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POLITICAL CRISIS IN CHILE

A stinging electoral defeat March 15 precipitated an acute political crisis for Chile's governing capitalist-landlord coalition.

The reversal came in the province of Curico, 125 miles south of Santiago. Senator Julio Duran Neumann, candidate of the coalition Democratic Front in the presidential elections next September 4, was beaten in a spectacular upset that disclosed the likely pattern on a

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nation-wide scale. Salvador Allende, the candidate of the FRAP [Frente Revolucionario de Acción Popular], who is backed by the Socialist and Communist parties and the wide majority of workers, was the victor. [For background on Allende see World Outlook February 7.]

Allende won 40% of the votes. The government coalition lost 11,000 votes in comparison with the previous poll, finishing second with 32%. Eduardo Frei, presidential candidate of the Christian Democrats, came third. His vote climbed from 21% to 28%.

Duran read the results as excluding the possibility of his winning next September and he resigned March 16 as a candidate, leaving the coalition with the formidable task of finding a palatable substitute.

This was only the beginning. On the same day Raul Rettig, chairman of the Radical party, and Francisco Bulnes of the Conservatives, resigned their posts. It was expected that Sergio Sepulveda, chairman of the Liberals, would follow suit. This would open the possibility for the coalition to completely reorganize its strategy for the election. Most likely the political bosses are considering uniting behind the candidacy of Frei in a desperate effort to block the Allende bandwagon.

The crisis, however, did not stop here. On March 21 the Executive Committee of the Radical party announced that it was breaking from the Democratic Front. It asked all its members now in the cabinet of President Alessandri to hand in their resignations.

Right-wing political circles in Chile considered the electoral defeat to be a "veritable catastrophe." In Manhattan, the crisis made for glum comment. The powerful New York Times declared editorially [international edition March 21-22] that Duran's resignation "is

SPECIAL

In next week's issue we plan to include an index covering the first quarter of this year's World Outlook by country and subject.

While working on this index we added up the number of pages included in our first 26 issues; that is, from September 27 to March 20. The figure was 737 pages. For 37.50 French francs, we believe that's a real bargain.

By the way, if you happen to be among those who have received a notice that it's time to renew, may we give you a last reminder? The index coming up should make the issues in your file even more useful.

freighted with a potentially profound meaning for the immediate future of that country."

In the opinion of the Times, either Frei or Allende "would bring drastic social and economic reforms, more statism and a more independent, nationalistic foreign policy." Of the two, the Times, of course, prefers Frei. If Allende should "get a plurality -- a majority is most unlikely -- Latin America would for the first time in its history be seeing a genuine Left-winger elected to national office by a strictly democratic process."

The Times is well aware that "Chile is traversing a national crisis" in which the "excluded masses" are seeking "to enter the economic, political and social milieu who make up the traditional ruling classes."

The editorial ends by defining the key issue as seen from the vantage point of New York: "There are about a billion dollars of private United States investments in the copper, nitrate and iron industries, which is a big stake. But the elimination of Senator Julio Duran from the presidential race gives Washington something new to worry about."

DR. ALEXANDER TAKES THE STAND IN CAPE TOWN WITCH-HUNT CASE

The trial of Dr. Neville Alexander and ten other defendants who face the death penalty on charges of "sabotage," was resumed in Cape Town in February. We have just received clippings from South Africa telling about the testimony which Dr. Alexander started to give February 18.

One of South Africa's most distinguished colored intellectuals, Dr. Alexander said that when he was arrested he was held for 35 days in a nine- by five-foot cubicle. He was then held incommunicado for 41 days. "It soon became apparent that the police were conducting a witch-hunt and blowing it up on a national scale."

He said that he admitted some things in order to shield others whom he knew to be innocent. On the basis of these admissions he was charged on September 27 with "sabotage."

Telling about his life, he said that he went to school at the Holy Rosary Convent in Cradock. His interest in politics developed after he enrolled in the University of Cape Town in 1953. "I came to the conclusion that it was my duty to join one of the organizations striving for full political rights for non-Whites."

1953 and 1954 were his formative years. He took a keen interest in student affairs but did not enter into active politics until 1956

with the introduction of the university apartheid bill in parliament. In opposition to the bill, he joined the Cape Peninsula Students' Union, "which spread like wildfire in the Cape and in South Africa. We stood for a democratic system of education."

He also became interested in other organizations, such as the Teachers' League and the Parent-Teachers Association until he went to the University of Tübingen in Germany on a scholarship.

There he was invited to give lectures on the situation in South Africa. In 1960 there was "the senseless shooting" at Sharpeville and all of Europe rallied against South Africa. "I found it difficult to defend our race policies. Europeans were calling for the blood of Whites who were their descendants."

Returning to South Africa in 1961, he resumed political activities. "A deep sense of frustration was evident. People were speaking quite openly about revolution."

Together with Dr. Kenneth Abrahams, he organized a study group. Dr. Abrahams called it the Yu Chi Chan Club, and the name stuck. They met twice a month to hear lectures and hold discussions. Among the topics were the revolutions in Cuba, Russia and China. Books on guerrilla war were freely available at bookstores and they included these in their studies.

"Our general attitude towards guerrilla warfare was that it was necessary to have a knowledge of it in the event of armed conflict between the government and the masses. . . ."

"The choice of books was not dictated by any ideological conceptions, nor was there any attempt to persuade members to adopt guerrilla warfare."

He quoted from Lenin's "Partisan Warfare" to show that this method was not the only one open to the proletariat. He also cited The Paris Commune by Lenin: "Violence, in the opinion of Lenin, is not the be-all and end-all of political struggles."

Dr. Alexander defended the secrecy maintained by the group in its studies. "The fact is that all political organizations among the rightless people are forced by circumstances to practice some measure of secrecy."

Many other organizations use secrecy. "I could quote the example of the Broederbond. Some organizations are enveloped and enmeshed in secrecy but they have not been investigated or charged."

According to the Cape Times of February 20, Dr. Alexander leveled the accusation that he and the other defendants were being made "scapegoats." The paper said that as he spoke, "the women co-accused broke into sobs in the dock."

ISSUE OF "REVOLUTION" BANNED

The March issue of the Paris magazine Révolution, edited by J. M. Vergès, has been banned by the head of the French Sûreté Nationale because of an article entitled "The Last Overseas Departments, Confetti of the Empire." According to the authorities the article constituted "an open appeal to rebellion and separatism."

Written by Alain Plénel, the study deals with social, economic and political conditions on the islands of Guadeloupe, Martinique and Réunion. The concluding sentence reads: "The hour for a change in status has sounded."

Following the ban, the editor of Révolution sent a letter to the Paris daily Le Monde, expressing his views as follows:

"The decision of the Minister of the Interior to ban the circulation of No. 7, the March issue of the monthly Révolution, constitutes a grave blow to freedom of the press.

"Since the end of the war with Algeria and the exceptional press regulations, this is the first seizure order issued against a periodical publication. This illegal measure implies serious consequences for the whole French press, all the more so since Révolution, contrary to the assertions of the general director of the Sûreté Nationale, is a publication registered with the parity commission of the press.

"The article that was cited, which deals with the overseas French departments, contains nothing that should bring the law down on it. The proof of this is that up to now no charges have been placed against either the author of the article nor the editor of the magazine."

Révolution, an expensively printed, slick-paper magazine filled with photographs and running around a hundred pages each issue, is strongly pro-Chinese. Many of its articles are quite militant in tone.

It is difficult to understand why the article in question is considered by the authorities to be any more "subversive" than other articles in the magazine, or for that matter in many other publications of the French left. The declaration by Vergès that the ban on this issue of Révolution implies serious consequences for the whole French press will undoubtedly find wide support among those who stand for freedom of the press.

Whether or not it was so intended, the ban, following so soon after recognition of China by the French government, will probably be interpreted by some political observers as a way of serving notice that the establishment of normal diplomatic relations between France and China is not to be taken as a greenlight for revolutionary activities under Chinese auspices -- even in "the last confetti of the carnival of the Empire."

ALGERIANS DISCUSS PROBLEMS OF SELF-MANAGED INDUSTRY

By Henri Dumoulin

On March 15 four precongresses were held at Oran, Algiers, Constantine and Annaba [formerly Bône] as part of the preparation for the National Congress of the Self-Managed Socialist Industrial Sector scheduled for March 28-30 in Algiers.

The democratic discussions(1) conducted by the workers on problems encountered in their struggle to forge the socialist revolution in their country in its transition from colonialism to socialism constitute, with their wealth of lessons, a phenomenon and a practical experience of the greatest importance for all Marxists and revolutionists.

As an eyewitness at one of the precongresses, I should like to indicate the most outstanding problems, those raised most often by the delegates, who were democratically elected by their fellow workers in all the self-managed industrial enterprises of Algeria.

With the achievement of independence, it is clear that the class struggle, far from coming to an end, has been developing with intense sharpness. The socialist sector, to survive and to become rooted, has had to conduct a permanent struggle against all its enemies and adversaries.

Constituting at present twelve per cent of the workers in industry and representing twenty per cent of industrial production, the socialist sector is still minor in relation to the private sector. Inevitably it has had to face intense competition.

The participants at the congress did not fail to emphasize this. Above all they explained, only too often the private sector has found powerful allies within the administrations from top to bottom. Here are some examples:

"The Customs should favor us in things involving supplies and not obstruct our road with barriers of red tape. Let them concern themselves instead with protecting us from foreign competitors. . . ."

"The ONRA [National Office of Agrarian Reform], the Waters and Forests, the Bridges and Roads, the communal administrations, have not even facilitated our work. . . ."

"The EGA [Electric Company] should stop demanding payment of bills. . . of the former bosses. . . ."

(1)The basis for the discussion was provided by the Draft Program furnished by the Political Bureau of the FLN [Front de Libération Nationale], published in the Algiers daily Le Peuple March 5-13.

"The communal administration owes us so many millions, the ONRA so many millions, this or that administration so many millions. . . how do you expect us to meet our budget?"

The list of completely justified complaints like these is a long one. It clearly testifies to the character of most of the state structures.

If some of these structures are proletarian (the workers' and peasants' character of the Ben Bellist government, which is placing its weight in the socialist direction, can no longer be doubted today), the majority of the state structures continue to be marked by the heritage of colonialism, are shot through with bureaucratic defects; and, far from serving the socialist revolution, offer support to the old order or, more precisely, to the neocolonialist road.

Thus it was with reason that the delegates stressed the necessity to completely change the present administrative structures in order to eliminate the elements and methods that are injurious to the development of the socialist revolution.

A first step in this direction was the creation of bodies charged with reinforcing and defending the socialist sector against the private, loosening the brakes and removing obstacles of all kinds blocking the road.

Some Suggested Changes

Among the motions adopted at Algiers and Oran, the workers demanded in particular:

- The creation of a Buying Center, with regional branches, to take charge of raw material supplies, administrative steps and sales of products from the self-managed industrial sector.
- The regroupment, in the form of complexes, of medium and small enterprises in the same branch of activity.
- The assignment of priority to the socialist sector in government buying.
- Support to and strengthening of the communal and regional councils of animation of the socialist sector.
- The creation of a bank for the socialist sector which would help strengthen it and make it more independent of the private capitalist sector.

An important aspect of the debates, which deserves strong emphasis, was that none of the delegates questioned the system of self-government itself.

The system of workers management, an example of the democratic, socialist management of enterprises by the producers themselves, as defined by the decrees of March 1963, has thus become established as a particularly rich contribution of the Algerian Revolution.

On this subject, the participants were critical of the too often incorrect or misunderstood application of the March decrees.

Some of them explained with lucidity how the relatively low level of education and political experience of the workers increased the difficulty of organizing democratic management. "We must carefully learn how," they said, "to put self-management into practice."

Others underlined the importance of the role played by the party [the FLN] and the UGTA [General Union of the Algerian Workers] in educating the workers.

In light of this, on the initiative of the national secretariat of the UGTA, March 22, the anniversary of the March decrees, has been designated as a national day for explanation of the decrees.

Problem of Remuneration

A warm debate followed on the problem of remuneration for the workers in the socialist sector. This controversy has been going on for some time. The Political Bureau's Draft Program indicated it quite clearly:(2)

"Remuneration is understood to mean everything that a worker receives in exchange for his labor. Remuneration is divided, in the case of enterprises under self-management, into two main parts:

"(a) Wages and output bonuses.

"(b) The surplus remaining after the enterprise has settled all its financial obligations in relation to the public collectivity . . .

"The problem of the division of the surplus aroused the most discussion, even the most polemics. Its complexity is a result of the clash of several elements:

"(1) A political element which is, in our opinion, the fundamental element. In Algeria, at the present time, a capitalist and socialist sector coexist. The problem today is to strengthen the socialist sector so that it can develop and become the strongest economically. What would happen if, after the promises and the decrees, the workers were told (the workers could be led to accept it) that all the profits must be reinvested? The disillusionment would be great. The workers would no longer feel that they are the pro-

(2) Le Peuple March 11.

ducers, as the decrees say, but mere wage workers for the state. Moreover, on the economic level, one of the consequences to be expected is that the workers would become disinterested in their jobs, bringing about a considerable drop in production. . . .

"(2) A sociological element: Is it just to divide up the profits among the workers of an enterprise while hundreds of thousands of unemployed have nothing and enterprises are still closed because of lack of funds to reopen them? Isn't there a risk of making the workers appear to enjoy privileges under the regime, leading to a growth of the contradictions between the workers of the industrial sector and those of the agricultural sector who are in general less well paid?

"(3) An element of economic theory: The economists of the socialist countries, with but few exceptions, start from the fact that industry must constitute the main source for accumulation, coming to two conclusions:

(a) The entire surplus must be reinvested, thus excluding the possibility for an enterprise to distribute even a minimum part of the profits.

(b) The surplus must be placed at the disposition of the state, thus banning the enterprise from investing as it pleases any part of the profits remaining to it.

"Without disputing the importance of the material stimulant, they hold that the problem must be regulated by other means, the granting of productivity bonuses, for example, which we can control.

"It is thus difficult to settle the problem. What seems indicated is to place this responsibility with the workers, involving as it does the problem of doctrines and measures related to economic efficiency, and let the workers decide freely and democratically what should be done with the balance due them insofar as there is a balance."

Various Views

A number of clashing concepts, in fact, appear to be involved. One of them has been defended by the UGTA(3). In a January 5 resolution the National Executive Committee "underlines the necessity of reopening profitable enterprises and integrating them into the self-managed sector, through the investment, if need be, of profits realized by the socialist sector. This formula, although it deprives a category of workers of certain immediate advantages, will have the merit of creating new jobs and lowering the unemployment of other workers."

(3) Révolution et Travail January 9.

And in its editorial of February 6, Révolution et Travail declared: "The workers of the self-managed industrial sector who are the vanguard of the toiling masses have shown still more concretely their solidarity by voluntarily abandoning their profits in order to equip and modernize their plants and create new jobs."

It appears, however, that the UGTA rectified its position later, since M. Belahmissi declared, in the name of the National Secretariat of the UGTA, in the March 12 Révolution et Travail: "The mode of remuneration ought to be defined as follows: a fixed guaranteed wage, plus productivity and output bonuses according to job scales and work teams. The balance of the revenue of the enterprise or undertaking, after deduction of all the advances made to the workers, of obligations to the state, and costs of production, should be at the free disposition of the workers as a whole, who can either distribute it among the members or reinvest it in the social services of the enterprise or undertaking."

Another view of the problem has been expressed by the weekly Révolution Africaine in the March 14 issue: "The chapter concerning remuneration of the workers would gain by posing the question of social benefits which preoccupies the workers so much and by clearly insisting on linking the increase of productivity to improvements in the workers' standard of living."

"Self-management, by interesting the workers morally and materially in the management of the enterprises, constitutes the most propitious framework for likewise increasing investments and improving profitability. . . .

"To entrust the management of the enterprises with the workers, including an increasing part of the revenue to be freely distributed by their collective, is a condition for assuring a responsible attitude among them." [Emphasis in original.]

And this weekly cites in support of its reasoning the success of the Yugoslav experience.

At the Oran precongress, the delegate of the Oran Communal Council of Self-management, declared that with the exception of two enterprises, the Workers Assembly of the city favored dividing a part of the profits among the workers in accordance with the March decrees.

A discussion took place with regard to this. Finally a motion was passed referring the decision on this subject to the National Congress.

New Questions Arise

At the present stage, certain obscure points still remain in the debate. In fact, it was felt that it would be inexpedient to distinguish and define them with greater clarity.

(1) The part of the revenue reserved for the workers; and it is evident that the principle of material interest must be respected, in conformity, moreover, with the spirit of the March decrees.

(2) The part of the revenue allocated to the national collectivity which constitutes a not unimportant source for the National Investment Fund which will help to absorb little by little the still remaining chronic unemployment, a major difficulty for the Revolution.

Beginning from there, new questions are posed: How are the proportions of this division to be established? Who is to decide the amount of the part earmarked for investment? And how is the planning of these investments and of the economy to be organized in a spirit in accordance with the democratic socialism advocated up to now by the Algerian Revolution?

These are the new questions which the participants at the coming congress will have to examine.

THE CONGO REGIME CONTINUES DOWNHILL

By René Massa

BRUSSELS, March 10 -- Prime Minister Adoula's quick trip to Paris is one of the indications of the continuing disintegration of Belgium's neocolonialist empire in central Africa. In fact, the only remnant of this empire in which the Belgian imperialists can be said to have retained a "solid" grip is the tiny Republic of Ruanda. Even there they can continue to hang on only by the use of such terror that Bertrand Russell employed the term "genocide" in relation to the measures directed against the ethnic minority, the Watutsi.

The Kingdom of Burundi, a part of the former Belgian empire, has almost completely cut its ties with Belgian capitalism. In its cautiously "neutralist" foreign policy, it has gone so far as to send a diplomatic mission to Peking and is strengthening its ties with Kenya, Uganda and Tanganyika.

As for the Belgian Congo, once the main part of the empire, it is settling more and more into a jigsaw puzzle of tribally dominated "provinces," many of them completely controlled by foreign companies, most of them Belgian, but some British-owned. In Katanga, the infamous Union Minière continues to rule supreme.

Adoula's trip to Paris indicates, however, that in desperate search for increased foreign support to halt further sapping of its reign, the ruling clique of Léopoldville is looking toward Paris in hope of more substantial handouts than it has been receiving from Belgium and the U.S.

Some of the sectors of the Gaullist regime are known to be toying with the idea of integrating the Léopoldville crew into the "Union Africaine et Malgache," [UAM] combining most, but not all, of the former French colonies in Black Africa.

The UAM is experiencing a deep crisis itself due to the creation of the Organization of African States [OAS], and there is talk in diplomatic circles of its complete collapse under the influence of the OAS. At its last meeting, not all the governments adhering to it sent representatives. De Gaulle may hope to prop up this neocolonialist set up by bringing in the Congo regime.

Conditions in the Congo

The economic situation in the Congo has become intolerable for the broad masses. Inflation is rampant. Although two wage increases of fifty per cent each have been granted since independence was won, the real income of most wage workers has been cut at least in half and is deteriorating at a fast rate.

Many consumer goods, including food items, have disappeared from the shops and can be found only in the black market. In Léopoldville, the capital, they are rare; in provincial towns they have completely vanished. In one provincial center a steak has become such a luxury that it would take almost two weeks wages of a skilled worker to buy a pound.

Along the roads leading into Léopoldville, youths, women and the unemployed hawk such items as rats and tiny fish -- a clear indication of the level to which the standard of living has dropped. In the towns, too, there has been a relapse to foods like manioc and the revival of subsistence agriculture.

Unemployment is enormous. Coupled with other kinds of insecurity, it has driven hundreds of thousands from the countryside to the big towns. Since independence the population of Léopoldville has swollen from 350,000 to 1,400,000.

Most of these people are squatters on the government- or company-owned land at the outskirts of town. There they have built primitive shelters and started a patch of manioc and vegetables. A shanty town like this is a tremendous powder keg.

People are one hundred per cent against the Kasavubu-Adoula government. Although most of them are from the Bakongo tribe in which Kasavubu's ABAKO [Alliance des Bakongo] was rooted as the Congo's first anticolonial party, they have broken with the ABAKO machine so that it has practically lost the mass basis which was still strong in 1961.

Lumumba's memory is revered by the one million inhabitants of Léopoldville's shanty town. His portrait is to be seen everywhere.

In the bars at night, Congo youngsters dance the cha-cha-cha to native songs commemorating the memory of Lumumba and swearing death and destruction to his murderers. Police and even soldiers are afraid to appear in uniform in these districts.

Much the same situation exists in other towns. Although Pierre Mulele's guerrilla forces are still operating on a tribal basis, other tribes sympathize with them. A visitor to Luluabourg, the capital of Kasai province, said that young militants told him they would rise and join Mulele's forces when they reached the city. Such talk is heard in many parts of the Congo. At Maniema, in Kivu province, new forces are said to have gone into action.

Mulele's forces appear to be holding their own against efforts of the "national" army to crush them. They are supported by most of the population of Kwilu province where they are centered. They have undertaken skirmishes on the very outskirts of Kikwit, the capital of the province. And they have ambushed river and road traffic between Kasai and the ocean, including shipments from the diamond fields of Tshikapa.

The Kasavubu-Mobutu-Bomboko-Nendaka regime is rather frantically seeking to establish some kind of "legal" framework, which has been missing since President Kasavubu dismissed parliament and suspended the constitution (which he had no constitutional right to do). A "commission" was convened in Luluabourg, from which all political parties were banned. It consisted of representatives of provincial governments and "national organizations" (churches, youth and student organizations, trade unions, etc.). The purpose of the body was to draft a new constitution and to prepare general elections or a "referendum" to ratify the document.

By packing the commission with representatives of the many provinces that have sprung up since the overthrow of the Lumumba government, Kasavubu hoped to get a "federalist" and "presidential" constitution that would enable him to destroy the power of the nationalist political parties. However, he got a big surprise. The trade-union and student organizations united in favor of a centralist constitution, succeeded in limiting each province to only one vote, and thereby formed a power bloc in the commission that thwarted Kasavubu's scheme.

Some of the leaders of the Congolese trade unions, who had been kept in prison for months by Kasavubu for organizing a general strike of public-service workers, came out of the Luluabourg discussions as potential leaders of a regrouped nationalist movement in Congolese politics. Kasavubu was so taken aback by these unforeseen developments, that he did not convene parliament once for fear of being confronted with a vote of nonconfidence.

It is doubtful that the regime will dare hold nation-wide elections. Recent municipal elections in Bukavu, the capital of Kivu

province, and Stanleyville, the capital of Oriental province, registered overwhelming majorities for the Lumumbist forces. It is difficult to see how the regime could prevent similar results in national legislative elections.

The truth is that the authority of the central Congo government has almost vanished outside of Léopoldville and a few other centers. Balkanization of the country through establishment of new "provinces" and new "provincial governments" in which greedy local bosses vote themselves the salaries of millionaires, has reached grotesque proportions. But this weakening of the central power has also favored the appearance of leftist nationalist forces, through establishment of local guerrilla forces and the reconstitution of nationalist parties.

The emergence of a central figure or a central force capable of co-ordinating the tremendous revolutionary energy accumulating today among the masses would probably constitute a decisive turning point in this situation.

Setback for De-Stalinization

KHRUSHCHEV'S PROPOSED "LABOR PASSPORT"

The Soviet leadership has remained faithful to Stalin in more than one way. For instance, it displays the most absolute distrust of any initiative on the part of the workers. . . yet it rediscovers this initiative when it is a matter of introducing some measure aimed at digging the spurs into the workers. This has just been illustrated. The Soviet press suddenly received letters from workers asking that their "labor passport" be brought up to date. A few days later, Khrushchev said he was amenable to this. What is it all about?

In addition to their internal passport, a kind of identity card containing information about their civil status, the Soviet people have had a "labor passport" since Stalin's time. This contains information about jobs held, promotions, changes in placement, reasons for being layed off if this has occurred, awards and bonuses, but not any penalties if these have not involved a change in placement or dismissal. Held by the "cadre service" of the enterprise where a person is employed, a worker cannot be hired anywhere else without presenting this document. In Stalin's time, a worker could not get it without the permission of the plant administration. At present it cannot be refused to any worker who asks for it. This change was widely held to be due to a new relationship of forces which had deprived the document of the importance it had in the days of Stalin.

Pravda, Izvestia and the organ of the trade unions Trud opened

their columns to workers -- some of whom are deputies in the Supreme Soviet -- who demanded that this document be given fresh weight; that it should carry a whole series of job and even other qualifications. They propose that it list job penalties, court sentences, character traits.

The reasons given for this during the campaign are worth noting: the problem is "to weed out the shirkers," the "violators of labor discipline," the "absenteeists." While one person would like to hobble "seekers of social privileges," another one -- a regional union secretary -- writes:

"We have finished with equalitarianism in the payment of wages. The labor passport will help end with equalitarianism in the attitude toward people." Thus the struggle against equalitarianism, so powerful in Stalin's day, has not yet disappeared.

One of the aims of a labor passport like this is defined as follows in Izvestia:

"This must concern not only the conferment of old-age pensions but also the granting of vacations, procedure in payment, wage increases, conferment of lodging, distribution of reservations in rest homes and sanatoriums, disability benefits, etc."

One of the authors of the proposal demanded that the document should be carried at all times so that it could be produced on demand:

"For example, an individual goes to his deputy, to the party committee, or to the soviet of his town, to the management of a plant or an administration to take up the question of a job, or to ask for help in the question of lodging or any other business. Who is this individual? . . . If he presents himself at any other administration than his own, or the union, it is always very difficult to find out what he's like."

The proposal for a "reform" in the labor passport in the sense indicated by the campaign in the press was approved by Khrushchev himself in his speech of February 28 on agricultural problems. It has been submitted to the central leadership of the trade unions for elaboration in a draft which will again be discussed before passage into law.

Under these circumstances, the "reform" will not be adopted immediately. But that such a proposal could be considered and earmarked for study reflects one of the contradictions of Soviet society today. The public power; that is, the instruments of the ruling bureaucracy, feel that the present administrative regulations do not offer sufficient means for pressure on and control over the workers. For the "reform," far from aiming at a "restoration of Leninist norms," as Khrushchev pretends, would give plant administrations and manage-

ments reinforced means of pressure and control not only in the plant but also elsewhere in daily life, as is proved by the proposal that judicial or other penalties could be included in the passport "on the demand of social organizations."

It will be of interest to see what becomes of this proposal, especially to see how the workers react to it in practice instead of in the columns of a press entirely in the hands of the bureaucratic power.

In any case, this is one more example of the "achievement of socialism" and the "passage to communism," which are quite remote from Engels' definition of the administration over things instead of rule over persons.

TRUMAN GIVES THE FRENCH A LESSON IN FENCING

No one seemed to know how to handle that menace to the American Way of Life. That is, until Harry Truman gallantly stepped forward. It seems that the former president of the United States has been practicing with a Missouri cavalry sabre, a souvenir from his years in the White House.

On March 17, while de Gaulle was basking in resounding "Olé's" from all of Mexico's bull-fight fans, Truman told reporters in Duck Key, Florida, that the president of France had better "keep his nose out of our affairs or he'll get it cut off."

There was quite a stir in the bistros of Paris. The lucky one who got the long straw was André Frossard of Le Figaro. His choice of weapons to meet that whistling razor edge was neither a poniard nor a rapier. He just walked up to his customer, shoes off. With one bare foot he pinned down Truman's long-toed slippers, with the other he first tweaked Truman's beak, then gave him the flat of the sole, first on one cheek, then the other:

"President Truman's words are not empty and the survivors of Hiroshima, atom-bombed without warning, know to what degree action and thought are one in this redoubtable man. If he were still the head of the state that guilty nose would have been cut off twenty-four hours ago at least. The effect on the populations of the 'Alliance for Progress' would be absolutely extraordinary. They would finally understand that the affairs of South America are the affair of North America and that it is dangerous to travel there without authorization. Meanwhile the nose of the general, confiscated by the State Department, would furnish American diplomacy with that organ of perception which sometimes, it seems, it so cruelly lacks." [Le Figaro November 19.]

THE CONGRESS OF THE FRENCH COMMUNIST STUDENTS

By C. Henry

PARIS -- The Union of Communist Students [UEC -- Union des Etudiants Communistes] is formally independent of the French Communist party [PCF]. It has few members -- less than 4,000. Last year, when the repercussions of the war with Algeria were still acute among student circles, the congress faced an opposition, representing the majority of the organization, who were against the policies of the leadership of the PCF partly because of its failures during the war with Algeria and partly because of its resistance to de-Stalinization.

Following the congress, the leadership of the PCF opened up a brutal campaign against the elected leadership of the UEC, especially against those who belonged to the party. They were ordered to apply the party line in the UEC. Leroy, the member of the Political Bureau in charge of relations with the student organization, wrote in Humanité: "There is nothing more to be discussed."

But, following a Central Committee meeting which had to discuss this question, a turn was made -- the party would discuss with the students. The leadership of the PCF had seen the possibility of recapturing control of the UEC after a while since its composition necessarily shifts a good deal from year to year. The Communist party leaders knew that the leadership of the UEC was politically variegated, a considerable sector having no differences with the party line except on internal "democracy." It was more advisable, therefore, to be patient than to begin expulsions or provoke splits which could make things still worse.

This year's congress of the UEC, which was just held, was of considerable interest. A little before the congress, some of the members of the National Bureau resigned because of a bloc which the leading group (which we will call the Forner tendency after the name of its principal leader and which can, perhaps, be characterized as "Italian")(1) sought to form with the leadership of the PCF. In a number of universities, leftist currents were in evidence. The left was very heterogeneous. As for the sector that followed the leadership of the PCF, it was composed mainly of elements of little political education recruited principally by leaders of the PCF in the provinces.

Thus the congress this year was markedly political. It lasted four days and did not give the least impression of having been pre-

(1) "Italian" because of the relation between their views and those of the right wing of the Italian Communist party expressed by Togliatti.

fabricated. On the contrary, the debates even led to rows over procedure that must have surprised the PCF leaders who attended. They maintained a discreet attitude, doing most of their work in the corridors.

The debates were so prolonged that no vote took place on general orientation. But the strength of the various tendencies was tested in various votes, becoming established as follows: The wing that followed the PCF leadership gained a very narrow majority, getting 179 votes against 175 on an issue in which it was opposed to all the other tendencies together. The number of votes won by the left varied according to the point in dispute but oscillated between 25 per cent and 30 per cent. As for the Forner tendency, which had held office for a year, it got only around 10 per cent.

The most turmoil at the congress occurred around the election of the National Council. In brief, the Forner tendency succeeded in making a deal with the PCF leadership after some parleys. Although the existence of tendencies was not recognized, a slate was nominated composed of 35 members of the pro-PCF leadership tendency, 35 members of the Forner tendency, and 13 members of the left tendencies. This combination, cooked up outside the congress, was adopted by a majority. The left protested, however, and the 13, plus five members of the Forner tendency, resigned from this National Council. It was conceded thereupon that the committee was only provisional and that a new congress would have to be held next November.(2)

Among the various measures of special interest adopted by the congress, one called for publication of the minutes from the tenth to the seventeenth congresses of the Communist party of the Soviet Union.

* * *

Under the present circumstances of general political apathy in France, the students constitute the area where political life is the most lively. In the French Communist movement, with its strong resistance under Thorez to the "liberalization" initiated at the Twentieth Congress of the Communist party of the Soviet Union, the developments in the UEC are of symptomatic interest.

(2) Following the congress, the candidates of the left wingers changed their minds about not participating in the National Provisional Committee. At its first meeting a National Bureau was elected. With the support of Roland Leroy, the representative of the Political Bureau of the French Communist party, the majority was given to the "Italians," the left wing voting against. It should also be noted that the PCF leadership permitted the National Committee to pass a "resolution on political orientation" that was rightist but also quite anti-Stalinist. Does this give any indications about the next party congress? It is still too early to say.

First of all, the relative strength of the left tendencies should be noted. This indicates that among the college youth, the weight of the colonial revolutions and the attraction of the October Revolution as it really was are counterbalancing the revisionist tendencies favored by the period of prosperity in western Europe, encouraged by the reformist politics of the post-Stalinists and fostered by quite a series of "left" elements revolving around France Observateur and similar poles.

The congress likewise showed that despite the differences between the leaderships of the French and Italian Communist parties, they find no difficulty in reaching an understanding against the left. Their daily practices being what they are, the ease with which they come to see eye to eye is readily explained.

The congress of the PCF is to be held some months after the congress of the UEC. It is probable that the developments at the UEC congress partially reflected a conflict (the extent of which it is difficult to estimate) among the top circles of the PCF. This was observable in certain differences that arose in the wing which followed the PCF, particularly in attitude toward the Forner tendency, some being more yielding, others more rigid.

Differences are known to exist in the Political Bureau over how much "liberalization" should be introduced into the life of the party while still assuring the leadership's control. In the corridors the leaders of the Forner tendency justified their attitude by the need to back a "liberal" wing and to help it. Quite likely such a conflict does exist at present in the French Communist party leadership. Talk is heard about the more liberal wing of Waldeck Rochet and the more rigid one of Thorez.

The limit of the "liberalism" of such a wing is nevertheless indicated by the reluctance of its partisans to express their views before the party as a whole, by their procedure of seeking to recruit primarily in the apparatus, and by the fact that the outcome of its efforts will not appear in votes cast for frank speeches at the congress but will have to be deduced from the new composition of leading bodies of the party.

RECORD RISE IN PRICES

With a jump of 9%, France won the record in Europe for boosts in retail prices in 1963, according to the Paris weekly Express [March 19].

France was followed "by Switzerland, 7.5%; Italy, 7%." In second string came Germany and Belgium, each with 4%. The United States and Great Britain "brought up the rear" with rises of less than 2%.

FRANCE WAS "NOT COMPLETELY PARALYZED"

By Pierre Frank

On March 18, three or four million French workers went out on a one-day strike; many others pulled partial stoppages.

Most of the strikers were workers in the public utilities and government administrations -- railways (95%), electricity and gas (80%), post office, telephone and telegraph system, atomic energy, schools, government functionaries, the Paris subway and buses, mines, armaments, tobacco and match factories, social security, Air France, construction, metallurgy, chemical products, etc. (The day before the strike, the radio and television unions announced that, having won some concessions, they would not go out.)

The bourgeois press sought to minimize the movement by pretending that it was not as strong as the trade unions had hoped for and that the country was "not completely paralyzed." Not completely. From eight o'clock in the morning until six in the evening, no electricity, gas pressure very low, no freight trains, few passenger trains, no mail deliveries, few subway trains or buses, Orly airport closed, no cleaning of Paris streets, garbage not collected, most schools closed, the mines completely shut down, etc. The country was "not completely paralyzed."

It is true that in certain areas the unions were not absolutely unanimous in calling out the workers. For example, in gas and electricity, only the CGT [Confédération Générale du Travail -- General Confederation of Labor] sent out a strike order, the FO [Force Ouvrière -- Workers' Force] and the CFTC [Confédération Française des Travailleurs Chrétiens -- French Confederation of Christian Workers] declining to pull the pin. In the postal system the CFTC refused to join the movement. But by and large this did not affect the size of the walk out.

The movement expressed a general discontent although it was not a demonstration for well defined demands. Among all those working for the government, the pressure aimed at a pay boost. Their dissatisfaction was all the keener because the government quite literally ridiculed them. In fact, two years ago the government promised to increase wages and salaries, which are much behind those of private industry, in a series of stages. But after a small rise, it did not carry out the promise made for last fall under pretext that a "plan for stabilization" of prices had just been launched, that it was necessary to struggle at all costs against inflation, and that it would take up the question with the workers again in the spring of 1964. Come spring, the government announced that the execution of the plan for stabilization had not yet been completed, and, consequently, it would not grant any new increases.

As for the workers in private industry, particularly the metal

workers, what has fed their dissatisfaction the most is not so much the question of wages (although the rise in the cost of living has been considerable) as the threat of unemployment or decreased wages due to a lowering of hours. As yet the threat of unemployment is not great except in certain areas like Saint Nazaire where the shipyards have been affected by the world-wide crisis in this industry and where there are no other industries in the region capable of absorbing the lay offs. In Saint Nazaire, consequently, demonstrations have grown, the unemployed having entered the plants several times to occupy them for a number of hours. Skirmishes have occurred with the police force.

The government, while refusing to grant wage increases, has sought to divide the unions. Premier Pompidou met with various trade-union leaders, seeking to divert their attention to two reports made by top government advisors. One, the Toutée report advises establishment of wage negotiation procedures for functionaries, public services and nationalized industries, etc., with the management of the enterprises rather than the government. The other, the Massé report advises an "income policy."

If, in general, certain unions are not unresponsive to the Toutée proposals, which, however, could affect the right to strike in the categories it covers, the Massé report has been met with much greater hostility. In fact it's the old story known in other countries. They would like to "plan" wages but leave profits completely free.

Last September when the "plan for stabilization" was launched, the unions, including the CGT, offered only verbal protests. The ancient "argument" about the race between prices and wages still carried. Above all, the trade unions projected no test of strength with the government, since under current circumstances in France this would signify a test of strength with the regime. The same state of mind still holds today among the union leaders.

However, a hardening attitude has been observable for some weeks in the CGT leadership. In the metallurgical industry, without giving up the policy of so-called "particularization" of struggles (that is, fragmentation by shops, by crews, etc.) which has been followed for many years, they have begun to foster the idea that there are some demands which cannot be won except through an over-all strategy. Thus it was due to the CGT leadership that the demonstrations promulgated by leaders of unions and federations were brought together for the same day. The hardening nevertheless remains on the level of economic demands and does not extend, among the workers' organizations, to a struggle directed against the Gaullist regime.

Gaullism is fought only in the parliamentary arena. That is why the Communists and Socialists have been shouting, "Victory!" because in the cantonal elections held this month everywhere except in Seine department, a de facto coalition of the two parties, often widened to

include bourgeois elements, dealt some serious setbacks to the UNR [General de Gaulle's Union pour la Nouvelle République]. But if these elections indicate the tendencies in French society, the power structure pays little attention to them. There is no point bothering about soothsayers who dream of beating de Gaulle with a Defferre [mayor of Marseilles nominated by the Social Democrats to run against de Gaulle in the next presidential elections -- see World Outlook January 24].

But to go back to the March 18 strike. It was a demonstration of loyalty by the workers to their organizations, a demonstration of dissatisfaction with the government boss, but it was not an enthusiastic demonstration. The workers are becoming more and more aware that such demonstrations, imposing as they are quantitatively, do not bring changes in the decisions of the government. Something different is needed. But here their organizations do not give them any slogans, or perspectives or inspire them with real fighting spirit.

Last year the dissatisfaction of the miners reached such a point that it forced the hand of the leaderships. Will this now be the case in the coming period with other sectors of the workers? Nothing at the moment indicates this, but relations between the rank and file of the unions and the leaders are such that some surprises could be in store during the course of the year.

LONDON LABOUR EDGES LEFTWARDS

LONDON, March 15 -- The Fiftieth Annual Conference of the London Labour party -- the largest and most powerful regional organization of the British Labour party -- was intended as an election demonstration. It fulfilled just this role. [For the implications of the London local elections this year see World Outlook March 6.]

At the same time the leadership had to use a gentle hand with the most determined demands of the rank and file. The desperate shortage of low-cost housing and the recent bitter rent struggles were reflected in eight resolutions -- four from Constituency Labour parties and four from trade-union district committees. These were combined into a ten-point programme, which included demands for the re-introduction of legislation, repealed by the Tories, giving tenants security of tenure and a semijudicial procedure for the control of rents. This was followed by demands for protection of leaseholders, reduction of interest rates on loans for housing to two per cent, more vigorous development of Council Direct Labour schemes to keep profits on public housing out of the hands of private builders, severe limitations on commercial building and requisition of decaying and empty properties. The tenth demand was for "the public ownership of all land in London."

At the beginning of the debate it was believed that the Executive

would ask the Conference to remit the motion for further consideration, particularly because of the tenth demand. The debate made this impossible. Wherever the chairman looked he could find no one prepared to stand up and attack a single point in the motion. Delegate after delegate, many in their early twenties or late teens, who themselves faced the problem of where they could live when they married, came to the rostrum to paint the lurid picture of the housing needs of the London workers and to register support for the ten points.

One young woman from Hackney was loudly cheered when she turned to Labour party leader Harold Wilson, who was visiting the conference, and told him that if he was worried about the cost of public ownership, then the answer was confiscation, not capitulation to the situation. Another delegate, from Wandsworth, drew another cheer from the normally stolid delegates, when he claimed that the advocacy of the public ownership of land was infinitely the most effective way of converting three-quarters of the people of London to enthusiastic support for the famous Clause 4 of the party constitution.

The Executive did not dare to court defeat from the conference and hurriedly changed their original line to one of support after saying that they did not understand several of the points to mean what the delegates who proposed them thought they meant.

This piece of sharp practice was followed by the results of the elections for the new Executive. Few changes took place but among them was the election in the trade-union section of Richard Fletcher, editor of the rank-and-file paper Voice of the Unions, and the election to the standing orders committee of Iltyd Harrington, who has been stopped by the National Executive from fighting any winnable parliamentary seat.

An inconclusive debate took place on ideas for the reform of the structure of the parties throughout the new Greater London Council Area. No vote was taken this year, but it is evident that some layers of the bureaucracy will attempt to concentrate local administrative powers at borough party level, where national policies cannot be discussed, and leave the constituency parties, hitherto the main unit of organization, to concentrate solely on adopting parliamentary candidates and sending delegates to the national annual conference. This may make the disciplinary work of the bureaucrats easier, but it is hardly likely to produce an informed, self-confident and active rank and file.

The highlight of the election demonstration was a one-hour, televised attack in bitter, withering terms on the Tory leadership by Harold Wilson. It is clear that whatever doubts the party rank and file may have about the moderate programme of the national leadership for the coming general election are being swamped by an able and vigorous attack on the incompetence of the Tory party as an administrative machine and its servility to its capitalist paymasters.

Although not a single mention was made of any concrete item in the election programme, the conference was driven to a high pitch of enthusiasm by references to the Tory leader (Home) such as the following:

"He -- or his scriptwriters, one can never be sure which these days -- accuse us of trying to talk this country into an economic crisis. . . . Really, this is very childish. Is he suggesting that after twelve years with his Government in unchallenged power, with the most favourable international economic situation we have known for fifty years, the economy is so brittle and vulnerable that anybody's talk can plunge it into crisis? He tells us repeatedly that the economic position has never been stronger. But he refuses to give us the facts -- assuming anyone has had the grace to tell him what they are -- about our balance of payments.

"In terms of Britain's economic strength, the greatest liability you can have is an irresponsible Prime Minister. If anyone is talking this country into a crisis, it is the Prime Minister."

Wilson was given three standing ovations.

POSSIBLE SHIFT IN SINO-INDIAN BORDER DISPUTE?

NEW DELHI -- In the context of France's recognition of the People's Republic of China, the Indian government appears to be preparing to make a shift in policy in relation to Peking. There are signs that Prime Minister Nehru is seeking a rapprochement in the Sino-Indian border dispute.

During a visit to New Delhi in February, Burmese President Gen. Ne Win talked with Nehru about the problem. They are known to have discussed a formula whereby India and China might sit down at a round table on the basis of the "Colombo proposals," which were jointly made by the heads of states of Ghana, the United Arab Republic, Burma, Ceylon and Cambodia in relation to settling the Sino-Indian border dispute.

A little later, Lal Bahadur Shastri, substituting for the sick prime minister in the Indian parliament, asserted that an "honorable" basis for opening negotiations with China could be found. The extreme right-wing parties like the Jan Sangh and Swatantra protested his declarations; but a definite move seems likely following Chou En-lai's return home from his visit to Colombo.

The capitalist press in India has toned down its "hate China" propaganda and the All-India Radio has dropped its anti-China broadcast features.

A section of the big-business press, with the Times of India in

the forefront, has even begun campaigning for New Delhi to "seize the diplomatic initiative" by opening talks with Peking. The Indian press now rules out a "military settlement of the border dispute."

It appears that India's new "military" allies, the U.S. and Britain, not caring to get embroiled in a fresh military entanglement on the Sino-Indian border, would lodge no strenuous objections to a negotiated settlement. Khrushchev certainly would not stand in the way of resumption of talks.

Another positive development is the appearance here and there in the Indian press of favorable accounts about China although such Chinese publications as the Peking Review are still banned from circulation in the country.

THE COMECON'S PRICING POLICY

An Issue in the Sino-Soviet Conflict

By Fernand Charlier

The international division of labor is an objective law operating in the capitalist countries where its action is spontaneous, determined by the necessities of profit-seeking. This is illustrated by developments in the European Economic Community [Common Market] as well as by the deepening gulf between the developed and underdeveloped countries.

In exchanges among the workers states, this law also exists. But this mere fact is not nearly so important as the need to understand and utilize it in the interest of the combined development of the various economies of these states.

The Council for Mutual Economic Assistance [COMECON] was born in 1949. Its task -- since relations among the member countries were seen at the time only under the angle of the sphere of circulation -- was to co-ordinate exchanges among the workers states. These included the USSR, Albania, Bulgaria, Poland, Rumania, Czechoslovakia and Hungary. The Democratic German Republic joined in 1950. The People's Republic of China became an observer in 1956; North Korea in 1957; Outer Mongolia and North Vietnam in 1958. (All the workers states of Asia were placed on the level of observers, since "their planning has not yet attained the requisite degree of efficiency," according to Pierre Lefranc.)(1)

(1) See his article "The International Division of Labor Among the Socialist Countries" in the December 1959 Economie et Politique, the magazine of the French Communist party.

Despite this, COMECON has not yet definitively taken the road that could convert it into a central planning body and thereby permit it to increase the efficiency of the efforts of the less favored workers states so that they could attain this requisite degree of planning. It was not until 1955 that it sought to begin a certain "specialization," in order to avoid or to eliminate duplication in production.

The main activity of COMECON still consists of regulating exchanges among workers states. In 1956 the Soviet Manual of Political Economy still defined the role of foreign trade among the "socialist states" as short-term adjustment of passing disproportions, through export of surpluses to cover necessary imports.

This article will examine the role of COMECON only under the angle of foreign trade.

When the COMECON was born, Stalinism had just undergone the first open fracture in its monolithism with the Yugoslav affair. Today we know the role which the question of exchanges among workers states played among the causes that determined this rupture. At the time, the Yugoslav theoretician Milentijé Popović explained how the bureaucracy of the more developed workers states exploited the backward ones through many methods, among them utilization of the standard of prices on the world market in determining exchange value among the workers states.

Terms of the Problem

In the circumstances the problem is posed in the following way: the international value of a product is determined by the labor time socially necessary in the production of the product in the countries that place the greatest quantities of it on the world market -- and not by the labor time socially necessary in the countries which produce the most in absolute figures without selling it beyond their own borders -- because commodities that do not appear on the international market cannot, it goes without saying, contribute to the formation of international value. A country that has achieved great productivity of labor is favored under this system. This is the phenomenon well known in the exploitation of colonial and semicolonial countries: the exchange of products at world market prices conceals a nonequivalence; because an hour of labor in a country of high productivity permits it to deliver more products in the same lapse of time than a backward country. The commodity produced more rapidly will, then, have a value on the national market of this country below the world market price. The national value of a commodity is determined by the quantity of labor socially necessary in its production within the framework of the national economy; and here this labor time is below that which determines the international value. Exchange on the basis of equivalence determined by the world price thus permits a country of high productivity to sell above its national value; contrariwise, it forces a backward country to sell below its national

value, the latter being above the international value. To resort to a graphic image which summarizes the question: for each of its hours of labor, the developed country from then on will receive in exchange many hours of labor from the less advanced country. From this it follows that the highly industrialized countries, where the national value of a commodity is consequently lower, gains the biggest advantages in international exchange.

With the great impetus given development after the capitalist restraints are removed, the workers states evolve gradually toward the level of the most developed among them. Thus in the long range there is a tendency among them toward the equalization of national values which will finally eliminate the disadvantages noted above. This is not the case within the framework of the capitalist development of colonial countries in view of the well-known phenomenon of the "deepening gulf," of the increasing lag of these countries.

But today, within the terms of the unequal development of the economies of the workers states, the phenomenon described above always produces its effects if international value is chosen as the standard of prices among workers states. This problem, among others, was at the root of the conflict with the Yugoslav bureaucracy. The Stalinist bureaucracy of the USSR, consequently, at the time of the formation of the COMECON had to take into account the susceptibilities of its partner-bureaucrats. Hence the rule which was adopted requiring a unanimous vote in COMECON decisions. The Soviet bureaucracy succeeded nevertheless, in view of the utter dependency of its partners, in imposing its conception in the matter of the standard of prices despite the existence, among the official economists of the workers states, of several other theories. Against the theory adopted of utilizing the prices of the world market, some of them proposed that international value be determined among the workers states on the basis of labor socially necessary in these countries, while others proposed exchange on the basis of real production costs, coming close in this to the ideas of Popovic.

The Sino-Soviet Conflict

Where does the COMECON stand today from this point of view? It has been disclosed in the Sino-Soviet conflict that one of the grievances lodged by the leaders of the Chinese Communist party against the leadership of the Soviet Communist party was precisely the problem we are considering.

"It is absolutely necessary for Socialist countries to practice mutual economic assistance and cooperation and exchange. Such economic cooperation must be based on the principles of complete equality, mutual benefit and comradely mutual assistance.

"It would be great-power chauvinism to deny these basic principles and, in the name of 'international division of labor' or 'specialization,' to impose one's own will on others, infringe on the

independence and sovereignty of fraternal countries or harm the interests of their people.

"In relations among Socialist countries it would be preposterous to follow the practice of gaining profit for oneself at the expense of others, a practice characteristic of relations among capitalist countries. . . "

Thus elliptically but firmly, the Central Committee of the Chinese Communist party expressed their views in their reply to the March 30, 1963, letter of the Central Committee of the Communist party of the Soviet Union. (The so-called "Twenty-five Points," dated June 14, 1963.)

The "Open Letter" of the Central Committee of the Communist party of the Soviet Union which was published in the July 14 Pravda, and which sought to reply to the Chinese accusations in an extensive way, did not even attempt, it should be noted, to refute this point. The development of the Sino-Soviet conflict, which led in practice to a break in the relations which China and Albania had with the other workers states in the framework of COMECON, brought to light a difference between the Rumanian and Soviet leaders within COMECON itself. It relates not only to the question of "specialization" in the production of the workers states, as might have been concluded from the first indications of this conflict, (2) but likewise relates to the problem of prices in the exchanges among workers states. Before examining this conflict, it is necessary to probe more deeply into the way in which prices are currently fixed.

Current Practice

The basis of prices is always the international value of the exchanged products. In adopting these prices, the COMECON, however, eliminates extra economic deformations of these prices; that is, the extra economic factors of constraint which the capitalist centers utilize to force dependent countries to sell below the prices of the world market and to buy finished goods at prices above their international value. This goes without saying. But on the basis of

(2) See for example the article by R. Moldovan "Sur la division socialiste internationale du travail" which appeared in La Nouvelle Revue Internationale of August 1960: ". . . one thus cannot agree with the assertions of certain economists who hold that the economic law of the priority in development of the means of production in relation to production of consumers goods, loses its standing within the framework of a single country and is applicable only in the socialist world system as a whole. To agree with them would signify tacitly to approve maintaining, within the framework of the socialist world system, the distinction between industrial countries and other countries as sources of raw materials and agricultural products. Such specialization would doom the economies of a certain number of socialist countries to retain their agricultural character forever."

exchange absolutely equivalent to international prices, the nonequivalence indicated above still remains -- the exchange of many hours of labor against a single one through the mere effect of the disparity between international value and national values. To set the international value, the COMECON takes as its base the average prices of the principal capitalist markets during the preceding year(3) which makes it possible to abstract "from the speculative influences and fluctuations due to competition," as Jaromir Dolanski puts it.(4)

This is why, in the absence of unanimity, prices in the COMECON have remained pegged at the 1957-58 level.

An interbureaucratic conflict thus developed over the methods to be followed in the practical application of the theory currently in force; that is, the use of world prices.

Paul Underwood, the Warsaw correspondent of the New York Times, reported in the January 21, 1964, issue that according to a "qualified source," a "planned modernization of trading prices," approved in principle in 1962, had to be "put off," due to "opposition from some of the members" among whom "the Rumanians were again among the leaders."

According to Underwood, "in recent years world prices for raw materials generally have been falling while prices for industrial items have been rising." The adoption of new prices would be to the disadvantage of the less-developed countries. "Pressure for a recalculation of the price base has come primarily from the more industrialized countries of the bloc, such as East Germany and Czechoslovakia."

(3) M. Horovitz: "A propos de certaines particularités et de certaines limitations de la loi de la valeur dans le commerce extérieur socialiste." Probleme Economice, No. 4, 1958, magazine of the Institute of Economic Research of the Academy of the People's Republic of Rumania. Translated into French in Etudes Economiques, No. 112-113. 1958.

(4) "Qu'est-ce que la division socialiste internationale du travail?" In La Nouvelle Revue Internationale, December 1958.

OIL DISCOVERED IN CHINA

Chao An-po, head of the Chinese-Japanese Friendship Association, revealed during a visit to Japan that a "vast oil field" has been discovered in Northeast China, according to the Paris daily Le Monde [March 21]. China's oil problem has been so "transformed," said the official, that it may be possible to sell petroleum to Japan. China has some of the richest mineral resources in the world but hitherto was held to lack oil.

Malcolm X Rises to the Challenge

AMERICA'S BLACK MUSLIMS AND POLITICAL ACTION

By Evelyn Sell

III.

The Black Muslims are increasingly thrust into national prominence as the Freedom Now movement sends its shock waves through American life. To weaken and divert the civil-rights struggle, the white capitalist power structure has attempted to create a witch-hunt against them.

In 1959 the mass news media "discovered" the Black Muslims. Radio programs, television interviews and debates, magazine articles and newspaper reports introduced the movement to the general American public. Time magazine, for example, labeled Elijah Muhammad "a purveyor of . . . old black hatred. . . calmly feeding the rankling frustration of urban Negroes. . . a scowling incendiary speaker. . ."

Time much prefers the Rev. Martin Luther King, Jr., whom they named "Man of the Year" in 1963 because he has "stirred in his people a Christian forbearance that nourishes hope and smothers injustice."

The Saturday Evening Post continued the propaganda campaign against the Muslims in a January 1963 article entitled "Black Merchants of Hate." American newspapers are now making a fuss over the fact that the new heavyweight boxing champion of the world, Cassius Clay, has admitted that he has been a Muslim for the past five years. The Detroit Free Press labeled the movement as "the segregationist black supremacy sect."

The police powers of the capitalist state are used to harass the Muslims. The FBI [Federal Bureau of Investigation] and local police across the country keep the movement under surveillance. Temples in Louisiana and New York have been violated by club-swinging cops. On the night of April 27, 1962, Los Angeles police fired into a crowd of Muslims. Seven of them were shot; one was killed and another paralyzed for life. Jim Crow justice in America convicted -- not the killer-cops but their victims! Thirteen Muslims were found guilty of assaulting an officer.

The U.S. Civil Service Commission has fired a dozen Muslims from government jobs and dropped a number of others during their first year probationary period. Five Negro inmates in a New York prison brought a federal court suit against prison officials for suppressing their right to practice their religion while in jail.

Police intimidation and press-fed hysteria against the Muslims have gained them greater sympathy among rank-and-file Negroes and

some Negro intellectuals. In an answer to the Saturday Evening Post attack, the assistant managing editor of Afro-American, Chester Hampton, wrote:

". . . I'm glad there is an Elijah Muhammad. First, I'm glad there is someone to care about the uncared-about. Then I'm glad there is someone to keep the guilty reminded of their guilt. Then, I'm glad there is another organization making a contribution to civil rights for colored Americans.

"Yes, that's right. Because all the Constitutional rights and privileges America has been withholding might come flowing forth if the 'powers that be' are sufficiently scared we might turn Muslim . . ."

Stinging Criticisms

Most nationally known Negro figures, however, condemn the Muslims. The outspoken Muslim criticisms of white Christian America are too blunt for the Negro diplomats in the National Association for the Advancement of Colored People [NAACP] and the Urban League. The current struggle for leadership in the national civil-rights movement makes the old-guard leaders extremely touchy about possible rivals. The more the average Negro responds to the Muslims' ideas and leadership, the more the white capitalist power structure and the current Negro power structure attack the Muslims.

The Muslims criticize the NAACP and the Urban League because they are controlled by white men. The Muslims oppose Martin Luther King, Jr.'s passive resistance philosophy, calling it a "slave philosophy" which preaches love for the oppressor. At the February 26 convention, Muhammad told the white newspapermen, "You were not sorry for my fathers. You think I ought to be sorry? What fool can love his own enemy?"

The sit-in movement is headed in the wrong direction, in the opinion of the Muslims. Instead of "going into those stores where we are neither wanted nor invited," Negroes should concentrate on developing their own businesses.

"The ignorant, greedy preachers," say the Muslims, ". . . are the willing tools of the very ones who are responsible for our people's miserable plight. . . [The white man] has trained these ignorant, greedy Negro preachers to parrot his religious lies to us, a pacifying religion that was skillfully designed to brainwash us and keep us in 'our place.'"

Despite their sharp censure of Uncle Tom leaders and the goals of the integrationist movement, the Muslims call for the unity of all black people in the struggle against their common oppressor. In a Detroit speech in January 1960, Raymond Sharrieff, Supreme Captain of the Fruit of Islam, said, "Religious, economic and political dif-

ferences are luxuries we American Black Men cannot afford. We must, in the Sixties, sit together and counsel."

Need for Political Action

It is in the political area that this "United Front of Black Men" takes on crucial importance both for the future of the Muslim movement and the future of the whole Freedom Now struggle. As yet the Muslims have not participated actively in politics on a national or local basis. Their attitude has been that the white government is unjust and corrupt and "to integrate with evil is to be destroyed with evil." Hints have been given, however, that a change in policy is forthcoming.

At a Freedom rally held in 1960 in Harlem, Malcolm X stated that the movement would support "any fearless black leaders who will stand up and help the so-called American Negro get complete and immediate freedom."

The March 19, 1963, issue of Muhammad Speaks reported Muhammad's statement on political action: "There will be no real freedom for the so-called Negro in America until he elects his own political leaders and his own candidates.

"Black people in America must elect their own candidates instead of merely existing under those chosen by the descendants of the slaveholders who are primarily interested in keeping the slavemaster's children in a servant status.

"Our future lies in electing our own."

If and when the Muslims move into active politics, they will exert a significant force on the present capitalist two-party system. They are a tightly disciplined organization dedicated to act as their leader, Muhammad, tells them to act. "You can be sure of one thing," Malcolm X said; "every single Muslim man and woman will vote the way Mr. Muhammad tells him to vote."

It is precisely in those urban centers where the Muslim strength lies that the Negro vote is pivotal. Their active support for a candidate would have a tremendous effect on the Negro community.

An independent Negro party is now being formed in the United States. The Freedom Now party was launched last summer to run black candidates on a fighting program to achieve equality and first-class citizenship. Supporters are now petitioning in the state of Michigan to place the Freedom Now party on the 1964 state ballot. What attitude will the Muslims take towards this party?

Ferment in the Muslim ranks over the question of political action was sharply revealed when Malcolm X, Muhammad's right-hand man and the country's No. 2 Muslim, announced on March 9 that he had resigned from the movement.

Explaining that Elijah Muhammad had restrained him from participating more vigorously in the current Freedom Now struggle, Malcolm declared: "It is going to be different now. I'm going to join in the fight wherever Negroes ask for my help, and I suspect my activities will be on a greater and more intensive scale than in the past. . .

"The Negroes still don't understand the power of the ballot in the North. We must make them understand that the Negro voters have it in their power to decide next November whether Johnson stays in the White House or goes back to his Texas cotton patch. . .

"I am prepared to co-operate in local civil-rights actions in the South and elsewhere and shall do so because every campaign for specific objectives can only enlighten the political consciousness of the Negroes and intensify their identification against white society."

He has already accepted an invitation to help a civil-rights committee in Plaquemines Parish, Louisiana.

Malcolm X stated that his first task will be to build an organization based in New York City where he headed the Muslims' largest, most powerful temple. He claims the support of many Negro intellectuals and professionals who do not support the religion of Islam but who do agree with the Black Muslims' analysis of race relations in the United States.

The departure of Malcolm X from the official movement and his announcement of active participation in the Negroes' daily struggle for jobs, housing and schooling answers one of the major criticisms directed against the Muslims by many militant Negro intellectuals.

In an interview in May, 1963, James Baldwin, the prize-winning Negro writer, said of the Muslims, "If they were organizing rent strikes among the people who live in those ghettos in Harlem right now. . . if they were spotlighting concrete things, proving to Negroes that there were certain things they could do for themselves. . . If the Muslims were operating on that level I would have no quarrel with them, perhaps, but they're doing something else. It's just another inflated store-front church."

The entrance of Malcolm X and his followers into the civil-rights street battles adds a seething new force to a movement that is already boiling with civil disobedience demonstrations, rent strikes, school boycotts and country-wide protests.

In his first announcement, he said that he would promote "active self-defense against white supremacists."

"There is no use deceiving ourselves," he stated. "Good education, housing and jobs are imperatives for the Negroes, and I shall support them in their fight to win these objectives. But I shall tell the Negroes that while these are necessary, they cannot solve the main Negro problem.

"I shall also tell them that what has been called the 'Negro Revolution' in the United States is a deception practiced upon them.

"I shall tell them what a real revolution means -- the French Revolution, the American Revolution, Algeria, to name a few. There can be no revolution without bloodshed, and it is nonsense to describe the civil-rights movement in America as a revolution."

These fiery pronouncements from the man held by many observers to be the most brilliant Negro leader in the country were received coldly among the presently constituted respectable Negro leaders. James Farmer, national director of the Congress of Racial Equality, was quick to disclaim any sympathies with Malcolm X's remarks. "All participants in CORE projects," Farmer stated, "are pledged to non-violence in every project."

A very perceptive remark on the situation was made by Paul Zuber, New York Negro civil-rights attorney: "CORE can't get 400 members in Harlem, but Malcolm X can draw from 4,000 to 10,000 people when he speaks on 125th Street. I think the power play is now on, and the ultimate decision does not rest with Roy Wilkins [head of the NAACP], Malcolm X or James Farmer; it rests with 22,000,000 Negroes living in this country."

[End of series.]

NEW SOCIALIST MAGAZINE

The first number of the International Socialist Journal, a bimonthly magazine edited by the well-known Italian left-socialist leader Lelio Basso and published in two editions, one English the other French [Revue Internationale du Socialisme], has made a favorable impression in left-wing circles.

The March 14 Révolution Africain of Algiers, for instance, praised it for its "extremely rich content" and cited two theoretical contributions as "out of the ordinary." These are "The Socialist Parties and the Common Market" by Ernest Mandel, editor of the Belgian weekly La Gauche, and "Neocolonialism and the Class Struggle" by E.R. Braundi, a collaborator of the Paris weekly France Observateur.

The 132-page magazine includes interesting reports from various areas.

In a prospectus, the editors offer to send a free sample copy to anyone who might be interested. The address is ISJ, 19 Greenfield Street, Dunkirk, Nottingham, England.

Imprimerie: 21 rue d'Aboukir, Paris 2 (imprimé par les soins de l'éditeur).
Directeur-Gérant: Pierre FRANK.