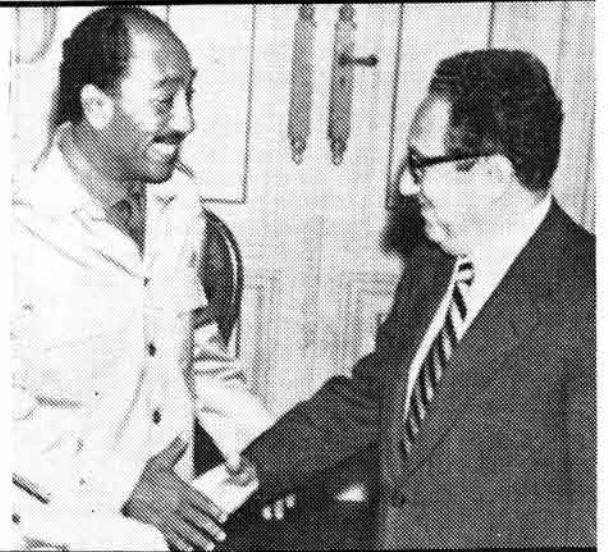




Chile Under the Junta

World Capitalists Looking Forward To Big Profits

Why Sadat Is 'De-Nasserizing' Egypt



The Looting of Nigeria's Oil Wealth

Dublin's Escalating Attacks on IRA

Police Attack Protesters in Seoul

Students staged protests in Seoul on April 3 for the first time since South Korean President Park Chung Hee declared a state of emergency on January 8. Police attacked some of the rallies, beat students, and arrested about fifty. Park issued another emergency decree outlawing the National Democratic Youth and Student League, which organized the protests. The decree stipulated that anyone who violated it would be sentenced to death, life imprisonment, or a minimum term of five years.

About 500 medical students and 100 liberal arts and science students demonstrated at Seoul National University. At Sung Kyun Kwan University about 400 students demanded an end to the dictatorship. Women students from Ewha University planned to read a declaration at a rally scheduled to take place at the city hall, but the police prevented the rally from occurring. The Ewha students then reassembled and marched, but the police attacked and arrested some of them. Their declaration demanded the release of thirty-four activists arrested since Park's January 8 emergency decree. Other demands raised by students included an end to censorship of the press, surveillance of the universities, and restrictions on political activity. They also called for economic reforms and the elimination of corruption.

A report in the March 29 *New York Times* by Richard Halloran described the regime's efforts to avert new explosions on the campuses: "The Government, clearly aware of the sentiment on the campuses, has been waging an almost silent, behind-the-scenes battle to head off an outburst. . . ."

"Throughout the long winter vacation, students have been taken to police stations for questioning and for admonitions to stay out of trouble. A number of Christian student leaders are reportedly in hiding. Others are said to have been drafted into the army to get them out of the political scene." □

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Congress Sees Impeachment as 'Near Certainty'

By Allen Myers

"There appears little question left," the *New York Times* reported April 7, "that Congress sees impeachment as a near certainty. It was learned that members of both houses have been quietly arranging not only for the procedure for a House vote on impeachment, [but also for a Senate trial] expected to start, very tentatively, late in August."

Public statements on the question by members of Congress now almost invariably fall into one of two categories. Liberal critics of Nixon generally predict that he will be impeached. His conservative supporters and party loyalists tend to describe the outcome of the eventual House vote as uncertain. Almost no one in either House seems willing to predict that the House will vote not to impeach.

Democratic Congressman Wilbur Mills of Arkansas says, "There is no doubt in my mind that there are enough votes for the articles of impeachment in the House."

Mike Mansfield, Senate majority leader, said March 28 that House members had told him that "the votes are there" for impeachment.

Republican Senator Howard Baker, vice-chairman of the Senate Watergate committee, told reporters March 27 that he sees "a 50-50 chance" of impeachment. Another Republican senator, Charles Percy of Illinois, says that the "die is pretty much now cast."

Democratic Senator Hubert Humphrey said March 29 that "it appears to me that . . . the majority of the members of the House now [are] for the impeachment charges." And Robert Griffin of Michigan, the Senate minority whip, told reporters March 28 the likelihood of impeachment "seems much greater today than it did a month or two ago."

In an April 6 dispatch to the *New York Times*, James M. Naughton described a tentative timetable for impeachment proceedings as worked out by Congressional leaders.

"The House Judiciary Committee,"

he wrote, "will take about six weeks, beginning in early May, to examine evidence being assembled by the inquiry staff and to decide whether it constitutes grounds for impeachment."

"If the committee, by majority vote,



MILLS: "There are enough votes for the articles of impeachment."

recommends articles of impeachment in the latter part of June, the House would defer consideration of them until returning, probably on July 9, from the Independence Day recess."

The House, Naughton wrote, would probably vote in late July, and, if the vote was for impeachment, trial in the Senate would begin about a month later.

The expectations of impeachment were considerably increased April 3 with the release of a report by the Joint Committee on Internal Revenue Taxation stating that Nixon had underpaid his income taxes by \$444,022 during his first four years as president. The Internal Revenue Service announced the same day that it

was claiming a slightly smaller figure, \$432,787. With interest, Nixon owes the government \$476,431.

The committee's report—and Nixon's prompt announcement that he would pay up—put a stamp of official confirmation on the already widespread belief that Nixon had been using his office to line his pockets.

The report, the *New York Times* observed April 7, ". . . was damaging to Mr. Nixon in two ways. It found against him on the two principal matters on which there has been legal dispute and which he asked the committee to look into last December—whether he was wrong in taking a huge deduction for his gift of his pre-Presidential papers to the National Archives and in not reporting capital gains on two real estate sales.

"The report also found instances of improper conduct that had not been brought to public attention before and that will seem quite uncomplicated to most people. Mr. Nixon used public funds in ways that the committee said benefited only him and his family, and not the public, and did not report them as taxable income. There was a sum of \$5,391 for a 'masqued ball' given by his daughter Tricia in 1969. There was \$27,015 worth of purely personal airplane travel by the Nixon family and friends. And, the major item in this category, \$92,298 in public funds was spent on improvements on Mr. Nixon's private estates in California and Florida."

The one bright spot for Nixon was that news of his tax evasion tended to overshadow some other events that in themselves added to the scandals surrounding him.

On April 5, a jury in Washington convicted Dwight L. Chapin on two counts of lying to a Watergate grand jury in April 1973. Chapin was formerly Nixon's appointments secretary. His perjured testimony concerned the activities of Donald Segretti, whom Chapin hired to carry out "dirty tricks" against Nixon's potential opponents in the 1972 campaign.

Theoretically, Chapin could be sentenced to as much as ten years in prison, but in reality, maximum sentences are normally reserved for the poor, for national minorities, etc.

Still, the fact that Chapin now faces a jail term could have a significant effect on further Watergate developments. While a number of White House gangsters have worked out deals with the prosecutors to plead guilty to reduced charges in exchange for their testimony against others, Chapin is the first of Nixon's aides to be convicted since the original trial of the Watergate burglars. His conviction will inevitably cause others in a similar situation to wonder whether "toughing it out" is really the wisest policy.

Even before Chapin's trial, it was reported that former Attorney General Richard Kleindienst was engaged in plea bargaining with the Watergate prosecutors. Kleindienst's difficulties stem from false testimony in 1972 to a Senate committee that was investigating charges that ITT had been given a favorable settlement of an anti-trust suit in exchange for a promise to contribute \$400,000 to Nixon's re-election campaign.

Bob Woodward and Carl Bernstein reported in the March 29 *Washington Post* that the deal being worked out would allow Kleindienst to plead guilty to a misdemeanor, rather than a felony, charge.

"In return for his guilty plea," they wrote, "Kleindienst expects to receive no prison sentence and believes that he will not be disbarred from the practice of law in his home state of Arizona."

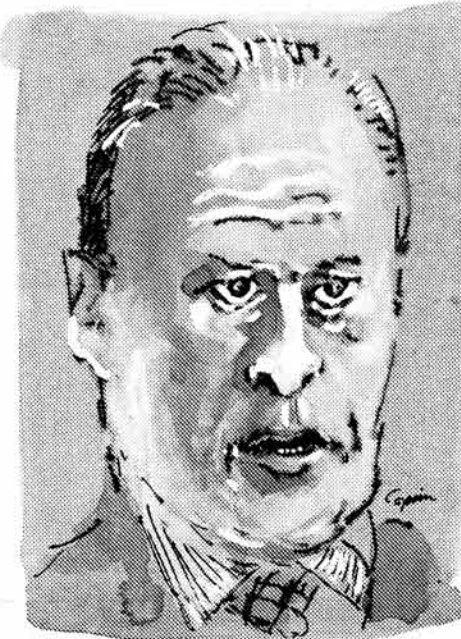
Since Nixon was personally and directly involved in the ITT case, the reports of Kleindienst's willingness to cop a plea do not bode well for the head of the White House gang.

On April 3, another figure in the ITT case, Ed Reinecke, the lieutenant governor of California, was indicted on three counts of perjury for alleged-

ly lying to the same committee that Kleindienst lied to.

The indictment of Reinecke led to speculation that former Attorney General John Mitchell would be indicted also, since Mitchell gave testimony similar to that for which Reinecke is charged with perjury.

These developments make it seem possible that special prosecutor Leon Jaworski is working towards an in-



FORD: Planning a visit to Moscow in the near future?

dictment of major figures in the ITT case similar to the March 1 indictment of seven figures involved in the Watergate cover-up. Presumably an indictment in the ITT case, like the March 1 indictment, would name some of Nixon's top advisers without mentioning his name.

The increasing likelihood of Nixon's impeachment has caused a number of capitalist politicians and newspapers to raise again the question of whether ruling-class interests would not be better served by Nixon's resignation.

Senator Jacob Javits, a liberal Republican from New York, suggested April 3 that Nixon might resign temporarily until the impeachment proceedings are completed. (Under the twenty-fifth amendment to the U.S. Constitution, the president can declare himself "unable to discharge the powers and duties of his office." In such a situation, the vice-president becomes acting president until the presi-

dent declares himself able to resume his duties.)

The context of Javits's remarks made it clear that he was concerned about Nixon's announced plans to visit the Soviet Union this summer. Nixon would hardly be able to negotiate from a position of strength if at the same time Congress were debating his impeachment. And the Kremlin chiefs might naturally wonder about Nixon's ability to commit the U.S. government to any agreement.

The Soviet bureaucrats seem finally to be awakening to the fact that Nixon may be on his way out. When U.S. Secretary of State Henry Kissinger visited Moscow during the last week of March, reporters observed that concern about Watergate was visible not far beneath the surface. Hedrick Smith reported in the March 29 *New York Times*:

"... each side went out of its way to assure the other that, despite Mr. Nixon's Watergate troubles, it was still committed to improving relations, regardless of personalities.

"The very need to make such commitments in public . . . suggested how much Watergate and Mr. Nixon's personal future are now on Moscow's mind as well as Washington's.

"Officially the final communiqué announced that both sides would push ahead with preparations for the visit of President Nixon to Moscow. But at a Soviet reception for American correspondents, one Soviet official kiddingly asked an American journalist, 'Are you looking forward to the visit of President Ford?' Such jocular irreverence would have been unthinkable for Moscow a few months ago."

But while the U.S. ruling class might find some advantages in a quick removal of Nixon by his resignation, there are some strong objections to this method, as Anthony Lewis pointed out in the April 7 *New York Times*:

"[The] suggestion has been criticized from both right and left. Senator Jesse A. Helms of North Carolina, a conservative Republican, said the President should resign only if he 'is guilty. . . . But if Mr. Nixon is innocent, as he claims to be, I feel it would be destructive to the long-range best interests of the country for him to yield to the rising clamor.' Liberal observers have expressed the concern that such a resignation, accompanied

Correction

On page 427 of our April 8 issue, the date of *El Combatiente* from which we took the official statement of the PRT-ERP breaking with the Fourth International is given as "the last half of July 1973." This should be corrected to read "Vol. 6, No. 86, Friday, August 17, 1973."

by renewed affirmations of innocence, would leave a dangerous sense of illegitimacy in the country, a feeling among Mr. Nixon's supporters that he had been hounded from office without cause by an antagonistic press

'Just Like Watergate'

Eight Indicted in Kent State Killings

Eight members of the Ohio National Guard were indicted March 29 by a federal grand jury on charges growing out of the May 1970 killing of four students and wounding of nine others at Kent State University. The guardsmen were charged with violating the civil rights of the students when they opened fire on a campus demonstration protesting Nixon's invasion of Cambodia.

Despite a study by the President's Commission on Campus Unrest that found the shooting "unnecessary, unwarranted and inexcusable," then Attorney General John Mitchell closed the case in 1971 without taking action against any of those responsible. It was not until last August, in the atmosphere created by Watergate, that continuing protests by Kent students and the families of the murdered students forced the reopening of the case.

But while indicting the eight guardsmen, the grand jury took no action against the higher-ups who ordered the troops onto the campus or who contributed to the atmosphere in which the killings took place. (Shortly before the shootings, Richard Nixon publicly referred to antiwar demonstrators as "bums.")

"It's just like Watergate," said Bernard Miller, the father of one of the murdered students, referring to the apparent intention to make the eight guardsmen the scapegoats in the case.

Also like Watergate, there are a large number of loose ends that are not tied together by the indictment. These include the unexplained presence of guardsmen who had not been assigned to the campus and the later discovery that an armed FBI informer was on the scene at the time of the shooting. □

and political opposition.

"Thus there seems to be a widespread judgment that the public interest would require a political resignation to be based on some acknowledgement of 'guilt,' however phrased or defined, some admission of wrongdoing."

A major obstacle to Nixon's resignation—with or without a confession—is the fact that it would leave him open to criminal prosecution.

"But," Lewis observed, "there is a way in which Mr. Nixon could be effectively assured against a future prosecution by at least Federal authorities. That is to strike a bargain with the prosecutor. . . ."

"The only parallel history is Mr. Agnew's plea bargaining with then Attorney General Elliot L. Richardson last fall. It ended in a guilty plea with no jail sentence, and Mr. Agnew's resignation as Vice President. The key fact there was the Government's in-

sistence that evidence against Mr. Agnew be laid out on the record for the public to see.

"Mr. Richardson was asked last week whether he thought Mr. Jaworski could similarly plea-bargain with the President. He answered: Yes. Mr. Richardson emphasized the importance of getting evidence out for the public. He said, therefore, that it would be better to negotiate only if and when the President is impeached by the House. But at that point it could be that formal immunity would be unnecessary. If the leaders of Congress made plain their desire to leave Mr. Nixon alone in return for his resignation on the basis of a bill of impeachment, that might be assurance enough."

It is symptomatic that in all these discussions the question is how and under what conditions Nixon will be removed. That he will not finish his term is almost taken for granted. □

Peasant Revolts Reported

Protests Continue to Spread in Ethiopia

The unrest in Ethiopia has begun to spread to the countryside. Peasant revolts erupted in late March in the southern provinces. Crops, farm machinery, and the homes of absentee landlords were burned.

In Meki, eighty miles from Addis Ababa, ten persons were killed as peasants tried to seize land that had been given to absentee landlords by the government. Other clashes occurred in Langano, only sixteen miles from Addis Ababa, and in the Rift Valley, about 150 miles south of the capital, where tribespeople revolted because their traditional grazing pastures had been given to landlords.

In southern Ethiopia most of the peasants are tenant farmers. A small handful of aristocrats, military officers, and government officials, as well as the Coptic Christian Church, own large tracts of land that were confiscated and given to them by Emperor Haile Selassie. Some of the police reports linked the peasant uprisings to leaflets calling for land to the peasants. One of the most common slogans raised by students and

rebellious soldiers was "Land to the Tillers!"

In Jimma, the capital of Kefa province, 5,000 students and shopkeepers marched through the city on March 28, demanding the removal of the provincial governor, his assistant, and the chief of police for corruption and inefficiency. The police attacked, killing at least one person and wounding eight others. Another four persons were killed in Arba Minch, in Sidamo province, when police attacked a student protest there.

Fierce fighting broke out in Goba, the capital of Bale province, on April 1 when policemen rebelled against their officers. The police demanded the removal of senior officers, better pay, and improved working conditions.

In Addis Ababa, about 4,000 municipal workers demonstrated outside of the headquarters of the Confederation of Ethiopian Labor Unions on March 30 demanding the removal of some senior municipal officials, higher pay, better working conditions, and the right to form their own union. □

Tribunal Indicts Canadian Abortion Law

More than 500 women and men from across Canada participated in an "Abortion Tribunal to Defend Dr. Morgentaler" held in Ottawa on March 9. Organized by several groups fighting for the right to abortion on demand, the tribunal heard the testimony of women and doctors victimized by Canada's reactionary laws restricting women's right to abortion.

The assembly then marched to Parliament Hill to present its indictment of the federal government for upholding, defending, and enforcing the anti-abortion laws.

The date of the Tribunal was timed to coincide with International Women's Day (March 8), Linda Meissenheimer explained in the March 18 issue of *Labor Challenge*, the Canadian revolutionary-socialist fortnightly. "One of the largest actions of the Canadian feminist movement to date, it showed the determined response of women to the government's stepped-up attack on the right to abortion, at present centered in Québec. It brought together activists from all parts of the country who had built the defense campaign for those charged under the abortion law, and many new supporters of the struggle.

"... it was testimony from women forced to undergo illegal abortions which had the most powerful impact. They described the anguish, fear and danger they experienced in their efforts to get help, and told of incredible tortures inflicted by incompetent quack abortionists.

"Their presentations were very moving and very shocking. But perhaps most striking about the Tribunal were the women themselves—severely abused by their experiences, yet powerfully determined to fight until the law is repealed and all women have the right to abortion without the humiliation and danger that they themselves had suffered."

Four doctors were among those who testified before the Tribunal. Two of them, Doctors Henry Morgentaler and Yvon MacHabee of Montréal, are presently facing trial on charges of performing abortions. Dr. Mor-

gentaler has acknowledged that he performs abortions, but turned his trial last year into an indictment of the present abortion laws. He was acquitted by a French-speaking and Catholic jury in Québec, but the government has appealed the decision to higher courts. Meanwhile, Dr. Morgentaler faces twelve other charges.

Addressing the Tribunal, Dr. Morgentaler appealed "to all doctors and hospitals in Canada—to bend the law if necessary, to defy the law if necessary; because I believe it is the duty of a doctor and the duty of the hos-

pitals to provide medical help for women in need of safe medical abortions."

The Tribunal was addressed by Grace MacInnis, a New Democratic party MP, and by Toba Singer of the U.S. Women's National Abortion Action Coalition. Labor unions in Québec sent messages of solidarity.

By a standing vote, everyone attending the Tribunal adopted the indictment which declared the federal government, "assisted by provincial and municipal government agencies across the country," responsible for "the psychological and physical suffering, mutilation and deaths of countless women" under the present law. The Tribunal demanded that all charges under the law be dropped, and that the abortion law itself be repealed. □

Junta Offers Advantageous Terms

World Capitalists Eye Profits in Chile

By Jean-Pierre Beauvais

[The following article is reprinted from the March 15 issue of *Rouge*. It is one of a series of articles the French Trotskyist weekly is carrying on the situation in Chile and the worldwide solidarity movement against the repression of Chilean workers and revolutionists. The translation is by *Intercontinental Press*.]

* * *

For six months, week after week, we have analyzed the evolution of the situation in Chile, the difficulties of the junta, the contradictions between different sectors of the bourgeoisie and the conflicts they reflect within the military regime. In our last issue, for example, in an article written from Santiago de Chile, we dealt with the measures being taken by the hard-line sectors of the regime against the Christian Democracy.

At the same time, we have continued to analyze what was happening in the Chilean workers movement, the first strikes and mobilizations of the workers against the frantic exploitation imposed on them, and the situation and

perspectives of the different workers organizations, whether reformist or revolutionary. Each time we have revealed the small margin of economic and political maneuver of the regime that resulted from the September 11 coup. Each time we have emphasized that in the present economic and political conjuncture in Chile, only massive international aid by imperialism could widen this margin of maneuver and give a more long-range perspective to the military rulers.

Up to the end of January, there was nothing massive about this aid. One after another, delegations from foreign governments and banks came to Santiago to study the economic and financial measures taken by the junta to get the economy going again. But their conclusions remained quite circumspect for the most part.

Of course, an American banking consortium agreed to a substantial loan. Of course, a series of multinational corporations were talking of investing in Chile. Of course, Brazil agreed to a long-term loan of \$50 million. But in comparison to the crisis Chile is going through, these

were just several drops of water in a wild sea.

In the last few weeks, the setting has changed. The odor of the corpses of September has receded. The junta has proved it is in control of the country. It has shown every sign of good will toward foreign investors.

"Social stability," higher profit rates, an army of unemployed—these are encouraging preconditions for investment, are they not? That's what they're beginning to think (and to realize) in the various strongholds of world capitalism. And the responses to the junta's appeals are beginning to flow in, as this note received from Santiago and dated March 7 indicates:

". . . Raul Saéz, former finance minister in the Frei government and the junta's delegate to the Club of Paris,* painted a pretty picture of 'the success the Chilean economy will be able to achieve if it obtains a sufficient reduction in the heavy burden imposed on it by the present cost of servicing its foreign debt.'

"The Club of Paris has already provided sufficient warranties of its broad understanding. The February 28 issue of *El Mercurio* emphasized in this respect: 'The end of the negotiations with the Club of Paris will open promising possibilities for new public and private capital financing for the investments required by the projects under study. These projects could not be achieved by Chilean capital alone.'

"For his part, F. Leniz, the minister of the economy, obtained a series of long-term loans in February from the International Monetary Fund, the World Bank, and the Inter-American Development Bank. The precedents thereby established count for more than the credits themselves. The Japanese firm Marubeni has just signed an agreement to install a plant for cellulose and other wood derivatives in the south of Chile. The Japanese corpora-

tion Mitsubishi Hiaing Cement and the Ataka Cy corporation have expressed their intention of investing more than \$50 million in the exploitation of the iron ore deposits in Santa Clara, 'given the guarantees that the government of the junta offers to foreign investors.'

"A Canadian company is studying the possibilities of investing in the Cutter Cove mine, in which a German consortium also has an interest.



PINOCHET: Opens the doors wide to imperialist investors.

Peugeot has just signed an agreement with Corfo (a Chilean state body) committing itself to invest several million dollars in the Corfo-Peugeot semi-private, semipublic investment corporation to develop automobile and related industries.

"Petrodow (a branch of Dow Chemical) and several petrochemical corporations are discussing a plan to develop the Bio-Bio region.

"Rumania has just offered credits, and Huerta, the minister of foreign affairs, declared February 23 in Mexico that Rumania is proposing to invest up to \$100 million in the Chilean mining industry!

"The creation of a Chilean development bank is envisaged for the end of 1974. Forty percent of its capital will be provided by the World Bank and European investors. This bank will permit medium-sized businesses to obtain investment credits that are

generally not available to them through the usual channels.

"On March 1, a Chilean delegation led by the chairman of the Valparaiso Chamber of Commerce, Gonzalo Bofill de Caso, left for a three-week 'visit' to West Germany, Italy, Switzerland, and Spain. Its aim: to tighten trade contacts and present information about possibilities in Chile."

And our correspondent emphasizes that this is far from being an exhaustive list!

The holy alliance is clearly mobilizing to get Pinochet and Company out of the slump. A holy alliance that sees itself reinforced in a not inconsiderable way by the so-called "socialist" republic of Comrade Ceausescu. We can bet that very soon other "comrades" from other so-called socialist republics will do likewise. The terms offered by the Chilean military are so advantageous.

"Aid from the socialist countries as well as aid from the revolutionary movements of the whole world will be fundamental," Miguel Enriquez [of the MIR] told us in the aftermath of the coup.

Six months later—at a time when a retired general has just been accredited as ambassador of Chile in Peking, when the Chilean CP's line of support to the Christian Democracy is being trumpeted on an international scale by the Stalinist apparatus, when Rumania is offering such credits, etc.—we can ask Comrade Enriquez once again and more insistently than ever: This aid is fundamental, but for whom?

Last week we explained how we should express our material and political solidarity today toward both the victims of fascist repression and the militants who are reorganizing and struggling in Chile.

That was a fundamental aspect of our solidarity, but not the sole aspect. Against the offensive of this international holy alliance we must continue and we must increase in every possible way our denunciation of the aid to the hangmen in Santiago. We must mobilize without letup so that not one weapon, not a penny, goes to the Chilean military and their partners.

From Peugeot to Mitsubishi, from Hoechst to ITT, from the World Bank to the Club of Paris, the enticing prospects of superprofits paid out of the blood, of the Chilean workers must be denounced and blocked.

*The Club of Paris includes the central bankers of thirteen imperialist countries: the United States, Canada, Britain, Japan, France, West Germany, Switzerland, Italy, Netherlands, Spain, Denmark, Norway and Sweden. At its March 25 meeting, it voted to exempt the Chilean junta until 1977 from payment of 80 percent of the \$760 million demanded by its creditor countries in 1973-74. "This agreement," the March 27 *Le Monde* commented, "constitutes the junta's main diplomatic success since the September 11, 1973, coup."

In doing that, the worldwide movement of solidarity with Chile will develop concretely the traditions and practices of proletarian internationalism. It will continue to give powerful aid to the struggle of the workers and

revolutionary militants—from Santiago to Arica, from Valparaiso to Punta Arenas—who, while repressed and decimated, are today laying the basis for the struggle against fascism and imperialism. □

is, don't stop to think first before having a child if you can financially support, educate, care for one, etc. The ministry of social welfare already has magnificent plans to give families with more than three children economic opportunities and a range of priorities.

In the words of General Perón, reality is the only truth. Let's examine this point by point.

If the government's plan is carried out, we can see without going into too much paperwork that nearly 3 million babies will be born within the coming year. On the average, a worker earns 150,000 [old] pesos [about US\$150] per month. This average could rise to 175,000 pesos with the 25,000 peso increase the government appears ready to give. A kilo of beefsteak, the daily consumption of a family with three children, costs 1,500 pesos. A tin of powdered milk, a baby's weekly consumption, costs 1,600 pesos. A pair of shoes costs 10,000 pesos . . . Need we go on? What concrete plans does the government have to increase wages? An increase of 25,000 pesos. In reality, the truth is that the workers' and the people's standard of living hasn't gone up at all. And it won't go up as long as the Social Pact remains in force.

Of the 500,000 homes the minister of social welfare was going to provide this year, they seem to have finally turned over only *one*, while a small home for five to six persons rents for 120,000 to 200,000 pesos monthly. And the only new provision in the Health Plan, which is still on paper after six months, is free health care. But there is still only one children's hospital in the country, and it is crumbling onto Charcas Street in Buenos Aires; the San Martín School Hospital, the best-equipped, is open only four hours daily because it has no budget; the cheapest antibiotic costs no less than 3,000 pesos. . . . And at the hospitals one must stand on line for at least four hours. What can the working woman do? Miss work? Will the ministry pay her for the day? Or will she have to pay 3,000 pesos to a private doctor?

Does the government have a plan to guarantee that the 3 million babies will be in free childcare centers while their parents are working? Has it planned a substantial budget increase to provide all primary and secondary schools in the country with free books,

Wants More Children, Even If They Starve

Peronist Regime Bans Contraceptives

[The following article appeared in the March 20 issue of the weekly *Avanzada Socialista*, organ of the Partido Socialista de los Trabajadores (PST—Socialist Workers party), an Argentine sympathizing organization of the Fourth International. The translation is by *Intercontinental Press*.]

* * *

The government has issued a decree forbidding over-the-counter sale of contraceptive pills and announcing that harsh measures will be taken against doctors and medical centers that prescribe contraceptive devices (IUDs and diaphragms) or perform abortions on women seeking to terminate a pregnancy.

Our party, which defends the right of every human being—man or woman—to freely choose his or her own lifestyle, can only denounce this decree for violating the right of every woman and couple to freely decide whether or not they want to have children and the number they want.

But this problem is not the country's only or most serious one. If the government's plan is carried out, 3 million babies will be born in the next year. And unless the current wage, education, health, and housing situation is turned around, we don't know how they are going to be fed, cared for, or educated or who is going to take the responsibility. The Triennial Plan and the Social Pact don't offer a single answer to this problem.

As socialists, we agree that Argentina needs a policy for population growth. The imperialists have one: to decrease the population of countries under its domination, very often by using criminal methods. In the face of this imperialist policy, the Peronist government has put forth a different

one: encouraging population growth by making it illegal for women to use any method of contraception.

As socialists, we oppose both policies. We oppose the imperialist policy because it serves to exploit and oppress countries having a low level of development. And we oppose the Peronist government's policy because it serves the profit motives of Argentine bosses.

As it stands, the government's plan threatens in the short range to cause a serious social problem, whose victims will basically be working families.

Because this decree violates the individual freedom of women and couples, and because it serves the Social Pact and the national bourgeoisie, our party repudiates it and calls on all women, workers, and organizations that defend the sexual freedom of all people to mobilize around the demand for congressional repeal of the decree.

* * *

The government's decree has been accompanied by a propaganda campaign whose main voice is the magazine *Las Bases*, official organ of the National Social Justice [Peronist] Movement.

Las Bases focuses its campaign on a couple of facts: Imperialism has a policy of limiting the growth of the population in Latin American countries and underdeveloped countries in general on the basis of the McNamara Plan; and for our country to be able to advance and increase its wealth, a greater population is necessary. Stemming from this, the magazine puts forth the need to avoid lingering over the question of whether "the egg comes before the chicken," or vice versa; that

uniforms, equipment, and transportation? We are unaware of any such plan. On the other hand, to register in a high school is a real accomplishment; still worse, you have to have more "influence" to find free daycare than to get a waiver on military service.

While we once again affirm that demographic growth is necessary for the country to grow and advance, we must still ask ourselves a few questions. If, as the government puts forth, we will have a population of 50 million by the year 2000, where will they work? What plan is there for expropriating, dividing up, and cultivating the fallow land of the big latifundias to provide jobs for 50 million people? This is only one example that leads to a more general conclusion: The method chosen by the government to increase the population has been applied on other countries, and the population didn't increase, precisely because of the same problems we have just mentioned. The government says that we shouldn't linger over the pointless discussion of whether the egg comes before the chicken. We ask the government: Given that the housing and health plans sponsored by the ministry of social welfare have been poorly carried out, wages have not increased buying power, and the situation of workers and popular sectors has not substantially changed, what woman or working-class family doesn't think twice before having a child? Who doesn't consider the problem of the egg or the chicken? But we don't waste our time trying to figure out if the egg comes before the chicken or vice versa, rather we have a position on the issue of birth control:

Population growth can only be the product of planning that, first of all, assures the working-class family the means to handle the expenses involved in the birth of a new baby — its care, education, etc. It will never come from a compulsory "decree," which, given the present conditions, will only increase the number of "living-room" abortions that have caused so many deaths among women and increased the poverty of the working-class woman and family. □

Would They Mind?

The Kenyan government has warned that foreigners arrested for "streaking" will be deported in the nude.

April 15, 1974

Actions by Workers, Students

Mass Movements Begin to Revive in Brazil

[The first two articles that follow are from the February 10 issue of *Campanha*, a magazine published in Spanish by Brazilian exiles in Paris. In the first article, the periodicals noted in parentheses indicate the source of facts cited. The third article is from the March issue of *Independência Operária*, a bulletin in Portuguese that circulates in Latin America. The translations are by *Intercontinental Press*.]

* * *

Rise of Workers Struggles in 1972-73

End of 1972

Defying the wage guidelines of 10% to 19% set by the Regional Labor Court, 450,000 metalworkers in São Paulo drew up a list of demands calling for a 30% increase, a minimum wage of 349.50 cruzeiros [16.05 cruzeiros equal US\$1; the official rate in 1972 was 5.62 per US\$1], and recognition of the plant commissions. (*Campanha*)

Some 15,000 microbus workers in São Paulo waged a successful struggle against layoffs. (*Campanha*)

At the end of December in the province of Ceará, the workers at the Cajubras firm struck for a week to press for a wage readjustment. They occupied the premises during the dispute. In Fortaleza, the capital of the province, 1,000 workers in a textile factory struck for a wage increase. (*Campanha*)

First Half of 1973

On February 9, a spontaneous strike developed among the subway workers in São Paulo, who threatened to destroy the installations if they were not paid their back wages. (*Campanha*)

In April, 30,000 civil-construction workers in Belo Horizonte carried out a protest action and threatened to strike to press demands for safer conditions on the job. (*Lucha Popular*)

In April, the workers threatened to strike at the Candiota II thermoelectric plant in Rio Grande do Sul. They were demanding better wages and working conditions. They made some gains. (*Campanha*)

On May 11, there was a protest action by 2,500 garbage collectors and street sweepers in São Paulo against delays in payment of wages. (*Lucha Popular*)

On June 8, thirty workers struck at Constructora Azteca in Belo Horizonte for back wages. (*Campanha*)

Besides these, there were strikes in the Remus Metalurgica Clever plant, Constructora Camargo Correia, Constructora Geo-Brasileira, Mello Pedreira, and Espanital Industria de Borracha. Strikes were conducted at the Fabrica Nacional de Motores to keep the transportation provided for employees.

There was a strike by 4,000 workers in the América Fabril company. There were workers struggles in the Companhia Têxtil Seda e Algodão in Pernambuco, and at Fiação e Tecelagem do Sarmento, in Minas Gerais. Workers struck in the food industries in the (Contagem) industrial area of Minas Gerais. (*Lucha Popular*)

Some 2,000 workers in the Verolme shipyards struck for a 25% wage readjustment and against higher prices for food and lodging in the yards. They won a wage adjustment, but the price of food and lodging was not lowered. (*Campanha*)

Strikes occurred in the residential complex of the Banco Nacional de Habitação in Carapicuíba, involving confrontations with the police. More than 1,000 workers were involved in disputes at Truck Fort and Leonam, in which sanitary installations were broken and machines were destroyed. At General Motors, the workers destroyed the plant cafeteria. There were strikes at Frigorífico Jandira and Têxtil Mantovani. (Reprinted in *Outubre* from *Movimento Obrero*)

Second Half of 1973

A strike developed in the port of Santos that spread to other ports in

the country. The workers staged a slowdown that resulted in a 60% reduction in work. They won, forcing the repeal of the Sunaman Decree, which by judicial mechanisms cut their wages by 50%. There were various distributions of leaflets during the campaign. (*Campanha*)

A little later, there was an attempt to stage a new, better-organized strike in which the ports of Santos, Paranaguá, and Rio de Janeiro would participate. The latter two ports ultimately failed to join in the campaign, but in Paranaguá the stoppage was total. The Paranaguá workers wrote slogans on goods going to Santos and Rio de Janeiro criticizing their companheiros there for not joining in the action.

The wage campaigns were the most combative since 1968. In the metalworkers union in Guanabara, the opposition won a majority in the elections, which led to a government takeover. Among the metalworkers in São Paulo, the opposition also took a combative stance.

In the chemical workers union in Guarulhos, the opposition also scored a victory.

The pottery workers union in the city of Itu in the interior of São Paulo province won a decision from the Labor Court that their representatives could not be ousted during their term of office.

In November, 3,000 toolmakers participated in a strike at Volkswagen in São Bernardo do Campo. The action lowered the daily production of vehicles from 1,700 to 1,000 and had repercussions throughout the factory. There was a stoppage during the overtime period. The assembly approved making a demand for a 5% raise that would not be deducted when the time came around for wage readjustment.

The strike was victorious. But the plant management still claims that the raise will be deducted in the readjustment.

In the same period, workers struck during overtime hours in Mercedes and Chrysler. In Icatel, the 200 workers in the plant resigned en masse when their demand for wage readjustment was refused. The bosses gave in.

In the first two weeks of December, there was a slowdown strike in Villares, Santo Amaro, for a readjustment of 10%. The strike was vic-

torious. (*Campanha*)

* * *

How Workers Won at Villares

Despite everything and everybody, the workers at the Ascensores Villares factory won a victory. This includes the president of the metalworkers union, the company man Joaquín Andrade, who argued that "an atmosphere of calm must be maintained" because "the company means well but it can't go up against the government's wage policy."

For some time, the workers in this plant in Santo Amaro (São Paulo) had been showing signs of discontent. The 18% raise they got in accordance with the government's economic policy did not keep the workers from starting to cut production by a slowdown strike. On the morning of December 13, they demonstrated their level of organization and fighting spirit. They carried out a twenty-minute stoppage, standing with their arms crossed in front of their machines.

A workers commission presented its demands: (1) a wage readjustment of 10% payable from December; (2) revision of the wage scales in force in the plant and a corresponding rise in the minimum wage in each category; (3) lower fares for the company buses; (4) lower prices for food served during the workday.

Nothing that happened in Villares is exceptional. In many factories in São Paulo (in particular OSASCO and ABC), workers commissions have arisen as a form for representing the ranks and for leading struggles, and the workers have forced the bosses to recognize these bodies as their bargaining agents and to refrain from reprisals against their members. These commissions are rooted in the experiences undergone since 1964. They have been a means for offering an independent alternative to the yellow unions. They reached their highest point of development in the organization of the Comissão de Cobrasma, which was the starting point of the OSASCO in 1968.

The forms of struggle are nothing new, although the level of organization may be. Facing the "Strike Law," which virtually bans this form of

struggle, and an unfavorable relationship of forces owing to the disorganization of the class and to the repression, the workers have turned to the "slowdown" and lightning strikes to obstruct repression and to make it hard to enforce the law.

The slowdown consists of reducing the rate of production without stopping it, and this makes it difficult for the management of the factory to maintain their control over the work force. Lightning strikes are organized at the level of the various shops, and also at a factory level. At a sign, the workers can paralyze the factory as a whole or each of its various sections alternately for periods of thirty minutes to two hours, time enough to disorganize production that day but not sufficient time to let repression get started. With the factory paralyzed, the workers, standing with their arms crossed in front of their machines, mock the "strike law," which forbids them to move even a few meters away from their machines.

In combination, these forms of struggle can cut production by more than half, as was the case in the port of Santos last year.

And there have been many partial victories like the one in Santos and the one in Villares, which have made a mockery of the government's wage policy.

* * *

How Students Organize in Sao Paulo

The main axis of mobilization for the student movement in São Paulo has been the USP [Universidade de São Paulo] campus. There has been an attempt there to apply the "reform" that would require students to pay for their education and would lead to putting the university on a private-enterprise basis. This has aroused the students to reorganize and revitalize their organizations for resisting these measures.

Winning back the Centros Acadêmicos and linking them up directly with the ranks were the principal victories of the student movement at the USP. We regard these gains as a starting point for revitalizing the student movement and reconstructing the organizations that are presently illegal (the

DCEs and the UNE [União Nacional dos Estudantes—National Union of Students]). Therefore, it is essential to analyze the São Paulo students' organization and their partial victories, and to develop a draft program that can serve as the basis for uniting the Brazilian students.

The USP is almost entirely concentrated in the university district. Functioning in every school is a Conselho de Representantes por Turma [Council of Class Representatives], whose role is to discuss the problems of greatest concern to the students in the lecture rooms, propose solutions, and take these suggestions to the Centro Acadêmico. In five schools—the polytechnic, architecture, history, physics, and geology schools—this type of organization is already consolidated. This organ is an important one because it is directly linked to the students, and thus has a great capacity to mobilize.

The Conselho de Representantes por Turma works together with the Centro Acadêmico, whose leaders are elected for a year and without interference from the school administration. At present, all of the Centros Acadêmicos on the campus are divided into two subcommittees. One takes care of material problems and the other of cultural activities. The latter publishes a paper and organizes activities such as political cinema programs, debates, theater groups, and so forth.

The Centros Acadêmicos are united in the Conselho dos Centros Acadêmicos [CCA], which arrives at common positions for all and directs their common struggles. The CCA includes the heads of all the Centros, who elect a leadership from among themselves. It was the Conselho de Centros that organized a plebiscite on paying for courses. Some 6,200 students voted, 90 percent against tuition.

Besides this plebiscite, the CCA organized a requiem for the student Vanuchi, who was murdered in 1973 by the OBAN [Operação Bandeirantes, special military teams for tracking down revolutionists; the name comes from nineteenth century pioneers who penetrated into the interior looking for gold]. It was attended by 5,000 persons. The mass was celebrated by Don Evaristo Arns, the cardinal archbishop of São Paulo.

We think that the CCAs can be the kernels of the future DCEs, which will be the axes of reorganizing the União

Nacional dos Estudantes. To achieve this, every school must begin to revitalize its Centro Acadêmico, beginning with the Conselhos de Representantes por Turma and the minimum demands of the students. This must be based on a program that can be summed up in the following points:

— Stop outside interference in the Centros Acadêmicos.

— Recognize the Conselhos de Cen-

tros Acadêmicos.

— No restrictions on the election of student leaders.

— Against the University Reform and for free instruction.

— Abolish Decree-Law 477.* □

*Law 477 allows the government to suspend or expel students it accuses of participating in "subversive" activities. —IP

U.S. Missionaries Take Over Paraguayan Reservation

Aché Indians Face New Oppressors

[The following article is from the first, undated issue of *Indigena*, a newsletter dealing with the struggles of the native peoples of the Western Hemisphere. Copies of this journal can be obtained from *Indigena*: Information on the Native People of the Americas; P.O. Box 4073; Berkeley, Cal. 94704, USA.]

* * *

A letter which we have recently received from Dr. Mark Münzel, author of the International Work Group for Indigenous Affairs' report on genocide against the Aché Indians of Paraguay, claims that since the publication of this report, the Aché Reserve has been taken over by members of the New Tribes sect, a North American Protestant missionary society. According to Dr. Münzel's documented letter, in September 1972, M.J. Pereira (until then the administrator of the Aché Reserve, and one of the main executors of the genocide) was dismissed, and the Reserve was put under the control of the New Tribes Mission.

A letter which he received on August 29, 1972, from a Paraguayan ethnologist states:

"Now, the Aché nation has been delivered on a silver platter to the most intolerant and fanatic of sects, the New Tribes. You have to admit that these people's only aim is to transform the Indians as quickly as possible into Helotes of the Christian Consumer Society. You are also forced to know that they do not care a bit for what the Indian says, thinks, or does as a human being. This does not mean that

Aché's lot may not be better once Pereira is controlled or substituted by them. I only want to say that our Indian problem is too important for losing time attacking that poor devil Pereira. Believe me: For every Pereira destroyed, twenty new ones will rise to take his place."

A month later, in September 1972, an informed person in Paraguay sent him a note claiming that the North American missionaries were thinking of "adopting the señuelo system (man-hunting with the help of Indian collaborators) in order to get Indians out of the forest and thus teach them . . . to listen to the Word of the Lord." Ten months later, in July 1973, conditions worsened on the Reserve, population dwindled from 250 to 100 Indians, and Dr. Münzel was informed that "the New Tribes missionaries are now hunting (per motor vehicle) for Aché Indians in the region of Igatimi, in order to re-integrate them into the Reservation."

Concerned individuals can receive a copy of this full description of what has been happening to the Aché people since the publication of Dr. Münzel's report by writing him at: Städt Mus. f. Völkerkunde, D 6000 Frankfurt am Main 70, Schaumainkai 29, Germany. The original Aché report is available through the International Work Group for Indigenous Affairs (IWGIA), Frederiksholms Kanal 4A, DK-1220, Copenhagen K, Denmark.

Indigena is now doing a full-scale investigation of North American missionary activities in South America and would also appreciate reliable information from persons who have knowledge of the situation. □

Did Peron's Police Kill Nancy Magliano?

[The following press release was issued March 16 by the "Red Faction of the PRT and ERP," an Argentine sympathizing group of the Fourth International.]

* * *

The Red Faction of the PRT and ERP (a sympathizing organization of the Fourth International) denounces before the workers organizations and before democratic opinion the disappearance of Comrade Nancy Magliano ("Chiche"). Comrade Magliano, aged 27, an optician, was taken prisoner on January 15, 1974, by agents of Station 35 of the Federal Police in Buenos Aires, in the cafe located at the corner of Cabildo and Republicuetas. This station claims to have released her within forty-eight hours. We know that is not true. The comrade was savagely tortured, despite health conditions that endangered her life. Today, two months after having been confined illegally by agents of the Federal Police, Comrade Magliano is still missing, despite numerous inquiries by members of her family and by lawyers. We fear that she was tortured to death for her refusal to betray her comrades and the struggle for workers power and socialism.

This kind of action by the police is becoming an everyday occurrence in Peron's Argentina. This government, which claims to defend the interests of the people and constitutional bourgeois democracy, is filling the prisons with revolutionary militants—prisons used only a short time ago by the military dictatorship. It is trampling democratic rights underfoot, closing newspapers, outlawing public demonstrations, banning political activity at the university, limiting the right to strike, viciously redrafting the criminal code, etc. It is utilizing repression against the struggles of the workers and people. It is instigating McCarthyism and ideological discrimination as a cover for the terror of its parallel police gangs who carry out assassinations, kidnappings, and other outrages with impunity. The crowning farce of this bourgeois de-

mocracy is the overthrow of the government of the province of Córdoba by the local chief of police. Peronist militants guilty of having remained loyal to their struggle are themselves the primary target of the bourgeois and bureaucratic leadership of the Peronist movement. This leadership is trying to impose wage controls, super-

Everyone Benefits Except the People

The Looting of Nigeria's Oil Wealth

By Ernest Harsch

"Nigeria," wrote correspondent Thomas Johnson in the March 14 *New York Times*, "is undergoing unprecedented economic growth, spurred by a petroleum-based economic boom and buttressed by the imminent purchase by Nigerians of much of the vast, foreign-owned business interests here. Gross national product in 1973 was up about 10 per cent over 1972, and economists expect an even greater rate of increase this year.

"Lagos is the center of it all. Here, visitors see evidence of a growing African middle class, mostly developed since World War II, that turns the wheels of government and industry, and a smaller group of hard-driving, shrewd and newly rich African businessmen."

Bowen Northrup, of the *Wall Street Journal*, also noticed the existence of this "newly rich" Nigerian bourgeoisie, which, since the thirty-month civil war with the secessionist state of Biafra that ended in January 1970, has further consolidated its position.

In a dispatch from Lagos printed in the *Journal's* March 19 issue, he said: "Here in the capital city, a village that abruptly grew to a million and a quarter people in recent years, thousands sleep along dirt streets—while a few millionaires live in big villas."

This strengthening of the native bourgeoisie in Nigeria is a product

exploitation of the workers, and a negotiated dependence on imperialism as its solutions to the crisis of Argentine capitalism.

We call for a struggle in solidarity with the victims of bourgeois repression. The broadest possible unity of all the workers and democratic sectors can and must be built around this objective.

*For the release of Nancy Magliano!
Freedom for Carlos Caride, Pedro Cazes Camarero, and all the Argentine political prisoners!*

Down with the bourgeois repression!

of Nigeria's vast oil wealth. Producing an average of 2 million barrels of crude oil a day, Nigeria has become the world's seventh largest oil producer and its sixth largest oil exporter. Oil company experts estimate that by 1975 Nigeria's production will exceed that of Libya, making it the largest oil producer in Africa.

Because of higher oil prices, projections of oil income for 1974 go up to US\$7,500 million, three times the figure for 1973 and more than Nigeria's entire gross national product of a few years ago. Lagos recently announced that it was planning to build a \$1,000 million liquefied-natural-gas plant to convert the 2,000 million cubic feet of natural gas that it now burns away every day. A small portion of this liquefied natural gas could supply Nigeria's present energy needs and the rest could further increase its income.

It was for the control of these spoils that the regimes of General Yakubu Gowon in Lagos and General Odumegwu Ojukwu in Biafra went to war in 1967. Basing themselves upon emerging bourgeoisies from different tribal groups—Gowon on the Yorubas and Hausas in the west and north, and Ojukwu on the Ibos in the east—they fought one of the bloodiest civil wars in history, leaving an estimated 2 million persons, most of

them Ibos, dead.

Each side received the backing of rival imperialist powers. A combine of British Petroleum and Royal-Dutch Shell had investments of \$500 million in Nigeria; London was a heavy supplier of arms to Lagos. Paris supported Biafra.

During the course of the postwar "reconstruction" the oil giants began to expand their operations in Nigeria and to explore for new sites. The dominant companies now operating in Nigeria are: Shell-British Petroleum Development Company of Nigeria, which produces 66% of the oil; Gulf Oil Company (Nigeria), Ltd., 18%; and Mobil Oil Company, 10%. Other companies include Occidental Petroleum Corporation, Tenneco Oil Company, Mitsui Oil Exploration Company, Pan Ocean Oil Corporation, Société Anonyme Française de Recherches et d'Exploitation de Pétrole (SAFREP—French Petroleum Research and Production Corporation), and a combine of Phillips Oil Company and AGIP (Azienda Generale Italiana Petroli—National Italian Oil Company, part of the government-controlled National Hydrocarbon Corporation). While most of Nigeria's oil fields are inland, Gulf Oil has begun the development of offshore oil in the Gulf of Guinea.

Before the civil war British interests dominated the Nigerian economy, but since then U.S. imperialism has moved in to grab some of the spoils. Writing from Lagos in the December 10 *Washington Post*, correspondent David B. Ottaway reported: "American business has a \$1 billion [thousand million] investment here already, mainly in the oil industry. The amount is likely to double over the next few years, making Nigeria more important to U.S. investors than South Africa.

"In addition, American industry, homes and cars are now getting over 700,000 barrels [per day] of Nigerian oil directly or through the Caribbean, establishing this country as a major source of fuel supplies for the United States."

Like their counterparts in the Arab-Persian Gulf states, the rulers in Lagos have been attempting to gain greater control of the oil wealth. In July 1971 Lagos joined OPEC (Organization of Petroleum Exporting Countries), and a short time later it formed the Nigerian National Oil Corporation, which

now has a 35 percent share in the operations of Shell-British Petroleum and SAFREP and 51 percent in Occidental's. The regime has also indicated that it intends to buy 51 percent of all the oil operations "when it can." The January 8, 1973, issue of the Paris weekly *Afrique-Asie* quoted the Nigerian mines and energy minister's warning to the oil companies: "If the companies do not accept a reasonable participation by the Nigerian government, the only solution would be nationalization, pure and simple."

Despite such declarations, moves to "Nigerianize" the oil industry have been predictably half-hearted. The re-



GOWON: Will "Nigerianize" as much oil as the people can pay for.

gime is too dependent on imperialist interests to challenge them seriously.

Despite the large volume of its oil production, Nigeria has the facilities to refine only 60,000 barrels of crude oil a day, forcing it to import 10 percent of the refined petroleum it uses—at current high prices. In addition, the regime lacks enough trained Nigerians to oversee its projected industrialization projects. The March 19 *Wall Street Journal* quoted one foreigner in Lagos as saying: "There is one obvious solution to the problem. They are going to have to hire

a lot of foreign consultants, put foreigners on management contracts, and so on."

This dependence on foreign imperialism is also evident in Lagos's refusal to use its oil resources as a political weapon, despite the urgings of other African states that Lagos not sell its oil to countries that maintain friendly relations with South Africa or Portugal, particularly the United States. About 30 percent of Nigeria's oil exports go to the United States.

Christian Science Monitor correspondent Henry S. Hayward quoted one "Western source" in the January 21 issue as saying: "Nigeria wants the U.S. as a commercial friend. It doesn't want to rock the economic boat which is sailing so well at the moment. It needs those American dollars in foreign exchange. It will think long and hard before giving them up as a gesture to long-range African political objectives."

With the largest standing army in Africa—250,000 troops—and the greatly increased income from its oil reserves, the Nigerian regime is enticed by the vision of becoming a power second only to the imperialists in Africa.

General Gowon is currently the chairman of the Organization of African Unity (OAU), and the Nigerian trade minister, Wenike Briggs, has been named the official spokesman for some of the Black African states in initial trade negotiations with the European Common Market.

In 1973 Lagos proposed the formation of a fourteen-country West African economic community that would include countries under both British and French economic domination. "The plan, Nigeria's first major initiative in African diplomacy," wrote David Ottaway in the December 10 *Washington Post*, "is regarded among Western diplomats here [Lagos] as only a vaguely disguised Nigerian bid to wean the French-speaking nations away from France and form an economic bloc independent of all former colonial powers, yet under Nigerian influence.

"In the meantime, Nigeria is trying to lure the smaller French-speaking West African states over to its side by offering them grants and loans. Although hard hit by drought itself, the Nigerian government has given money to the six drought-stricken Sa-

helian states.

"It has also given an interest free \$3 million loan to neighboring Dahomey and built a 15-mile stretch of road in that country. Smaller loans have gone to Chad and Niger."

The new-found prosperity of Nigeria's rulers has produced little benefit for the masses of urban and rural poor. The per capita income in Nigeria still remains \$120 to \$150 a year. Unemployment, housing shortages, inflation (the price of bread recently went up 50 percent in one day), corruption, illiteracy, disease—all are part of day-to-day life in Lagos.

In addition, the drought in the northern provinces has reached severe pro-

portions, directly affecting 4 million persons. The March issue of the London monthly *Africa* wrote: "As hundreds of thousands of Nigeria's cattle, and nearly all of Niger's (formerly exported in large numbers to Nigeria) have died, beef prices will certainly go up. Inflation in places like Lagos has many other causes, but drought is making it considerably worse."

Writing in the February 27 *Christian Science Monitor*, Henry Hayward observed: "Some ordinary Nigerians . . . seem puzzled by their relative poorness amid all the apparent prosperity. 'Where is my share of the oil money?' say various letters to newspapers. 'My roof still leaks.'"

thirty-four strikes are listed, including the strike in Natal which lasted for five weeks and involved more than 100,000 workers.

Such actions are not undertaken lightly. Many workers have been killed—for example, the eleven African miners shot by police last September.

Others have been given vicious prison sentences, or have simply been sacked—2,600 workers lost their jobs at Consolidated Textile Mills, for instance, after a recent strike there. And to be sacked means to starve, since saving is impossible on current wage levels, and there is no unemployment benefit.

The determination of Black workers to continue the struggle has already won some concessions. Wages have improved, and the government has also moved to legalise strikes by Blacks in certain, limited instances.

In Britain, publicity on the involvement of British firms in the super-exploitation of Black workers forced the Tories to set up a Parliamentary Select Committee to look into the question. More significantly, a delegation from the TUC [Trades Union Congress] was allowed to visit South Africa.

No one expected the Tory-appointed Select Committee to be unduly concerned with finding ways to advance the workers' struggle. So it came as no surprise when they reported recently to find that the best they could do was advise companies to pull out of South Africa if they could not afford(!) to pay wages above the so-called "poverty datum line."

But the TUC had a fantastic chance to attack the migratory labour system, the pass laws, the catch-all Suppression of Communism Act, and to demand that full recognition be given to Black trade unions. They could have used this opportunity to pledge their full support for all struggles of Black workers, and to undertake a campaign to inform and involve British workers.

Instead, they limply "pointed to the need for the establishment of the right to freedom of association and collective bargaining through trade unions for all workers." In fact, the report consisted of little else but meaningless platitudes about the need for "a living wage and fair conditions of employ-

South Africa

Strike Highlights Role of British Companies

[The following article is reprinted from the March 16 *Red Weekly*, newspaper of the International Marxist Group, British section of the Fourth International.]

* * *

On Wednesday, March 6, British Leyland sacked all 220 of the African workers at its branch in Durban, South Africa.

The management took this action after the workers had demanded a wage increase through their union, the African Metal and Allied Workers Union (which has 100% membership in the plant). British Leyland is no exception in refusing to recognise African trade unions, demanding instead that negotiations be carried out through the works committee.

However, the works committee is simply a company-controlled device through which the bosses appoint a limited number of stooges to act on behalf of the entire work force. The British Leyland workers refused to use this procedure and instead went on strike—a move which prompted their sacking.

Since then, a compromise solution has been worked out following a hurried visit to Durban by Leyland's finance and planning director in Britain. After all, the continuation of the

strike might have brought adverse publicity at the very time when attention has been directly focused on the labour situation in South Africa through the recent report of the Parliamentary Select Committee.

So British Leyland have agreed to re-employ all the workers and to negotiate a wage increase through a committee elected by the whole work force—although they still refuse to recognise the union.

However, this situation is far from unique to British Leyland. Indeed, the South African government will only recognise white trade unions. Blacks are excluded from these, and their own unions are denied recognition. Furthermore, it is a criminal offence for Blacks to go on strike.

Nevertheless, the government has recently been shaken by a flood of strikes. In 1972 a huge strike swept Namibia, involving more than 13,000 workers who demanded the end of the contract labour system (whereby a worker does not have the right to change his/her job or to choose where to live).

In the United Nations report on South Africa (published in June 1973) six different strikes by Black workers during the second half of 1972 are listed, involving miners, dockers, and bus drivers, among others. But in the first four months of 1973 no less than

ment."

There is no need, however, for the spinelessness of the TUC to be reflected in the rank-and-file organisations of the working class. After all, it is precisely the fact that wages are low in South Africa which enables firms like British Leyland to hold over

the heads of their British workers the threat to transfer production should militant struggles here be launched.

If British shop stewards' organisations were to threaten strike action in defence of their African brothers, that would go a long way to foiling these plans by the British capitalists.

Unwritten Clause of Sunningdale Agreement

Dublin's Escalating Attacks on IRA

By Patricia Fryd

London

"We dedicate ourselves, with the authorities in Northern Ireland, to ensuring that no part of this island will be a refuge for those who kill and maim in the name of an ideal which they discredit every day by their acts," said Dublin Premier Liam Cosgrave to the Dáil (the lower house of parliament) after the March 12 assassination of William Fox, a Twenty-six County senator. Despite a telephoned confession to an Ulster newspaper by the Ulster Freedom Fighters, a Protestant assassination gang, and the condemnation of the assassination by the republican movement, the Irish government persisted in maintaining that it had "very authoritative evidence" that the IRA had committed the murder.

Maire Drumm, vice-president of the Provisional Sinn Féin, was arrested the same day for a speech she had made the previous June; other republicans were detained and questioned about the murder and other matters. Provisional Sinn Féin President Ruairi OBradaigh charged that—as with the Dublin car bombings of November 1972—British or pro-British agents had "made a strategically timed intervention in the affairs of the republic" with the Fox killing. Whoever actually committed the murder, it gave a handy excuse for stepping up repressive measures against the republican movement at a time when the Faulkner administration in Northern Ireland was demanding just that.

The murder, along with Cosgrave's antiterrorism declaration, also paves the way for winning acceptance of the soon-to-be-published interim report of the Anglo-Irish Common Law Enforce-

ment Commission. This body was set up under the December 1973 Sunningdale agreement (a compact on the future structure of Ireland made by the London, Dublin, and Belfast governments) to examine how the two regimes in Ireland could create joint legal machinery for dealing with the republican movement, possibly by devising a means of bypassing the delicate question of extradition. Under the Irish constitution, extradition is not permitted for political crimes. Successive Irish governments have so far felt unable to face up to the public opposition that any attempt to overturn this provision might bring, regardless of their willingness to please the British government and its puppet in the North. Following the murder, a special meeting of the Twenty-six County cabinet was called to discuss security matters.

Only one day later, Premier Cosgrave made his long-awaited statement clarifying the Fine Gael-Labour party coalition's declaration in the Sunningdale communiqué that "there could be no change in Northern Ireland's status until a majority of the people there wanted change." The British government's parallel declaration in the communiqué clearly defined Northern Ireland as part of the United Kingdom.

Since the Irish constitution claims de jure sovereignty over the whole of Ireland, an agreement based on these two declarations involves a certain ambiguity. Faulkner, chief executive in the Northern Ireland administration—who was drawing fire from "loyalist" forces opposed to the Sunningdale agreement—stated March 4 that any move toward ratification of the agree-

ment was suspended until the Dublin government stepped up its hunt of republicans and recognised the North's right of "self-determination."

Cosgrave's March 13 clarification, reported in the March 14 London *Times*, stated: "The factual position of Northern Ireland is that it is within the United Kingdom and my Government accept this as a fact." He reaffirmed that this position could not be changed except by majority decision of the people of Northern Ireland. The identical position is taken in the Northern Ireland Constitution Act, imposed on Northern Ireland in 1973 by the British government, which provides for the power-sharing framework of the present administration. Naturally Cosgrave's "clarification" was welcomed by Faulkner, by new Labour Secretary of State for Northern Ireland Merlyn Rees, and by Francis Pym, Tory spokesman on the Six Counties, though it was not well received by the republican movement, nor indeed by the ultra-"loyalist," anti-Sunningdale forces.

Ian Paisley, Democratic Unionist leader, is quoted in the March 22 issue of *An Phoblacht*, the Provisional republican paper, as saying that "Mr. Faulkner will find cold comfort in this vain attempt by Mr. Cosgrave to bail him out. . . . In reality, all Mr. Cosgrave has done is to recognise his own agreement at Sunningdale. . . . There can be no United Ireland. The Northern Ireland electorate has rejected the Humpty Dumpty of Sunningdale and all the efforts of Mr. Cosgrave and Mr. Faulkner will not put it together again."

Both Faulkner and the British Tory government had been pressing the Dublin regime for some time to take stronger action against the republicans and to clarify its position on the status of Northern Ireland. The fact that Cosgrave acceded to both demands at this time is directly attributable to the results of the February 28 general election, which appeared to threaten the deal that British imperialism had carefully worked out with the Dublin and Belfast governments for resolving the "Irish question." Cosgrave's concessions were offered as a gesture to bolster Faulkner's position within the Unionist community in the face of a drastic weakening of his parliamentary authority due to the election results.

From the twelve Northern Ireland

constituencies that return members of parliament to Westminster, Gerard Fitt, a leader of the Social Democratic and Labour party (SDLP), was the only pro-Sunningdale MP to be elected—and with a much reduced majority at that. The other eleven constituencies returned "loyalist" candidates totally opposed, as a matter of public record, to the coalition government and to the whole concept of "power-sharing" contained in the Northern Ireland Constitution Act and the Sunningdale agreement—candidates who fought the election as a referendum on the acceptability of the Act.

According to the March 2 issue of the *Guardian*, the anticonstitution "loyalists" won some 60% of the votes in a landslide victory (if a victory can be called "landslide" when 31% of those eligible refrain from voting). The three "loyalist" organizations that had formed an electoral bloc, putting up only one candidate in each constituency—William Craig's Vanguard party, the Reverend Ian Paisley's Democratic Unionists, and Harry West's Official (anti-Sunningdale) Unionists—have now formed the United Ulster Unionist Parliamentary Coalition. This force now aims to use its position as the fourth largest group in the new British parliament to compel the government to renegotiate the constitutional framework of Northern Ireland. That initially means new elections for the Assembly, and the probable defeat of Faulkner and his party, which at present are kingpins in British imperialist policy.

"If the new Government tries to implement the Sunningdale agreement immediately," said Paisley, according to the March 5 London *Times*, "then we will use our votes to bring it down." With its small majority in Parliament, the Labour government is likely to tread carefully.

Last November, within the framework of the Northern Ireland Constitution Act, the British government appointed an executive-designate to rule the province. The Sunningdale agree-

ment was the conclusion to tripartite talks between the British and Irish governments and the Northern Ireland executive-designate. After Sunningdale, the executive consists of six pro-power-sharing Unionists, four SDLP members, and one member of Alliance, an insignificant bourgeois party. Former



BRIAN FAULKNER

Unionist Premier Brian Faulkner was appointed chief executive, and SDLP leader Gerard Fitt became his deputy.

Faulkner made four conditions for agreeing to the creation of a power-sharing administration: that the Unionists have a clear majority, that the SDLP call off the rent and rates strike, that the RUC (Royal Ulster Constabulary) be the only police force in Northern Ireland, and that the Dublin regime recognise the status of Northern Ireland before he could participate in a Council of Ireland.

The main features of Sunningdale were an agreement to move toward a Council of Ireland with executive and judicial powers, and the establishment of the Common Law Enforcement Commission to work out coordination of repressive measures against the republican movement. A few political prisoners were released at this time to give some cover to the SDLP, which had

fought the elections on an anti-internment platform. But the SDLP accepted the fruits of office with hardly a backward glance while detention was still regular procedure; despite strong feelings in its ranks, the party had little to say on the matter. The SDLP likewise issued a call December 28 to end the rent and rates strike. This was intended to please Faulkner and the Tory government, but the SDLP received nothing in return but demands for further concessions.

The Sunningdale agreement was welcomed in the South by both the Fine Gael-Labour party coalition government and the Fianna Fáil opposition. The British Tory government—and the Wilson leadership in the opposition Labour party, which cravenly supported every twist and turn of Tory policy—were elated. The general euphoria over the new "solution" to the Irish question was such that no one would have guessed that there were still about 16,000 British troops occupying Northern Ireland, that internment was continuing, and that unemployment, mostly of Catholics, stood at 5.4% compared with 2.1% in Britain.

The Tory "solution" for Ireland had two aspects: on the one hand, vicious attacks on the Catholic working class and especially on the republican movement in an attempt to isolate it from the masses of the people and hold back the national struggle; on the other hand, the creation of a power-sharing administration to include the class-collaborationist SDLP—which could be relied on to confuse and contain the Catholic working class whenever offered a large enough "incentive"—together with that wing of the Unionists, the Faulkner wing, that was most amenable to carrying out the line as laid down from time to time by British imperialism. The new administration, as it worked out a social and economic program including plans for more housing and industrial development, was to isolate increasingly both the republican movement and the ultra-right Protestant groups, leaving the British government and its northern and southern puppets with the authority to negotiate a "settlement." However, the complications involved in implementing this schema became apparent before the ink on the agreement had hardly dried, even with the masses of Northern Ireland Catholics

Correction

The article "Oil Shortage Threatens Famine in Asia, Africa," which appeared in the April 1 issue of *Intercontinental Press*, contains an error in the last paragraph on page 398, which refers to a decline of rice harvests of "seven metric tons." This should read "7 million metric tons."

remaining relatively quiescent. In November, Faulkner had won agreement for power-sharing by a majority of only twelve votes in his own Unionist party Council. The threat to his leadership of the Unionist party, and hence to British government policy in Ireland, was not neutralised by the SDLP's appealing for an end to the rent and rates strike; nor by Dublin Premier Cosgrave's personal message of support to Faulkner, quoted in the January 3 London *Times*: "I wish to assure you and your colleagues that we join with you in defending your democratic institutions against violence, and those who seek to undermine or wreck those institutions by violence will find no refuge here. These are not mere words." Indeed they were not.

To help Faulkner win support in his own party, the Cosgrave coalition mounted a large-scale operation on January 2 against the Provisional IRA along the border areas. The government stated in addition that from then on murderers wanted in the North and arrested in the South could be tried in Southern courts, an adaptation of the 1861 Offences Against the Person Act.

But these moves seemed insufficient to win further support to Faulkner within the Unionist party. At the January 4 meeting of the Unionist Council, more than 800 delegates voted by a majority of 80 to reject the Council of Ireland settlement. Faulkner, who still held a majority in the Assembly (the elected governing body of Northern Ireland), resigned as Unionist party leader and began to build the machinery of a new Unionist party based on acceptance of the Sunningdale agreement. To bolster his credibility, Faulkner made repeated demands on the Dublin government. He demanded stronger action against "terrorists" operating from the Twenty-six Counties and "terrorists" who fled there for refuge, as well as clarification of Ireland's position on Northern Ireland's status and an interim report from the Anglo-Irish law commission, before he could agree to ratification of Sunningdale.

Robert Fisk, writing from Belfast in the January 8 London *Times*, reported that Ministers in the executive were concerned "that they should have at least six months to put their policies in practice before becoming involved in an election or referendum on the

Council of Ireland proposals." The Dublin government, a willing tool of British policy, did its best to help, stepping up repression against the republican movement whenever Faulkner seemed threatened with a crisis and giving assurances of its recognition of Northern Ireland's consti-



LIAM COSGRAVE

tutional status.

In a February 1 dispatch from Belfast, Fisk reported that, following a meeting of Dublin and Belfast ministers, Faulkner declared that "relations with the republic were probably better than they had been for nearly half a century." Ratification of Sunningdale was expected within six to eight weeks. Meanwhile, 500 republicans were still interned in the Maze prison, 15,500 troops still occupied the Six Counties, and according to the January 25 *Times*, unemployment had risen by 2,942, to 30,219 (6 percent).

But the executive, the first coalition government in Northern Ireland's history, had only been in power five weeks when the British miners' strike forced the Tory government to resign and call a general election for February 28, regardless of any possible effects on its Irish policy. It was no

help to Faulkner that the election was the fourth poll in Northern Ireland within one year (the others were the border referendum, district council elections, and the Assembly elections). The anti-Sunningdale loyalist umbrella organisation ran only one candidate in each constituency, while the pro-Sunningdale parties ran against each other. To add to the confusion, the Faulkner party called on its supporters to abstain—the first time it had ever made such a call—wherever there was no proconstitution candidate running.

The final result, according to the March 2 *Guardian*, gave 421,782 votes, 60% of the ballots cast, to the anti-Sunningdale candidates. This figure includes the votes for the four Official republican candidates and Bernadette Devlin McAliskey, who was also supported by the Officials. The March issue of the official republican paper, the *United Irishman*, reports a total of 31,824 votes for these candidates. Bernadette McAliskey lost her mid-Ulster seat to an anti-Sunningdale loyalist, as the traditional anti-Unionist vote was split between herself and the SDLP, who came second in the poll.

Although 31% of the Northern Ireland electorate did not vote in the general election, the return to Westminster of eleven MPs totally opposed to British policy in Ireland clearly undermined, at least for the moment, the authority of the ruling executive, and of the Assembly itself. In the March 4 *Times* Robert Fisk wrote of deep divisions within the coalition itself as a result of the election; he quoted one minister: "Sunningdale is in cold storage for months unless the Irish government can deliver the goods. I cannot accept it at the moment, and what is more important, the election has shown that the mass of ordinary, decent Protestants cannot accept it either. We have had all sorts of excuses from the Irish Government about extradition and the IRA and so on, but I am not interested in their excuses any more."

As feeling grew within Faulkner's own party that Sunningdale could not be ratified in the near future, the *Times* in a March 5 editorial suggested how the agreement might be saved. New elections should be held for the Assembly, before Sunningdale is ratified, it stated, but these elections should be held off for some months

to allow the coalition parties time to prepare their case and their electoral tactics. But the key point would be "for Dublin to start carrying out its side of the bargain before the deal is finalized. That means early action by Dublin, going well beyond anything yet done, in respect of anti-IRA operations, the extradition or trial of fugitive offenders, and unequivocal recognition of the status of Northern Ireland."

The SDLP, which cannot continue to sit in the Northern Ireland executive unless Sunningdale is ratified, and the Dublin government are both anxious to have the agreement signed as soon as possible. Speaking on television March 4, Harold Wilson, Britain's new Labour prime minister, replied when asked if he would scrap Sunningdale: "Nothing could be more harmful or more calculated to cause disorder and loss of life than to start changing a policy which has a broad measure of support throughout this country."

Merlyn Rees, the new Labour secretary of state for Northern Ireland, made clear in a statement read to journalists at Stormont Castle March 6 that the Labour government would continue the Tory party's Irish policy: "I want to give the Whitelaw approach time," he said. "The Labour party," he added, "supported the Whitelaw approach to Northern Ireland. Indeed, we played our part in the making of the policy."

But Rees did not exclude the possibility of holding new Assembly elections later in the year. Members of the SDLP, the Northern Ireland Civil Rights Association, and many others who welcomed the election of a Labour government will have been sadly disillusioned if they expected early action by the Labour government on internment and on the Emergency Provisions Act. Neither Rees's statements nor the Queen's speech, which sets out the incoming government's programme, gave any hint of action on these issues. Rees was adamant that he would not talk with the Provisional IRA, and he said that the removal of the hunger-striking Price sisters to Irish jails was not his responsibility. In other words, the Wilson government intends to follow faithfully the Tory policy of repression and detention for the republican movement and its supporters, while attempting to maintain the collabora-

tionist Northern Ireland executive in power as a tool for its future policies.

How it intends to achieve this was made clear following a ninety-minute discussion in London between Rees and Irish Foreign Minister Dr. Garrett FitzGerald. According to a report by Simon Hoggart in the March 8 *Guardian*, Rees reaffirmed that the government planned to go ahead with ratification of Sunningdale as soon as possible, but he "insisted that he wanted firm and speedy action from the South on two key issues: a statement from Dublin reaffirming that Northern Ireland remains separate from the Republic and tougher action against the IRA." Rees threatened that ratification and any move toward the Council of Ireland would be postponed unless the Irish government produced the requested package.

The Labour government probably put pressure on the Dublin regime using as its excuse the election results, the weakness of Faulkner's party and the threat to Tory-Labour policy in Ireland, and possibly also the warning in Vanguard leader Craig's postelection victory declaration. As reported in the March 2 *Guardian*, he said: "If the Government resists [taking a new look, quickly, at the constitution] they will be inviting the people of Northern Ireland to take action on the ground. If they ignore us, we cannot be expected to contain such a reaction."

The Cosgrave coalition quickly got

the point and, aided by the timely coincidence of the Fox assassination, stepped up anti-IRA activity and made the long-awaited "clarification" on the status of Northern Ireland.

But this was too little too late for some of Faulkner's erstwhile pro-Sunningdale supporters. The March 21 *Guardian* reported the emergence of a dissident view urging that the proposed executive powers of the Council of Ireland be dropped and that the second consultative tier of politicians from North and South be abandoned. The *Guardian* article points out that the SDLP "has virtually accepted Northern Ireland as part of the United Kingdom in the long term and softened its policies on detention without trial and police reform, once the lynchpins of party policy."

The SDLP and the Dublin government have defended the Sunningdale agreement, and all the betrayals of their historic "principles" it represents, on the grounds that it offers a way forward, through evolution and negotiations, to overcoming the differences between the nationalist and Unionist communities in Ireland. This perspective is symbolized by the Council of Ireland. If this concept is vitiated by eliminating the second tier, obviously the SDLP's credibility with the Catholic masses may be seriously compromised thereby undermining an important element of the Sunningdale deal. □

Portugal

Background to Army Officers' Revolt

By Scott Sanders

Lisbon

The abortive mutiny of an army regiment on March 16 was symptomatic of the most severe political crisis Portugal's ruling class has faced since the outbreak of the liberation struggle in its African territories in 1961 and, perhaps, since the founding of Salazar's fascist "New State" in 1928.

The revolt by a regiment at an officers' training school was launched in support of General António de Spínola, who had been deposed two days before from his post as vice-chairman of the Joint Chiefs of Staff

for openly advocating a political solution for the country's African wars. The revolt demonstrated publicly the deep schism that is growing within the officer corps, the major power base of the dictatorial regime.

For the first time in this century a Portuguese military revolt was triggered over colonial, not domestic, policies. It reflected the impact within Portugal of the impressive gains made during the past year by liberation forces in Guinea and Mozambique, as they carry their struggle to new military and diplomatic fronts.

"The Nation is not debated; it is defended!" was the regime's traditional response to criticism of its colonial policies. Under Salazar, the British, French and Belgian pattern of substituting economic domination for direct imperial rule was rejected, and the decision was made to remain in Africa, whatever the cost. The aged dictator's policies were determined in the interests of a traditional landowning class, concessionaire companies dominating agricultural production in the colonies, and textile and wine producers who required markets for inferior goods.

But the regime not only failed to pacify the African territories; throughout the 1960s, the liberation movements scored major successes and even gained the strategic initiative. Thirteen years of colonial wars in defense of its "historical civilizing and Christian mission and of Western civilization" have proved expensive for Portugal's economy. Between 40 and 50 percent of all state revenues are allocated to military expenditures.

Portugal's rate of inflation was 22.2 percent last year, the second-highest in Europe. The cost of basic foodstuffs has risen by 80 percent since January, 1971.

Wildcat strikes are becoming commonplace, as workers flout the no-strike constitution and the leadership of the government-controlled unions. Despite severe repression, the universities are frequently shut down by student strikes, and small groups of students often take to the streets, shouting antiwar and anticolonial slogans.

Moreover, the influx of U.S., German, and British capital in recent years has given rise to a layer of technocrats seeking to rationalize a nearly stagnant economy through joining the Common Market. This has meant searching for ways to reduce the cost of maintaining a nineteenth-century-style White Man's Burden in Africa.

In 1968 Marcello Caetano became premier. With Salazar's death the following year, the dictator's vision of a "multiracial, pluricontinental nation" was opened to cautious discussion. The concept of "progressive autonomy" for the African territories within the "Portuguese Nation" was introduced, accompanied by token colonial legislative assemblies and limited introduction of some social services.

In Angola there has been a temporary stabilization, aided by the influx of U.S., European, and Japanese investment in the territory's vast natural resources, and by the divisions among the liberation movements—the MPLA (Popular Movement for the Liberation of Angola), the FNLA (National Front for the Liberation of Angola), and the UNITA (National Union for the Total Independence of Angola).

But Caetano's policies have been unsuccessful against the Mozambique



SPINOLA

Liberation Front (Frelimo) and the African Party for the Independence of Guinea and Cape Verde (PAIGC). Thirty thousand Portuguese troops were incapable of aborting the birth of the Republic of Guinea-Bissau, now recognized by some 80 countries and recently admitted with observer status to the United Nations. Colonial troops are withdrawing to defensive positions around population centers, and Lisbon has purchased a sophisticated anti-aircraft system from France for the defense of Bissau, the capital. In Mozambique, Frelimo guerrillas, for years isolated in sparsely populated border areas, have penetrated Portuguese defenses and now operate in the country's narrow, strategic central region, threatening the colony's second-largest city and port, Beira, while exposing Rhodesian and South African flanks as well.

The protracted war (once considered a police action) and the deteriorating

situation on both the domestic and military fronts, have created a critical polarization within the Portuguese ruling class and its government. Salazar's ultrareactionary contemporaries and the social and economic forces they represent have coalesced around the 80-year-old president, Admiral Américo Deus Rodrigues Tomás, demanding renewed commitment to a military solution and the abandonment of Caetano's hesitant liberalizing experiments, which they blame for the loss of morale and for unrest at home.

More moderate members of the regime cautiously advocate an acceleration of the premier's policies of decentralization and domestic reform, while counting on the armed forces to buy sufficient time to create a bourgeois African elite to whom some form of self-government could be granted with the assurance that the interests of Portuguese and foreign capital would be protected. Failing to reach a consensus, the polarized factions depend on the armed forces as the final arbiter.

The contradictions of Portuguese society and the political tensions spawned by the colonial wars have taken their toll of the armed forces, however. The once prestigious officer corps today is aged, and its ranks are thinned. In February, 1,300 career officers—captains and majors—signed petitions demanding pay raises and increased protocol status to redeem their eroded social standing.

For the military, however, the sharpest thorn in the side is the unending war and the premonition of humiliating defeat for which they alone would be blamed, as in the case of the Indian recovery of Goa in 1961. While upper echelon officers, tied to colonial economic interests, remain loyal to the regime and its colonial and war policies, lower-ranking officers have had their hawkish appetites dulled by repeated tours of duty in Africa. Moreover, the army depends on drafted university students—many of them skeptical of the war, if not opposed to it—to fill the officer corps.

Enter General António de Spínola. In February, the renowned counter-insurgency strategist, who for five years (1968-73) served as governor and commander-in-chief in Guinea, published a book that acknowledged

the impossibility of achieving a military victory against the African liberation movement and calling for a political solution, suggesting some form of federalism. Now a best-selling paperback, *Portugal e o Future* (Portugal and the Future) was the catalyst for the latent tensions within the regime and the armed forces.

Spínola and his superior and partisan, General Costa Gomes, were sacked. The general staff appeared in a televised ceremony to declare its loyalty to the government and its determination to continue the war. The

revolt of subaltern officers at Caldas da Rainha was suppressed. The officer corps is being purged.

But the importance of the recent events is not to be found in General Spínola's political solutions, a now classical response of a threatened imperialism, nor in the aborted revolt and the subsequent strengthening, apparently temporary, of the old guard within the regime. The crisis revolves, rather, around the decline of Portugal's imperial myth at the hands of the African revolution, and the panicked efforts of the country's ruling class to salvage what it can. □

West Germany

Trotskyist Congress Plans Expanded Work

By Gunter Minnerup

The national congress of the Gruppe Internationale Marxisten [GIM—International Marxist Group], German section of the Fourth International, was held in Frankfurt March 22-24. This was the first congress since the fusion of the GIM with the Revolutionar-Kommunistische Jugend [Revolutionary Communist Youth], a sympathizing organization of the Fourth International, in January 1973.

The fusion congress had laid the basis for a further expansion of the Trotskyist movement in West Germany by electing a united national leadership and centralizing the organization. At the same time it opened a broad discussion on all aspects of revolutionary Marxist practice in Germany and expressly assigned this year's conference the task of adopting a central action program for the united German section.

One hundred eighteen elected delegates and many guest delegates and guests from the International participated in the three days of discussion. The agenda included the organizational report of the outgoing leadership, the reports of the German delegates to the Tenth World Congress of the Fourth International, discussion of the GIM's perspectives in the coming period, adoption of statutes, and the election of a new national leadership. Representatives of the United Secretariat of the Fourth International, the Swiss and Greek sections, and the Socialist Workers party in the United States all brought greetings to the delegates.

In the organizational report it had already been stressed that this national congress was occurring in a period of up-

surge in the class struggle (represented in Germany by the wave of wildcat strikes that began in 1969 and reached a high point last summer) and of expansion of the revolutionary Marxist movement. The political and organizational tasks imposed by this situation put the GIM to a test over the past months—a test that, overall, it passed. The coinciding of the preparatory discussions for the World Congress with those for the National Congress put such demands on the organization's resources and the leadership for several months that the regular publication of the central organ *Was tun* suffered and the external activities of the section had to be temporarily reduced.

But a revolutionary Marxist organization must be able to gather strength from this situation. Unlike the Stalinists and Maoists, who put organizational efficiency ahead of everything else and who confuse democratic centralism with bureaucratic centralization, we believe that such a period of intense political discussion will prove to be a priceless acquisition for the GIM. At the same time, moreover, as the organizational report noted, in the period since the fusion congress the GIM has achieved a certain growth in numbers.

In accordance with the traditions of our movement, in the course of the discussion three organized tendencies formed on the basis of written platforms. Their political lines corresponded to the tendencies that had formed internationally during the preparatory discussion for the World Congress. This fact alone represented progress in the integration of the

German section into the Fourth International.

The membership discussed hundreds of pages of contributions; dozens of individual members participated in the written debate. Representatives of the tendencies traveled throughout the country and held discussions with all the branches of the GIM. It was the broadest and most democratic discussion imaginable. Regardless of the outcome of the final vote, this fact alone was a gain for the entire organization and contributed to the education of all its cadres.

For the main point of the agenda—the discussion of perspectives—each of the tendencies made a report of the same length, gathering together their essential positions from the written documents and delineating their differences with the other tendencies.

All the tendencies agreed on the analysis of the upswing of workers struggles in West Germany since 1969 after two decades of economic boom and class peace. It was also agreed that the strike battles of recent years have set in motion a double process of differentiation in the West German working class: a differentiation within the proletariat with the formation of a new workers vanguard; and a differentiation of parts of the working class in relation to the Social Democracy as the traditional class leadership.

The chief disagreements were over the evaluation of the character of the emerging workers vanguard and its relationship to the Social Democratic party. Consequently, there were differences over the orientation with which the German Trotskyists should intervene in the process. All three tendencies stressed the importance of the Transitional Program of the Fourth International in this connection, although there were certain differences over how the method of the Transitional Program was to be applied to the actual conditions. There was debate also over the role that would be played in the class struggle, and especially in the radicalization of the most advanced section of the working class, by the student movement, the women's liberation movement, and the anti-imperialist movement.

The voting on the three political resolutions showed that this discussion is not concluded and will continue to occupy the members of the GIM. None of the three resolutions advanced received an absolute majority of the delegate votes. The resolution of the tendency that is close to the majority tendency of the international was supported by a plurality of the delegates. A slightly smaller number voted for the other large tendency, while the tendency that was the largest minority at the World Congress received 8 percent of the votes.

A congress is not a mere debating club.

It has the task of laying out a general line of activities for the organization in the next period. All the tendencies agreed to form a new national leadership in which the strongest tendency has a majority. The entire organization will work on the basis of the orientation of this tendency until the next congress, which will then judge this line on the basis of practical experience.

At the same time, the minority tendencies are represented in the leadership bodies proportionally to their numbers, and their rights, particularly their right to criticize within the organization the policy of the majority leadership, are respected.

Thus the national congress of the GIM provided a positive example of democratic

centralism in contrast to the bureaucratic monolithism of the Stalinists and Maoists, who administratively liquidate minorities, and in contrast to the spontaneists and centrists, for whom differences of opinion mean an inability to engage in united work.

In view of the importance of the discussion, it was also decided to publish the major documents of all three tendencies in *Die Internationale*, the theoretical journal of the GIM.

The goal of the new national leadership of the GIM, after the important period of intensive internal debate, is to direct the organization "outside" and in the coming year to make a qualitative step forward in the construction of the German section of the Fourth International. Above

all it will compete with the Maoists, Stalinists, and centrists for hegemony in the radicalized, anticapitalist layers of the working class, especially the young generation of workers, and among high-school and college students.

The organization's efforts will center on the following campaigns: support of workers struggles; solidarity with revolutionary struggles around the world; against repression by the bourgeois state; expansion of the propaganda apparatus of the section—above all the conversion of the monthly central organ *Was tun* into a biweekly and the increase of its circulation; and intensification and centralization of our daily, ongoing work in the factories and the unions on the basis of the Transitional Program. □

Military Buildup Stirs Opposition, But Not in Peking

Washington Pushes Plans for Base in Indian Ocean

By Dianne Feeley

The Nixon administration has included in a supplemental appropriations bill a request for \$29 million to continue the quiet U.S. military buildup in the Indian Ocean. The funds are earmarked for initial expansion of naval facilities on the island of Diego Garcia. Deputy Secretary of Defense William P. Clements Jr. estimated that the total cost would reach \$75 million. Expansion would provide for refueling and maintaining U.S. carrier ships in the region as well as for aerial reconnaissance.

In the House of Representatives Foreign Affairs Committee hearings on the morning of March 12, two high-ranking Pentagon officials admitted that the expanded runway and fuel-storage facilities would accommodate B-52 bombers. During the afternoon session, John W. Finney reported in the *New York Times* the next day, Admiral Thomas Moorer, chairman of the Joint Chiefs of Staff, retracted his original statement, saying that the runway would not be suitable for "continuous operations" of B-52s.

"At the same time, however," Finney reported, "Admiral Moorer indicated that consideration had been given within the Pentagon to expanding the Diego Garcia base so that it

could accommodate B-52's and that on strategic grounds he would support such a move."

Moreover, the witnesses agreed that the base could be used by KC-135 tanker planes, which are used to refuel B-52s.

B-52s and ships using such a base would be capable of carrying nuclear weapons. The March 26 *New York Times* reported that Deputy Secretary of State Kenneth Rush had completed a tour of the region, during which he explained to a number of governments the U.S. opposition to proposals that the South Pacific and Indian Ocean be declared nuclear-free zones.

The Diego Garcia base is of importance primarily because of its location on oil-transportation routes. Every hour three to four oil tankers enter the Indian Ocean from the Arab-Persian Gulf (where more than half of the world's proven oil reserves lie) on their way to Japan, Europe, or the United States.

Even the planned reopening of the Suez Canal will not alter this pattern, since most of the tankers are too large for the canal. And by 1975, according to oil experts in the U.S. Department of Transportation, the United States will be "critically" dependent on Middle East oil, importing as much as

8 million to 11 million barrels a day.

Since the withdrawal of British forces from the Arab East in 1971, Washington has stepped up its efforts to secure military bases throughout the area. In December 1972, it established a naval station on the island of Bahrain, within the Arab-Persian Gulf itself. The successes of the guerrilla forces in Dhofar and the 1973 Arab-Israeli war made Washington even more determined to secure a strong foothold in the region.

At present, the closest B-52 base is in Thailand. With the toppling of the Thai military government by student and worker demonstrations—which were touched off in part by opposition to the U.S. presence—even that base is not secure. The March 30 *New York Times* reported that Washington has agreed to reduce its B-52 force in Thailand by one-third.

The Pentagon has port facilities in the Malagasy Republic, Kenya, the Seychelles Islands, and Australia. But U.S. ships were denied use of the facilities in the Malagasy Republic following the October War, and there is always the possibility of other ports being closed to them.

Admiral Elmo R. Zumwalt, the chief of U.S. Naval Operations, testified

that unless there was a naval support base on Diego Garcia, the navy would be stretched "to the absolute limit" in supporting its operations in the Indian Ocean. He raised the possibility of having to reduce U.S. naval operations in other areas if the island's facilities were not expanded.

Although Washington had reached an agreement "in principle" with the Conservative government in London on expansion of the British-owned base, that agreement is subject to review by the new Labour government. Prime Minister Harold Wilson is expected to approve the plans.

Other governments are not so eager to see an expanded U.S. force in the area. Australian Prime Minister Gough Whitlam has said that he would support any British diplomatic moves to block the U.S. buildup. The Indonesian, New Zealand, and Indian governments have expressed opposition to the Pentagon's plans for Diego Garcia.

The Nixon administration has used the presence of Soviet ships in the Indian Ocean to justify its military buildup. During the Foreign Affairs Committee hearings, Zumwalt stated that the Soviet Union possesses a support system "substantially more extensive than that of the United States." According to the U.S. navy, the Soviet Union maintains twenty ships in the region.

The Soviet Union reportedly has also provided the rebels in Dhofar with arms, much to the distress of the U.S. and Iranian governments. Estimates of direct Iranian intervention in Dhofar range from 3,000 to 30,000 troops plus air support. The Iranian opposition press has already reported an antiwar demonstration in Tehran January 8 by mothers and wives of Iranian soldiers killed in Dhofar.

The presence of Soviet vessels in the Indian Ocean seems to have created even greater consternation in Peking than it has in Washington. The Chinese press has violently attacked Soviet "hegemonism on the sea" without criticizing the U.S. military buildup. A September 28 Hsinhua dispatch, for example, quoted from a *People's Daily* article complaining that Soviet ships "have been dispatched to the Indian Ocean and the Mediterranean in addition to the Pacific and Atlantic."

"The Mediterranean and the Indian Ocean," the article said, "are channels linking the three continents of Europe, Asia and Africa. This area

possesses rich oil and other strategic resources and is an important target for maritime expansion by Soviet revisionism." □

Imperialist Investment Welcomed

Why Sadat Is 'De-Nasserizing' Egypt

By Michael Baumann

In early February, Cairo's major dailies carried front-page photographs of David Rockefeller, chairman of New York's Chase Manhattan Bank, as he concluded an \$80 million loan agreement with Egyptian President Anwar Sadat. In return for the loan, Chase Manhattan won the right to establish a banking office in Cairo, becoming the first foreign bank allowed to do so since 1956.

In March, less than four years after millions mourned his death, pictures of Gamal Abdel Nasser were quietly beginning to disappear all over Cairo. Double-size portraits of Sadat were hung in their place. "No formal orders have been issued," an Egyptian official told *Newsweek*, "but sensible people are realizing whose picture they should have hanging on the wall."

The agreement with Rockefeller and the campaign to de-emphasize Nasser reflect a shift in foreign policy. Nasser had turned to Moscow for aid in building the Aswan Dam in 1957 after being rebuffed by Washington, and he maintained a posture of independence from the imperialist West until his death in September 1970. Sadat has adopted an opposite stance—to display independence from Moscow and to vie with Golda Meir for American backing.

"There's a smell of money around this place," a U.S. businessman told *Business Week*, as reported in the February 16 issue. "If Egypt can get this military thing off its back and get on with its development plans, it might just take off in the next few years." What he meant was clear: A pledge from Sadat that Cairo would soft-pedal its demands in the negotiations with Israel and rely on the "good offices" of the United States. Sadat was quick to oblige and publicly stated his "complete trust" in U.S. Secretary of State Henry Kissinger's efforts to secure Israeli withdrawal.

Another telling indication of Sadat's objectives is the stress now being placed on the safety of foreign investments in Egypt. The theme is that nationalizations such as those undertaken by Nasser are a thing of the past.

"We needed nationalizations to build up our infrastructure and give work to people," Finance Minister Abdel Aziz Hegazy told *Business Week* (February 16). "Now we have moved to a new stage. Those state companies have to start being profitable. And now there is a place for foreign investment."

As a token of Cairo's willingness to come to terms with potential investors, Sadat has already begun to denationalize some of the foreign holdings Nasser seized. In addition, he has relaxed state control over foreign trade and has promised to permit foreign businessmen to take their profits out of the country. He has even gone so far as to float the idea of reopening Cairo's stock exchange and permitting up to 49 percent private ownership of the industries now under state control.

As a result, capitalists the world over have begun to reexamine Egypt as a potential investment site. "The seed money for an economic upsurge," reported *Business Week*, "has been pouring into Egypt by the billions [thousands of millions] of dollars in the form of subsidies from Saudi Arabia and other Persian Gulf oil states. . . . Japan and European countries, anxious to cultivate good relations with the Arab world, are offering big development loans. Now private investors—Arabs, Europeans, Americans, and Japanese—are eyeing Egypt."

An Egypt opposed to nationalizations and "at peace" with Israel is attractive to investors because it is the only country in the Arab East with a large population (36 million) and a large, low-paid, relatively skilled

labor force.

Some of the possibilities for imperialist capital are indicated by the plans for rebuilding the Suez Canal, which has been closed since the 1967 war with Israel. More than \$7,000 million—a sum equivalent to the current Egyptian gross national product—will be needed to finance the project.

Economic control over the deepening and widening of the canal and the rebuilding of the cities along its banks will give the imperialist powers and their partners a strong base for extending their influence over Egypt as a whole. The United States, Japan, Saudi Arabia, and Kuwait have already jumped in with offers of aid.

Another indication of the extent to which Egypt is being opened up to foreign capital is the wide range of other projects currently being negotiated with foreign investors. According to the February 18 *New York Times*, these include a new cargo fleet, a new mass transit system in Cairo, a refinery in Alexandria, and a 210-mile pipeline connecting the Gulf of Suez with the Mediterranean.

In addition, oil exploration deals have been signed with several large U.S. companies, an Italian firm, and the state-owned Brazilian oil corporation.

Sadat's moves toward reopening Egypt to imperialist exploitation have been carefully prepared. Taking advantage of the broad support he still enjoys from the Egyptian successes in the October war, he has made demagogic promises of more jobs, better pay, and an improved standard of living.

Sadat is counting on the dismal lot of the Egyptian working masses to make such promises look attractive. After more than a decade of Nasser's "Arab socialism," per capita income is still only slightly more than \$100 a year. The prices of basic foodstuffs—including flour, sugar, tea, rice, and cooking oil—have doubled since the October war.

Cairo has five "meatless days" a week now, and more rationing is expected. The queues at stores selling food at government-subsidized prices are often blocks long.

Egypt has been especially hard hit by the worldwide rise in food prices. Only 3 to 4 percent of its land, the narrow strip flanking the Nile, is arable, and much of that is devoted to cotton. As a result, Egypt has to im-

port the bulk of its food. This requires foreign currency, which is in painfully short supply.

The chronic food shortages inherent in this roundabout system have provided Sadat with further arguments for initiating deals with the West, deals that he says will bring in the hard currency needed to purchase food.

The reality, of course, is quite different. Renewed capitalist investment will do no more to improve the standard of living of Egyptian workers and peasants than such measures did before 1952. The basic problems of developing Egypt's resources in a way that will benefit the masses will never be solved within the confines of capitalism.

Moscow, its hands tied in advance by its overriding desire to maintain the détente with Washington, has done little more than grumble from the sidelines. Recent articles in *Pravda* have called for a halt to the shift away from Nasser's "socialism" and have criticized Sadat's increased ties with King Faisal of Saudi Arabia—but that is all.

Faisal and the other reactionary leaders of the oil-rich Arab-Persian Gulf states appear to be exercising an important influence on Cairo. Having long viewed Egypt as a possible source of capitalist strength for the rest of the Arab world, they have a direct interest in increasing the areas open to capitalist investment. Kuwait and Saudi Arabia alone, for example, have more than \$7,000 million sitting in London banks, where it is subject to inflation and devaluation. Investment in Egypt under imperialist protection is a much more attractive prospect.

Once Sadat felt strong enough, he dealt with his most powerful domestic opponents. The first head to roll was that of Mohammed Hassanein Heykal, Nasser's top adviser and a frequent critic of Sadat's policy of establishing closer ties with Washington. As the editor of *Al Ahram*, Cairo's most important daily, Heykal was the most widely read political writer in the Arab world.

In a move urged by King Faisal and certainly not opposed by Washington, Sadat fired Heykal February 1, the day he published a column pointing out that Washington's pro-Israel policy had not changed since the October war.

Al Ahram's new editor, Mustapha Amin, is known for his pro-Washington views. His brother, Ali Amin, jailed in 1966 as a Central Intelligence Agency spy, has been named editor of the Cairo daily *Al Akhbar*. With these trusted editors in command, Sadat lifted direct press censorship of all but military news February 8. Dispatches to foreign newspapers must still be read by censors before being cabled.

The importance of Sadat's "liberalization" measures can best be seen by comparing them with Nasser's economic policy. Following the British, French, and Israeli invasion in 1956, Nasser nationalized virtually all imperialist holdings. By 1962 he had nationalized all banks, insurance companies, and heavy industry held by Egyptian owners.

In 1963, in a new series of measures, he nationalized more than 200 large companies in industry, transport, and mining. State control over the economy eventually reached more than three-quarters of the means of production, and state investment rose to more than 90 percent of the total investment in the country.

It is no wonder, then, that the Western capitalist press has hailed Sadat's bids to imperialist capital as the "de-Nasserization" of Egypt. At the same time, however, the term tends to obscure the underlying continuity between Sadat's "economic liberalization" and Nasser's "Arab socialism"—a "socialism" that proclaimed there was no need for class struggle or participation of the masses in running the country.

Nasser came to power in 1952 through a military coup as the leader of a grouping of petty-bourgeois officers known as the Free Officers. Its avowed purpose was to end the corruption and stagnation that had engulfed the country under the Farouk monarchy.

Nasser's "military reformism" was cloaked from the beginning with socialist demagoguery. But a new bourgeoisie of petty-bourgeois origins soon began to take shape as the officers, their friends, and relatives took posts in the administration after driving out the aristocrats of the former regime.

One of the central concerns of the new regime was the construction of the Aswan Dam, a highly popular public-works project designed to provide employment, reclaim large areas

of desert land, and furnish badly needed electrical power. When Washington refused, after protracted negotiations, to grant the necessary loans to start the project, Nasser responded by nationalizing the Suez Canal in July 1956.

In an attempt to regain the canal, Britain, France, and Israel invaded Egypt in October. They were forced to make a quick withdrawal, however, in the face of a threatened nuclear confrontation with Moscow and pressure from Washington, which had no interests directly affected by the nationalization of the canal. Cairo then turned to Moscow for help in building the dam and in 1957 began receiving the necessary loans and technical assistance.

The sweeping nationalizations of imperialist holdings and the expulsion of foreigners that followed the Suez invasion placed the state at the head of the majority of large enterprises. As one writer has observed, "The state was endowed, by imperialism, with the necessary resources for it to become a senior partner with the most important groups among the Egyptian bourgeoisie." (Anouar Abdel-Malek, in *Egypt: Military Society*, New York: Vintage Books, 1968.)

The new state managers, subject to little or no control from the masses, began to adopt the role and aims of the bourgeois elements they replaced. In the years that followed, this new Nasserite bourgeoisie of petty-bourgeois origins began to fuse with the former bourgeoisie. The nationalizations of the 1960s, including the takeover of the Bank Misr complex, Egypt's largest holding company, strengthened the grip of this new grouping.

The limits of Nasser's program began to appear with increased sharpness in the late 1960s. The economy stagnated, leveling off at a growth rate of about 3 percent a year. Three-fourths of this was necessary simply to keep pace with the increase in population; the rest was expropriated by the bourgeoisie.

The humiliating defeat in the 1967 war with Israel gave further proof of Egypt's weakness and suggested that the potential of Nasser's policies had been exhausted. Furthermore, the growing bourgeoisie could be expected to have much more interest in forming ties with the bourgeoisie of other

countries than with the bureaucrats of the workers states, however acceptable loans and arms from Moscow were. The expulsion of some 15,000 Soviet advisers in 1972 was a straw in the wind.

In short, Egypt has come full circle in only twenty-two years. Nasser took state power to try to convert

Egypt into a modern capitalist society — by any means necessary.

At bottom, Sadat is only continuing Nasser's basic program. He is casting aside the pretense of establishing socialism and is seeking to place Egyptian capitalism in its proper orbit as a satellite of Western imperialism. □

Interview With a Chinese Trotskyist

The Youth Movement in Hong Kong

[The following interview was given to Malik Miah in Europe on February 14 by a Trotskyist who is a leader of the International Young Socialist Alliance (IYSA) of Hong Kong. He has not had the opportunity to check the edited text.]

* * *

Question. Over the last several years there has been a rise in the student and youth movement in Hong Kong. What has been the effect of this movement on politics in Hong Kong and what have been the recent developments in this movement?

*Answer. First, I must tell you something about the development of this youth movement. The youth movement started in Hong Kong at the end of 1969. In 1970, a group of young people founded the newspaper the *Seventies Biweekly*. This group has no clear political tendency or orientation. But it has a very big impact on the whole youth movement in Hong Kong. They are the vanguard of the youth movement.*

There was a big campaign to make Chinese an official language in Hong Kong, which was started at the end of 1970. [The Hong Kong colonial government recently made Chinese an official language.] This campaign brought a patriotic and nationalistic sentiment into the minds of young people in Hong Kong, because Hong Kong is a British colony and at the same time a part of China.

China claims to be a socialist country, but how can a colony exist in a socialist country? This question, for Hong Kong youth, is very hard to answer. They are confused by it.

During the mid-1960s the youth movement started throughout the world, in North America, Europe, and Japan. But not in Hong Kong, where the youth were not used to getting involved in political activity. Also, many of the people in Hong Kong came from China after the 1952-53 People's Democracy campaign and after 1962 with the Great Leap Forward. So many of them are scared of politics. So the youth radicalization in Hong Kong started much later than in many other parts of the world.

But this campaign to make Chinese an official language has brought a national sentiment forward. The youth started to think about the problem of Hong Kong being a colony. A very natural anticolonial tendency appeared among the Hong Kong youth. This campaign sharpened the contradiction between British imperialism and the Hong Kong people.

Later, in 1971, another big campaign started in Hong Kong. It was the Tiao Yu Tai Islands campaign.* Within this movement there were three tendencies. One was very reformist, and said you must do everything legally. Of course the Tiao Yu Tai Islands are part of China, they said, but it has nothing to do with the people of Hong Kong. But we have re-

*The uninhabited Tiao Yu Tai Islands are 120 miles northeast of Taiwan and were historically part of China. They came under U.S. control after World War II and were to be put under Japanese control, along with Okinawa, in 1971. Because of the discovery of oil reserves beneath the islands, the regimes in Japan, Taiwan, and China all laid claim to the islands. The movement in Hong Kong supported China's right to regain possession of them. — IP

spect for those reformists who participated in the movement.

The second tendency was the Maoist tendency. They utilized this campaign, by stirring up national sentiment, to try to win support for the Mao regime. The third tendency was at that time viewed by the reformists and the Maoists as the "ultraleft" tendency, that is, the anticolonial tendency. The *Seventies* group represented this anticolonial tendency, which was much more active in the day-to-day struggles than the other two tendencies. So the *Seventies* group attracted many youth to their organization.

Right after the Tiao Yu Tai Islands campaign the form of struggles in Hong Kong became more active. Because there were many, many demonstrations in this campaign, the people became used to going out into the street to struggle. Many spontaneous actions, after the campaign, followed the form of demonstrations, rallies, protests.

For instance, there was a strike by some workers to protest against the social welfare bureau. They adopted the confrontational form of struggle. They learned this from the students, the youth. They learned very fast. In the political sense, we can say that this spontaneity of the youth movement really started after 1971. Some of the youth vanguard matured and began to study political ideologies.

The youth radicalization in Hong Kong really struck a hard blow against the colonial government because the youth in Hong Kong has awakened. They have started to challenge the whole colonial status. This is very significant.

Q. Is the regime elected by the Chinese in Hong Kong or do the British assign a governor and administrators?

A. The so-called national capitalists in Hong Kong have very close contact with the colonial government. They are of the same flesh and blood. The only right that the Hong Kong people have, and even that is not all of them, just a very few, is the right to vote for the urban councillor, a very unimportant position in the whole Hong Kong status quo. So the only right we have in voting, is to vote for the urban councillor, who takes care of cleaning streets or build-

ing more gardens.

Q. Back to the student and youth struggles. Could you go over the different tendencies, their size, their influence, who they are?

A. The three tendencies I mentioned exist mainly among the students. But most of the people in the third tendency, the anticolonial tendency, are workers, unemployed, intellectuals. The first and second tendencies, the reformists and the Maoists, are mostly students in the colleges and universities. All the Maoist organizations are legal, because the Maoists have very good contacts and are very cooperative with the British colonial government. So, for them, it is very easy to be legal.

But there has been some political differentiation among the tendencies. There are Trotskyist currents and anarchist currents within the third tendency, the anticolonial tendency. Because of the necessity of building a stronger organization, there was a conflict between the Trotskyists and the anarchists. Because of the objective necessities—in Hong Kong the people need a higher political level to understand the whole situation in the country, being a British colony and part of China at the same time—anarchism could not answer this kind of question, only Marxism.

But the Maoists also could not answer this question. They could come up with only a very abstract and very self-contradictory answer.

After 1972, because of the more and more right turn of the Peking policy and because of the contradiction between the capitalists and the workers, the movement in Hong Kong started to grow stronger and stronger. Many spontaneous workers' actions took place, especially in 1973. Because of the whole decline of national capitalism, Hong Kong being part of the international capitalist system, many new businesses collapsed—for example, the plastic and electronic businesses. And a very significant thing is that the workers in these new businesses are not controlled by the Maoists, and they are young workers. There are no trade unions in these businesses, so the Maoists could not control the spontaneous actions of these young workers.

In 1973, many factories failed, and

many workers lost their jobs, sparking many spontaneous actions. The Maoist trade-union bureaucrats always tried to control this kind of spontaneous action. The young workers are much more militant. So the young workers are coming to our side, instead of going to the Maoists.

One thing that is very important is that these young workers have to be led to a correct line. If not, they will be disillusioned very quickly. We must give them political leadership, explain to them why Hong Kong still exists as a colony.

Q. Are there any signs of differences within the Maoist tendency?

A. Yes. There was a campaign in 1973, an anticorruption campaign. After the campaign, there was a split among the Maoist students. Now there are two Maoist currents. One is the official Maoist tendency, very conservative. The others are different. They are spontaneous Maoists. They think the main task in Hong Kong now is the overthrow of the colonial government. They have adopted the anticolonial line. So, objectively, they are very close to us, in this sense. This is very important for the Maoist students. Most of them know very little about Maoism. They became Maoists right after the campaign to make Chinese an official language and the Tiao Yu Tai Island campaign.

Q. Could you give some information on the activities and perspectives of the International Young Socialist Alliance?

A. Now we are putting out a daily leaflet, from Monday through Friday, called the *Student Express*, which we concentrate among the high-school students in Hong Kong. There are 600,000 high-school students and only two official universities. We also publish a monthly, *October Review*, which is more theoretical than *Student Express*. We also have some very close contacts with young workers. We have a bookshop called the October Bookshop.

Now our forces are small, but because of the combined character of Hong Kong society I think it is very favorable to the development of socialist action. The youth movement will be a trigger for the entire mass movement in Hong Kong. □

Unrest Throughout India Over Skyrocketing Prices

By Sharad Jhaveri

Bombay

The unbearable conditions created by rampant inflation, scarcity of basic goods, and failure of the public distribution system have led to mounting unrest throughout India.

The All India State Governments Employees Federation has called for more than forty lakhs [4,000,000] state employees to stage a one-day protest strike April 9 against rising prices and scarcities. The federation has also demanded a minimum wage based on needs, a bonus to meet the rise in the cost of living, etc.

The federation has also opposed utilization of MISA [Maintenance of Internal Security Act], a repressive measure passed after Gandhi's landslide victory in 1971 that is aimed against mass struggles. Parts of it have been declared unconstitutional by the Supreme Court.

The eastern state of Bihar is at present a boiling cauldron. The students there openly credit the Gujarati students with having inspired their demonstrations.

According to the March 18 *Times of India*, the students have taken over management of some leading educational institutions, including Rajendra Agricultural University in North Bihar and the B.N. College at Patna. Students are reported to have filled the higher posts in the universities from their own ranks.

The Gandhi government sent in troops to help the special police forces. "Shoot at sight" orders were issued in various places. Home Minister Dixit, after touring the trouble-ridden state, said these were "fascist" attempts to stifle democracy.

At a March 21 meeting of the Academic Council of Jawaharlal Nehru University, the two student representatives in the twenty-five-member body, Karat Prakash and Romesh Dixit, said that they rejected the university and its kind of education, with its perspective of unemployment. They called for a basic socioeconomic upheaval.

In Madhya Pradesh, students of Ravishanker University have threatened to boycott examinations if local people are not given jobs.

The massive student agitation against the present socioeconomic sys-



GANDHI: Asks capitalists to moderate their greed.

tem in Gujarat was triggered by a steep rise in food costs in college hostels.

A survey of about 400 students residing in fourteen hostels at Ahmedabad, carried out by the well-known Gujarati economist Dr. Jitendra Dholakia, showed that 52% of the students coming from middle-class families in the income group ranging from 300 to 600 rupees [US\$1 = about 8.75 rupees] a month skipped a meal a day because of the high cost. About 37% of the students had gone into debt to cover expenses. Around 27% had to borrow regularly.

The average student debt for mess charges was estimated at 30-35 ru-

pees a month during 1972 and 1973.

Dr. Dholakia reported that 78% of the students believed that responsibility for the boost in prices rested with hoarders, speculators, traders, and the state government.

The leap in prices is unprecedented in recent Indian history. The index of wholesale prices, taking the 1961-62 level as a base of 100, stood at 218.4 at the end of the last fiscal year (March 1973). At the end of March 1974, it will top 275, a rise of more than 25% as against a rise of 11.8% in the corresponding period of 1972-73.

According to data provided by the *Economic and Political Weekly*, between March 1972 and February 2, 1974, the wholesale price index rose by 41.5%, the index for food articles showing a rise of 45.1% and that for industrial raw materials 80.2%.

During the same two-year period, prices of manufactured goods rose by 29.5%, those of machinery and transport equipment by 17.9%, and chemicals 10.1%. The prices of intermediate products rose by 46.1%.

In the lead article in its Annual Number of 1974 the *Economic and Political Weekly*, which is an influential publication, admitted that there have been phenomenal pressures on the cost of living that have not been reflected in the official price index.

At the end of last year, the All-India Consumer Price Index for the working class stood at 260 as compared to 210 in December 1972. That is a rise of nearly 24%.

In contrast to the rise in prices, production—especially industrial production—has stagnated. In fact, for the past two years it has declined by about 7.5%. This does not take into account the latest declines ascribable to shortages in power, coal, steel, and transport.

Savings and investments in the public sector, which create the necessary infrastructure for the development of private capitalism in this backward

country, have been phenomenally low. There has been a corresponding increase in the unproductive deployment of resources available to the government. From 59.4% of the total expenditures made by the Central Government in 1965-66, developmental expenditures declined to 46.6% in 1971-72. They are not likely to go beyond 47% in the current year.

In the three years since 1971-72, national income has risen by hardly more than 7% whereas the money supply has been expanded by 54%.

In this context, the government's failure with respect to the system of public distribution, especially fair distribution of basic commodities, has proved very harmful to workers and to lower-bracket middle-class families with fixed incomes. It has been a boon to traders, rich farmers, and speculators.

The failure to meet the target of procurement of food grains from the 1972-73 crop is a byword in India. As against a target of 4 million tons of rice, only 2.7 million tons were procured.

In the case of wheat, against the original target of 8.1 million tons (which was later reduced to 6 million tons), only about 4.5 million tons were procured.

In the 1973-74 season, the production of rice was estimated at a record 45 million tons. Yet the government is not hopeful of procuring even 5 million tons. The maximum it expects is 2.9 million tons. It is worth noting in passing that this procurement target was reached in all three years 1969-70, 1970-71, and 1971-72, when the output was considerably lower.

The Indian bourgeoisie is aware of the explosiveness of the present crisis it faces. But its representatives differ as to how to meet it.

J.R.D. Tata, an elder statesman of the Indian bourgeoisie, in addressing the annual general meeting of the largest and most modern steel company in the private sector, called for increased production at any cost as the road to salvation.

President V.V. Giri appealed in his Independence Day message for increased production. He entreated the capitalists not to declare lockouts and enjoined the workers not to go on

strike for at least three years. The government is in fact actively trying to work out a practical scheme for an industrial truce, counting in this on the collaboration of the reformist bureaucratic leadership of the central trade unions.

At first Indira Gandhi kept quiet. Later she advanced various reasons for the economic malaise, pointing to the refugee problem, the war with Pakistan, the years of drought, international inflation, etc. Lately she has pointed to the oil crisis.

The trouble is that the people are in no mood to listen to excuses that are unconvincing. During the Bangladesh crisis, the price situation was not as bad as now. Even during the last drought year it was possible to get basic commodities from the public distribution system. Today, despite bumper harvests, people do not get enough food to sustain them even at the exorbitant prices prevalent in cities like Bombay.

Gandhi and others are beseeching the bourgeoisie to behave more properly, to make less profits, to sell food to the government. Government officials also threaten to use the Defense of India Act, the Essential Commodities Act, and MISA against traders and hoarders. These measures are occasionally applied demonstratively in flagrant cases.

On the other hand, the government

is resorting to coercion and the use of the army against legitimate struggles of the people.

The ongoing struggles have bypassed the traditional leaderships. Students are in the vanguard. As a class force, however, the workers have not yet been drawn in. Nor have the struggles been coordinated and generalized. They have not assumed an all-India character. Up to now the government and the traditional bureaucratic leaderships of the organized working class have succeeded in keeping the workers insulated from the students. This has been markedly true in Gujarat.

What is badly needed at present is effective propagation of a series of transitional demands such as a sliding scale of wages. The defense of democratic rights and a struggle for the repeal of draconian laws are very much in order, as are efforts to foster fraternization with the rank and file of the army, closer relations between students and workers, the creation of permanent committees of workers and students, etc.

According to the Annual Number 1974 of the *Economic and Political Weekly*, the government, faced with mass discontent in varying degrees of organisation, will become more and more authoritarian. It is necessary to fight against this trend in the most vigorous way. □

Bangladesh

Form Committee to Defend Civil Liberties

Following mass arrests of members and supporters of the Jatiya Samajtantrik Dal (JSD—National Socialist party), a group of intellectuals and other political activists met in Dacca on March 31 to form the Committee for Civil Liberties and Legal Aid in order to defend political prisoners in Bangladesh.

Enayetullah Khan, a vice-president of the Jatiya Ganamukti Union (JAGMU—National People's Liberation Union) and the editor of *Holiday*, a leftist weekly published in Dacca, pointed out the significance of the formation of this defense committee in the March 31 *Holiday*:

"The meeting is being held against

the backdrop of large-scale terrorisation by some agencies of the government, particularly the Rakkhi Bahini [Defense Forces], indiscriminate detention of persons without the least regard for the rule of law and in many cases physical liquidation and brutal atrocities and torture of political suspects and dissidents. The conveners [of the committee] feel that public opinion should be mobilised against the perpetration of brutalities by the agencies of the government, against enactment of black laws [repressive laws] and the denial of the right to defense to the victims of repression."

"In these circumstances," he added,

"the formation of the Committee for Civil Liberties is definitely going to strengthen the resistance to repression. . . . The movement is for the attainment of both bourgeois democratic rights, as granted under the Constitution, and the rights of the masses. But ultimately the civil liberties movement has to merge with the total struggle for the rights of the masses. It is a positive struggle which needs a positive commitment."

Most of the left-wing opposition parties and organizations have also come out in defense of the victims of Sheikh Mujibur Rahman's repression. Leaders of the National Awami party (Bhashani), the JSD, the Bangladesh Jatiya League, the Bangla Jatiya League (Bengali National League), the Communist party of Bangladesh (Leninist), the Sramik Krishak Samajbadi Dal, and the JAGMU issued a statement in Dacca on March 27, which stated, in part:

"Innumerable incidents of inhuman

torture and atrocities on political workers and the innocent public have been daily occurring. Jails in Bangladesh are being filled with political prisoners. The people of this country had never in the past experienced such kinds of repression and oppression, even during the British and Pakistan days. The Government committed such a highly repressive action in Dacca on March 17, when the Rakkhi Bahini attacked and opened indiscriminate fire on a peaceful demonstration which was led by the Jatiya Samajtantrik Dal . . . and killed and wounded several hundred people, men and women, and arrested scores of people. Among the wounded and arrested were the JSD President Major M.A. Jalil and General Secretary Mr. A.S.M. Abdur Rab. Further, the government forces on the same night ransacked the daily *Ganakantha* [People's Voice, daily newspaper of the JSD] office and arrested its editor, Mr. Al-Mahmud, and a few other employees.

Also, the ruling party people later ransacked and set fire to the JSD office and their Chhatra League [Students League] office in Dacca in front of the police. This was not an isolated event, and it comes in line with the Government's earlier large-scale arrests and repression and within the reactionary scheming of taking away the people's basic rights.

"We strongly condemn these kinds of brutal torture and repression, which, we are of the opinion, clearly betray an outrageous negation of democratic rights and principles by the ruling party. We demand immediate release of all political prisoners, including Major M.A. Jalil, Mr. A.S.M. Abdur Rab, Miss Momtaz Begum, Mr. Al-Mahmud, Mr. M.A. Matin, Mr. Ohidur Rahman and Mr. Tipu Biswas, and the withdrawal of all warrants of arrest on political leaders and workers. We also demand adequate compensation for all the political victims." □

Who Will Pay?

The October War and Israel's Economic Crisis

By Arie Bober

[The following article originally appeared in slightly abridged form in the December issue of the Israeli revolutionary-socialist monthly *Matzpen* (*Marxist*). The translation is by the author.]

* * *

"The Israeli economy has withstood the test of the October War," recently declared Pinhas Sapir, the Israeli finance minister. He added: "Now, immediately after the war, an upsurge in the economy is to be expected . . . and in the near future we will experience an economic boom." (*Maariv*, November 9, 1973.)

Sapir's optimistic tone is understandable: He was merely doing his duty as finance minister. But his statement could not be further from the truth.

The Israeli economy did not stand the test of war. It consumed its reserves; and disruption, shortage, and various other dislocations arose immediately, once it became evident that the October War wasn't going to be another "blitzkrieg." The government's "contingency plans" and Emergency Economic Council were nothing but fictions. Its policy was, as usual, a series of patchwork measures guided by one simple principle: defense of the class interests it serves.

Contrary to Sapir's optimism, the Israeli economy will not expand nor experience an economic boom. It is already in the midst of a recession that will deepen, while skyrocketing of prices will continue. The acute problems undermining its basis even before the war—balance-of-payments deficit, low productivity, inflationary pressures, etc.—have greatly intensified as a result of the war and have brought the Israeli economy to the threshold of its most severe crisis ever.

The Israeli government's "solution" to the crisis is in line with bourgeois class interests and can be summed up as the launching of an unprecedented attack on the Israeli proletariat. The aims of this offensive are not only to cut drastically the workers' standard of living, but also to liquidate the few social gains they still enjoy and abolish their elementary rights as a class. And should the workers try seriously to defend themselves (in which case they would have to transcend the organizational framework and ideological boundaries of the Histadrut) the Israeli bourgeoisie would not shrink from any step, nor hesitate to employ all the repressive means at its disposal to defeat and crush them—including the attempt at a "final solution" to the problem: the establishment of a fascist-corporative political structure modeled after Franco's Spain or Mussolini's Italy.

This is no exaggeration. We must never forget that, compared to its counterparts in the other bourgeois democracies, the Israeli bourgeoisie would enjoy many advantages in trying to take this step, so that such a transformation could be achieved by more or less "peaceful means." We believe that a careful analysis of the impending crisis, as well as an elementary understanding of the development of Israeli class structure in recent years, will demonstrate even to skeptics that Israel has entered the most severe crisis in its history and that the fascist-corporative "solution" (an inherent option in *any* bourgeois democracy) has become a seriously considered possible strategy for the Israeli bourgeoisie.

Even Before the War . . .

The 1967 war and its aftermath pulled the Israeli economy out of its worst recession since 1950. The post-war economic boom was a result of the following factors: (1) the new markets and cheap labor available in the occupied territories; (2) the qualitative increase in the flow of capital imports and unilateral transfers from abroad, which more than doubled the pre-1967 yearly average; (3) the new increase of immigration; and (4) last but not far from least, large-scale demands generated by the war economy, which resulted in a *partial* structural shift in the economy and in the appearance of a significant military-economic complex.

But the feverish economic boom had to result in a tremendous rise in the external national debt, a greatly increased balance-of-payments deficit, and galloping inflation at a rate never before witnessed in Israel. Furthermore, the illusion entertained by Israeli economists, industrialists, and government decision-makers that an industrial "takeoff" would be achieved through the war economy and the military-economic complex and would finally bring about the long-awaited "economic independence," did not, of course, materialize.*

The Israeli economy has therefore continued in its traditional pattern: increasing dependence on imperialism and foreign investors; economic cycles governed essentially by the extent of capital imports and volume of immigration; and large-scale investment in real estate and services, accompanied by an unusual amount of speculation and corruption. Soaring inflation and the rapidly increasing deficit in the balance of payments have posed severe problems for the Israeli ruling classes. The need to solve these problems became even more acute and urgent as a result of the deterioration of the world economic situation and the prospect of a general recession in the major imperialist countries.

The reason for this is obvious. A recession in the West will substantially limit Israel's export markets. As a result of the close ties between the Israeli economy and imperialism and the high import-component in all of Is-

*The peak of defense expenditure relative to GNP was reached in 1970-71, when it rose to 25%, according to official figures. In 1971-72 it declined to 18.5% of GNP as a result of a reduction in direct imports for defense. However, excluding direct imports for defense, the rate of defense expenditure remained the same. Nevertheless, the military-oriented industries—especially electronics—were facing declining demand.

rael's products, intense disruptions and dislocations would shake the local price and production system. Consequently, the balance-of-payments situation would become even more critical. Moreover, a recession in Europe and North America would entail a significant decline in the funds flowing into Israel—capital as well as unilateral transfers—that in the last analysis fed and made possible the economic boom.

Consequently, the Israeli government had to try, if not to solve, at least to alleviate the balance-of-payments problem and to curb the soaring inflation. But no Zionist government would dare to cut the special privileges and the public expenditures for attracting Jews to Israel and for their "absorption" once they arrive in the country. In the same vein, no Zionist government would significantly reduce the preferential treatment and the various incentives granted to local and foreign investors, especially Jewish "philanthropists" from the West. Furthermore, the increasing power of the Israeli bourgeoisie in recent years has reduced considerably the maneuverability of the government, even if it were interested in limiting somewhat the bourgeoisie's soaring profits.

Therefore, as usual, the working class was left with the burden and had to allow the bourgeoisie to solve the economic crisis at its expense. Thus the government planned a series of monetary and fiscal measures aimed at achieving a *partial* and *selective* recession. These steps would probably have included a substantial depreciation of the Israeli pound, cancellation of subsidies of basic commodities, a large reduction in social and welfare measures, an increase of indirect taxation, and partial layoffs that would have hit especially hard the Arab workers and the weaker strata of the Jewish proletariat.

The implementation of these steps was postponed until after the election. But instead of the election (scheduled for October 30), there was the "earthquake"—the October War. Even before the October War the economy was afflicted with severe and acute problems. The government planned to alleviate the situation by achieving a controlled recession and lowering the standards of living of the workers. But the October War forced the government to give up its neat little plan because the economic cost of the war, the added military expenses in the immediate future, and the recession that took hold of the economy radically changed the situation by plunging Israel into its worst crisis ever.

The Costs of the War

Here we have to turn to the problem of estimating the costs of the October War. The direct costs of the war were estimated by Finance Minister Sapir at 20,000 million Israeli pounds. [One Israeli pound is approximately US\$.24.] Other sources give higher estimates—25,000 to 30,000 million pounds—which are probably nearer the truth.

To this we must add indirect costs, first of all production losses since the outbreak of the war. The expected gross national product in 1973 was estimated at 33,000-34,000 million pounds. Had there been a complete paralysis of the economy, production losses would have reached 150 million pounds per day. But during the war only services, building, and tourism were at a stand-

still, while agriculture was producing at almost full capacity and industry was functioning at 40-50 per cent of capacity. Production losses caused by the war should therefore be estimated at 80-100 million pounds per day. This is a higher estimate than that given by Mr. Dovrat, economic adviser to the finance minister, who stated that production losses were 60 million pounds per day.

Dovrat added: "The price of the war is measured in dozens of billions [milliards] of Israeli pounds. Besides the direct costs, the slowdown of the economy during the war caused a loss of 2 billion pounds in the GNP [gross national product], and in 1974 an added loss of at least 1 billion pounds is to be expected." (*Haaretz*, November 11.) This is of course an underestimation, but even with these figures, the direct and indirect costs of the war reach the sum of more than 30,000 million pounds—a figure almost equaling the total GNP expected in 1973 and surpassing the 1972 GNP.

However, the economic price of the October War isn't limited to the direct costs plus production losses. Another component—the *added* military expenses in the near future—should be added to our estimate. As might be recalled, the aftermath of the 1967 war, despite the "great historic victory" and the "ideal security borders," brought about an adaptation to a new and much higher level of military expenditure, nearly double the pre-1967 average. This certainly will happen now, and it is therefore necessary to add the military expenditure expected in the near future to our estimate of the economic burden caused by the war.

Immediately after the outbreak of fighting, the Knesset approved a "special budget" of 1,250 million pounds. Obviously this is not sufficient, and it is expected that an additional "special budget" totaling about 12,000 million pounds will be demanded before long by the government. This will cover government expenditure until the end of the current fiscal year (March 31, 1974), out of which two-thirds to three-fourths will be earmarked for military purposes.

In regard to the "defense budget" for the next fiscal year, the official forecast is for an all-time high of 7,500 to 8,500 million pounds plus \$600 million. However, *this is a gross underestimation.*

But even so, if we add up all these figures—the direct costs, the indirect costs (production losses), and the additional military expenditures in the near future—we find that even a conservative estimate of the costs of the war reaches the staggering sum of 40,000 million pounds (in fixed prices, and assuming there is no new outbreak of fighting). The economic and social significance of such an economic burden hardly needs to be explained, especially if we remember that all the resources available to the Israeli economy in 1973 (GNP plus import surplus) were estimated at 40,000 to 42,000 million pounds.

At this point another question is posed: What about the large-scale flow of funds, grants, contributions, etc., coming into Israel? Couldn't this solve the problem of paying the economic cost of the October War?

If Israel had received from somewhere 40,000 million pounds, the immediate problem of financing the war would have been solved. But such presents do not fall from the sky. Funds flowing into Israel, despite their immense extent, have become a secondary factor, and perhaps even a marginal one, in comparison with the

burden that befell the Israeli economy. U.S. aid, in return for the "good services" performed by Israel, might reach the figure of \$3,000 million (\$1,000 million in arms supplied during the war and \$2,000 million that Nixon asked Congress to grant Israel in the future). But this money, even should Israel receive it all as a grant, is essentially *credit* for purchasing arms in the United States. This undoubtedly will help the U.S. monopolies producing military equipment, but it won't increase Israel's economic resources. On the contrary, it will put an additional burden on the already strained Israeli economy, because the arms received will require an extensive maintenance system and complementary local production.

On the other hand, the donations and contributions (unilateral transfers) do constitute an addition to Israeli resources, and evidently, in the wake of every "defensive war," the contributions increase. After the 1967 war, Israel received \$385 million through the United Jewish Appeal and an additional \$200 million by selling bonds in the United States. Sapir now declares that the UJA will collect \$1,300 million in the near future and that bond sales will reach \$650 million.

It is difficult, however, to believe that Sapir's expectations will be realized. After all, he is talking about a sum *three times* larger than the funds flowing into Israel after the 1967 war, and in 1967 the United States was experiencing an economic upsurge, whereas today its economy is facing a recession that will affect the willingness and ability to donate the money Sapir is asking for. But even if Sapir's expectations should be fulfilled, this would still cover only about 15% of the burden on the Israeli economy. This is certainly massive aid, which should not be underestimated, but it is far from a solution to the problem of the Israeli government: how to finance war costs higher than the GNP.

Solving this problem becomes even more difficult as a result of the blow to the balance of payments. Since the war, Israeli exports have suffered losses in the neighborhood of \$500 million, but these losses are only a drop in the bucket. The government had previously expected a \$1,360 million balance-of-payments deficit in 1973, and this, as mentioned above, was sufficient to force the government to plan intensive preventive measures for after the elections. The war costs have increased the 1973 deficit by at least an additional \$1,250 million—more than all the foreign currency reserves held by the Bank of Israel (the central bank) on the eve of the war. The balance-of-payments deficit for 1973 will therefore be at least double the one previously expected and will reach the sum of \$3,000 million (40-45% of the GNP).

But we haven't reached the end of the story yet. As a result of the war and the continuing mobilization, the economy is experiencing a deepening recession. Obviously, the more the GNP decreases as a result of the recession, the greater proportionally will be the burden of war costs and future military expenditures. In this respect, the forecast is far from promising.

Severe difficulties are expected in the building industry. It is hoped that this industry will reach, in the next few months, 60% of its prewar level of activity. Building is a key industry in the Israeli economy, and such a decrease in its activity would not only produce a slow-

down in the industries that supply it, but would also affect many other industries.

Tourism, another central economic branch, is still in a state of almost complete paralysis. This refers not only to hotels and restaurants, but also to El-Al [airline], travel agencies, and various industries such as furs, jewelry, fashion, leather goods, etc., that sell most of their output to tourists.

Commerce, insurance, and other services are functioning at 25-50% of the prewar level, and the diamond, wood and furniture, household appliance, and other industries are suffering from declining demand and financial difficulties. Obviously investment in these industries has been drastically reduced, and since the "effective demand" generated by investment constitutes 20-25% of aggregate demand, this has a strong deflationary effect on the whole economy. To this we should add the natural inclination to save and postpone the buying of non-essential commodities as a result of the general mood of uncertainty and uneasiness.

Working against the recessionary trend is the increased demand of the defense ministry. This increase will affect the military-oriented industries, which account for about 40% of all industrial production in Israel. Even before the end of the fiscal year, it is expected that the defense ministry will place with local manufacturers orders totaling 3,700 million pounds (compared with 2,100

million pounds in orders planned before the war). The increased demand will go mainly to the electronics industry, which was suffering from decreasing demand before the war, and to the metal industry, including all its various subdivisions. It will also affect the chemical and ammunition industries. According to the minister for industry and commerce, half of the output of the electronic, metal, and vehicle industries before the war was directed to military needs. As a result of new orders, those industries will have to direct 70% and perhaps 75% of their output next year to military needs. (*Haaretz*, November 9.) Similarly, a certain increase in demand is to be expected in the rubber, cardboard, paper, textile, and shoe industries, as either direct or supplementary suppliers to the metal and electronics industries.

Nevertheless, most of the economy's sectors will face decreasing demand, financial difficulties, and slowdown in production, and will lay off workers. Only part of the industrial branches (about 40% of the industrial sector) will increase production as a result of the increased military demand. If we remember that the industrial sector is not the largest in the economy—neither in terms of output, nor in terms of number of workers employed—it becomes evident that *the forecast for the economy is that the recession that began during the October War will continue and deepen.*

(To be continued.)

DOCUMENTS

Pavel Litvinov's Appeal for Soviet Dissidents

[The following is a translation of the statement issued to reporters in Rome on March 22 by Soviet dissident Pavel Litvinov. (See *Intercontinental Press*, April 8, p. 409.) While it is apparent that Litvinov has illusions about the content of capitalist democracy and the reasons for the interest of the capitalist press in the dissident movement, his statement may be presumed to reflect the latest information available concerning the persons mentioned in his appeal.]

* * *

I would like to begin by thanking all of you for the courtesy you have shown me as a representative of those still remaining in the Soviet Union—those who cannot speak freely, as I now am able to, about our problems and sufferings.

I and so many others in our homeland—this includes my personal friends as well as vast numbers of people unknown to me—must always pay for our internal freedom and our efforts to achieve freedom. We must pay in the coin of persecution by a powerful state apparatus. There

is a great difference between our situation and that of people in the West: The freedom that we can attain only through suffering is taken for granted in the West, like the air that one breathes. As a result, many of our problems are always incomprehensible to you. I cannot and shall not discuss here my political views or those of my friends. Political views are not what unite us. We are united by a striving for elementary personal liberties, by our seeking guarantees of the individual's right to harbor independent opinions and enjoy freedom of information. We are of different religions and social ideas but we share the ideals of good, justice, human rights, and human compassion.

In our country one pays for free expression by confinement—in a jail, concentration camp, or a psychiatric hospital. Or one is penalized in other ways—by the loss of one's job or by exile. Now the Soviet authorities have discovered a "more humane method" of getting rid of independent thinkers: deportation beyond the frontiers of their country. This is done not only by force, as in the case of Sol-

zhenitsyn, but also by pressuring individuals to leave voluntarily, as has happened with me and many others.

For me personally, it has always been a primary motivation to side with the weak against the strong, with the lone individual against the organized and powerful state apparatus, with a small and helpless country against a gigantic neighbor armed with the most terrible modern weapons. Because of these feelings, I protested against illegal trials in the Soviet Union and compiled two volumes of documents (*The Trial of the Four* and *The Demonstration in Pushkin Square*) devoted to illegal state incursions against the rights of individuals. These cases were those of Bukovsky, Khaustov, Delone, Gabai, and Kushev in 1967, and Galanskov, Ginzberg, Lashkoya, and Dobrovolsky in 1968. These books were published in the West. Also, because of the convictions that I have described myself as holding, my friends and I demonstrated in Red Square, Moscow, on August 25, 1968, against the Soviet invasion of Czechoslovakia.

For protesting against those illegal trials, I lost my job and all opportunity

to work in my profession. For taking part in the Red Square demonstration, I paid with the loss of my liberty: four months of jail and four years of exile in Siberia, where I worked as an electrician in a mine. The fact that my name was known in the West saved me from more severe punishment.

Today I am able to speak my mind without risking jail, a concentration camp, or a mental hospital, as happens regularly to people in my country. Nor do I risk my physical liberty by writing and publishing freely.

I want all of you to understand that we have survived because the West exists and in it a Western press. I ask of you: Write more about us, think about us, and remember that we suffer for ideals we share with you—ideals of freedom and civil rights. Europe's noble traditions suffer in us, in Soviet Russia.

I ask of you that you give heed to the following information about some of the individuals who today are paying with their physical freedom, livelihood, and health.

Vladimir Bukovsky. Bukovsky is a great human being who told the world the truth about the use of psychiatry in the Soviet Union as a means of suppressing thought. He has now spent eight years in Soviet prisons, camps, and psychiatric clinics and still faces four years more of concentration camp and five years of exile. On February 26, he was placed for three months in an internal prison at his concentration camp. Here he is on starvation rations and existing in a cold and damp solitary cell. The food ration is far below the United Nations standard classified as "hungry." Bukovsky has a rheumatic heart, rheumatism, and a liver ailment. Obviously he has been marked down for physical extinction, as was the poet Yuri Galanskov, who died in a camp in 1972.

Everything that goes on in Soviet prisons and camps is a matter of secrecy in the eyes of the Soviet authorities. As a means of maintaining that secrecy, a scheduled meeting of Bukovsky with his mother was canceled, and his lawyer, V. Shaveisky, was prohibited by the Moscow Lawyers Association from traveling to his camp to give him legal assistance. Leyden University in the Netherlands had invited Bukovsky to complete his education and has offered to pay all expenses.

Viktor Khaustov. He was sentenced in the city of Orel to four years of camps and two years of exile for passing on to the West the *Diary* of the political prisoner Eduard Kuznetsov. The latter is serving a fifteen-year sentence in relation to the so-called airplane trial in Leningrad [the June 1970 arrest and subsequent trials of a large number of Soviet Jews accused of plotting to hijack an airplane

in order to leave the Soviet Union]. His book is a deeply moving human document. A talented literary critic, Gabriel Superfin, who helped Solzhenitsyn in preparing materials for *The Gulag Archipelago*, was brought to Khaustov's trial. Superfin has been confined in Orel for eight months during the course of the investigation. Superfin, a physically weak and ill person, was placed under severe pressure during the investigation and



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gave testimony against other persons that he soon recanted. During Khaustov's trial, he confirmed his rejection of his previous testimony and also expressed his protest against the expulsion of Solzhenitsyn. Investigation of Superfin's case is coming to completion, and he is threatened by particularly severe punishment because he revealed at Khaustov's trial the methods used by the KGB to extract the necessary testimony.

Leonid Plyushch. A Kiev mathematician, member of the Initiative Group for the Defense of Human Rights, now confined in the Dnipropetrovsk Psychiatric Clinic, where he is forced to take drugs such as Galoperedol, which are dangerous to his health. Plyushch is being forced to renounce his convictions. He has now been brought to such a state that he is no longer able to read or write, and his body has swollen from the administered drugs, probably from a disruption of his normal metabolism. His wife, Tatyana Zhitnikova, is also not being left alone, because she is constantly informing people of her husband's condition and appealing to the world that her husband be saved. She is being provoked by the authorities and has been threatened with having her children taken away from her.

Vitaly Rubin. A specialist on the ancient

history and culture of China, he took part in the second world war against Nazism, became a German prisoner, and later was placed in a Soviet concentration camp. In the camp he had to work in a mine, which undermined his health. He developed bone tuberculosis. For the past two years he and his wife have been denied permission to leave for Israel. Recently, Rubin, the chemist David Asbel, and the painter Vladimir Galatsky held an extensive protest hunger strike.

Yuri Maltsev [incorrectly spelled Maltson in the April 8 *Intercontinental Press*]. I would like Italian correspondents to pay particular attention to his case and the fate of this man. He is a specialist on Italian theater and cinema. Maltsev loves Italy, but has never had a chance to visit this country. During the past ten years he has been seeking permission to leave the Soviet Union and come to Italy. He was the first person in the Soviet Union to bring to the attention of the world the impossibility of free emigration from the Soviet Union. He wrote a letter to the secretary general of the United Nations, U Thant, in which he stated that he ". . . did not wish to live in a country where human beings are kept in confinement like cattle." After that, he often took part in protest demonstrations against the violation of human rights in the Soviet Union and the placing of normal persons in psychiatric clinics. Nine months ago he again asked the authorities for permission to leave the Soviet Union, but so far he has not received an answer. Maltsev is the author of many works on Italian theater and cinema, but, at the present time, he has no job and often goes hungry.

Vladimir Moroz. He is a Ukrainian historian and writer now confined in the dreadful Vladimir Prison. He was placed in a cell together with ordinary criminals who beat him up, after which he was transferred to a solitary cell. His nervous system has reached the point where he is no longer able to be alone. He and his wife have sent appeals that he be transferred to a regular concentration camp. Moroz has announced that if he is not transferred to such a camp by July 1974, he will start a hunger strike until death. Knowing Moroz, I have no doubt that he will carry out his words.

Moroz has already spent four years in Mordovian concentration camps, where he wrote the astoundingly powerful *Report From the Beria Reserve*. After the publishing of this work, Moroz was sentenced to fourteen years imprisonment.

I appeal to you on behalf not only of these people, but also of the countless others whose names may not be known to us. But remember that these human beings are the best that Russia has. □