting it in the future, may find itself capable of giving the United States a run for its money in the international arms market and dealing the American arms manufacturers a blow similar to that it has dealt, say, to the American motor companies. While ensuring for its military-industrial complex extensive access to Japanese military technology, Washington intends to limit the use of the latest in this technology by Japanese civilian industries, under the pretext that it falls under the American-





Washington's Far Eastern ally is building up its military muscle.

Japanese Security Treaty articles on military secrets.

In short, when it comes to American interests and prospects in the Pacific some people high up in Washington tend to fall into a state of euphoria. "These nations [in the Pacific basin] are undergoing a renaissance," says Michael Mansfield, the U.S. Ambassador in Japan. "The opportunities and potentials are here. In my opinion this is where it all is and where our future lies. We are out here in this part of the world to stay." In his opinion, the next century will be marked as "the century of the Pacific." These considerations, the Ambassador thinks, should be the premise in drawing up the long-term American political, economic and military-strategic concept in respect of that region.

All this, of course, does not mean that from now on Washington will ignore Western Europe. It remains, just as in the past, the main, if not the decisive, strong point of American global strategy, the main springboard for struggle against world socialism with all the ensuing dangerous consequences. One of the Pentagon's most probable "theatres of war" is situated there. In the opinion of Gene LaRoque, a major American expert on military strategy, the Americans proceed from the assumption that the third world war, just as the first and second ones, will be waged in Europe. As for the thesis about the U.S. "realigning" itself to the Far East, it may simply be an attempt to divert the Europeans' attention from preparations for the first strike.

Washington has no intention at all to change mounts. On the contrary, it wants to prod on both, while giving preference to the one that looks fresher and faster so as to

pull further the chariot of American global policy. By combining within the framework of a single strategy both the "West European factor" and the "Asian factor," it hopes to control the international situation as a whole.

This strategy, which has become the present American Administration's most cherished dream, is not of recent origin. Back in 1945, when the main imperialist rivals of the United States were either routed or weakened, when the heads of Washington strategists were giddy in anticipation of the onset of the "American age," one of them, Robert Strausz-Hupé, predicted that regional balances of forces in Asia and Europe would hence form the basis of U.S. policy, while the totally unfettered might of the United States, deployed at both ends of Eurasia, would hold the overall balance in its hands.

But it is becoming increasingly difficult for Washington to manipulate these balances of forces and the more so to control them. Especially when it tries at one and the same time to unite its partners against the U.S.S.R. and other socialist countries, as well as against other states reluctant to take orders from the U.S., and to divide them, depriving them of the possibility to stand up jointly in defence of their interests against the U.S.

The United States was and remains the militaristic "superpower" in the conglomerate of the three main centres of imperialism's economic, political and military might—the U.S., Western Europe and Japan. But its economic positions have been eroded and are far from what they should be to give it the feeling that it is also in the zenith of unchallenged financial might. Nevertheless in the imperialist "tricentrism" it sees not three centres of power but one, the American, and seeks to suppress attempts by its partners-rivals to achieve "equality" or at least relative independence in foreign policy. For the White House "tricentrism" is not a field for equal co-operation but only a form of subordinating Western Europe and Japan.

Using as a cover the thesis of the United States' "special responsibility" that supposedly encompasses almost the whole world and portraying its selfish interests as the common interests of the entire West and Japan, the White House reduces its West European allies and Japan to the role of helpers of the "world policeman" who must obediently look after his "vital interests." While the Reagan team are fanning up

world tensions, the U.S. "partners" are given the task of pulling chestnuts out of the fire for them, be it in Europe or in Asia. But in case there arises the danger of singeing their own fingers or even burning themselves to death in the flames of nuclear war, two "lightning rods"—the West European and the Far Eastern—are being prepared.

Washington wants to turn its NATO allies and Japan into arms bearers of the anti-communist crusade announced by Reagan. A global political and military alliance is being knocked together with the participation of both NATO countries in the west and Japan in the east. "For the imperialists the Asian continent is yet another, eastern, front of struggle against socialist states," Konstantin Chernenko has stressed. "The United States has created there a chain of military bases and strong points, and deployed nuclear arms. Not only the territory of the Soviet Union but also the territory of other socialist and not only socialist states of Asia and the Pacific basin are within the range of these arms. It should be recalled that it was the Asian continent that became the first testing range for the combat use of nuclear weapons by the United States."

The White House and the Pentagon would like to expand the new, eastern anti-socialist front in every way, this being evidenced, in particular, by the visits made by President Reagan to China, Japan and South Korea and by Defence Secretary Weinberger, to Tokyo and Seoul. When urging the co-ordination of actions between NATO and the military-political Washington-Tokyo-Seoul triangle, the head of the Pentagon also voiced the cherished hope of American strategists to see the triangle changed into a quadrangle, with the participation of Peking.

Some people in the Far East may feel flattered by the pointed attention shown them by the White House, the State Department and the Pentagon. But many feel ill at ease and have butterflies fluttering in their stomachs. Noting the growing American interest in Japan, the Tokyo newspaper Mainichi expressed three wishes.

First, that the policy of greater attention to Asia be conducted not only from the viewpoint of the state interests of the United States but also with due account for the interests of the Asian and Pacific countries.

Second, that greater interests in



Asia should not bring about its involvement in American-Soviet confrontation.

Third, that Japan's actions be not the result of U.S. pressure.

These are just and fair wishes. But will they be taken into account?

So far, Washington is not inclined to hear out and grant anybody's wishes; all it does is setting forth its own demands. Both Western Europe and Japan are presented with the same set of demands. To join the plans of "direct confrontation" and of "encircling" the U.S.S.R. To harness themselves to the Pentagon's chariot which at any moment may set off madly towards the nuclear precipice. To increase military spending and raise the overall level of militarization, to service the U.S. military-industrial complex. To take in their keep the economically weaker members of militaristic alliances. To scale down resistance to the economic expansion of the U.S. and to restrain their own—this applies first of all to Japan and the Common Market countries. To neutralize the mass anti-nuclear movement at home.

To sum up, others must subor-

dinate their vital interests to the strategic ambitions and imperial designs of the self-styled leader and place their national security under his complete control. Washington is drawing its partners in Western Europe and East Asia into a new, even costlier stage of the nuclear and conventional arms race that destabilizes the entire international situation and is therefore dangerous.

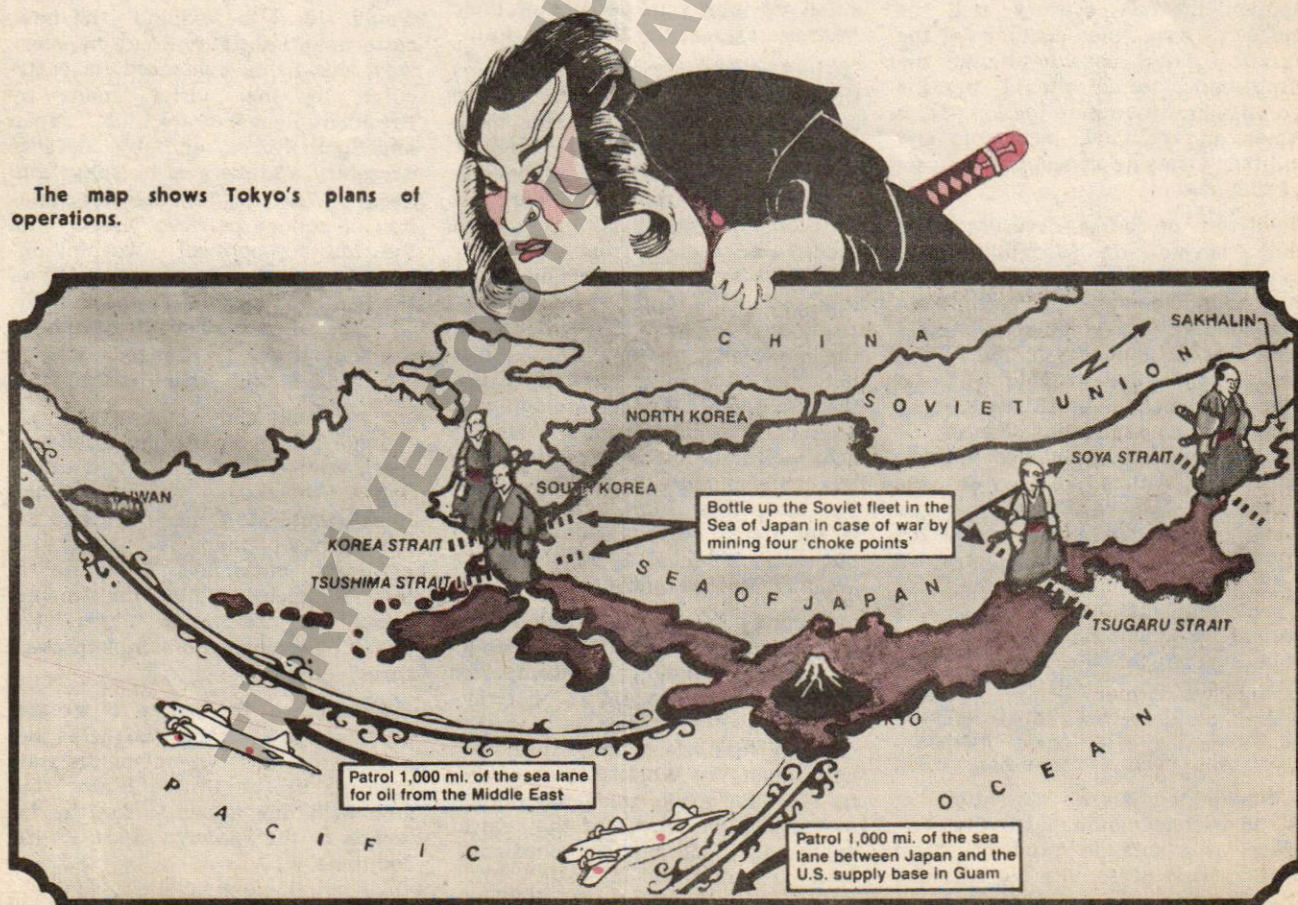
So far it is somewhat easier for Washington to deal with Japan than with Western Europe. Tokyo itself made Washington several "gifts" at once: it increased its military spending by 6.5 per cent, gave the Pentagon access to ultra-modern military technology, granted the military regime in South Korea assistance to the tune of \$4 billion and took some measures to "open" its market to American commodities and capital. In Western Europe, it is by far not all who make "gifts" in the form of consent to the deployment of the new American nuclear missiles, of an increase in military spending by 4 per cent, as is demanded by the Pentagon, or in the form of concessions in the protectionist clashes, and even then they do it with considerable apprehension.

As it was noted with keen insight

by the already mentioned Mainichi, "the strategy of the United States is aimed at creating a worldwide system enabling it to secure victory over the U.S.S.R." Some of the intended participants seem to meekly hurry on to take their place in it, while others are weighing, and not without reason, the risks involved and the overall danger of the attempts to destroy stability in vast regions and undermine the security of neighbouring states. During his visits to Seoul and Washington, Nakasone promised to merge the structure of the military alliance between the United States and Japan with that of NATO and to share the "common destiny." This plays into the hands of those who intend to turn many areas of the world into potential "theatres of war," who for this purpose are pushing NATO beyond the confines of its geographical zone and are beginning gradually to draw other countries, first of all Japan, into NATO's plans of integration and operations.

Judging by one of the reports of the U.S. Secretary of Defence, the members of this global system would be required to create a potential approximating wartime needs. As to Japan's "common destiny" with the NATO members under the U.S. aegis,

The map shows Tokyo's plans of operations.





the newspaper Tokyo Shimbun says that Japan must not "create the impression that it is turning into a forward U.S. base against the U.S.S.R. It must not orient itself one-sidedly at the United States and display an irresponsible approach to the development of dialogue with the U.S.S.R."

But it is precisely such a role that is being assigned to Japan. As has been pointed out by Admiral William Crow, who is in command of the U.S. armed forces in the Pacific and Indian oceans, Japan acquires a special importance in the event of a clash with the Soviet navy, for the U.S. wants, as one of the first steps, to block the straits.

Washington is not loath to give a place in the global anti-Soviet system also to others. Addressed to them are calls to revive the idea of "strategic co-operation" and "parallel interests." In order to advance the fulfilment of its strategic plans Washington scares both Peking and Tokyo with the "Soviet military might" (they supposedly have one common potential enemy against which they should unite their own forces and also team up with the United States), and, separately, Peking, with Japan's becoming a major military power, and Tokyo, with Soviet-Chinese "rapprochement."

Such are the intrigues of the Washington imperial court against peace and security in the world's two crucial regions which have already been arenas of devastating conflicts and will hardly survive a new one. The Soviet Union cautions against this and calls on all states to avoid "direct confrontation," to prevent matters from reaching a point fraught with conflict. It would not want to find itself forced to take new defensive countermeasures.

And what about Japan? Although Tokyo continues to refer to the "three non-nuclear principles"—not to manufacture, acquire or permit the deployment of nuclear weapons on the country's territory—specialists do not exclude the possibility that Japan might acquire them by the end of the century. For the Japanese cabinet has stated that possession of nuclear arms does not contradict the Japanese constitution. In his time the former Prime Minister Zenko Suzuki declared for using nuclear arms as a "deterrent force" and did not reject the possibility of their future use for "preventive" purposes. Developments are such that the American-Japanese "security pact" threatens to become an instrument of the Pentagon's nuclear

strategy while Japan is in danger of becoming a potential theatre of a "limited" nuclear war in the Far East.

The United States is already turning Japan into a strong point of its thermonuclear strategy in the area. Among the approximately 120 American military installations on Japanese territory there are some which already have "components" of nuclear arms, and more of such "components" are brought in. Nuclear weapons are deployed also in South Korea. The agreement with Tokyo on the stationing at the American air base in Misawa, Honshu Island, of two squadrons of the latest fighter-bombers capable of delivering both nuclear and conventional weapons to distances of more than a thousand kilometres is new evidence of the Pentagon's dangerous plans in the Far East.

In the autumn of 1983 Foreign Minister Shintaro Abe said that Japan must maintain close interaction with the United States and the NATO countries in Western Europe. Tokyo's 1983 White Paper on Defence Issues regards for the first time the strengthening of Japanese military might as an inseparable component of the West's global militaristic strategy. It says that Japan should build up its own military might and also strengthen military co-operation with the U.S. and other NATO countries. The stated readiness to perform the functions of NATO's Far Eastern flank does not remain only on paper: the proclaimed intentions and commitments are being backed up by the military infrastructure.

While officials in Tokyo insist that Japan will supposedly never become a "major military power," the country, already now, holds sixth place for size of its air force, fifth place for number of submarines and fourth place for tonnage of naval ships, as compared to America's 15 NATO allies. Japan's ground forces are roughly as big as those of Britain. For level of military spending Japan holds eighth place in the world; during the past decade its military budget has been growing two and a half times faster than the NATO average.

What is the attitude to the country's rearmament in Japan itself? Public opinion is quite eloquently reflected by a reader's letter printed in Mainichi on March 31, 1984: "In the United States Nakasone speaks about turning Japan into an

'unsinkable aircraft carrier.' Two years in a row he is sharply increasing military spending, while during a lecture at Peking University he blandly declares that he is not going to turn Japan into a military power. In other words, he says one thing in the morning and another in the evening. To call a spade a spade, this is nothing but downright hypocrisy." Reporting a public opinion poll, another newspaper, Yomiuri, arrives at the following conclusion: "The Japanese people are extremely negative in their attitude to the course of further building up armaments, beyond the present framework of the country's defence capability."

But Peking, it turns out, knows the situation in Japan better than the Japanese themselves. It was stated at a high level there that "we do not consider at present that the Nakasone government is pursuing a policy of militarization."

By destabilizing the situation in Asia and creating there a seat of international tension, the U.S. ruling circles and their Far Eastern assistants aim at dividing the peoples and sacking one country against another. And despite the collapse in Asia of such anti-communist alliances as CENTO and SEATO, the American geopoliticians are trying again to forge militaristic axes and divide Asia into "spheres of influence" and "zones of interests." With total disregard for historical experience, for the lessons of World War II and of the Pentagon's venture in Indo-China, Washington is turning the Asian region into a zone of heightened war danger.

The peoples of Asia are not uniform in terms of history and social systems. Contradictions, sometimes very serious ones, rooted in the past or of recent origin, exist between some of them. Territorial claims are being made. Armed conflicts, both brief and protracted ones, flare up from time to time. It certainly will be no easy task to bring the situation in the hot spots of Asia and the Pacific back to normal. But in principle this is possible and can be done if the countries and peoples



show political good will, if the striving for good-neighbourship on a firm peaceful foundation takes the upper hand over the discord and friction, which are more often than not injected from without, over attempts to solve outstanding issues by means of arms. The entire experience of much-suffering Asia clearly indicates the only effective way—renouncing the use of force in the settlement of conflict situations, renouncing participation in militaristic alliances, axes and triangles.

The Soviet Union and other socialist countries firmly and consistently come out for turning Asia into a region of peace. Precisely this aim is

pursued by the Soviet proposal on the introduction of confidence-building measures in the Far East, including measures in the military field. It is suggested to reach political accord on this matter both on a collective and a bilateral basis. The Soviet Union wants the power approach to be fully excluded from international relations in Asia just as in other continents, and an atmosphere of genuine trust and friendly co-operation created.

On the table is the constructive proposal of the Mongolian People's Republic—to conclude a convention on mutual non-aggression and non-use of force in relations between the

Asian and Pacific states. There are the peaceful initiatives of the Democratic People's Republic of Korea directed at easing tension in Korea and the Far East generally. There are also the constructive proposals of Vietnam, Laos and Kampuchea aimed at attaining mutual understanding and normalizing relations between the countries of South-east Asia.

In their sum total, all these initiatives and proposals form a solid basis for joint constructive action by peoples and states to bring a normal and healthy atmosphere to the Asian-Pacific region.

DMITRY POGORZHEL'SKY

## "EUROPEANISM" HARNESSED TO THE PAX AMERICANA

In the late seventies and the early eighties, when Washington swung to confrontation, the U.S. institutes and research centres, financed by various foundations, issued quite a few analytical reports which alerted the new Administration to the problems and difficulties it was in for. One of the reports submitted to Ronald Reagan on the fifth day of his presidency warned that the eighties would be a decade of unprecedented challenges to the American foreign and military policy, and that the U.S. would probably face ever sharper differences within the Western alliance.

The "brain trusts" recommended the Administration various ways to deal with the situation. The Hoover Institute suggested that the U.S. should wage a political and economic war against the Soviet Union, change over from rhetoric to resolute action and from détente to dynamic defence. The influential Council

on Foreign Relations insisted on the U.S. going back to the era of its supremacy and absolute leadership in world affairs. To sum up, force was pronounced the remedy for all troubles and the means of restoring the former omnipotence. Pax Americana became the modern version of the imperialist "American dream."

Much had changed on the other side of the Atlantic over the years of détente, however. The military-strategic parity with the U.S. achieved by the Soviet Union had provided the basis for Soviet-American dialogue and for a policy of relaxation of tensions. But Reagan's Washington regards this strategic parity as a "window of vulnerability" and has come to rely exclusively on armed force because, while having yielded economically and politically, Washington's positions in the military field remain practically unchanged. This is precisely why, as the West German economists G.P. Krämer and W. Masseling

maintain, "the leading role of the U.S. in the Atlantic alliance can be justified only in the military area. With its course of confrontation, the U.S. seeks to make use of its specific strong points in rivalries with allies."

The objectives of the U.S. Administration's strategy boil down to depriving Western Europe of the political capital it gained in the seventies, discouraging it from seeking détente, imposing confrontation with the U.S.S.R. and other socialist countries on Europe and the world at large against the background of an unrestrained arms race.

Yet the Europeans are not at all eager to give up détente entirely. While following in the wake of Washington in the military area, they do not want to curtail political contacts with the East. Professor S.H. Hoffmann of Harvard University, a well-known American politicalologist, is of the opinion that discord in the "Atlantic family" is caused, among other factors, by Western Europe and the United States not seeing eye to eye on the Soviet Union's foreign policy, both global and regional.

### "Sense of Insecurity"

Following the adoption of the "re-armament" decision, West Europeans came to realize that their security was threatened by Washington's adventurist policy, and not by Moscow. An agonizing process of reevaluation of values began in NATO. There appeared differences on military-strategic problems—an entirely new factor.

Throughout the postwar history, all



the West European NATO members (except France) obediently identified themselves with Washington's military policy, accepting its doctrines, concepts and strategies which were often worked out without any consultation with them. But of late Washington has been applying its own nuclear-missile yardstick to world developments with a crudity which revolted even its closest allies. The Reagan Administration's obsession with the idea of achieving military-strategic preponderance is so maniacal that it evokes a "sense of insecurity," as Anker Joergensen, the Danish ex-Premier, put it.

Now that new American medium-range missiles are being deployed in Europe, Washington is trying to reassure the West Europeans by telling them that they are now more secure than ever, and that under the new American "nuclear umbrella" they have nothing to fear. This is a crude lie. The new missiles are strongly objected to not only by the man in the street, but also by West European governments and M.P.s. The opposition to "rearmament" is quite strong and serious. Danish parliament obliged the government to keep the U.S. missiles away from the country and to withdraw from NATO's treasury the Danish share of the expenses involved. Greece has taken a special stand on the missile deployment issue. Holland has reserved its decision. Although this move does not yet mean a definite No, it has warped the Euromissile deployment schedule somewhat.

The new American missiles have catalyzed the long-standing doubts and apprehensions in Western Europe as to whether the U.S. strategy is not changing, and whether the New and Old Worlds' security interests will not eventually drift apart.

As nuclear missiles kept improving, Washington started revising its strategic objectives and the role it had assigned to its allies. In September 1979, shortly before the adoption of the "double-track decision," former U.S. Secretary of State Henry Kissinger said that the European allies should not press America for ever newer strategic guarantees which it was not going to give them, even if it wanted to, lest civilization should be in danger of destruction. Ex-

CIA chief Stansfield Turner was even more outspoken. He said the Americans had fooled West Europeans on many occasions and kept promising to defend Western Europe with atomic bombs, while actually being loth to expose America to an attack.

These statements were the first indications of the Pentagon revising its strategy. At that time the U.S. was developing new medium-range nuclear missiles and testing new warheads for its Pershing 2s. According to the West German Stern magazine, they are designed to dig 12 metres deep into the ground before going off. Their targets, the magazine explained, were "missile-launching silos and the Kremlin bunkers." There is no doubt that the re-

herited the "limited nuclear war" concept and enriched it with new elements. Its strategic doctrine aims at winning a "protracted nuclear war," as follows from defence instructions which set forth the Pentagon's objectives for 1984-88. Some time later, the President signed Directive No. 32, which proclaimed the first strike to be "highly moral" and "natural." In the opinion of Pentagon generals these "innovations" make the U.S. nuclear strategy more realistic.

All this has confirmed Europe's doubts as to the American nuclear guarantees. After all, the cruise missiles and Pershings are intended to separate U.S. and West European security interests and, in the case of a nuclear conflict, to draw the retaliatory blow to Western Europe rather than to America. Nowadays the "deference doctrine," the U.S. Administration's military advisers admit, aims



American G.I.s throwing their weight about in Western Europe.

targeting of the missiles on the U.S.S.R. and other socialist countries' defence installations, and the development of "surgically accurate" warheads capable of hitting small targets are elements of a first-strike strategy.

As if to confirm the West Europeans' apprehensions, James Carter signed, in the autumn of 1980, Directive No. 59 on the possibility of a "limited nuclear war"—limited to Europe, that is. Harold Brown, the then U.S. Defence Secretary, confirmed that the directive signified a change in the U.S. nuclear strategy.

The Reagan Administration has in-

herited the "limited nuclear war" concept and enriched it with new elements. Its strategic doctrine aims at winning a "protracted nuclear war," as follows from defence instructions which set forth the Pentagon's objectives for 1984-88. Some time later, the President signed Directive No. 32, which proclaimed the first strike to be "highly moral" and "natural." In the opinion of Pentagon generals these "innovations" make the U.S. nuclear strategy more realistic.

### The Three Pillars of Military Strategy

The new American nuclear-missile potential in Europe is just one of the three pillars of the Pentagon's new military strategy. This strategy has no official name as yet, but can perhaps be described as "a strategy of a limited war with a combined first strike." It was hardly accidental that in describing the American military's innovations the West German Der Spiegel magazine queried: "Is attack the best method of defence?"



The second pillar is the Air Land Battle concept, which includes the Rogers Plan emphasizing the build-up of conventional weapons. This pillar is alleged to be a nuclear conflict preventive. Washington is trying to convince its allies that it is necessary to sharply increase the non-nuclear arms potential without delay. This is supposed to lessen their dependence on the American "nuclear umbrella" and to raise the nuclear threshold in Europe.

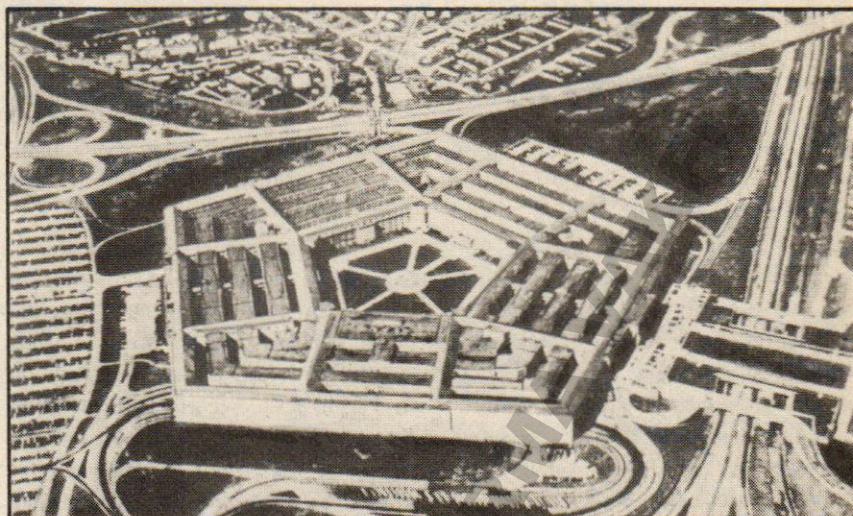
Actually, the strategic Air Land Battle concept provides for mounting pre-emptive combined attacks on the enemy rears with nuclear, conventional and chemical weapons. Many Western military experts are of the opinion that this concept adds to the nuclear war danger by emphasizing offensive operations.

After the essentials of Air Land Battle had been first made public in August 1982, West Germany's military attaché in Washington hastened to inform Bonn that the new concepts set forth in the U.S. Army's field regulations did not tally with NATO strategy. The Ministry of Defence in Bonn kept silent, while Washington assured its allies that Field Manual 100-5 was valid on the U.S. territory only. Yet Chapter 9 of the Manual describes the territories of the F.R.G. and the G.D.R. as a theatre of nuclear war operations. Later that year, at the winter session of the NATO Council, Washington had its allies accept the new concept and make it the basis of the joint military policy. At that session the allies also endorsed the Rogers Plan.

Finally, the third pillar the new strategy rests upon is the space anti-missile defence system, which is inseparably connected with the build-up of the U.S. strategic nuclear potential and with the deployment of medium-range nuclear missiles. The system is to be used as a "shield" against a retaliatory blow after the U.S. strikes out with its new "sword"—the Pershing 2 and cruise missiles.

Reagan's "star wars" plans have added fuel to the flame of European fears and doubts. The U.S. and its West European allies were deeply divided on that question at the spring 1984 session of the NATO Nuclear Planning Group. The British newspaper Guardian sounded the alarm. The threat of destabilization resulting from use of anti-missiles in a space war has been added to the nuclear nightmare, it commented. A high-ranking Dutch diplomat said that the militarization of outer space was scary and madly dangerous.

Manfred Wörner, the F.R.G. Minister of Defence, said that the American plans spelled "a split of the Atlantic alliance in the next few years." He is



The Pentagon building where plans dangerous to world peace are hatched.

by no means the only one to think that the implementation of the "star wars" plans will lead to a dangerous destabilization in East-West relations and divorce American security interests from those of Western Europe. Many arrive at the disheartening conclusion that America refuses to defend Western Europe.

### Reanimating the WEU

"Isn't it high time to set up a new European defence community?" This question, asked by the French paper *Le Monde*, reflects the sentiments prevalent in the West European wing of the alliance.

The idea is nothing new. In 1954, seven countries—Britain, France, the F.R.G., Italy, Belgium, the Netherlands and Luxembourg—established the Western European Union (WEU), which never came to play a political role of any importance and presently withered away. And now there is talk in the Old World about "breathing new life" into it.

Western Europe is coming to have an ever greater role to play in the Atlantic alliance. In 1982, West European countries met 44 per cent of the bloc's expenses, as against 25 per cent in 1971. In 1979-80, Western Europe spent \$29-34 billion on conventional weapons—only slightly less than the U.S. did.

A specifically West European system of military-economic, military-technological and military-industrial links is taking shape. The NATO Eurogroup, set up in 1968 and comprising all the European NATO members except France and

Iceland, was initially an instrument of mobilizing West European financial resources. Today it accounts for 75 per cent of NATO's ground troops and tanks in Europe, 65 per cent of combat aircraft and 60 per cent of warships. France (which is not affiliated with NATO's military setup) and Britain have a nuclear potential of their own which constitutes more than a quarter of NATO's medium-range nuclear missiles on European territory. They keep building up and modernizing their nuclear weapon arsenals, which meets Washington's approval.

However, the reanimation of the WEU and the build-up of the West European military might are by no means intended as forms of opposition to the United States. The Atlantic links have not outlived themselves. For all the contradictions and differences within the alliance, its mainstays—anti-Sovietism and the class solidarity of the European and American monopoly bourgeoisie—remain strong. This is precisely why the idea of strengthening the European centre of military might is presented merely as an attempt at "balancing out" the U.S. influence. No one considers in earnest the possibility of Europe defending itself on its own: the political interests of the West European countries differ substantially. Despite all the misgivings about the U.S. nuclear "shield," the adherence to Atlanticism in the military sphere continues to suit the NATO countries' ruling quarters. The buildup of the European pillar, says West German Foreign Minister Hans-Dietrich Genscher, does not mean Europe's alienation from the United States. Such reassurances are addressed to the orthodox Atlanticists, who regard the strengthening of the West European section of NATO in the framework of the Common Market as a threat to "the cohesion of the alliance." Why is the WEU being reanimated then?



Washington and NATO's top officials do not mind such efforts, seeing them in the light of the plans to build up European conventional armaments. Significantly, the WEU Assembly held the sessions of its committees in May 1984—in time for the jubilee session of the NATO Council. The sessions discussed new weapons, military research and development work, space research, and even heard a special report on the use of outer space for military purposes.

As we see, the agendas of those sessions were strikingly akin to those of NATO. This is what makes it possible

operation with Paris to be instrumental in realizing it.

Meeting Bonn halfway, the WEU Council lifted, in June 1984, the last of the restrictions, imposed in 1954, on the production of offensive weapons by the F.R.G. According to the *Süddeutsche Zeitung*, Bonn insisted on lifting the restrictions "as a prerequisite for reviving the WEU as NATO's prop in Europe."

The documents of the June session of the WEU Council describe the Union as "a European organization competent in questions of defence and security." Actually, this organization has proved competent in stepping up war prepara-

turing their own weapons. The group included France, which had withdrawn from the bloc's military setup in 1966.

Under previous presidents, Washington stinted no promises of making arms trade a "two-way street." The Reagan Administration has nullified these promises which, to the Republicans' thinking, were unforgivably naive and might cost the U.S. its leadership in arms production. Washington relies on its technological superiority and on its enormous arms market, which is practically secure from external competition. In the eighties this market expanded very rapidly, at a rate exceeding that of Western Europe's arms build-up. Even if Western Europe's military spending grows still faster than it is doing now, its arms market capacity will remain half that of the United States. Besides, Washington spends three or even four times as much on the development of new weapons as its allies taken together.

Arms manufacturers on this side of the Atlantic realize that if they do not pool their efforts, the U.S. will leave them far behind in developing new-generation weapons stuffed with micro-electronic gear. In that case, the West European governments will have to pay through the nose for American weapon systems instead of enriching "their own" arms manufacturers.

With the intense rivalry in the arms market, Western death merchants practise international co-production on a wide scale. Co-production contracts make it easier to infiltrate the markets of third countries. Here, too, the United States is well ahead of its allies. The F-16 plane it has built jointly with Norway and the Benelux countries is a case in point. Having imposed this project on them by shady backstage machinations, the U.S. reduced its European partners' role in it to that of second-rate subcontractors. It is doing all it can to keep its allies-cum-rivals away from modern high technology and to suppress any serious competition to its products on the arms market.

International arms co-production helps Washington achieve other ends, too. One of the Pentagon's directives says that it should help establish in the Western countries the U.S. strategic and tactical warfare concepts based on the use of American combat equipment and on the build-up of the allies' military technology potential. The May 1984 session of the NATO Council endorsed a top-secret list of 11 ultra-modern weapon systems to be developed by the bloc. That was just the first step, the Western press stressed, in carrying out the American plan of conventional weapon modernization.

The implementation of this plan involves heavy expenses. Adopted in 1978, the "modernization" plan provided for the alliance countries increasing



The American tank M1 Abrams has been adopted by NATO's armies in Europe.

to breathe new life into the WEU, the French papers pointed out. It has even been decided to stir to greater activity the WEU's arms control agency and permanent arms committee.

Bonn and Paris have assumed the role of the WEU's motive force. Military questions are steadily coming to the fore in the relations between the two countries. The military aspect of their relations was in the focus of attention at their 1984 summit meeting, for instance. The negotiations between Helmut Kohl and François Mitterrand in Rambouillet gave a new impulse to French-West German military co-operation: the two leaders signed an agreement on the joint production of new combat planes and helicopters, and agreed on about 50 other joint projects. The French President's proposal to set up a special group for preparing the launching of a European combat satellite attracted considerable attention.

Bonn takes special interest in co-operation with France and in the revival of the WEU. Certain quarters in the F.R.G. have not abandoned the dream of reaching nuclear-missile launching buttons, and expect closer military co-

operations. This suits Washington, but can only lead to the further worsening of the situation on our continent.

### Who Is to Foot the Bill?

This question arises ever more frequently as the allies discuss arms purchases.

The U.S. and West European countries protect their munitions industry by various legislative acts and stimulate its foreign expansion. In the U.S., for instance, an amendment to the arms import act entitles the Pentagon to buy imported weapon systems only on condition that they are no more than half as expensive as American ones. The Common Market countries have agreed on a special status for the munitions industry's products. The Treaty of Rome on the establishment of the EEC authorizes its members to take measures which they think necessary to protect their security and which pertain to the production and sales of weapons, ammunition and materiel.

However, the "score" in the U.S.-Western Europe arms trade is 8-1 in America's favour.

An independent European programming group was set up back in 1976 with a view to enabling European countries to co-ordinate their efforts in manufac-



their war budgets by three per cent a year, with the inflation rate taken into account. Shortly afterwards, General Rogers began to insist on four per cent, and now there is talk even of six. However, the European allies are not too willing to loosen the purse strings. They refuse to increase their military spending at such a high rate if Washington makes no concessions to them in arms trade. This causes obvious displeasure in the White House which, with Reagan in office, has brought the war budget growth rate up to 7-8 per cent a year.

Those across the ocean grumble that the allies' military spending is not high enough, and that America has to bear the brunt of the West's defence. Europe is told that unless it develops its own military muscles, it must put up with its capital flowing out to America to cover the latter's budget deficit caused by excessive military spending. Such is the vicious circle of Atlanticism: by attracting West European capital by high lending rates, Washington compels the allies to partly finance its own arms build-up. In other words, the allies are made to pay for the upkeep of the U.S. war machine by hook or by crook.

The two centres compete not only in the sphere of the transatlantic arms trade, but on the markets of the developing countries as well. Western Europe has increased its arms production potential over the past few years. It was as early as in the mid-seventies that the military-industrial complexes of the two regions turned their gaze to the Third World whose fast-growing arms market became an arena of fierce competition. Today the developing countries absorb over three quarters of the



West German tanks on an assembly line.

entire Western arms export. It is in the developing world that West Europeans are trying to make up for their failure on the American market. So far, they cannot overtake their transoceanic rival: France's arms export is a half, the F.R.G.'s a sixth, Britain's a ninth, and Italy's an eleventh of the American figure.

The danger of this rivalry is obvious: it aggravates the situation in the developing areas of the planet, and causes armed conflicts fraught with serious consequences for the rest of the world.

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The Marder armoured personnel carrier (F.R.G.).



So what's going on: "Americanization" of Europe or "Europeanization" of

NATO? The answer is: both. Atlanticism cuts both ways. Washington would like to have the "Americanization" of Europe and the "Europeanization" of NATO under its tight control, so as to prevent the allies from outstripping it in any sphere of military policy, arms production or arms trade.

So far, Western Europe has no say in the matters of security and military policy. If it is to remedy this situation, it should stop following blindly in Washington's wake. Doubts as to the wisdom of pursuing such a course are already in full evidence. But only doubts, nothing more. The West European allies are too deeply involved in the military-strategic plans of their senior NATO partner. They back Washington in its obstructionist stand on nuclear disarmament as well. Nor are they prepared to reject its plans of building up the European strategic potential and to restore the former parity on the continent, although this is the chief prerequisite for resuming negotiations on nuclear armaments in Europe.

The only way to prevent West Europeans from becoming the target of a retaliatory blow is to lower the level of military confrontation and to resume the dialogue on nuclear arms limitation on the continent. The Warsaw Treaty countries are prepared for that. We have concrete proposals for diminishing the war danger, ending confrontation and achieving disarmament on and outside the European continent. All this is of equally great importance to Western and Eastern Europe—provided, of course, that the former has not been fully converted to the political creed of Pax Americana.



NIKITA ZHOLKVER and YURI SHISHKOV

# THROUGH THE PRISM OF GLOBAL PROBLEMS

**T**he imperialist rivaling allies are cementing old aggressive military alliances, knocking together new ones—and tripping up each other at the same time. The arena of antagonisms among the three centres of imperialism and its aggressive foreign policy is the entire non-socialist world. Global problems are further aggravated by militarism and the economic expansion of transnational corporations which plunder the material and financial resources of developed and developing states. The last exploitative formation—capitalism at the highest and last stage of its development—has now become the main barrier in the way of human progress.

## The Double Bottom of the Crusade

Preventing a nuclear war is the most important and urgent task facing the world today. By the early eighties, the yield of the nuclear weapons accumulated worldwide totalled 50,000 MT of TNT equivalent, which is 10,000 times the destructive power of all the explosives used in World War II. The globe has become a powder keg which a mere spark can blast to smithereens.

Nevertheless, NATO strategists sent the arms race up into a new spiral in the late seventies. Why? To "catch up with the Soviet Union," as the White House alleges? Hardly so, because all the talk about the West's lagging behind the Soviet Union is a pack of lies: the U.S. admitted at

one time the approximate parity of the nuclear-missile might—both strategic and the so-called Euro-strategic. Was the spurring up of the arms race intended to upset this parity and to achieve superiority over the U.S.S.R. and other Warsaw Treaty countries? This is more like it, although unrealistic because the times when the U.S. could gain a strategic preponderance over the Soviet Union are gone never to come back. "We need no military superiority, we are not going to dictate to others," Konstantin Chernenko stressed. "But we shall not let anyone upset the military balance achieved to date."

Presumably, Reagan and many other members of his Administration believe in earnest that by the first strike of their superaccurate cruise and Pershing 2 missiles they will be able to paralyze the opponent's control centres and vital defence strong points and thus to win the war and get away with it. But the absurdity of these plans has been repeatedly proved by many sober-minded military experts in the West. A nuclear war unleashed by the first-strike strategists, they say, will amount to a suicide. The latest physical, meteorological and biological research findings testify that such a war will destroy all life on earth even in the incredible case of the aggressor receiving no retaliatory blow. Explosions of the U.S. nuclear warheads alone would cause tornadoes of fire spreading from continent to continent, and hurricanes causing chemical and radioactive contamination of the planet's atmosphere and poisonous rains. To cap it all, the globe would

be iced over for months due to a dense shroud of dust, raised by explosions, which would envelop the planet and keep sunrises away.

But for all that, those across the ocean continue to speed up the arms race. The U.S. Congress has sanctioned the boosting of military spending to astronomical proportions: from \$635 billion in 1982-84 to almost \$1 trillion for the next three years. Incredibly, most Congressmen have turned nuclear war maniacs following the White House boss and his close retinue. The U.S. foreign policy boils down to accelerating the arms race and building up world tensions. Why?

This line is prompted by economic as well as military strategy, by the interests of the American financial oligarchy, the arch-reactionary military-industrial complex above all. The economic strategy, which emphasizes the arms race, pursues a number of purposes, the chief one being to get the Soviet Union involved in a new spiral of rivalry with the U.S. in the sphere of military technology, thus distracting its material and other resources from peaceful socialist upbuilding. The idea is to weaken our economy and to reduce the U.S.S.R. to the status of an economically second-rate power, which will eventually find itself in the garbage can of history, as Reagan put it.

The second purpose of this strategy is to secure the U.S. military presence in the areas of the developing world which Washington regards as a "sphere of America's vital interests" so as to impose on the peoples there, at gun point, the regimes and systems of government which would guarantee an uninterrupted flow of profits to the strongboxes of U.S. transnational corporations. So far, the U.S. "state terrorism" is confined to Latin America and the Middle East; with time, American imperialism would like to spread it to the rest of the developing world.

The third purpose of this strategy is to strengthen the U.S. position vis-à-vis Western Europe and Japan which have been offering it tough competition over the last few years. "The U.S. hegemony, established in 1946, has been in a crisis since the late sixties," wrote the Paris monthly *Le Monde diplomatique*. "On the assumption that its positions are in a serious jeopardy, American capital has for good fifteen years now been trying to 'defend itself by attacking.'" But who is threatening it? Not the Soviet Union, in any case. The



so-called "Soviet threat" is only a pretext for justifying the domination of U.S. imperialism over other Western powers. Neither does the movement for the liberation and development of the Third World threaten it... "The only real threat, since it involves the main thing—division of profit—is the accelerated development of other capitalist countries which are pressing for a 'multipole world' in which they would gain a fitting place."

Under the circumstances, the U.S. ruling circles mounted an offensive in the sphere of military technology and the West's overall military strategy where America still keeps its dominating positions in the imperialist camp. The swing from détente to renewed tensions is used, above all, for the massive budget injections into the feeble economy in the shape of state orders placed with munitions' concerns. This is supposed to liven up the related industries as well and to give the U.S. national economy "a new lease of life."

Enormous sums are allocated to research and development work in the military sphere. During Reagan's presidency, such allocations grew by 65 per cent. In 1985, another \$38 billion will be earmarked for this purpose. In Washington strategists' view, this will enable the U.S. to make a breakthrough in high technology in general, which is expected to keep America competitive on the world market in the next few years.

Tension is being built up in the world, and the "Soviet threat" myth used with a view to compelling the rivals—Western Europe and Japan—to shoulder a still greater share of the "burden of maintaining the defence of the West." In the final analysis, this burden impedes economic progress. Characteristically, a substantial proportion of Western Europe's and Japan's war budget is spent on buying sophisticated weapon systems from U.S. military-industrial concerns. As a result, the budgets of the rival countries get strained, which slows down their economic progress, while the U.S. military concerns make extra profit on selling them arms.

Finally, in the atmosphere of anti-Soviet psychosis it is much easier for Washington to impose on its NATO allies and on Japan the "code of conducts" in relations with socialist countries which suits the U.S. monopolies. In 1982, President Reagan tried to forbid West European companies to supply equip-

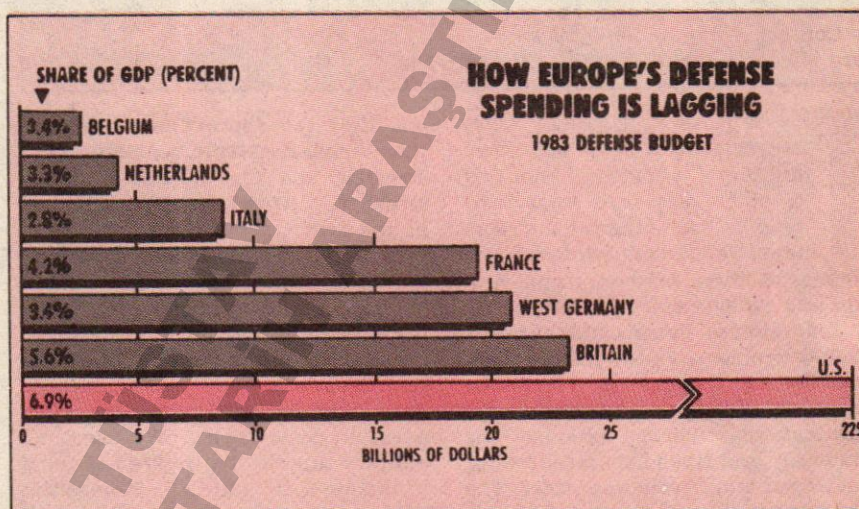
ment for the Soviet Urengoi-Uzhgorod gas pipeline and even imposed sanctions on those who dared to disobey Washington's orders. This presumptuous attempt to order other countries about met with a rebuff on the part of the French, West German and British leaders and fell through.

However, those across the ocean are still at it, considering new measures of rigid control over the export of American high technology under the pretext that it can find its way to socialist countries. These measures have a doubly adverse effect on West European and, partly, Japanese companies, preventing them from purchasing high technology from U.S. companies and their foreign branches and hampering

of huge sums on the fruitless arms race instead of channelling them into the solution of pressing global problems.

### Cashing In on Backwardness

In their formal declarations, the Western leaders hold forth about their "concern" over the young states' economic difficulties and profess their "determination" to contribute to the development of these nations. The economic statement issued by the leaders of the Big Seven in London in June 1984 was no exception. Actually, the imperialist powers' "contribution" to the solution of the economic and social prob-



### NATO countries' military spending.

mutually profitable trade with socialist partners.

It follows from the above that Reagan's crusade against communism has a double bottom: under its cover Washington has mounted an attack on its imperialist rivals, too. Immanuel Wallerstein, an American sociologist, points out that behind the East-West conflict there is a conflict between the Western countries themselves. Reagan's policy, he goes on, is clear and cunning in its own way: it boils down to reviving the cold war, using the strained relations with the U.S.S.R. to the detriment of the European allies, making ever new speeches on ideological and strategic subjects meant actually to restore U.S. influence on Western Europe and to keep to it in Washington's orbit.

The danger of this strategy to the world is obvious: it spells ever higher world tensions and the squandering

lems facing the developing world does not amount to much.

The West is interested, in its own way, in the development of the periphery of the world capitalist economy. First of all, it serves, to an ever greater extent, as a market for the industrialized capitalist countries' products. The developing world accounts for about 37 per cent of the United States', 19 per cent of Western Europe's and 45 per cent of Japan's export sales.

Second, the developing countries are an important, and often, the main source of many raw materials and fuels for the West. But in order to ensure an uninterrupted flow of this natural wealth to the industrialized countries, it is necessary to build up a modern extractive industry, transport infrastructure and to train skilled personnel in the developing world. This calls for large allocations which most developing countries are in no position to make. The leading capitalist countries are prepared for the outlays involved given control over the developing



countries' natural resources. Most of the Third World countries reject this plundering strategy.

Third, for a number of reasons—cheap manpower and land and comparatively low taxes—the economies of many developing countries offer profitable capital investment spheres. In 1974-81, American companies' direct investments in Third World countries returned profits 2.2 times higher, on the average, than those in the industrialized Western countries. This explains why the developing countries are so attractive to the transnational corporations of North America, Western Europe and Japan. In 1970-80, direct foreign private investments there grew at an average rate of 16.7 per cent a year, as against 7.5 per cent in 1960-70.

Consequently, the imperialist states are obliged—in the interest of their own monopoly capital—to render the young nations a certain amount of economic aid. But this aid is merely a means of tying up the developing countries to this or that imperialist "benefactor."

Numerous methods have been invented to this effect: trade preferences which orient exports from the developing countries to one of the imperialist centres; technological "aid" which makes them dependent on the deliveries of equipment, assemblies and spares by the "benefactor country"; so-called tied credits which have to be spent on paying for the products or services of the crediting country, and so on, and so forth. The Lomé Conventions signed by the EEC with some 60 African, Caribbean and Pacific developing countries in 1975 and 1980 and now being revised contain a whole package of such methods. Japan uses similar methods of drawing the developing countries of Southeast Asia into the sphere of its economic influence.

The U.S. is using a series of methods of economic and military-political character to keep Latin American and other countries under its economic domination. Back in the early sixties President Kennedy put forward the Alliance for Progress plan the realization of which was to cost \$20 billion. As a result of its implementation, however, the chasm between the rich and the poor in Latin American countries became even wider, and there emerged powerful revolutionary movements which are now shaking Latin America and undermining the foundations of U.S. neocolonialism in that part of the world. The Reagan Administration is nurturing new plans

of this kind, such as "urgent economic aid" to the regimes friendly to Washington and the Caribbean Basin Initiative (CBI) which provides for generous capital injections supposed to pacify the Latin American region and to keep up the pro-U.S., anti-popular dictatorships there.

"Development aid" is thus becoming a new weapon in the fight among the imperialist powers for the division of spheres of influence and the preserves of the neocolonialist exploitation of young states. The results will be seen from the following facts. Whereas the influx of

foreign capital to the developing countries in 1970-80 grew at an annual rate of 16.7 per cent, its backflow in the form of profits and capital withdrawals rose by 41.3 per cent. Altogether, at the UNCTAD experts' estimate, the developing countries lose from \$50 to \$100 billion a year due to remittance of TNC profits, non-equivalent commodity exchange, and through other channels.

What's more, the developing countries are now in unpayable debt to Western transnational banks and West-controlled international credit organizations. The non-oil developing countries have run into an external debt averaging 34.7 per cent of their GNP, the payment of which (with interest) costs them about a fifth of their export earnings. In order to pay off their creditors, they have to borrow more money and to get deeper in debt. If this goes on, the International Bank for Reconstruction and Development warns, the developing countries' foreign debt may run to the astronomical sum of almost \$2 trillion by 1995.

Foreign indebtedness is a heavy burden on the developing countries' economies which prevents them from drawing external financial resources for purchasing the equipment, food and other prime necessities they need. Their economic growth rates have slowed down sharply of late—from an average of 5.3 per cent in 1976-78 to 2 per cent in 1982 and less than 1 per cent in 1983.

This is largely due to the bitter rivalry in the imperialist "triangle." In vying with each other for markets, the Western countries are resorting ever more frequently to protectionism. Trade barriers do damage not only—and often not so much—to the imperialist rivals as to the still weak industries of the developing countries by depriving them of the largest external markets. The number of discriminatory inquiries into the export of goods from the developing to the industrialized capitalist countries grew from 17 per cent in 1979 to 75 per cent in 1982. The imperialist centres' protectionism, combined with their economic expansion, has led to a 12-fold increase in the trade deficit of the developing countries exporting manufactured goods—from \$1.3 billion in 1970 to \$15.4 billion in 1980.

In the seventies, when the Bretton Woods currency system collapsed and the exchange rates of the capitalist currencies began to fluctuate, the imperialist rivals began to use the currency weapon in their

**SHARE OF TNC-CONTROLLED  
EXPORTS IN THE CAPITALIST  
WORLD'S RAW  
MATERIALS TRADE, 1980  
(per cent)**

**MINERAL RAW MATERIALS**

Petroleum	75
Copper	80-85
Iron ore	90-95
Tin	75-80
Phosphates	50-60
Bauxites	80-85

**AGRICULTURAL  
RAW MATERIALS**

Timber	90
Cotton	85-90
Natural rubber	70-75
Tobacco	85-90

**FOOD**

Wheat	85-90
Corn	85-90
Sugar	60
Coffee	85-90
Rice	70
Cocoa	85
Tea	80
Bananas	70-75



competition on a wide scale. The thing is that goods from countries with falling exchange rates become more competitive on the markets of the countries with slowly falling, stable or rising exchange rates. Availing themselves of this phenomenon, the U.S. ruling circles allowed the dollar exchange rate to fall for almost a decade. From 1970 to mid-1980, the U.S. dollar fell

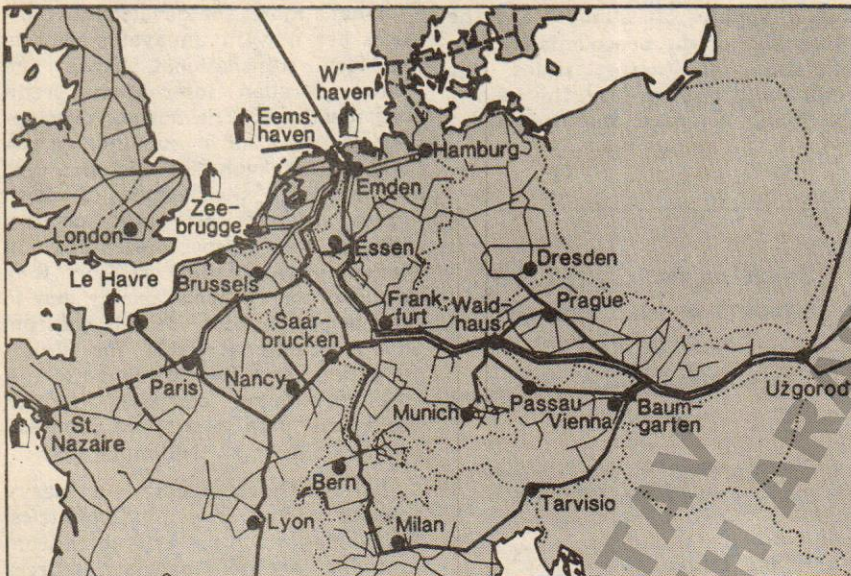
are in, and slows down the restructuring of their industries. The U.S. interest rates grew from 5-6 per cent in 1977 to 15-16 per cent in 1982, then went down somewhat only to start climbing up again in 1984. This leads, almost automatically, to higher credit costs on international loan markets. As a result, the developing countries have to pay ever higher interest on the credits

tion, more than 100 times; steel consumption, 25 times; and aluminium consumption, almost 2,000 times. Towards the end of the century, the world industrial output may double or even triple. This will call for new colossal raw material resources. Are these resources inexhaustible? Alas, they aren't.

Certain minerals are in critically short supply already now. Tomorrow, their shortage will be keener still. But this is not only a matter of the physical deficiency of mineral resources. The raw materials crisis is one of capitalism's structural crises. Its main cause is the rapacious plunder by the monopolies of the developed and developing countries' non-renewable natural resources. Another cause of the acute raw materials crisis is the arms race. In the United States, the consumption of liquid fuels for military purposes amounted to 700-750 million barrels a year in the late seventies, which is double the petroleum product consumption on the entire African continent. The U.S. munitions industry accounts for 11-14 per cent of the country's total consumption of aluminium, lead and zinc. The corresponding figure for titanium and thallium is up to 40 per cent, for germanium and thorium over 30 per cent, and for cobalt and copper over 20 per cent. The situation is similar in other imperialist countries. Millions upon millions of tons of non-renewable natural resources are wasted to bring superprofits to arms manufacturers.

Can the raw material problem be solved? Yes, it can. Mankind has attained a high enough standard of industrial and technological progress to be able to meet its ever growing raw material requirements. It is possible to start developing hard-to-reach mineral resources, to create artificial materials with preset properties. The restructuring of the industry, the conservation and a fuller use of raw materials hold great promise. The World Ocean contains enormous raw material resources. However, the planet's fabulous natural wealth can be put to use only by joint international effort, which is impeded by imperialism with its policy of building up tensions and opposing extensive international co-operation.

Another vital problem facing mankind is that of environment protection. One plant or animal species dies out on earth every sixty minutes. In the tropics, forests are uprooted every year over a territory as large as that of West Germany. The industrial plants of the



The above map, based on data of the West German Ruhrgas company, shows the pipelines that carry Soviet gas to Western Europe. The U.S. threats and economic sanctions fell through.

78 per cent against the West German mark, 43 per cent against the Dutch guilder, 12 per cent against the French franc and 74 per cent against the Japanese yen. American exporters stood a great deal to gain from that in trade rivalry on world markets.

This currency policy did great damage to the developing countries because petroleum and many other mineral raw materials are sold on the world market for dollars. The devaluation of the dollar detracted heavily from the real incomes of the developing countries, particularly those which export mainly raw materials, because the prices of their imports from the West kept growing.

The interest rate war in the imperialist "triangle" did a still greater damage to the young states. The escalation of interest rates, begun in the late seventies, helped the U.S. to draw capital from Western Europe and Japan. This bleeds the rivals white, makes it more difficult for them to emerge from the crisis they

they received earlier, let alone new ones. A 0.5 per cent increase in interest rates adds several billion dollars to the developing countries' foreign debt. A 3 per cent rise in interest rates in the first five months of 1984 increased Mexico's foreign debt by \$1.2 billion, Brazil's by \$1 billion, and Argentina's by \$600 million.

Such is the "contribution" made by the West—the U.S., its military-political leader, above all—to the solution of the development problem.

### Environment in Danger

Imperialism not only speeds up the arms race and keeps whole regions of the planet backward. It hampers the solution of other vital problems facing mankind, such as environment protection, the depletion of mineral resources, famine, diseases, illiteracy, peaceful space exploration and World Ocean studies.

In the epoch of the scientific and technological revolution, mankind's need for mineral resources is growing in geometrical progression. Over the past three quarters of the 20th century, the world industrial output grew 16 times over; energy consumption, 11 times; petroleum consump-



developed capitalist countries discharge into the atmosphere 150 million tons of sulphur compounds and 50 million tons of nitrogen oxides a year. The resultant acid rains cripple the woods and destroy all life—from fish to microorganisms and vegetation—in the lakes, rivers and ponds of the U.S., Canada, Central and Northern Europe. The volume of atmospheric oxygen is diminishing at a rate of 10 billion tons a year, and the content of carbon dioxide in the air is growing. Scientists warn that this may lead to global changes of climate in the near future.

To a certain extent, the pollution of the environment is an inevitable concomitant of the progress of civilization. But the rapacious treat-

century after U.S. hydrogen weapon tests had been stopped there, the island remained lifeless, and its ecological system was totally upset.

Ecological crisis is an entirely new manifestation of the crisis of capitalism. The spread of the ecological damage done by the capitalist economy to the planet is accelerated by the tendency of Western industrialists to transfer the ecologically pernicious factories to Third World countries. This is fraught with catastrophic consequences for the developing states. The pollution of the environment by such factories affects their agriculture, which is weak as it is, and could aggravate their food problem still more.

Incidentally, the food situation in the Third World is bad enough. Over 75 years of the 20th century the earth's population grew by 160 per cent. Over the same period, food production increased by 180 per cent, on the average. Nevertheless, the starvation problem remains. In the seventies, the world's per capita food production was growing at an average rate of 0.3 per cent a year, chiefly in the developed countries, while in more than 70 developing countries farm output was actually dwindling. The outlook for the future is far from bright. According

be able to congratulate one another on the advent of the 21st century because we would still have to remain silent."

The problem of hunger and malnutrition has not passed the developed capitalist countries by, either. Famine is becoming an ever bigger problem in the U.S., the American NBC TV company stated. The hungry are queueing up for charity soup all over the country. In the U.S. capital such a queue forms daily right opposite the White House, NBC said. Every third black-skinned child goes to bed hungry in the West's richest country.

Another acute problem facing mankind is medical care which is out of reach of 40 per cent of the world's population. Diseases caused by raw water kill 750,000 people a month. Illiteracy is yet to be wiped out. It is widely spread in the Third World where 814 million adults can neither read nor write, and more than 200 million children do not go to school.

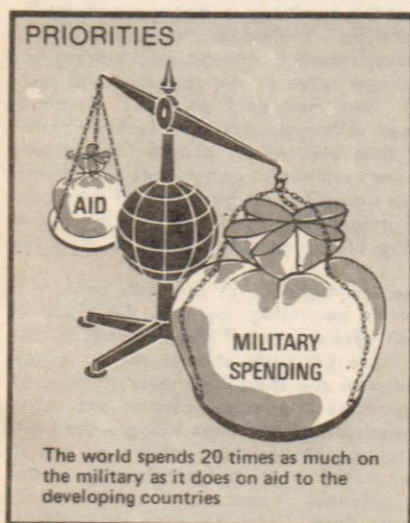
Can mankind be cured of all these ills?

Scientists—even those not inclined to excessive optimism—maintain that the food production potential achieved to date can feed nearly double the earth's present population. The mechanization, electrification and chemicalization of agriculture, the breakthroughs in biological research (genetics in particular) allow for a sharp increase in the output of grain and livestock products. Here, too, capitalism is the chief obstacle. While 23 children—out of 234—die of hunger and diseases every minute under the age of one year, and 34 more under the age of 15, Western agrarian monopolies bury, burn and otherwise destroy thousands of tons of grain, vegetables and fruit, and dump tons of butter from ships into the sea.

And to think how many hospitals and schools could be built on the money now being spent on the arms race! Malaria, which kills a million African children a year, would cost only \$2 billion a year to eradicate, or as much as the world spends on armament every 36 hours.

...

The fact that the nuclear threat, backwardness, the raw material crisis, environment pollution, famine and disease persist does not mean that mankind is in no position as yet to wipe these disgraceful stains off the face of civilization. These ills, which can be likened to sun-spots, are continuously fostered by the



ment of the environment by the monopolies leads to a still greater violation of the ecological balance. To make maximum profits the monopolies seek to minimize production costs by dispensing, wherever possible, with sewage treatment plants and low-waste or wasteless processes which lessen air and water pollution. According to the U.S. Environmental Protection Agency, up to 90 per cent of all the pernicious production waste in the U.S. are not collected or treated in accordance with established rules. In pursuit of immediate profits, the monopolies do not think of tomorrow, and care little for the generations to come.

Arms production causes a far greater pollution of the environment than the civilian industries. In the U.S., for instance, the munitions factories are responsible for 80 per cent of all the poisonous liquid industrial waste. Nuclear weapon tests do a colossal damage to the environment. Take the case of Bikini Atoll, for instance. Even a quarter-



to some estimates, the shortage of food supplied from internal sources will increase fivefold in a number of developing countries by the year 2000.

The 1974 World Food Conference in Rome solemnly proclaimed the need to eliminate hunger and undernourishment on earth within a decade. The decade has passed, but tens of millions of people, children for the most part, still die of hunger and emaciation annually, the U.N. statistics say.

"If we were to observe a minute's silence in tribute to the memory of every person who died in 1982 owing to hunger-related causes," Fidel Castro told the Seventh Non-Aligned Summit Conference, "we would not



moribund social system. "On all sides, at every step," Lenin pointed out, "one comes across problems which man is quite capable of solving immediately, but capitalism is in the way. It has amassed enormous wealth—and has made men the slaves of this wealth. It has solved the most complicated technical prob-

lems—and has blocked the application of technical improvements... because of the stupid avarice of a handful of millionaires." This observation, made in the early 20th century, has lost none of its topical significance to this day.

Hard as they try to present the "Western democracies" as benefactors

of mankind, bourgeois propagandists will not succeed in concealing the truth which is that as time goes on imperialism threatens the very existence of mankind to an ever greater extent. Mankind will inevitably dump it onto the garbage heap of history.

## BORNE OUT BY HISTORY

The economy of world capitalism has emerged from the phase of the deepest cyclical crisis of 1980-82. However, the long-awaited recovery has somehow caused no jubilation. At their London summit, the leaders of the Big Seven were not too optimistic about the outlook for the Western economy. Industrialists and bankers, the actual rulers of the capitalist society, feel even gloomier about the future. As Henry Ford II, the head of the Ford automobile empire, told the late-June 1984 congress of the International Chamber of Commerce straight from the shoulder: "We meet today in an environment of paralysis and intellectual bankruptcy." There can be no dynamic future with the best will in the world, he went on, if Europe and the United States play the game by different rules. As for Japan, it has a code of rules all its own. Revising the structure of world trade and economic order and taking this order under effective control, Henry Ford said, are, without doubt, the top priority for the eighties. The Foreign Affairs journal, a mouthpiece of the U.S. ruling elite, calls for managing the world [capitalist—A.K.] economy as a single whole.

These ideas sound familiar. Karl Kautsky wrote practically the same seventy years ago, in a different world situation. He maintained that capitalism was turning into a worldwide trust controlled by a union of enlightened monopolists, into ultra-imperialism under which there would be no wars any longer...

When the imperialist-unleashed World War I was already claiming millions of lives, Vladimir Lenin, the leader of the world proletariat, diagnosed the highest stage of development of capitalism for decades ahead. "There was no doubt," he pointed out, "that the trend of development was towards a single worldwide trust which would absorb all factories and all states without exception. But this development," Lenin indicated, "was going on under such circumstances, at such a rate, and against the background of such contradictions, conflicts and upheavals—political, national, etc., as well as economic—that imperialism would inevitably burst and capitalism would turn into its opposite before things came to a single worldwide trust, to an ultra-imperialistic worldwide pooling of national financial capitals." In the last quarter of the 20th century this turning of capitalism into its opposite is proceeding much faster than at the beginning of the century.

The striving of the transnational financial oligarchy for

domination, the exploitation of weak nations by a few rich countries—these distinguishing features of imperialism as parasitic, rotting capitalism have now assumed an unprecedented scale. One of the most salient features of imperialism is the emergence of usurer states whose bourgeoisie lives increasingly on the export of capital and coupon clipping. At the same time, Lenin pointed out, "it would be a mistake to believe that this tendency to decay precludes the rapid growth of capitalism." Individual industries (such as today's microelectronics, robotics, genetic engineering and aerospace, born of a new wave of the scientific and technological revolution) and individual countries (such as Japan today) pull ahead. Although capitalism is now "growing far more rapidly than before," its growth "is not only becoming more and more uneven in general, its unevenness also manifests itself, in particular, in the decay of the countries that are richest in capital..." Britain was a case in point at the beginning of the century, and now it is the United States.

The situation in the last decades of the 20th century is different from that at its beginning: by now the chain of imperialism has been broken in all the regions of the planet. For fear that more countries should opt for a new economic and social system and shed the chains of imperialism, the financial oligarchies of Western Europe and Japan rally around their foreign policy and class leader—the United States. America's ruling elite is taking advantage of that. By fanning the "Soviet threat" myth and building up an unprecedented military potential, it seeks to establish "effective control," as Henry Ford II put it, over all capitalist countries. No longer able to suppress the EEC and Japan economically, the American financial oligarchies are trying to tie them up to the Pentagon's war chariot and make them hostages to their nuclear strategy and military adventures which can trigger off a global conflict.

Such is the way in which the U.S. seeks to take the world economy under its control. And such is the policy of America's ruling elite which strives for ultra-imperialism from positions of military strength.

Pointing out the horrible calamities which World War I had brought, Lenin made an important theoretical conclusion on a distinguishing feature of the crisis of capitalism which stemmed from it. He wrote that a war "might, ... in fact, it inevitably would, undermine the very foundations of human society." The truth of this conclusion by the founder of the scientific theory of imperialism has also been borne out by history. The United States' effort to achieve world domination through military force is not just another turn in Washington's foreign policy. It is a natural development as characteristic of imperialism as the economic plunder and oppression of entire nations.

World War I, unleashed by imperialism, claimed 10 million lives, and World War II—five times as much. If imperialism unleashes a third world conflict, mankind will be wiped off the face of the earth. Therefore, there is no task more important today than to keep a handful of imperialist nuclear war maniacs in check. This task faces not only millions of ordinary people on all continents who demand an end to nuclear-missile recklessness, but also the sober-minded statesmen and businessmen in capitalist countries. Capitalism turning into its opposite should not spell the end to human civilization.

A. KUZIN



The authors of this supplement have drawn on the following sources: "Modern Transnational Corporations"; "The World Capitalist Market and Problems of Internationalization of Economic Life" (Marxistische Blätter, F.R.G.); R. A. Faramazyan, "American Imperialism's War Economy" [all three put out by Mysl Publishers, Moscow, 1983]; N. V. Pavlov, A. N. Sidorov, "American Euromissiles" (Moscow State University Press, 1984); G. A. Vorontsov, A. I. Utkin, "The Atlantic Allies: New Trends in Rivalry" (International Relations Publishers, Moscow, 1983); A. I. Utkin, "The U.S.A. and Western Europe: Arms Trade" (Nauka Publishers, Moscow, 1984); G. S. Khozin, "Responsibility to the Future" (Political Literature Publishers, Moscow, 1984).

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