

Intercontinental Press

combined with **IMPREGOR**

Vol. 17, No. 42

© 1979 by Intercontinental Press

November 19, 1979

USA 85¢

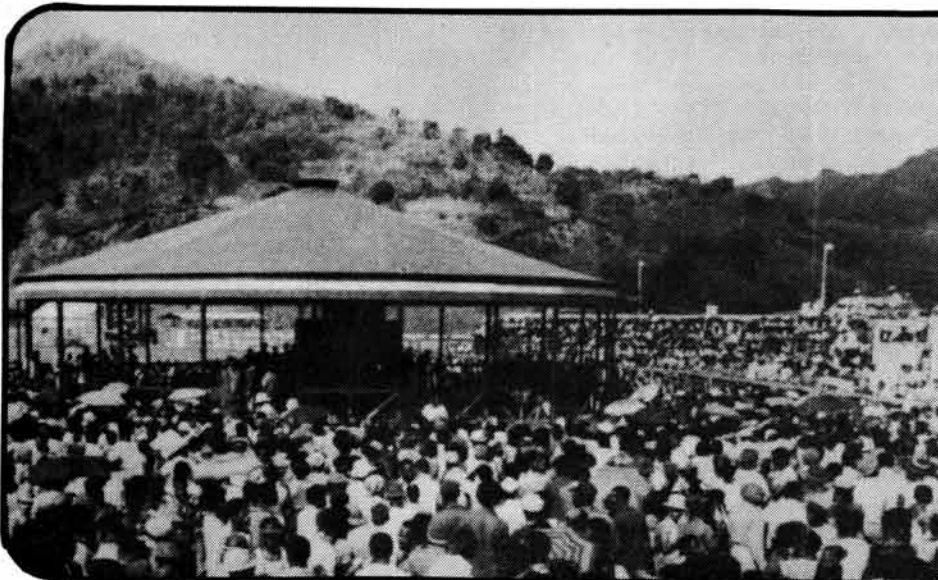
UK 30p



Demonstrators at U.S. embassy in Tehran protest provocation of maintaining shah in United States.

Masses are demanding return of "Iranian Hitler" to answer for his 25 years of blood-soaked rule.

U.S. HANDS OFF IRAN!



**REVOLUTIONARY
GRENADA:
'NEW JEWEL'
OF THE
CARIBBEAN**

U.S. Hands Off Iran!

By David Frankel

The American government has provoked the seizure of American hostages at the U.S. embassy in Tehran by bringing the hated deposed shah onto U.S. soil. Now the American ruling class is pulling out the stops in a campaign to free their hands for military action. The aim is to halt the deepening revolution in Iran and reverse the antiwar sentiment among the American people, which has prevented the imperialists from using troops to defend their economic interests abroad since the Vietnam war.

Nine months after the insurrection that swept aside the shah's bloody dictatorship, the Iranian masses are pressing ahead in their struggle for a better life. Workers committees in the factories and oil fields are demanding greater control over working conditions and production. Oppressed nationalities are making gains in their struggle for self-determination. And millions of Iranians are participating in a new upsurge against imperialist domination of their country.

As the Iranian revolution deepens, capitalism in Iran and imperialist domination in the entire region—an area with most of the world's oil—are both threatened.

U.S. imperialism desperately wants to strike a blow at this revolution. In pursuit of this aim, it is portraying the Iranian people as religious fanatics, and the Iranian revolution as a return to the dark ages. The implication is that U.S. Marines would serve as a civilizing force.

Daily press reports and nightly U.S. television news programs feature detailed discussions of options for military attacks on Iran, and portray the false picture of a restrained President Carter facing a growing clamor from the American people for decisive military action.

Quoting "qualified sources," *New York Times* military expert Drew Middleton asserted in a November 7 article that "an airdrop to seize the embassy and Teheran's airport would be possible. . . ."

Middleton warned that "it is evident that the balance of opinion" in the Pentagon favors such an attack "if the crisis worsens."

Whipped by the spate of chauvinist propaganda, right-wing forces have organized attacks on Iranian students and small demonstrations falsely portrayed in the capitalist media as spontaneous mass outpourings against Iran. Rightist students in Fresno, California, for example, demonstrated November 8 with placards saying "Send in the Marines," "De-

port Iranians," and "Have a Happy Thanksgiving—Hold an Iranian Hostage."

In Beverly Hills, California, the ultraright Jewish Defense League organized an attack on a demonstration by Iranian students November 9. They threw pieces of iron pipe at the Iranian demonstrators, and were joined by the police in beating Iranian students.

Since its devastating defeat in Indochina four and a half years ago, one of U.S. imperialism's top political priorities has been to reverse the antiwar mood of the American working class. That sentiment prevented Washington from sending troops into Angola in 1975 and 1976, into Ethiopia in 1978, and into Iran and Nicaragua earlier this year. American workers still have vivid memories of flag-draped coffins coming back from Vietnam, and of the Vietnamese towns and villages destroyed by U.S. firepower during that dirty war.

The current orgy of abuse against the Iranian people and the Iranian revolution represents the most serious attempt so far to throw off the political restraints that have hamstrung the imperialist warmakers. Any use of U.S. military forces against Iran at all would make it easier for Washington to take further steps in its war drive. It would be a threat to the peoples of Nicaragua and El Salvador, to the Cuban workers and peasants, and to the Black freedom fighters in southern Africa.

If the American ruling class is able to get away with this escalation of its war drive, the price will be high both for the Iranian workers and peasants, and for working people in the United States.

Any military intervention around the pretext of the hostages could serve as the thin end of the wedge, to be followed by new forces and new objectives. As Middleton envisioned it, "There would have to be a follow-up operation bringing reinforcements and supplies for the intervention force and providing planes to evacuate the Americans there."

Gaining in enthusiasm as he considered the possibilities, Middleton said, "An American intervention force probably would be drawn from what Secretary of Defense Harold Brown has designated the Rapid Deployment Forces—approximately 110,000 men and women drawn from all four services. . . ."

"The Army has trained three battalions of infantry as paratroops and anti-insurgency forces. . . ."

"It also has the 82d Airborne Division, a military 'fire department' that is invariably alerted in international crises."

Right now, the imperialists are trying to gauge just how far they can go.

The editors of the *New York Times* asked November 9, "why not send the troops and get it over with? It may come to that if the hostages are harmed."

In the same issue, Richard Burt commented, "If hostages are injured or killed, many officials contend that the pressure on Mr. Carter to retaliate with military force will be irresistible."

By refusing to return the shah to Iran to stand trial for his crimes, that is precisely the outcome that Carter is trying to prepare. He wants to be able to portray any attack on the Iranian revolution as a response to criminal provocation by the Iranians and popular demand at home.

Of course, if Carter really wanted to save the hostages and defuse the crisis, he could simply return the shah to Iran. That is exactly what should be done. Indeed, a majority of the hostages and many of their relatives have demanded precisely this. A growing number of American working people favor this solution. They see no reason to become embroiled in another Vietnam-style war to save a bloody dictator.

The shah of Iran is a criminal. He is responsible for twenty-five years of murder, torture, and terror in Iran, and for stealing billions from the Iranian people.

During the last months of his rule, when Iranians in their millions took to the streets to protest his dictatorship, the shah repeatedly ordered his troops to open fire on unarmed demonstrators. Some 60,000 men, women, and children were killed.

Is it any wonder that the Iranian people want this butcher brought to justice?

Allowing the shah to set foot in the United States was a deliberate slap in the face of the Iranian people. As one Iranian student put it: "The Shah, to the eyes of Iranians, is like Hitler to the eyes of the world; the hatred is something you can't play with." And this Hitler was originally installed in Iran by the U.S. government. The CIA trained the gestapo-like SAVAK, whose brutal tortures have been well documented.

Carter claims to have allowed the shah into the United States for humanitarian reasons. No such solicitude was ever shown by U.S. authorities for opponents of the shah. They were constantly threatened with deportation—which meant torture and death—solely because of their political views.

In any case, on November 8 Iranian students in Tehran gave the lie to the claim that the shah's entry into the United States was due to humanitarian considerations. They released a secret U.S. embassy document drafted in July—long before the shah claimed illness—outlining Washington's intention to bring the shah to the

United States "by January 1980."

Far from humanitarianism, Carter's intention when he allowed the shah into the United States was a provocation with the express purpose of opening the way to a political offensive against the Iranian revolution in the United States.

A further provocation by Carter occurred November 10, when he ordered all Iranian students in the United States to report to the nearest Immigration and Naturalization Service office. White House officials claimed that "substantial" numbers of Iranian students would be deported. They also promised to take "additional steps to locate and identify such students"—meaning a mass roundup of Iranian students.

The racist campaign against Iranian students in the United States is intended to silence all those who would speak out in defense of the Iranian revolution, and against a new war.

On November 8, Carter ordered the revocation of a federal permit that had already been granted for a demonstration of Iranian students in Washington, D.C. This unprecedented step was a direct attack on the democratic rights of every American worker. The claim that such a peaceful rally represents "a clear and present danger to public safety and good will" could as easily be used against a demonstration of American workers as Iranian students.

Although the capitalist media is doing its best to portray a country united in outrage and champing at the bit for a chance to invade Iran, an ABC News poll taken November 8 found a clear majority of the American people opposed to any armed intervention in Iran.

Working people do not have the slightest interest in trying to stop the Iranian people from taking control of their own country. To the contrary, their interests lie on the side of the Iranian toilers doing exactly that. The same giant corporations that dominate the Iranian economy and that worked hand in glove with the shah are also the ones that exploit working people in the United States and around the world. Just as workers around the world welcomed the downfall of the Shah's dictatorship, so they will welcome the expropriation of the imperialists by the Iranian masses.

Nor do workers have any interest in protecting the shah. He should be extradited immediately so that he can stand trial for his crimes against the Iranian people and so that the hostages in Iran can be freed.

The U.S. government's war moves must be answered by a campaign on the part of American workers, farmers and students, and working people worldwide demanding:

"Extradite the shah!"

"Stop the attacks on Iranian Students! No deportations!"

"Hands Off Iran!"

In This Issue

Closing News Date: November 10, 1979

FEATURES	1138	Big Shake-out Nearing for World Auto Industry —by Winfried Wolf
IRAN	1116	New Upsurge in Revolution —by Gerry Foley
	1116	Demonstrators Appeal to American People
	1117	U.S. Marine: "Send the Shah Back!"
	1118	U.S. Socialists Demand: "Extradite Shah!"
	1118	The Shah—"Iran's Hitler" —by Janice Lynn
KAMPUCHEA	1119	Carter, Red Cross, UN Block Aid —by Fred Feldman
GRENADA	1120	Revolutionary Grenada—"New Jewel" of the Caribbean—by Ernest Harsch
	1122	"We Will Not Submit or Bow to American Bullying"
JAMAICA	1126	The Rightist Campaign Against Cubans in Jamaica—by Paul Sharpe
NICARAGUA	1127	Worldwide Campaign for Aid
	1128	FSLN: "Unite Efforts of All Truly Revolutionary Tendencies"
	1129	Response by "El Pueblo"
	1130	"We Are Organizing, Reorganizing, and Mobilizing the Masses"
CUBA	1132	Last Prisoners Freed
SOUTH KOREA	1132	Pressure for Democratic Rights
USA	1133	U.S. Companies Hoard Oil, Blame OPEC for "Shortage"—by Andy Rose
	1133	23% Say "Nationalize Oil Companies"
	1134	Five Antiracist Demonstrators Gunned Down by Ku Klux Klan—by Jon Hillson
	1135	Workers in North Carolina Outraged by Killings—by Jon Hillson
	1136	"A Murderous Attack on Every Worker" —Statement by SWP
NEWS ANALYSIS	1114	U.S. Hands Off Iran!—by David Frankel
AROUND THE WORLD	1137	Stiff Resistance to Bolivia Coup

Intercontinental Press (ISSN 0162-5594).
Intercontinental Press, P.O. Box 116, Village
Station, New York, N.Y. 10014. Published
in New York each Monday except the first
in January and third and fourth in
August.

**Second-class postage paid at New York,
N.Y.**

Editor: Mary-Alice Waters.

Contributing Editors: Pierre Frank, Livio
Maitan, Ernest Mandel, George Novack.

Managing Editor: Michael Baumann.

Editorial Staff: Dan Dickeson, Gerry Foley,
David Frankel, Ernest Harsch, Fred
Murphy, Will Reissner.

Business Manager: Harvey McArthur.

Copy Editor: David Martin.

Technical Staff: Larry Ingram, Arthur Lobman,
Sally Rhett.

Intercontinental Press specializes in political
analysis and interpretation of events of
particular interest to the labor, socialist,
colonial independence, Black, and women's
liberation movements.

Signed articles represent the views of the
authors, which may not necessarily coincide
with those of Intercontinental Press. Insofar
as it reflects editorial opinion, unsigned
material stands on the program of the
Fourth International.

To Subscribe: For one year send \$30.00 to

Intercontinental Press, P.O. Box 116, Village
Station, New York, N.Y. 10014. Write for
rates on first class and airmail.

Subscription correspondence should be
addressed to Intercontinental Press, Box
116, Village Station, New York, N.Y. 10014.

For air-speeded subscriptions to Australia:
Write to Pathfinder Press, P.O. Box
K208, Haymarket 2000. In New Zealand:
Write to Socialist Books, P.O. Box 3774,
Auckland.

European Subscribers: For air-speeded
subscriptions write to Intercontinental
Press, P.O. Box 50, London N1 2XP, England.
Britain and Ireland, send £11.00 for
one year. Continental Europe and Scandinavia,
send £15.00 for one year. For airmail
from London send £22.00. Address subscription
correspondence to Intercontinental
Press, P.O. Box 50, London N1 2XP,
England.

Please allow five weeks for change of
address. Include your old address, and, if
possible, an address label from a recent
issue.

Intercontinental Press is published by the
408 Printing and Publishing Corporation,
408 West Street, New York, N.Y. 10014.
Offices at 408 West Street, New York, N.Y.

Copyright © 1979 by Intercontinental
Press.

New Upsurge in Iranian Revolution

By Gerry Foley

A new upsurge in the Iranian revolution is under way.

The Iranian masses have resumed their advance. Seizing the opening provided by the defeat of the Iranian army and repressive forces in Kurdistan, they have forced the government to back down in the drive to hold in check the mass movement that shattered the dictatorship of the shah.

The occupation of the U.S. embassy, the symbol of American domination of Iran, has become the focus of the confrontation between the Iranian masses and imperialism.

Some of the most striking illustrations of the renewed upsurge in recent weeks are the following:

- When the rout of the government forces in Kurdistan became apparent at the end of October, the other oppressed nationalities throughout the country began to mobilize and demonstrate more strongly for their demands. Land seizures are continuing in southern Kurdistan, and large demonstrations protesting repression have taken place in the Azerbaijani capital of Tabriz.

- The workers councils that are spreading in factories across Iran have begun to arm. At the same time, a number of these bodies have moved to cut the salaries of managers, and in at least one case have fired managers who refused to accept this. In the factory in question, the workers were able to increase production the first day after the managers walked off their jobs, showing that they could run the plant more efficiently themselves.

- The oil workers, the decisive section of the Iranian proletariat, have now formed a national organization, the Common Union of Oil Workers. They are demanding a forty-hour week immediately and the opening of the books of the national petroleum company. They gave the government three days to meet their first demand before they went on strike.

- In one soap factory in the Tehran area, which had been abandoned by its U.S. and Iranian owners, the workers council opened the books and discovered that 27 percent of the cost of production went to a distributor. They decided to cut out the distributor and sell their product themselves at the factory gates, giving priority to hospitals.

- Students and others have begun occupying hotels and unused housing. Mobilizations have started up on the campuses, both for student and general democratic demands and against the war in Kurdistan.

- The bourgeois press itself has begun to call on the government to end the war and to seek a negotiated settlement with the Kurdish leaders.

In these conditions, the government has been forced to retreat on many of its repressive measures. It began to allow the newspapers of the workers' organizations to appear again, beginning with *Mardom*, the organ of the Communist Party. On November 5, it granted temporary authorization to the Iranian Socialist Workers Party (HKS) to begin republishing its paper *Kargar*.

The lifting of the ban on the Trotskyist paper was also an important victory for the fourteen HKS members imprisoned in Khuzestan province, twelve of whom have been sentenced to death. In face of the threat of U.S. imperialism, demands are growing for the release of the antishah fighters from prison.

Iranian TV, which came under heavy censorship again a few days after the February insurrection, broadcast an interview recently with Mohammad Saadati, leader of the left-wing Muslim Mujahedeen, who was imprisoned as a "Soviet agent."

Inevitably the new upsurge of the Iranian masses led to a sharpening confrontation with U.S. imperialism. In this situation, Washington ignited an explosion by allowing the shah—the symbol of

counterrevolution—into the United States. This fueled a deepening of the revolution, which began as an attempt by the Iranian masses to free themselves from the U.S. installed dictator who kept their country under foreign domination.

No force in Iran could have held the masses back from demonstrating their outrage at Washington's new display of complicity with the tyrant it imposed in 1953 and whom it helped to build up a gigantic and ruthless repressive system.

In fact, mass outrage against a meeting held by Prime Minister Bazargan with Carter adviser Zbigniew Brzezinski at the time the shah was let into the U.S. forced the resignation of Bazargan.

Following the occupation of the U.S. embassy, demonstrations have continued without letup, demanding that Washington extradite the shah to Iran and stop using the embassy as a spy center against the Iranian people. These protests are being backed up by the workers councils.

The U.S. government had hoped to use the Khomeini-Bazargan government to keep the Iranian workers and peasants in check. Washington gave aid to Khomeini to be used for crushing the Arab and Kurdish minorities and to strengthen the capitalist forces against the toiling masses.

The problem was that even with this aid, the Iranian government could not crush the Arab and Kurdish masses, or stop the rising demands of the workers. This attempt to restore "stability" by force has failed.

Washington, moreover, did not convince many U.S. capitalists that they could return to business as usual in Iran. The new government in Iran failed, despite determined attempts, to get the workers to

Iran Demonstrators Appeal to American People

In a communiqué issued in Tehran November 9, student leaders of the occupation of the U.S. embassy in Iran appealed for support from the American people.

The student demonstrators urged Americans to back their just demand for return of the shah, just as they had "demonstrated against the war in Vietnam."

Iran's new foreign minister, Abolhasan Bani-Sadr, echoed the students' appeal November 10, pointing out that the shah is "the greatest criminal history has seen."

"Now we have a legitimate request of you," Bani-Sadr said in his message to Americans. "We want to have back the source of 30-odd years of corruption in order to set an example for all nations to demand the recognition of human values."

Explaining why the U.S. embassy is such a hated symbol of oppression to the Iranian masses, Bani-Sadr described it as a "spy nest" that virtually governed Iran before the shah was overthrown.

"Our embassy is nothing like an embassy. This is where they hurriedly burned and shredded documents and erased the computer memory. What remains indicates without a doubt that the place was a vital spy center. Americans, ask your Government if it would permit other nations to have such embassies in your country and interfere in your smallest affairs.

"If you were subject to 35 years of rule by an embassy and you fought and succeeded would you consider those connected to that embassy as ordinary people? This is the truth they are hiding from you."

go back to accepting the rule of the bosses in the factories. In this situation, no amount of guarantees could coax the foreign capitalists and runaway native businessmen to return.

The Iranian government was forced to nationalize abandoned plants, as well as financial institutions, in June and July, thereby acknowledging its failure to restore stable capitalist economic relations since the insurrection that overthrew the shah.

In the insurrection—the culmination of one of the most powerful and sustained mass mobilizations in history—the Iranian masses overcame all obstacles by relying on the immense power of the millions of workers and peasants mobilized in action to overturn the hated shah and end imperialist domination.

In the months that followed, the new authorities attempted to “restore order” and did score some initial successes in dismantling or housebreaking the organizations that the masses had begun to develop during the struggle against the shah.

Rightist gangs attacked the independent press, the left, the workers’ and students’ meetings, seeking to create an atmosphere of intimidation.

However, the procapitalist forces were unable to create a sufficiently strong rightist movement to serve as a basis for “restoring order.” Despite Khomeini’s enormous popularity as the symbol of the struggle against the shah, demonstrations he called to back right-wing objectives generally remained small.

The success of the new government in getting the masses under control in the big industrial centers was only relative and tenuous. When it turned to try to restore “order” in Kurdistan and Turkmenistan, it was defeated in its first head-on collision with mass forces.

The Kurds and Turkmenis had taken advantage of the breakdown of the shah’s repressive apparatus to begin to take control of their own areas. The Turkmenis, who had been driven off their land by Persian officials, had seized all the land, livestock, and machinery around their villages.

It was the Turkmenis who were the first peasants to begin a real agrarian revolution and set up democratic village councils, an extremely dangerous example in a mainly peasant country.

So, when the new authorities were organizing their first major campaign to get a political mandate for bourgeois rule, the March 30-31 referendum on setting up an “Islamic Republic,” they faced the immediate problem that they exercised little control in Kurdistan or Turkmenistan.

On the eve of the referendum, the new authorities launched military attacks on the Kurdish town of Sanandaj and the Turkmeni town of Gonbad-e Qabus. In the first case, it used surviving units of the

U.S. Marine: ‘Send the Shah Back!’

[The following is excerpted from a letter sent by Kevin J. Hermening to his family. Hermening, a twenty-year-old marine sergeant, is one of approximately sixty Americans being detained at the U.S. embassy in Tehran. He and thirty-two others at the embassy signed a petition demanding that Washington return the shah to Iran. We have taken the text from a November 11 United Press International dispatch.]

* * *

Hi, we are still being held but are being treated very well. They are doing nothing to harm us at all.

I think the newspapers are not speaking truthfully back home nor elsewhere.

Just now I was interviewed by the leaders who are holding us and they had a paper which we could sign (if we wanted to) and I did, to ask the U.S. government to send the Shah back here in return for our release.

I did sign it and am glad I did.

Maybe someone or something should tell (convince) Carter to take care of his American people first and not care about some stupid Shah. Then we could come home.

P.S. I was not forced to write anything I have written here. Just believe me.

shah’s army. In the second case, it began by using the Pasdaran—Khomeini’s Revolutionary Guards. In both cases, the attacking forces were fought to a standstill and the government was forced to back off.

Government forces remained, but were forced to stand aside and let the Kurdish and Turkmeni organizations actually run the life of these areas.

The government was unable to rally the Persian masses, and especially the workers in the national centers, behind its effort to rebuild the central state apparatus by crushing the struggles of the oppressed nationalities. This opened up the way for more sections of the masses to go into action.

The spread of struggles by the oppressed nationalities led to a deepening of the revolution. Their victories had a major impact on the Arabs in the oil-producing province of Khuzestan, who are largely proletarianized. Mass protests in the Arab region included a strike by dock workers in Khorramshahr in May, the first major workers’ action in defiance of the new authorities.

The mobilizations of the Arab masses represented an immediate threat to the decisive sector of the economy, and the new government reacted to this danger at the end of May with extreme repressive violence. Nonetheless mass protests continued in the Arab cities.

In June and July, the government’s relative control over the workers in the industrial centers began to weaken. Demands started to rise for new workers councils, and for workers’ control. The authority of the Revolutionary Guards waned.

The agrarian revolution spread. The struggle in Kurdistan deepened as peasants seized the land and organized their own village councils. Land seizures began in the province of Pars in the southeast-central part of the country.

Along with the dangerous example it set, the agrarian revolution in Kurdistan

threatened to produce an unbreakable organization of the Kurdish people. It was in the face of this danger that the government launched its offensive in Kurdistan.

The attack was not aimed against the Kurdish people alone but went hand in hand with the attempt to ban all the workers’ papers and organizations as well as the independent press in general.

The very fury of the government’s attack was a sign of its growing weakness vis-à-vis the masses.

Now the bourgeois authorities seem to be increasingly on the defensive. The repressive forces they sent to Kurdistan are being cut to pieces.

The procapitalist forces are deeply split. The masses have clearly turned against the Kurdish war and repression. Kurdish leaders are calling on their people to continue the struggle until they have secured their full rights.

In the face of this situation, the U.S. rulers made their provocative move to bring the shah to the United States—an implicit threat to seek to return him, or a government which will effectively hold the masses in check.

Throughout the country the masses are already mobilizing to defend their revolution from this threat and organizing to carry it forward to the achievement of the aspirations for which they overthrew the shah: Freedom from imperialist domination and from the repression of its local agents and allies. The right to freely discuss how the country and the economy should be run, with full access to all the necessary information. The chance to run the economy democratically in accordance with their needs.

The achievement of these aspirations requires the destruction of the capitalist system and the establishment of a planned economy based on democratically elected bodies from the top to the bottom of the society—that is, socialism. The Iranian upheaval is rapidly deepening into a fundamental social revolution. □

Mohammad Reza Pahlavi—'Hitler of Iran'

By Janice Lynn

The presence on U.S. soil of one of the most bloody butchers ever is a deliberate provocation by the Carter administration against the Iranian revolution. Full responsibility for the lives of the American hostages rests with Washington for bringing the exiled shah to this country.

The outrage and anger expressed by the masses of Iranian people at the U.S. government's flagrant threat against their revolution is more than justified.

As one Iranian student in the United States explained, "The Shah to the eyes of Iranians is like Hitler to the eyes of the world; the hatred is something you can't play with."

Iranian students interviewed by the *New York Times*, from Harvard to the University of California at Los Angeles, expressed the same sentiment: "... allowing the Shah to remain in New York is like offering asylum to Hitler," one said.

"If Hitler were on the moon, we'd go there, too, and bring him back to be tried. We should do likewise with the Shah," said another.

Who was this hated king—Mohammad Reza Pahlavi? What is the real record of his murderous crimes against the Iranian people?

Amnesty International, in 1975, stated that: "No country in the world has a worse record in human rights than Iran."

The shah's brutal dictatorship began in August 1953 when he was installed by a CIA-engineered coup that overthrew the government of Dr. Mohammad Mossadegh. Because Mossadegh had moved to nationalize the country's oil resources, Washington conspired to depose the legally elected government and reinstall the shah—not for the benefit of the Iranian people, but solely for the benefit of the oil magnates and the Pentagon. Immediately after the coup, thousands of persons were either executed or killed under torture.

In 1957, the infamous SAVAK was

formed. This dreaded secret police network and torture machine was created with the aid of the CIA and the Israeli secret police.

Together with the shah's massive army, trained and financed by Washington, it used violence and terrorism against all political dissidents.

An estimated 100,000 political prisoners were held in the shah's jails. One French lawyer reported in 1975, "The [shah's] regime has accomplished the extraordinary feat of establishing a higher rate of construction for prisons than for schools. . . ."

Those who managed to escape execution told of the chilling horror: electric shock; rape; enemas with boiling water; tearing out of nails and teeth; an electrically wired iron bed designed to burn the person placed on it; and pressing of the skull in a vise, sometimes until it broke. This monstrous torture was committed against young women, as well as against boys and girls five and six years old.

The CIA helped instruct SAVAK in Nazi torture techniques from World War II. Former CIA agent Jesse J. Leaf disclosed the "torture seminars" in a January 7, 1979, interview published in the *New York Times*.

After the overthrow of the shah's monarchy, the Iranian people exposed the crimes of the SAVAK torturers, putting them on TV to answer for their bloody deeds and showing the many implements of torture found in the prisons and torture chambers. Many were rightly condemned to death.

The U.S. government expresses its indignation at these executions of SAVAK murderers. But there was no outrage at the shah's massacre of 6,000 people in June 1963; nor at the slaughter of unarmed demonstrators on September 8, 1978—"Bloody Friday."

"By September 9 alone, 3,897 death certificates had been issued by the Behesht-e-Zahra cemetery," Parvin Najafi

reported in the September 25, 1978, issue of *Intercontinental Press/Inprecor*.

Thousands more were killed by the shah's U.S.-trained military in December 1978. But the U.S. government never once raised its voice against the shah's bloody repression.

While the capitalist press calls this mass murderer a "modernizer," they ignore not only his brutal human rights record, but also his twenty-five-year devastation of the Iranian economy.

- While the shah traded oil for billions of dollars worth of arms, the masses were left in extreme poverty. Fifty-four percent of households lived below the official poverty level. Meanwhile, the shah's "Peacock Throne" was glutted with wealth and luxury. The shah and his clique deposited a vast fortune in banks and investments abroad.

- The country's agriculture was destroyed, making it necessary to import a majority of food items, which were then placed on the market at exorbitant prices.

- Millions were driven from their land, resulting in three and a half million unemployed out of an employable population of eleven million.

- Sixty-three percent of the population was left unable to read or write.

- Inflation soared to more than 30 percent a year.

- Sixty percent of the country's population were oppressed nationalities, brutally deprived of the right to their own language and culture.

- Women were second-class citizens.

- Severe repression occurred in the factories, with SAVAK units in charge of the company "unions."

This was the balance sheet [after fifteen years] of the shah's "modernization."

Is there any doubt that this criminal should immediately be extradited to Iran to face trial?

As the newly appointed Iranian foreign minister, Dr. Abolhassan Bani-Sadr, said in his November 10 radio broadcast, "Now we have a legitimate request of you. We want to have back the source of 30-odd years of corruption in order to set an example for all nations to demand the recognition of human values." □

Correction

Because of an editorial error, an important sentence was omitted from the article about Chen Tu-hsiu in the November 12 issue. On page 1111, column two, at the end of the third paragraph, after the sentence "He was sentenced to thirteen years in prison" (in 1932), the following sentence should be inserted: "While he was there, he was elected, at Trotsky's urging, to the Central Council of the Movement for the Fourth International by the delegates attending the First International Conference for the Fourth International held in France in July 1936."

U.S. Socialists Demand: 'Extradite Shah!'

[The following telegram was sent to the Tehran daily *Baamdad* November 9 by Andrew Pulley, candidate of the Socialist Workers Party for president of the United States.]

* * *

As Socialist Workers Party candidate for president of the United States, I salute struggle of Iranian people to

extradite mass-murderer shah from U.S.

Carter and American capitalists are sheltering shah just as they supported the butcher during his bloody reign in Iran.

American people oppose U.S. support to shah. We will fight any U.S. attempt to intervene in Iran.

Long live Iranian revolution!

Carter, Red Cross, UN Block Food Aid to Kampuchea

By Fred Feldman

The Carter administration, the United Nations, and the International Red Cross are working hand in hand to commit one of the most brutal crimes of this century—the deliberate starvation of more than 2.5 million Kampuchean in an effort to topple the government of Heng Samrin.

At the same time, massive quantities of arms and other supplies are being shipped—in the name of “humanitarian aid”—to the remaining forces backing ousted dictator Pol Pot and to other rightist units that are allied with Pol Pot against the Heng Samrin forces and their Vietnamese allies.

Pol Pot and his Khmer Rouge killers were responsible for the deaths of millions of Kampuchean before their overthrow last January.

An unusually frank statement of the purposes of the aid program appeared in the November 5 *New York Times*. Bangkok correspondent Henry Kamm reported that these forces “are provided with international assistance channeled through Thai military authorities, whose permission is required for every supply trip. Although no policy has been announced, field observations indicate a direct relationship between the degree of effective opposition of each group to the Vietnamese occupation forces and the readiness with which food is made available.”

With the direct assistance of the U.S.-armed Thai military, the Pol Pot forces and their allies control small strips of territory along the Thai-Kampuchean border. There they hold up to 300,000 civilian captives—in contrast to the four million Kampuchean who live in territory controlled by Heng Samrin's forces.

All observers at the border report that the aid given here is being taken by Pol Pot's troops, who are described as well fed—in contrast to the civilians under their control, who are wasting away from malnutrition and malaria.

While nothing is allowed to stand in the way of aid to Pol Pot, no pretext is too flimsy to serve as an obstacle to providing aid to the Kampuchean people.

While the Red Cross and UNICEF—not to mention the Carter administration—have no objection to aid being monopolized by Pol Pot's soldiers, they insist on ironclad guarantees that not an ounce of food given to Kampuchea will be eaten by soldiers opposed to Pol Pot.

While the Red Cross and UNICEF allow the corrupt military dictatorship in Thailand to have full control over the distribution of aid, they insist on rigid controls

over all aid given to the Kampuchean government.

While the Red Cross and UNICEF cooperate fully with the Thai government in aiding Pol Pot, they have refused thus far to use Vietnamese trucks, ports, or other facilities to provide food to the Kampuchean people.

UNICEF and the Red Cross have insisted that the Kampuchean government endorse the massive aid program they are carrying out for Pol Pot's forces as a precondition for aid.

This was followed by the Carter administration's phony “aid offer”—actually a demand that the Pnompenh government open its borders to a truck convoy from Thailand into the sections of western Kampuchea where Pol Pot's forces are concentrated.

When the Heng Samrin government resisted these demands, it was declared to have “barred aid.”

And when Pnompenh or Hanoi point out the simple fact that this aid program is being used to supply Pol Pot while denying food to the Kampuchean people, capitalist newspapers and politicians reach new heights of hypocritical indignation at their “inhumanity.”

When all else fails, the imperialist governments, UNICEF, and the Red Cross declare that the Kampuchean government can't really distribute any aid anyway, since their ports and airstrips are unusable.

This claim was denied by the Pnompenh government. And it was disproven when the November 1 *New York Times* reported that five freighters—including three from the Soviet Union said to be carrying food—had arrived in the port of Kompong Som in recent days.

Britain's Oxfam—virtually the only relief agency in the capitalist world which has seriously tried to help the Kampuchean people—announced November 5 that one of its barges containing 2,000 tons of food had arrived in the supposedly unusable port of Kompong Som. It was greeted at the dock by President Heng Samrin himself—a commentary on the lie that the Pnompenh government rejects aid.

In an interview published in the October 21 *Christian Science Monitor*, Oxfam's Jim Howard insisted that the Kampuchean government has put up no obstacles to Oxfam's aid program. “There are now no more barriers to substantial aid going in from the people of goodwill,” he told correspondent Stephen Webbe. “We have

demanding and got permission to monitor all the supplies going in through the consortium [of aid donors].”

The reason Oxfam is able to supply aid while the Red Cross, the United Nations, and the Carter administration keep running into “insuperable obstacles” is simple. Oxfam is trying to feed the Kampuchean people, while the U.S. government, UNICEF, and the Red Cross are trying to supply their murderers.

These imperialist agencies oppose feeding the people of Kampuchea because they view starvation as a powerful weapon in their drive to bring down the Heng Samrin government. They aim to replace it with one that the U.S. imperialists can more easily control (whether that means the return of Pol Pot or the installation of some other regime is a secondary matter to the imperialists).

After visiting Kampuchea, Howard announced that Oxfam had decided not to provide aid to the Pol Pot forces—a shift from his earlier position in favor of aiding both sides.

According to Webbe, “Mr. Howard stresses that the former Cambodian ruler ‘can't be allowed to survive and go on battling away because this country will never come to peace. Cambodia needs peace above everything now.’

“He says that the great fear of the Phnom Penh government is a Vietnamese withdrawal under pressure ‘from China or elsewhere’ that would bring Pol Pot sweeping back into power. ‘We see no survival under Pol Pot,’ he says gravely.

“‘After all, we've been and looked inside the gas chambers, if you like, and if we ignore this, then it's on our heads.’”

The United States has 400,000 tons of surplus rice in storage—more than enough to end the famine in Kampuchea in a matter of days.

The American people must demand that Carter stop arming and supplying the forces of Pol Pot and his rightist allies for their bloody war against this long-suffering people. Instead, Carter must send the Kampuchean people all the food they need now. □

All Heart

In honor of the International Year of the Child, Leonid Brezhnev signed a decree on October 20 granting an immediate limited amnesty to children and mothers sentenced to labor camps and other forms of punishment. The decree was published in the Soviet daily *Izvestia*.

Revolutionary Grenada—The 'New Jewel' of the Caribbean

By Ernest Harsch

ST. GEORGE'S, Grenada—"This government stand with the workers," a thirty-two-year-old dockworker at the harbor says with conviction. "We know these fellows. They with us. Nobody going to tell me nothing changed."

Eight months after the March 13 insurrection that brought the revolutionary New Jewel Movement (NJM) to power in this small eastern Caribbean island, support for the new government is widespread. If anything, it may even be deepening among the poorest layers of this impoverished country, as the People's Revolutionary Government (PRG) of Prime Minister Maurice Bishop drives ahead with a series of progressive measures aimed at improving the social position and living conditions of the vast majority of Grenada's 110,000 people—the workers and small farmers.

While some sectors of Grenadian society—the conservative and wealthy—are reacting with concern, the general verdict among young people, workers, and the unemployed is that the government deserves support and that it appears committed to transforming Grenadian society to their benefit.

"So much done these seven months, we never seen before," a woman at the central market in St. George's explains.

"I'm with Maurice," says a young unemployed musician. "He shakes things up, gets people moving. And the police now, they leave me be."

The depth of the government's popular support has been expressed repeatedly since the insurrection, in a series of mass rallies throughout the country, some of which have drawn crowds of 15,000 or 20,000—truly massive turnouts for a country of this size.

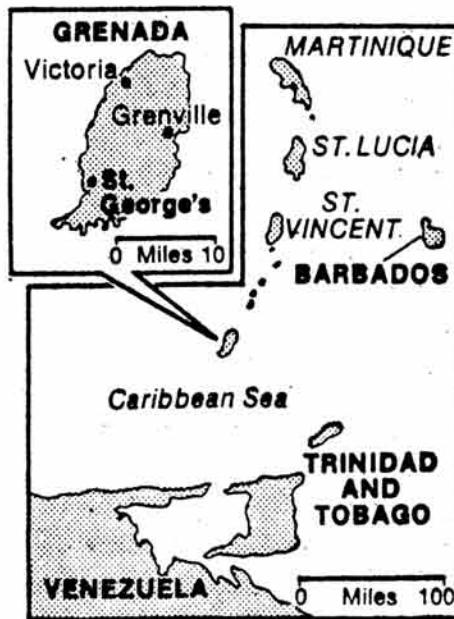
Despite its short time in power, the PRG has already done much to try to rebuild the devastated economy inherited from the ousted dictator, Eric Gairy, and to improve living standards. With the elimination of the rampant corruption and inefficiency of the Gairy regime, new funds have been released for the expansion of social services.

Free milk is being provided to all children under five years' of age, and cheap hot lunches are being introduced in primary schools. Secondary school fees have been cut. So far this year, 109 scholarships have been handed out for study abroad, compared to just three in all of 1978. Roads are being repaired, and new ones built. Hundreds of new jobs have been created, an important step in a country where half

the work force is unemployed.

Plans are being laid to increase food production, develop agricultural industries, and diversify crops to lessen the country's near-total dependence on exports of bananas, nutmeg, and cocoa. As a result of government intervention through the creation of the National Importing Board, the prices of rice, sugar, cement, and other imported goods have been reduced.

Health services on the island have been significantly expanded, thanks largely to the work of twelve Cuban doctors and dentists, who have treated 7,000 patients in a period of just three months. The presence of a Cuban ship in the harbor, laden with 60,000 bags of cement, testifies to the extent of Cuban assistance, which also includes fisheries, agricultural, educational, and military aid.



"The Cubans, I have noticed, give aid to people fighting for freedom," one person commented in a newspaper poll conducted here in May, "and I like that."

Under the Gairy regime, the right to strike had been abolished in many key sectors of the economy, unionists faced severe harassment and victimization, and the right of assembly, speech, and the press were severely restricted.

The revolution has changed all that. Under the slogan, "Let those who labor hold the reins," the PRG has greatly expanded workers' rights.

The new Trade Union Recognition Act compels employers, under threat of fine and imprisonment, to recognize any union that can demonstrate support from at least 50 percent of the workers in a given enterprise.

Unions such as the Commercial and Industrial Workers Union (CIWU) and the Bank and General Workers Union (BGWU) have grown considerably in recent months, and new unions, like the Agricultural and General Workers Union, have been formed. According to the government, the level of unionization has risen from 30 percent of the employed urban work force at the time of the insurrection to more than 80 percent today.

In the rural areas, elected Agricultural Workers Councils have been set up on all of the government-owned estates, and on many of the private ones as well.

The principle of equal pay for equal work for women workers has been proclaimed, and is already being implemented in some sectors, such as agriculture. Employers and other officials found guilty of sexually harassing women workers are now subject to immediate dismissal.

Although a few local business figures hold minor positions in the government, the PRG has repeatedly demonstrated that its basic stance is pro-labor. Vincent Noel, the president of both the CIWU and the BGWU, is a member of the PRG, a factor that has done much to reassure workers that they need not fear reprisals for their union activities.

Prime Minister Bishop has spoken on radio to warn employers to stop victimizing workers or face "the full weight of the revolution." Labour Minister Selwyn Strachan has appeared before the Grenada Chamber of Commerce to inform its members that the government would not allow employers to "exploit" workers, that the rights of labor must be respected.

"Our party is committed to the task of improving the quality of life of the working people of our country," Strachan told me. "We cannot afford to sit by and allow workers to be subjected to the same kind of exploitation they were subjected to in the past."

An article in the October 6 *New Jewel*, the weekly organ of the NJM, stated that while businessmen still had a role to play in the economy, "Businessmen who harass, abuse or unjustly fire workers must know that the P.R.G. is a workers Government and will stand firm on the side of the workers."

This is not just empty rhetoric, as shown

by the PRG's recent takeover of the local Coca-Cola bottling plant following a five-week strike over the dismissal of two employees. After the management refused to rehire the workers or accept the government's proposal to set up an industrial tribunal to arbitrate the dispute, the PRG intervened by taking over the plant's management, rehiring all workers, and resuming production. This served notice to all employers in Grenada that the government meant what it said.

With the scrapping of most repressive legislation, such as restriction on the right of assembly, speech, and the press, democratic rights in general have been considerably expanded.

The atmosphere of fear and insecurity that lay over the island under Gairy's rule has largely dissipated. The "Mongoose Gang"—Gairy's band of hired criminals who plundered and terrorized the country with impunity—no longer exists. Gairy's entire army has been disbanded, and many corrupt policemen have been dismissed. A number of Gairy's top henchmen are now in detention in Richmond Hill prison.

Guns, however, are a common sight, mostly in the hands of young men and women. Troops of the new People's Revolutionary Army, dressed in green combat fatigues, and members of the new People's Militia, in civilian clothes, can frequently be seen bouncing along in trucks freshly painted in camouflage colors, doing early morning training exercises, or strolling the streets of St. George's with automatic weapons slung over their shoulders. There is no sign that they are feared by the population; at times they are cheerfully greeted by passers-by.

The growing interest in radical political ideas among Grenadians in general is especially evident among army and militia members, who are among the most committed supporters of the revolution.

During one visit to the main government office building, I notice a young soldier, sitting with a machine gun across his knees, listening intently to a program over Radio Free Grenada on women's liberation. He nods as the female commentator stresses the need for men to share domestic chores with women. He nods again as she emphasizes the important role of women workers in the construction of a new Grenada.

On another visit, there is a young security guard, dressed in civilian clothes, reading *By Any Means Necessary*, a collection of speeches by Malcolm X.

I ask a youth near the central market in St. George's if he is worried about the presence of so many troops and militia members, and receive a prompt reply: "No."

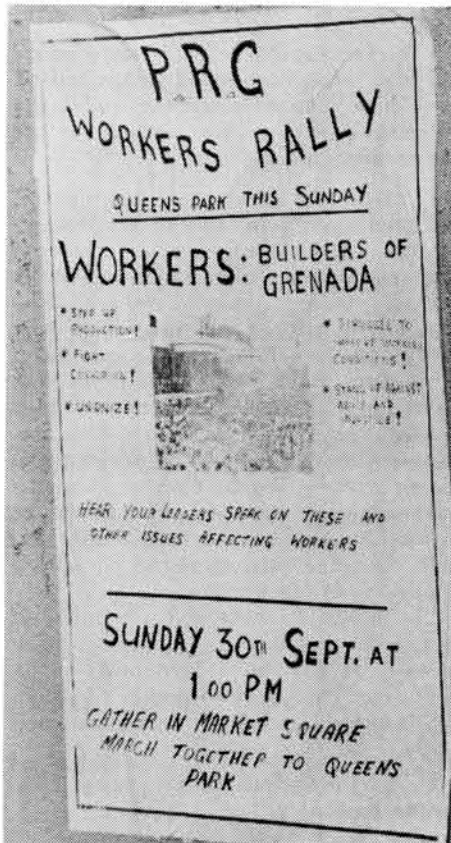
I press the question: "But what are all the guns for?"

He looks at me as if I'm a bit dumb, then answers, "To defend the revolution."

"From whom?"

"From Gairy's mercenaries. From the CIA and all the destabilizers trying to take away our freedom. Like Brother Maurice said, now that we have tasted freedom, we are prepared to die to keep it."

Such determination will be vital to the survival of the Grenadian revolution. The problems of trying to initiate a revolutionary social transformation in a country with such a limited material base are great. No less serious are the threats and pressures against the revolution coming from imperialism—especially from Washington—and from domestic counterrevolutionary forces.



Ernest Harsch/IP-1

Poster advertising People's Revolutionary Government rally in St. George's.

Gairy, who is now living in the United States, has reportedly been attempting to recruit a mercenary force to try to regain his throne. There are many people here who are skeptical that Gairy could succeed in retaking the country on his own, given the wide and active support that the PRG enjoys among the Grenadian workers, peasants, and youth. But there is concern that Gairy and his remaining supporters could cause serious harm, especially if they get outside backing.

There have already been a few instances of sabotage. In central St. George's stands the remnants of a three-story building gutted by fire, which formerly housed a leading travel agency and tour operator. A few minutes before it caught fire on May 6,

a cottage in Morne Rouge, in the heart of the tourist section, was also set alight. There are very strong indications of arson in both fires, which are believed by the government to be aimed at disrupting the vital tourist trade.

On October 14-15, just a week before my arrival in Grenada, the government's security forces arrested twenty persons, including Winston Whyte (a right-wing politician) and former member of Gairy's Defence Force. Caches of arms and ammunition were discovered during the raids, and the twenty were charged with plotting the armed overthrow of the PRG.

The same weekend, the *Torchlight* newspaper, which had been conducting a slander campaign against the PRG for several months, was ordered shut down. One of its major owners, a wealthy Grenadian businessman, had also been a key financial backer of Winston Whyte's various rightist formations.

The increasing alarm among some business circles here over the radical course of the revolution will very likely lead to more attempts to resist its advance.

These reactionary forces within Grenada have received encouragement from American imperialism, which has made clear its hostility toward the unfolding revolution here.

The Carter administration has explicitly warned the PRG against establishing close ties with Cuba. It has urged the initiation of an international campaign against "human rights violations" in Grenada, that is, the detention of the ousted dictatorship's top officials and torturers.

American oil companies have cut back on fuel shipments to Grenada, resulting in periodic black outs in sections of the island. According to Strachan, the PRG has received information that the Carter administration is also attempting to get Grenada's main trade partners to put further economic pressure on the country.

The most serious and direct threat against Grenada—and against the entire region, including Cuba and Nicaragua—came when President Carter announced October 1 that a U.S. military task force, based in Key West, Florida, would be set up to enable Washington to rapidly dispatch military forces into the Caribbean.

"All Grenadians, Governments and peoples of the Caribbean should condemn the threat to our security made by President Carter," an article on the front page of the October 6 *New Jewel* declared.

Upon learning that I was a journalist from the United States, one young supporter of the NJM told me, "We like Americans, the people of America, but your government try to oppress us. Tell Carter to take his troops away. We want to live in peace."

Grenada's own struggle against imperialist domination is part of the struggle of all oppressed peoples throughout the world, a fact that the revolutionary leader-

ship in Grenada is fully aware of.

"Africa, Grenada—One People, One Struggle," proclaims a tee-shirt worn by an NJM member at a rally in Grenville, the country's second largest town.

The *New Jewel* and the *Free West Indian*, the two main newspapers here now, frequently carry articles about struggles in other countries. Prime Minister Bishop

and other PRG members have forcefully spoken out in support of the Palestinians, and Black freedom fighters in southern Africa, and the revolutionists in Nicaragua. They realize that any advance of the world revolution helps Grenada's own struggle for national independence and social progress.

By itself, Grenada is very vulnerable.

But with the active solidarity of peoples throughout the Caribbean and the rest of the world, it can withstand the pressures, threats, and intimidation of the imperialists.

"We need solidarity very much," one young NJM supporter in Grenville tells me. "Without it, our revolution may be lost. With it, we can move forward." □

Interview With a Leader of the Grenada Revolution

'We Will Not Submit or Bow to American Bullying'

[The following is an interview with Selwyn Strachan, a founder and central leader of the New Jewel Movement and currently the minister of labor, works, and communications in the People's Revolutionary Government of Grenada. The interview was obtained by Ernest Harsch in St. George's, Grenada, on October 29.]

* * *

Question. The People's Revolutionary Government (PRG) calls itself a "workers government." Could you explain that?

Answer. Ever since the inception of our party, we have espoused a particular ideology—we call ourselves socialists.

Our party is committed to the task of improving the quality of life of the working people of our country. We see the workers as the revolutionary class in society, and we are determined to raise their political and ideological consciousness.

We say we are a workers government and we are determined to improve the quality of life of the worker. Whilst we recognize the importance of better wages and working conditions, we feel that it is absolutely necessary—if we want to move the struggle forward, if we want to build a workers state, if we want to build a worker-peasant state—that we devote a lot of time to the building of the political and class consciousness of the workers in our society.

And that is a very long, long task that we have. Because even at this stage in our country, the workers are not fighting for political rights. They are still at the trade-union level, for better wages and working conditions. They are not fighting for laws to protect their interests. They are not at that stage yet.

We are trying to ally the other classes in society with the workers. In other words, we see the struggle in a wider context, not just working-class struggle on behalf of workers, but linking that, trying to bring all the oppressed classes into alliance with the working class to fight for all the democratic, progressive measures at this particular stage in the struggle.

Q. Would you like to see a stage where

the workers would be sufficiently politicized and class conscious to begin raising their own demands and begin mobilizing themselves, rather than waiting for the government to act?

A. I don't see spontaneous reaction. We feel that everything has to be properly guided. It should be done in an organized way, rather than allowing things to be spontaneous. Sometimes we can have that. But our aim is to organize in a serious way so that the revolution is not hampered.

In other words, we do not think that anything rash should be done now that will hold back the revolution, and in turn hamper the workers and the working people as a whole. We are against spontaneous reaction, but at the same time we are also against any kind of measure that will hold back the raising of the class consciousness of the workers.

The thing is, there are a number of stages that we have to go through. The society, we see, is predominantly petty-bourgeois. That is very deep in the country. The working class is very weak numerically.

Q. Petty-bourgeois in the sense of a strong peasantry?

A. A strong peasantry, right. And a lot of individualist activities, vendors, lots of people who are self-employed.

The peasantry is the single largest category of people in the country. It is twice as strong as the working class, maybe one-and-a-half-times stronger. And then we have all these other people around, the artisans, the fishermen, the small and medium sized businessmen, and so forth.

We feel that whilst we move rapidly to raise the consciousness of the working people, including the working class, at the same time we have to consolidate our position in certain sectors of the economy, which will again help to strengthen our position, raising the level of the productive forces.

In other words, we see us moving toward socialism, using the mixed-economy approach, the noncapitalist path at this stage. And that, of course, will help us increase the strength of the working class

in our country, prepare us for the advancement to socialism, where we can eventually have the dictatorship of the proletariat.

But now it is impossible. We have to keep up the political education work. We have to do work among the workers, work among the farmers, work among the fishermen, work among the women, the youth, and even the small and medium sized businesspeople, the middle strata, and unite the population and prepare them for the next stage of the struggle.

In other words, we see this as a democratic phase of the struggle, preparing the masses for the transition to socialism.

Q. Do you see this in terms of distinct historical stages?

A. This, as we see it, is a distinct historical stage. It is the democratic process. And in the democratic process, one has to look at all these factors.

The aim, of course, is socialism. But socialism cannot just come, just so. We have to prepare the ground for that social transformation. We see it now as democratizing the society, making sure that all the rights of the working people are fully entrenched, making sure that the economy is consolidated, having a full grip on the key sectors of the economy, and increasing the overall level of productive forces, which will prepare us for the transition.

In other words, we are moving to socialism, bypassing capitalist development. So we see this as a historical stage in the development of society.

Q. How would you compare the revolutionary process here in Grenada with the development of the Cuban revolution, particularly in its early days?

A. First of all, the revolution took place in 1959 in Cuba. Ours takes place in 1979, twenty years after.

Their revolution was led by revolutionaries, just like Grenada.

Cuba, of course, was a neocolonial society, totally dominated by America. Our country was also dominated by imperialism.

The working class there was also weak, just like ours here. In other words, it was a petty-bourgeois society, like ours.

And Cuba, more or less, went through the same process that we are right now going through. What Cuba had in 1959, after the revolution, was a dictatorship of the masses, just like what we have here. They had to go through a similar process that we are in fact going through right now.

For example, in the first twenty months of the revolution, Cuba did not really get into the commanding heights of the economy, the banks, big factories, and so forth. It was after a period, they began to move into those areas. We have a similar situation here.

Of course, there is a slight difference in that we don't have any indigenous factories and enterprises like Cuba had, because they had sugar cane and mills and so forth. We don't have any factories here producing from nutmegs or cocoa or bananas. Therefore it was much easier for them to acquire these things. They didn't have to get into the whole question of industrialization from scratch, like we will have to do.

We believe that our course of development will be more or less the same as the Cuban revolution. There may be one or two minor differences, but nothing dramatic.

And that, of course, will go for almost every country in the Caribbean, because we have been underdeveloped by the imperialist world. The character of our economies is more or less the same. Jamaica, Guyana, Barbados, Trinidad, you name it, we have been plundered by the imperialist world.

If we have taken a decision to socially transform our society, and we are adopting the correct approach according to the laws of historical development, we would more or less have to go through the same process, with slight differences because of the unevenness, since some countries are more developed than the next.

But basically, the approach will be the same, if we are moving to socialism.

Q. How much of an asset do you see the existence of the Cuban workers state being for the advancement of the Grenadian revolution?

A. That is a very, very important factor, extremely important. It cannot be overemphasized.

Because we need the greatest solidarity now. It is quite clear where we are going and how we are going there. The presence of a socialist state in the region is a definite plus for us. Could you imagine if we were Cuba in 1959, a small country like ours, what we would have gone through?

Cuba's assistance in the darkest hours of the revolution has been fantastic. Although we have gotten assistance from other countries in the region, Cuba's assistance was definitive in helping to con-

solidate our revolution. And it will continue to be an important asset in the region.

Given our path, given our revolutionary path, the more progressive governments emerge in the Caribbean, the better for us. The more Cuban-type governments, the better for us. But of course, Cuba is the only one yet.



Ernest Harsch/IP-I

SELWYN STRACHAN

And I think, since there is always a possibility of destabilization, political and economic, there will always be the need for solidarity from all friends.

For example, the economic blockade that Cuba went through from 1959 to now, we could never survive that. It is quite clear, given the signs that we have been seeing, that imperialism would be prepared to put the squeeze on us. But we are confident that because of the presence of Cuba we would be able to some extent to beat back some of that, though not all, because of the solidarity of Cuba in conjunction with the rest of the socialist community.

So it is, in our view, a definite plus, an asset, the presence of Cuba in the Caribbean, in terms of helping to push our revolution forward.

Q. How would you describe the New Jewel Movement?

A. As a socialist party, with the objective of bringing socialism to this country. To that end, we are engaging in concrete work amongst the masses, preparing them for that eventual goal. Our program is geared toward that.

Q. Has it always considered itself that, from its inception, or has there been a process of development?

A. It started off as what we would call a

revolutionary party, a revolutionary democratic party. We never called ourselves socialist at the beginning.

The New Jewel Movement was engaged in revolutionary politics, attacking the system, trying to raise the political consciousness of the people, and—fundamentally—raising democratic issues amongst the masses and trying to get them to struggle with us for democratic rights and freedoms.

It started off on that basis. As we got more and more mature, we were able to work out a clearer ideological position. It didn't come artificially, it was as a result of struggle, in a concrete way. Over a period we were able to work out a firm and definite ideological position.

Lots of organizations started off as Black Power organizations in the Caribbean, and eventually settled down into a permanent trend. Lots of the leaders you find in the region started off as advocates of Black Power. In the early and late 1960s, the civil rights struggle in the United States and in England had some influence on the region, through people coming back home and starting off organizations. But as the struggle developed and they became more clear on the situation, they were able to settle into a permanent trend as to how society should go, what form the struggle should take.

We went through that process also.

Q. Could you explain what's been done so far since the revolution in terms of trade-union rights and the extent of unionization?

A. Since the revolution we have been able to go on a mass unionization campaign.

Never before in the history of this country was there a law on the books which gave workers a right to join the trade union of their choice and to have protection.

Within two, three weeks of the revolution, we passed a law, called the Trade Union Recognition Act, that gave workers the right to join a trade union of their choice, without being victimized, without being harassed by their employers. That law never existed on the books before.

This has helped a great deal in pushing the unionization question rapidly forward, so much so that today in Grenada almost 90 percent of the urban working class is unionized.

At the same time, we repealed all the anti-worker laws that were passed by Gairy, laws which prevented the workers from striking, taking industrial action, and so forth in the "essential services" area. We repealed those laws completely and brought back the rights of the workers.

We also repealed the Public Order Amendment Act, which prevented organizations from holding meetings and discussing their affairs. This affected the

working class and the trade unions; they weren't able to hold mass meetings of the trade-union movement. That also was lifted off the backs of the working class.

So the democratic rights and freedoms of the working class and working people have been restored—and extended.

Q. Could you explain what the new Agricultural Workers Councils (AWC) is, what its role is?

A. This is an alternative to Gairy's Grenada Manual and Mental Workers Union. The AWC is designed to organize the agricultural working class, all over the country. We have had councils set up on

Cuba's assistance in the darkest hours of the revolution has been fantastic . . .

almost every estate since the revolution, both government and private estates, with the view to drawing more and more membership into the union and to using that as a vehicle for organizing the entire agricultural working class and to raise their trade-union and class consciousness.

To build socialism, you must organize the working class properly. That has to be done. The working class cannot be loose, out there, directionless, not knowing what they're doing.

That is one reason, apart from destroying the cult of Gairyism completely by reorganizing the agricultural working class and getting them to understand the way forward.

Q. Are there any measures that have been taken specifically to try to improve the position of women workers?

A. Yes. Definitely. We have been talking quite a bit about the discrimination of women in our society. The women have been called upon over the years to do the same thing as the men, but yet men historically have been paid much more than women, because she's a woman.

We have been advocating the concept that there should be equal pay for equal work. And this has not only been words. We looked at the estate workers, for example, where you find the woman is doing the same amount of work as the man, but the man is paid maybe a dollar or two more. In some cases we have taken steps to correct that already, where the woman is getting the same pay as the man, because they're doing equal work.

What we want to see throughout the society is the involvement of women in the overall political process. It is something that we are very strong about in our party. To that end, the women's arm of our party has been organizing around the country

and trying to raise the political level of the women masses, workers included. A women's desk has been opened in one of the ministries to deal with the special problems that women face in our country.

Q. Could you explain the PRG's policy toward the involvement of foreign firms in the Grenada economy?

A. We have not worked out the concrete policy on the question of foreign investment.

We know what we do not want. It is quite clear. We feel that there are certain areas in the economy where we cannot allow foreign investors to come in, like agriculture. These are basic things.

At the same time we feel we are lacking badly in technology. Any kind of foreign investment must be heavy in capital and technology that will help to advance us, not any fly-by-night operators coming just to pick up the dollar and run.

The economy is not up for sale and is not to be pillaged any more by foreign people. If anyone wants to come here and do something, it has to be in strict guidelines.

Because the economy is underdeveloped, we are not going to sit down and say that we are totally against foreign investment. We have to look at it in a principled way, and how it can best be approached.

The important thing is that once we have the industry established, we are dictating the policy, so that the country will not be exploited. That does not mean that we cannot enter into an agreement with a foreign source on particular terms and conditions to exploit a particular resource of our country, given our limited knowledge and technology.

Q. Recently, you spoke before the local Chamber of Commerce and told the members that businessmen would no longer be allowed to exploit workers. What did you mean by that?

A. This is something we are very, very strong on. What used to happen is that workers were subject to all forms of abuses, victimization, harassment, and, of course, exploitation.

Now what we have been saying to the business community is that whilst we recognize the role that they have to play in developing this country, whilst we recognize the role of the private sector and their contribution to the development of the economy, at the same time, we cannot afford to sit by and allow workers to be subjected to the same kind of exploitation they were subjected to in the past.

We feel that steps ought to be taken in order to correct these things. Workers have rights, they are human beings, therefore they ought to be treated as human beings. They are making a contribution to the society. They are selling their labor power. And that has to be respected.

At the same time, we are not advocating the whole question of indiscipline. We are

not going to encourage the workers to be indisciplined, intolerant, and abusive to management. That could hamper the development of society.

But it has to be understood that the rights of workers must be respected. We pointed out to the employers very, very frankly that in a number of areas workers were being denied their fundamental rights and so forth. We are determined to break the neck of that.

Q. When a dispute does arise between workers and management, as recently at the Coca-Cola plant, what are the government's primary considerations?

A. We feel first of all that any dispute of that sort that arises should be settled in as quick a time as possible, because we take into consideration the economy. We are in a revolutionary period and any dislocation in the economy could hamper us very badly. Therefore industrial unrest is not good for the revolution at this point in time and therefore a speedy settlement of the dispute is something we are very strong on.

Now our position is that if a dispute of that sort is unnecessarily dragged on, we will have to intervene so as to effect a quick settlement. And that is what was done on the Coke factory issue, because the issue was being dragged on, mainly by management, over five weeks. In the meantime, the economy was suffering. But not only the economy. As a whole, the public was also denied the right to have a drink. More than that, the workers and their families—and that is extremely important—were denied a right to their wages and salaries, because of the senseless attitude of the employers.

Revolutionary steps had to be taken in order to effect a settlement temporarily. What has been done in that particular case is that the factory was reopened, the workers were all returned to work, and then we said to the company, let us now set up a tribunal and try to deal with this.

Now, we hope that will be a precedent to some extent. What we would like to see happen to minimize these conflicts is to have worker-management committees set up in the different work places to deal with the question of discipline and production, and the whole question of dismissals.

Dismissals have been an effective weapon of businesspeople. Why? Because they have a large pool of unemployed people out there, who are looking for work, and therefore the workers have no job security. They cannot really function properly because the tension is great. If anything happens they're dismissed, and other workers take their place.

So we had to break the neck of that.

In the case of the Coke factory, it was quite clear that the management weren't prepared to do anything to alleviate the situation. As far as they see it, they could have dragged the thing out another two

years. So we had to step in, as a revolutionary government, as a government that is fighting the struggles of the working class and the working people.

It was not a question of us taking full control of the factory. It was a question of trying to get a settlement and up to now, although the factory has been run by government, the ownership still remains in the hands of W.E. Julien and Company. All we are concerned about now is getting the industrial matter settled. Once that is settled, they can continue running the factory.

We have a number of things to do. We cannot take that on now. That is for another stage in the struggle.

But at the same time, just because we intend to allow the business community to function, we are not going to sit by and allow them to abuse workers, to fire them at their own whim and fancy. The right to work is something that we are very firm on.

Q. Are there any sectors of Grenadian society that are reacting with hostility to the revolution, who feel that their interests might be threatened?

A. A very tiny, tiny minority. The big businesspeople and the reactionary types. There is a tiny handful of middle class elements, plus the reactionary-type busi-

The rights of workers must be respected . . .

nessmen who have reacted with hostility to the revolution, who have engaged in all kinds of rumor-mongering, lies, and destabilization tactics. We do have that element. But they are in a tiny minority.

Q. Do you see the hand of U.S. imperialism in any of this resistance within Grenada to the revolution?

A. Yes, in a very subtle way. They are not openly hostile, except in the early days when Ambassador Ortiz was here, when he actually came and tried to be rude, and said his government would view our relations with Cuba with "displeasure."

Apart from that, they have been very subtle, not openly hostile. But we are convinced and we know that they have a heavy hand in this operation that is taking place in the country. That will increase.

Even the reaction of certain countries in the Caribbean is as a result of imperialist pressure, certain countries that are making statements against the revolution. We know for a fact that the pressure is coming from imperialist sources, and American imperialism in particular.

The American State Department has recently taken a conscious decision to put the economic squeeze on Grenada. They met in a private meeting in London with

two other imperialist countries. What we have been told is that the other two countries have not been fully into it, but pressure has been brought on them to put on the economic squeeze.

America itself cannot really hamper us directly by an economic squeeze, because we don't buy much things from them, and they don't buy much things from us. But they can get their imperialist allies to bring the pressure on us, those that we sell our raw materials to and buy our manufactured goods from. We buy much more from Europe and Canada than from America itself. So they will have to try to get as many of their imperialist friends to bring the squeeze on us.

Q. How serious of a threat do you think Carter's creation of a military task force for the Caribbean is to the Grenadian revolution and to the Caribbean in general?

A. We view that as a very serious threat. It is precisely because of the advent of the Grenadian revolution that Carter has seen fit at this point in time to talk about the setting up of a military task force in the region.

Talking about Soviet troops in Cuba is an excuse, really, because they know that those troops were there for quite a long time. So using it now clearly is a way of getting an excuse to step up their military activities in the region.

They still feel that the Caribbean is their backyard and that they can dictate the policies of the governments in the Caribbean. So they are not taking too kindly to the new developments that are taking place in the region, the progressive changes taking place.

They feel that the Grenada revolution would be the main force in changing the region. And the only way they can quell that is to step up their military activities with the view to frightening the people and possibly invading our country in order to turn back the revolution, because they see their economic interests being threatened in the long run.

We categorically reject the presence of any American military troops in the region. We reject it.

And we are going to be fighting, we are going to be struggling in the region, internationally, and in all forums to ensure that America withdraws its increased military presence in the region.

It is a threat to the development of the progressive struggle in the region. It is a threat to mankind's progress. We do not think that the Caribbean area should be a militarized area. We want it to be a zone of peace. We want to develop the region along peaceful lines.

And we will not submit or bow to American bullying in whatever form it takes. That is quite clear.

Q. What do you think that working people in the United States and other countries can do to best aid the struggles of their brothers and sisters here in Grenada?

A. For one, we see the waging of a very powerful campaign within America itself to try to get America to ease up on the plan that they have for the Caribbean, to keep their hands off the Caribbean territories and the revolutionary processes that are taking place.

We also believe that working people in America should pay periodic visits to the region, visit the country, see what is happening and go back and propagandize the American public on what is really taking place in the region.

We feel that a struggle similar to the anti-Vietnam-war struggle can be waged within America on the question of the Caribbean. And not only the Caribbean, but also the entire Third World countries, where struggles are taking place.

What the working people in America have to understand is that the more revolutionary changes we have in the Third World, the more the break with imperialism intensifies, the better it will be for the working people in America itself. It will help their own struggles. □

Don't miss a single issue of Intercontinental Press/Inprecator! Send for your subscription now!

- Enclosed is \$30 for a one-year subscription.
- Enclosed is \$15 for a six-month subscription.
- Enclosed is \$7.50 for a three-month subscription.
- Please send information about first-class and airmail rates.

Name _____

Address _____

City/State/Zip _____

Country _____

Make checks payable to
Intercontinental Press
P.O. Box 116, Village Station
New York, N.Y. 10014 U.S.A.

The Rightist Campaign Against Cubans in Jamaica

By Paul Sharpe

KINGSTON, Jamaica—The political crisis in Jamaica has recently taken a new turn. There has been a heightening of tension and a resurgence of political violence, following clashes between thousands of supporters of the People's National Party (PNP) and the Jamaica Labour Party (JLP) on September 24 in central Kingston.

The sequence of events that day were as follows: First, a contingent of JLP supporters, led by party leader Edward Seaga and deputy leader Pernel Charles, staged a demonstration outside the Cuban embassy. Some of the demonstrators went on to Jamaica House, the official residence of Prime Minister Michael Manley. It is alleged that PNP General Secretary D.K. Duncan and Housing Minister Anthony Spaulding were attacked by the demonstrators.

By midday, the PNP, along with the Workers Party of Jamaica (WPJ), led by Trevor Munroe, had organized a counter-demonstration to express solidarity with the Cuban embassy. After fierce scuffles with JLP supporters, the PNP and WPJ forces marched to the headquarters of the *Daily Gleaner*, the right-wing capitalist newspaper. Outside the *Gleaner* office, a rally was addressed by Michael Manley who attacked the inaccurate and slanderous reports carried by the *Gleaner*.

The incident on September 24 was preceded by a news conference given by the Cuban ambassador to Jamaica, Ulises Estrada, in which he replied to repeated JLP accusations about the "subversive" role he and the Cuban embassy were alleged to be playing in the island. In his speech defending the developing ties between the governments of Cuba and Jamaica, Estrada said, "If people declare war on us, we will fight and fight seriously to defend ourselves."

This phrase was latched onto by the JLP and its various affiliate organizations, who claimed that the Cubans were threatening the people of Jamaica. JLP leader Edward Seaga went on to call for the expulsion of the Cuban ambassador. This call was taken up by JLP front organizations such as the Women's Freedom Movement, the Jamaica Freedom League, and the National Patriotic Front Movement, as well as by the Montego Bay Chamber of Commerce and the *Daily Gleaner*. Graffiti soon began to appear on the walls throughout the island with the words: "Estrada must go."

On the other side came statements from the WPJ, the Committee of Women for

Progress, the PNP, and the Communist Party of Jamaica in support of the Cubans. This bloc has pledged to counter JLP demonstrations wherever they take place and to provide defense for the Cuban doctors and nurses who are presently in Jamaica as part of a program of medical assistance.

Events in the international arena, in particular the Nonaligned summit conference in Havana and Washington's so-called discovery of Soviet "combat troops" in Cuba, provide the backdrop to this latest surge of anticommunist invective from the JLP and the *Daily Gleaner*.

At the Nonaligned summit conference, Manley raised sharp criticisms of U.S. foreign policy, supporting Puerto Rican independence and calling for the removal of the U.S. base at Guantánamo in Cuba. The conference itself was a diplomatic victory for Fidel Castro and the Cuban government, which succeeded in having a declaration passed critical of American imperialist policies in the colonial and semicolonial world.

Coming in the wake of the imperialist reversals in Grenada and Nicaragua, Carter has taken a tougher stand in the Caribbean and Central America. The hysteria campaign generated in the United States about Soviet troops in Cuba is designed to prepare the way for maneuvers and counterrevolutionary intrigues against the current upsurge in the region. Washington has already taken a series of measures to build up its military strength and striking capacity in the Caribbean, such as the setting up of a Caribbean military task force based in Key West, Florida, and the landing of troops at the Guantánamo base in Cuba.

The *Gleaner* and the JLP have undoubtedly been emboldened by this harder posture of the U.S. State Department against antiimperialist struggles in the region. Since 1974 the JLP has posed as a standard-bearer of "democracy" in Jamaica and has portrayed attempts by the government to change the constitution, PNP criticisms of the *Daily Gleaner*, and the close ties with Cuba as part of a plot to install a "communist dictatorship."

The *Daily Gleaner* for its part has barred no punches in its campaign against the government. It has also teamed up with other capitalist newspapers in the region—Grenada's *Torchlight*, and the *Express* and *Guardian* of Trinidad and Tobago—in a crusade against the present course of the Maurice Bishop government in Grenada.

The right-wing offensive in Jamaica is

undoubtedly making an impression. On September 30 Seaga addressed a rally, which according to official reports drew 20,000 persons. Opinion polls consistently show a waning of support for the PNP.

This, however, has very little to do with the issue of Cuba. The work of Cuban doctors and nurses in the hospitals, the building of the Jose Martí school in Jamaica by Cuban construction workers, the economic and technical assistance provided by the Cuban government, plus the increasing numbers of Jamaican workers and students who have visited or studied in Cuba, have all meant that Jamaicans are no longer susceptible to the scare stories about Cuba.

What is leading people back into the camp of the JLP are the disastrous economic and social policies being followed by the Manley government in collusion with the International Monetary Fund. For the past year or so, the economy has registered a negative growth rate. Basic items of working-class consumption such as kerosene, flour, and rice are often in short supply. At present Jamaica owes approximately US\$450 million to a number of banks, finance houses, and the U.S. Export-Import bank, in addition to debts owed to agencies like the World Bank and the IMF.

The PNP government has also had its image tarnished by revelations of corruption among government appointees.

The JLP has taken advantage of the discontent over the economic situation, raising the slogan, "IMF, Is Manley's Fault."

In the absence of a credible pole of class struggle, the struggles of the Jamaican workers today exhibit a fragmented and sporadic character. At Coca-Cola, P.O. Polack, and Bata, despite tremendous militancy, workers have faced lockouts and closures. Attempts to challenge the trade union bureaucrats of the National Workers Union (NWU, affiliated to the PNP) and the Bustamente Industrial Trade Union (BITU, affiliated to the JLP) are taking place in only a very piecemeal fashion. For example, the workers at the Jamaica Railway Corporation have demonstrated their distrust of both the NWU and BITU by opting to join one of the independent trade unions, the Dockers and Marine Workers Union.

Given the stagnation of the economy and the sharpening political tensions, the stage seems set for more mass explosions like those in January against the hike in gas prices. □

WORLDWIDE CAMPAIGN FOR AID TO NICARAGUA



FSLN Asks for Tools and Machines

A recent appeal from the Secretariat of Foreign Relations of the Sandinista National Liberation Front points out that "the eagerness of the Nicaraguan people to work for the welfare of the entire community has been obstructed by the lack of implements, machines, and tools."

To remedy this, the FSLN has proposed a campaign to collect tools and machinery for the reconstruction of Nicaragua. It requests that "each person, family, or community identifying with our Fatherland contribute an implement or

tool to the work."

Examples of what are needed are: hammers, hand-saws, machetes, picks, shovels, electrical and mechanical saws, drills, tractors, jeeps, trucks, buses, and pick-up trucks.

The appeal asks that collection of such articles be carried out through Nicaraguan solidarity committees and coordinated with Nicaraguan embassies or consulates, which will in turn make sure all material is delivered to the Nicaraguan Ministry of Social Welfare.

In the case of this particular campaign,

the appeal says, "it should be made clear that we are not asking for money, but that we will take it only at the request of those who don't have tools to donate, or ask them to buy tools."

A similar campaign will be carried out for sporting equipment such as baseballs, basketballs, and soccer balls beginning in December. In January 1980 there will be a campaign for medical and dental equipment—forceps, surgical tools and gloves, operating tables, and similar basic equipment needed to equip a clinic or hospital. □

From Spain to New Zealand

International Solidarity Movement Gains Support



Lars Palmgren, of the Communist Workers League, Swedish section of the Fourth International, speaking at an October 11 meeting in Göteborg in solidarity with the Nicaraguan revolution. The meeting drew 200 people.

Activities in solidarity with Nicaragua are taking place around the world. In **Spain**, solidarity committees hope to collect 500 pesetas (about \$7.50) per worker by the end of the year. They are selling bonds labeled "For the reconstruction of Nicaragua in the interests of the workers" to raise the money, as well as appealing to trade unions for donations.

Medical students in Cartagena, **Colombia**, recently won the right to serve the final year of their training in Nicaragua.

Colombian feminists have also launched a campaign demanding that 50 percent of the UNICEF funds for projects related to the "Year of the Child" should be devoted to building infant-care centers in Nicaragua.

In **France**, feminists are also collecting funds to build child care centers in Nicaragua, and in **Norway**, secondary school students who contribute a sum each year to social projects have decided to donate the money to Nicaragua.

Nicaraguan solidarity committees in **Australia** have held a number of successful meetings showing slides on the struggle in Nicaragua and the tasks of reconstruction. A meeting sponsored by the Melbourne Nicaragua Solidarity Committee drew more than 120 people October 13, and 130 people attended a similar meeting in Sydney October 27 organized by the Committee for the Reconstruction of Nicaragua there. The Australian socialist weekly *Direct Action* also reports that a solidarity committee has been set up in Adelaide.

A solidarity meeting in Wellington, **New Zealand**, September 28 was attended by 150 people and raised \$300 to send to Nicaragua. The following week, a Nicaragua Solidarity Committee was formed in Auckland, and on October 12 it carried out a picket line demanding aid for Nicaragua from the New Zealand government and protesting U.S. military threats in the Caribbean.

Socialist Action, a Trotskyist paper published in Auckland, reported in its October 19 issue that "at least one union journal has carried information on Nicaragua. In the October issue of the Northern Storemen and Packers Union publication *Dispatcher*, union organizer Bruce Fowler explains briefly what has happened there and calls on workers here to back the Nicaraguan revolution.

"New Zealand trade unionists," he writes, "have every reason to come to the aid of our brothers and sisters. Our aspirations for a better life are the same." □

The Discussion on Workers Democracy in Nicaragua

[An article in last week's issue—"How to Answer Ultraleft Sectarianism in Nicaragua"—reported on discussions in the Sandinista National Liberation Front (FSLN) on some of the basic questions of workers democracy. We are publishing below two of the most recent documents stemming from this discussion.

[The first is the article "Revolution and Counterrevolution," which appeared in the October 18 issue of *Poder Sandinista*, the first issue of a new weekly published by the FSLN's National Secretariat of Propaganda and Political Education.

[The second is the response to "Revolution and Counterrevolution" by the editors

of *El Pueblo*, the Managua daily that presents the views of the People's Action Movement (MAP). It appeared in the October 27 issue of *El Pueblo* under the headline "A Correct Way of Dealing With the Left."

[The translation of both articles is by *Intercontinental Press/Inprecor*.]

FSLN: 'Unite Efforts of All Truly Revolutionary Tendencies'

1. The Fall of Somozaism

While Somoza was in power, all the social forces of Nicaragua were allied in order to fight against the dictatorship. Different interests and different classes were in agreement that the attainment of their demands was possible only by eradicating Somoza's political and economic monopoly.

The positions put forward at that time by each of the classes opposed to the dictatorship dealt more with what was wrong with Somoza than with their own plans. They all defined themselves in relation to the dictatorship, and this made it appear that similar positions represented similar interests. But in the last years, and above all in the last months, an element was growing and developing that would make the difference among all the opposition groups clear—I am referring to the theoretical and practical supremacy that the Sandinista National Liberation Front was winning in the struggle of the whole people against the Somozaist dictatorship.

The fall of Somozaism meant, in turn, the triumph of Sandinism and the capture of the apparatus of power by the FSLN. This hegemony is the divide that marks the class line between allies within a political conjuncture.

2. The Sandinista Insurrection

Socioeconomic transformations in capitalist societies, as distinct from previous societies, begin with the taking of political power. For this reason, the taking of political power does not in itself decide the course of a revolution. In this sense, the Sandinista insurrection marks the moment when the actual possibilities for transformation begin for the Nicaraguan people. The revolution has barely begun.

It is important to remember here how many years and how many difficulties it cost us to prepare a victorious insurrection, forty-five years of agony and of hope, from Sandino to Carlos Fonseca Amador, from that July when the Sandinista Front was

born to the victorious July three months ago.

How many years passed until the different sectors of national life attained the necessary confidence in the revolutionary vanguard; how many discussions in order to refine the theoretical and practical conception that made the revolutionary triumph in Nicaragua possible; how many experiences with their quota of blood and of the best lives nurtured in the rebel ardor of our people until we could develop the political line that corresponded to each moment of reality.

People nearly lost hope after [the U.S. invasion of] Santo Domingo and [the rightist coup in] Chile, and people almost believed that after Cuba there would not be another chance for the peoples of Latin America. But now once again the victory of a people means hope for the victory of all the peoples.

The Sandinista insurrection will now expose the real causes of the abject poverty of a people, of which Somoza was the most grotesque expression. The fall of Somoza is just the beginning of a new struggle, the end of the old alliances and the need for new alliances, the continuation of the millennial purpose—the liberation of the oppressed class.

3. The Revolution

The need of a people to fulfill its aspirations and its demands, the desire to live in another way, and the will to change things is not decided by decree, nor does it appear automatically after a victorious insurrection. There must be a clear conception of reality and of its contradictions, as well as practical activity that is consistent with this reality.

In every revolution there is a class for whom the revolution is made and another class that suffers the consequences of that revolution, inasmuch as a revolution is not made for everybody.

For that reason, the conquest of political power is not enough to make the revolution; it is necessary that that political

power be exercised in favor of the class that can resolve the problems of the revolution. And the problems of a revolution are the problems of the great majority and of the individuals that make up the great majority—in the case of Nicaragua, the workers and peasants.

The fundamental problem of the workers and peasants has been and is their lack of access to wealth and their lack of access to power, the existence in Nicaragua of economic and political relations that have centralized everything in the hands of a few. This is the whole meaning of private property.

The opposite of this situation is social property, collective property, the decentralization of power, the participation of the workers in the institutions of the state, the participation of the workers in every company, the participation of the entire people in solving their own needs, participation in culture, in education, in knowledge, in all the centers of sport and recreation.

4. Contradictions of the Revolution

The participation of the people in the wealth of a country signifies that wealth exists, the right to work implies sources of work and employment, the right to education means sufficient revenues, a sufficient surplus so that society can carry out a distribution in accord with its needs.

And all these things are not decided by decree. It is not enough that a government wants to do it for it to be accomplished. What a revolutionary government *can* do is take measures so that the development of events and of society favors those broad masses—it puts a stop to poverty, it puts a stop to exploitation. It intervenes, it expropriates or confiscates the big properties that cause poverty and exploitation; it nationalizes banking, commerce, and transport owned by the big middlemen who raise the prices on products consumed by the people; it encourages the development of the consciousness, organization, and mobilization of the working classes so that they can participate in all sectors of

society; it plans the economy so that the forms of production and the social relations of production change in favor of the workers and peasants.

The agrarian reform has begun by confiscating the lands of the Somozaists, but this was done when there wasn't much time left to put them into cultivation. That wasn't anyone's fault. The laws of nature are more inflexible than social laws. To wait until May will be hard, and the interval will be full of contradictions.

The same lateness in planting produced a decline in cotton production, the sector that is the greatest source of employment. This means that this year there will be greater unemployment than in previous years, and for that reason fewer wages and less revenues. And this too is not anyone's fault. The timing of insurrections is decided by history and not by technicians in planning offices.

To get the economy producing after the war, to develop the productive forces, to get economic activity rolling again requires sufficient financial resources, which Nicaragua does not have. To this we must add a large foreign debt that bleeds our stunted economy, and if we again resort to external financing it means falling into the same contradictions as before.

Another important thing to note is that this revolution was made against the biggest sector of the Nicaraguan bourgeoisie, and against the interests of American imperialism in Nicaragua. This means that these sectors will do nothing to help this revolution. On the contrary, they will do everything possible to obstruct and abort it.

5. The Counterrevolution

Expropriating the Somozaists meant expropriating the biggest sector of the bourgeoisie, which in turn meant crippling the bourgeoisie as a whole, weakening it as a class. But the bourgeoisie does not have national borders. The U.S. bourgeoisie is also part of the bourgeoisie, and if the U.S. bourgeoisie is going to strengthen someone's interests in Nicaragua, it won't be those of the workers or peasants. While American imperialism was not able to defend the interests of its class in Nicaragua with arms, it will now attempt to do so with its economic-financial might. And so, just as previously all the criticisms were directed against the government of Somoza, nowadays all the criticisms by the counterrevolution will be directed against the current government. The counterrevolution will try to make the Nicaraguan people believe that all the problems inherited from Somozaism can be resolved overnight, that all the injustices produced by the inequality of wealth in a capitalist society can be resolved without changing capitalist society.

And in the end it will not be possible to remain on good terms with both God and the devil. This contradiction is embedded

in the heart of our revolution, and to resolve it we have to again split open the heart.

Everybody in Nicaragua knows the enormous significance that Sandinista unity, the unity of the three tendencies of the Sandinista National Liberation Front, had for our struggle, although there were many who aired their disagreement. But the unity at that time was not simply the sum total of these three tendencies, it was unity around a revolutionary conception adapted to the political conjuncture, it was the necessity, the choice, and the possibility.

Nowadays we also need a conception that allows us to join together all the efforts by really revolutionary tendencies. On this question history does not lie: there will be unity if there is sincerity and revolutionary consistency.

Before the Sandinista insurrection of this July, the policy of alliance developed around the Broad Opposition Front (FAO) and the policy of unity developed around the United People's Movement (MPU). Today, many of the political groups previously brought together in those political blocs are evidencing their discontent, their disapproval, and even their rejection. Sometimes they are more concerned with the fate of their organization than with the fate of the revolutionary process as a whole.

One thing we must understand is that the organization or the party, no matter how leftist it may talk or be, is simply a means and not an end in itself. It is a

means for furthering the liberation and development of the potential of the revolutionary class. It cannot continue defining the revolution through the errors or limitations of others, which would be the most convenient way of defining one's own position. The impatient left must explain to the people its model of social organization in a country with the structural and conjunctural characteristics of ours. The contrary course would be to seek to establish one's legitimacy at the cost of another's difficulties, and that would be opportunism.

In any case, it is necessary to be clear that the best way to fight the counterrevolution is by making the revolution, and the best way to fight ultraleftism is by taking positions that are truly leftist. And both of these are accomplished in one way: by explaining to the people the contradictions of their own revolution and by making available all the means for their participation. In this way we will, at the same time, be fighting against the rightist counterrevolution.

Revolution and counterrevolution are two concepts and two practices that are mutually exclusive. But this does not mean that they cannot exist side by side for an indeterminate period. In these next months the fate and history of one of them will seal the fate and history of the other, and at that point the positions of the participating groups will hardly be indications of contradictions within our revolutionary process. □

Response by 'El Pueblo'

Beginning from the hypothesis that there are left organizations in this country that are acting incorrectly and could thus "endanger" the progress of the [revolutionary] process, government leaders and authorities have dealt with them so far in a way that has been not only lacking in revolutionary content, but politically stupid, in our opinion.

With this in mind, the article "Revolution and Counterrevolution" (published in the magazine *Poder Sandinista*, Official Organ of the FSLN's National Secretariat of Political Propaganda and Education), gives us evidence that within the current Sandinista leadership it is possible to correct the attitudes and directives that have been applied against left currents in our country.

One paragraph in particular, which we will quote below, presents an interesting and correct approach to what *counterrevolution* really is, to the role of the leftists, and to what the party must be. It says:

One thing we must understand is that the organization or the party, no matter how leftist it may talk or be, is simply a means and not an end in itself. It is a means for furthering the libera-

tion and development of the potential of the revolutionary class. It cannot continue defining the revolution through the errors or limitations of others, which would be the most convenient way of defining one's own position. The impatient left must explain to the people its model of social organization in a country with the structural and conjunctural characteristics of ours. The contrary course would be to seek to establish one's legitimacy at the cost of another's difficulties, and that would be opportunism.

In any case, it is necessary to be clear that the best way to fight the counterrevolution is by making the revolution, and the best way to fight ultraleftism is by taking positions that are truly leftist. And both of these are accomplished in one way: by explaining to the people the contradictions of their own revolution and by making available all the means for their participation.

The writer, who represents the official thinking of the FSLN, is correct about several things.

He sees the possibility that the "party or the organization" can turn into an end in itself. In other words, that the problem of bureaucratization, of the creation of cliques, and all those petty-bourgeois conceptions that have led to the degeneration of revolutionary parties, could be shown in

what up to now has been called Sandinism.

And this is a tendency which, if it is not noted and drastic solutions taken, could worsen. Deifying leaders, believing them to be irreplaceable men, believing that it is they and not the masses who have made the revolution, all this is a real possibility we must be alert to.

In the second place, the writer gives back to the "impatient" left at least the chance to explain its model of *social organization*. We definitely believe that to take advantage of errors (or to put it better, to become a professional critic of the process), not only is opportunism, but is, for a left

that has self-respect, an incorrect method of struggle. But it is even more incorrect to descend to describing as counterrevolution the right of the masses to dissent from the leaders or government authorities, or to carry out revolutionary actions themselves. As the author of the article indicates in the final paragraph cited, there is only one road, "explaining to the people the contradictions of their own revolution, and . . . making available all the means for their participation" (or at least permitting it, we would say).

But the most interesting part of the paragraph cited is the *fundamental differentiation* that any Marxist, student, or expert in political science—let alone

revolutionary—makes between reactionaries and revolutionists.

In the article there is a marked differentiation between what is counterrevolution—which it suggests combatting by making the revolution—and what it called "ultraleftism." The latter—which is not defined—is fought only by "taking positions that are truly leftist."

Let's hope that this article in the first issue of an official FSLN organ is translated into practice as a general, everyday means of handling problems or differences with the other progressive forces of this country, which have won a place in the revolutionary process as their right. □

FSLN Representative Addresses Rally of 2,500 in Paris

'We Are Organizing, Reorganizing, and Mobilizing the Masses'

[More than 2,500 people filled the Mutualité hall in Paris October 18 for a Nicaragua solidarity rally organized by the Ligue Communiste Révolutionnaire, the French section of the Fourth International.

[The meeting heard from speakers representing solidarity committees with El Salvador and Nicaragua, a group in solidarity with Nicaraguan women, and François Ollivier, a leader of the LCR.

[Juan Diego García, the FSLN's European representative, addressed the meeting, explaining the FSLN's orientation in the present period. The full text of his speech, which was delivered in French and translated by *Intercontinental Press/Interprecor*, follows.

[Following the meeting, some \$2,300 was collected and presented to García for the reconstruction effort in Nicaragua.]

* * *

Comrades, in the name of the Frente Sandinista de Liberación Nacional [FSLN] I would like to begin by greeting the comrades who have come here tonight to show their solidarity with us. [Applause]

We would like to thank the comrades of the Ligue Communiste Révolutionnaire, who organized this first meeting of solidarity with the Nicaraguan revolution. And we especially want to salute our brothers in El Salvador and tell them that yesterday, today, and tomorrow the FSLN is at their side. Although today historic circumstances make the conditions a bit more difficult, we are convinced that in the course of a prolonged war victory will be theirs as well. [Applause]

I also want to take this opportunity to thank the people of Paris for the solidarity they have shown us. I had prepared quite a long speech. But since the comrade from the LCR has already referred to a number of events currently taking place in Nicaragua

he has dealt with some of the things I had planned to explain.

Although we base ourselves on the thinking of Sandino and Carlos Fonseca Amador, we can say that we are in agreement on many things. [Applause] There are other questions on which we disagree, but that is also normal among comrades.

A Weak Bourgeoisie

I would like to begin by outlining a series of factors that make it possible to understand why and how the revolution triumphed in Nicaragua. The first point is that the crisis of Somozaism, which broke out in 1972, is absolutely linked to the world crisis of capitalism, even though it took special forms in the case of Nicaragua.

Somozaism was a wild form of capitalism. Somozaism expressed to an extreme degree the pillaging and exploitation of the workers that are characteristic of capitalism as a whole. On the political level Somozaism meant the denial of all of the population's rights and civil liberties. Through Somoza imperialism had created a stabilizing element for all of Central America, stabilization that benefited the reactionaries.

But imperialism was the victim of its own invention. And the crisis of imperialism left it with no alternative solution. Neither the political solutions proposed by the Pentagon nor the self-coup attempted by Somoza could succeed.

As the LCR comrade pointed out, this is an important factor to keep in mind in understanding what is taking place, to see how capitalism—which was identical to Somozaism—allowed only marginal development for the other capitalist forces. Under these conditions, what we call the opposition bourgeoisie, the democratic

bourgeoisie, is more of a caricature than a real bourgeoisie.

This is true at least up to now, and the proof is that imperialism has not been able to use this bourgeoisie to impose an alternative political situation.

The third important factor is the economic and political crisis of American imperialism. The imperialists were looking for a solution that they could control, but they were unsuccessful. These imperialists, who had crushed us in the past, who had intervened in our country, this time were not able to renew their exploits. Imperialism has suffered its greatest defeat precisely in the one country in Latin America where it has committed the most aggressions.

Once it lost all hope of saving Somoza himself, imperialism tried to save Somozaism by saving the National Guard. But there, too, imperialism was caught in its own trap. The National Guard and Urcuyo [Somoza's handpicked interim successor] did not honor the agreement that had been made. This led to the total dissolution of the National Guard, which facilitates our work.

The Initiative of the Masses

The fourth factor in our victory is that following a rather arduous process of debates between divergent opinions and tendencies, the FSLN developed in revolutionary practice the unity that it needed. The insurrectional tactic was an apprenticeship that we went through together with the people. And the FSLN's minimum program is a program forged in the course of years of struggle through dialogue with the Nicaraguan people.

But of all the factors that led to the victory, the most heroic and the most decisive was the determined action of the Nicaraguan people. [Applause]

When, in February 1978, the Indians of Monimbó rose up in insurrection, they showed the Sandinista Front the road to follow. Just as some years ago Carlos Fonseca Amador, in the mountains, had already showed the path of insurrection, today the people showed us which road to follow. [Applause]

Several months after the Monimbó insurrection, it was this same people who rose up in the September 1978 insurrection, this time throughout the country. The vacuum left by a bourgeoisie that was weak and unable to embody the interests of the nation was filled by the workers, the peasants, the students, the women, the inhabitants of the shanty-towns. And although the founding of the United People's Movement was an initiative of the FSLN, it was the people who made this movement into a real political alternative.

These are the factors that made our victory possible. And these are the factors that also guide the tasks we are undertaking today.

And in this report, which is presented by one revolutionary to other revolutionary activists, I would like to point out some of the things achieved by the revolution in three months.

The Gains of the Revolution

The most important transformation that has been achieved so far is the agrarian reform. We had promised to nationalize Somoza's lands and we have nationalized Somoza's lands. Through last week 51 percent of the land in the country has been nationalized. The reason we have not nationalized more is that we don't have the administrative capability to do it.

Secondly, we have nationalized banking, credit, transport, foreign trade, natural resources, the Somozaist companies that represent more than 50 percent of the Gross National Product, and I just read in *Le Monde* that the insurance companies have been nationalized. We don't want to give lessons to anyone, but this is our answer to those who think that we have not taken the revolution far enough. [Applause]

We made a promise to finish off the political system of Somozaism, and we have finished off the Somozaist political system. In Nicaragua there is freedom of movement, of association, of press, freedom of religion, in a word all the freedoms that one could call bourgeois democratic freedoms.

These are not things that we have imposed. It is what the people of Nicaragua want. To comrades who live in Europe, a number of these demands may seem minor. But for a people who have lived through a half century of oppression, these are fundamental demands. [Applause]

The fact that in Nicaragua there is the most total freedom of the press shows what we mean by democracy. The conservative daily *La Prensa*, the organ of the

anti-Somoza bourgeois opposition, appears regularly and gives critical support to the government. The newspaper *El Pueblo*, linked to an ultraleft group, also appears regularly. And the problems that have arisen with these comrades or with other organizations are resolved in a democratic manner.

There are, of course, times when one must take measures, but in all revolutions one must take measures. When you are in Europe you look at things in another way, a different way than you do when you are on the field of battle. [Applause]

We are not going to force anyone to keep quiet. We are not going to prohibit any opinion. But neither will we allow the revolutionary process to be sabotaged. [Applause]

We have drafted a provisional constitution and laws that guarantee these rights. They may not be the best or the most revolutionary, but they are the best for Nicaragua today.

These are the tasks of the state, the tasks of the government that the FSLN is participating in.

But it is clear to us that the question of power is not a formal and parliamentary question. It is clear to us that today's Nicaragua is not yet a socialist Nicaragua. What has opened up in Nicaragua is simply a democratic process where the working-class and the poor layers of the population win advantages.

Three Fundamental Tasks

This is why today there are three basic tasks for the FSLN, which are not tasks of the state but rather tasks of the Front. And these three tasks constitute, as I have stated in private conversations with the comrades, the fundamental guarantees that we can give you:

First: We are organizing, reorganizing, and mobilizing the masses. The vehicles that we are using for this are the following: First there are the Sandinista Defense Committees. The Sandinista Defense Committees are not simply committees of military defense. They are the embryo of people's power. [Applause]

The men and women, the workers and peasants who were able to make the revolution through these neighborhood committees are equally capable of governing through these committees. The Sandinista Defense Committees are a school for governing, for the people to take the revolution into their hands.

The second vehicle for organizing the masses, and this is especially important for us, is AMPRONAC. AMPRONAC, the women's association, is set up as a national organization that participates not only in the tasks of rebuilding the country, but also mobilizes women to fight for their specific demands. [Applause] If the emancipation of the working class will be the job of the workers themselves, so too the emancipation of women will be the job of

women themselves. [Applause]

Third, and here the initiative came from rank-and-file activists, the Sandinista Workers Federation has been organized. The federation was a demand of the workers themselves, it was not imposed by the FSLN. It is the union federation of a relatively young working class, but it is laying the groundwork for the workers to become the revolution's firmest base of support. In the same way, the workers in the countryside, the agricultural laborers and the poor peasants, are being organized into the Agricultural Workers Association. And the consolidation of the alliance between the workers and peasants is one of the most important guarantees of the revolutionary process [Applause], especially in a country where half the population is agricultural, in a country where for decades the peasantry has borne the weight of the repression and the war.

While in the last phase of the struggle the theatre of war was in the city, and while we know the heroism of the urban population, we must not forget that during the black years when Nicaragua's struggle was not well known, the humble peasants of Nicaragua were the first to support the groups of the Sandinista Front and they were the ones who began to make up the Sandinista Army.

And the last task is the literacy campaign and the Sandinization of the people. You are familiar with the literacy program since the comrades of the JCR have voted to carry out a specific campaign to aid this program [the Revolutionary Communist Youth (JCR), the French Trotskyist Youth organization, has undertaken a campaign to raise more than \$11,000 for the literacy campaign].

Let me simply add that this will not just be a program to teach people to read and write. It will also be a program of political work, in which the best sons and daughters of the Nicaraguan people will go out among the mass of peasants and workers to explain the problems of the revolution to them. We are going to teach them to read and write the slogans of the revolution. We are going to teach them how to compute the percentage of land that still remains to be nationalized. [Applause]

This, then, is the first guarantee we provide you. The second is the revolutionary army. [Applause]

The Army and the People in Arms

We have created a revolutionary army of workers and peasants and we are especially proud of it. It is the historic continuation of the Army of Sandino, and it is the best guarantee of the revolutionary process.

All those who would try to sabotage the revolution through invasion will achieve only death when they come up against the Sandinista Army. But not just the army. The people who have struggled with arms in hand must keep their arms in hand.

[Applause] No, the militias in Nicaragua have not been disarmed and they will not be disarmed! [Applause] If I understand the announcement made by the comrade from the LCR, we are not simply going to have some people in the militias, as now, but we are going to have 300,000 men and women in arms.*

And the third guarantee is the FSLN itself. Today the process of political unification of the FSLN is stronger than ever. The Sandinista Front is an organization where there are democratic discussions of the different positions comrades hold. The Sandinista Front is not shooting anyone. The Sandinista Front is discussing with all friendly organizations, however small they might be, because a few months ago we were also very small.

But the Sandinista Front is quite clear on one point: we cannot tolerate sabotage of the revolution in the name of the revolution. We may not be great Marxist theoreticians, but we have tried to learn from Sandino and from Carlos Fonseca Amador, and of course from the great theoreticians of Marxism as well, but above all we are Nicaraguans.

And the moral guarantee that we can give is that today as yesterday our decision to free our country or die trying is unshakable. [Applause]

In ending, comrades, I would like to call upon you to redouble your solidarity toward Nicaragua. I don't think I have to describe the situation of devastation again. I would simply like to point out that the material solidarity collected by the committees or by friendly organizations has deep political significance for us. It is not simply a question of humanitarian aid. It has the same political significance as the refusal of the rich countries to send us aid. The aid we receive from the rich countries is insignificant, superficial. The impression we have is that they want to see us with our backs to the wall so they can then impose their conditions.

But we clearly state that we will not sell the gains of the revolution for a plate of beans.

Our Victory Will Be Your Victory

It is not only political aid that we are asking you for, because the struggle that is being carried out today in Nicaragua is a profoundly anticapitalist struggle.

It is the same struggle you are waging! We have the same enemies and the same friends!

Our victory will be your victory just as our defeat would also be your defeat! [Applause]

In the face of the potential and real

*François Ollivier reported on an October 9 news conference where Interior Minister Tomás Borge stated that "we calculate that in several months we are going to have 300,000 milicianos in Nicaragua."—IP/I

dangers confronting the Nicaraguan revolution we need international solidarity!

Comrades, if you gave us generous aid yesterday to help us seize the enemy's barracks, today help us to hold out in the front line of the struggle we share.

Because in the last analysis we are

Castro Calls Carter's Bluff

Cuba Frees Last 400 Prisoners

The Cuban government has freed its last 400 prisoners convicted of crimes against state security.

A total of 3,600 such prisoners have been released during the past ten months. They were freed under an amnesty proposal jointly agreed to by the Cuban government and the Committee of 75, representing Cubans living in the United States and Puerto Rico.

Release of the prisoners is a bold political initiative undertaken by the Cuban revolutionary leadership as part of its rapprochement with the Cuban exile community. It has helped cut through the

struggling for the same thing:

We all want more beautiful tomorrows for the world.

The future belongs to us and the future is socialist!

[Applause, the audience begins singing the *Internationale*] □

South Korea: Pressure for Democratic Rights

On November 2, one week after the palace coup that ended the regime of Park Chung Hee, opposition leader Kim Dae Jung issued a public statement demanding the restoration of a civilian government. Kim, a former presidential candidate of the New Democratic Party (NDP), has been in jail or under house arrest for most of the time since 1973, when he was kidnapped from Japan and returned to Seoul by agents of the Korean Central Intelligence Agency (KCIA).

His call was echoed two days later by NDP president Kim Young Sam, who stressed the demand that the hated Yushin Constitution be abolished within ninety days. The Yushin Constitution, imposed by Park in 1972, allows the president to rule by decree, reducing the National Assembly to a powerless rubber stamp.

The Martial Law Command headed by General Chung Seung Hwa has promised to return the country to civilian rule, although it has refused to say when this will happen, whether the Yushin Constitution will be maintained, or how a new civilian president will be selected.

The generals have made a series of gestures to the bourgeois opposition, however. The National Assembly was allowed to meet November 5, and former Park supporters voted to reject the resignations submitted in protest by opposition members during the political crisis preceding the military takeover. In addition,

"human rights" demagoguery by the Carter administration and right-wing exiles. Freeing the prisoners has thus added to the growing sentiment for normalization of relations with Cuba.

It is worth noting that these prisoners were not jailed for holding dissenting views—all were convicted of *actions* against the revolution.

In an October 16 speech, President Carter said the United States would not recognize Cuba "until they release the hundreds and hundreds, even thousands of political prisoners they have in jail."

Castro has now called Carter's bluff. □

former President Yun Po Sun, a critic of Park, was released from house arrest. The nightly curfew was shortened, and a few of the demonstrators arrested two weeks earlier in Pusan were released.

But these are hardly substantial concessions to the masses' desire for an end to repression. All meetings and demonstrations are still banned. An estimated 1,500 demonstrators remain in jail. And there has been no talk of freeing the hundreds of political prisoners held by Park under the draconian Anti-communist Law or the emergency decrees prohibiting all criticism of his regime. Even the NDP's Kim Dae Jung remained under house arrest as of November 7.

While no further demonstrations or protests have been reported since the military takeover, there remains deep-rooted mass sentiment for the elimination of all vestiges of Park's brutal regime. It is this sentiment that is pressuring the bourgeois opposition to speak out for speedy reforms.

The NDP's Kim Young Sam, while stating that he was "very encouraged by the way the military has handled events so far," warned that "the Yushin system should be abolished. And I want to see the Constitution revised, not in a revolutionary way but in an orderly manner. . . . There will be uncontrollable outbursts if the present regime insists on perpetuating the present system." □

U.S. Companies Hoard Oil, Blame OPEC for 'Shortage'

By Andy Rose

[The following article appeared in the November 9 issue of the *Militant*, a revolutionary-socialist newsweekly published in New York.]

* * *

As U.S. oil companies report record-breaking profit increases, a new campaign has gotten underway to divert the blame for the energy ripoff onto the Arab oil-producing countries.

The news media have spotlighted recent crude oil price increases by Kuwait, Libya, Iran, and Iraq. Libya raised the price for its top quality crude to \$26.27 a barrel; the other producers set prices of about \$22-23 a barrel.

When the Organization of Petroleum Exporting Countries meets in December, an increase in its official ceiling price (now \$23.50 a barrel) is likely.

Working people in the United States are told that these OPEC moves are the cause of soaring prices for gasoline (up 41 percent so far this year) and home heating oil (up 47 percent).

This explanation is just as phony as last spring's gasoline shortage.

As in the past, OPEC is following behind price increases already carried out by the major world oil companies—first and foremost the U.S. oil giants. The oil producing countries are simply trying to retain for themselves a share of the tremendous wealth being pumped out of their lands by world imperialism.

The real situation is signaled by the sharply rising "spot price" for oil in the world markets. At roughly \$40 a barrel, the spot price is almost twice as high as the OPEC price.

Most OPEC oil is sold under long-term contracts at a set price. The spot market is where oil is bought and sold on a day-to-day basis.

The major oil companies—U.S., French, Dutch, and British—continue to control

the transportation, refining, and marketing of oil on a world scale. They can find a thousand ways to channel oil they buy from OPEC onto the spot market for resale at higher prices. The oil companies pocket the difference.

This situation obviously puts the oil producing countries under pressure to raise their own prices to share in the take.

The question is: why are spot prices so high?

Oil consumption in the United States is down. Industry deliveries of gasoline dropped 5 percent in September while deliveries of distillates, which include home-heating fuels, dropped 7.2 percent. The decrease in consumer demand was attributed to sharply higher prices. People just can't afford to buy as much gasoline and heating oil, no matter how much they may need it.

In fact, U.S. oil imports in September were 7.3 percent lower than a year ago. Oil refineries cut back their operations to only 84 percent of their capacity, down from 90 percent a year ago.

The demand for oil is likely to drop even further as the recession deepens, factories close down, and more workers are fired.

So are those "Arab oil sheiks" cutting back production in order to keep supplies tight and prices high?

Just the opposite. Saudi Arabia, the biggest OPEC producer, increased its output from 8.5 million barrels a day to 9.5 million barrels a day earlier this year. According to a report in the October 20 *London Economist*, ". . . privately, Saudi Arabia's oil planners are fairly sure that production will run at 9½m b/d for a few months."

The October 29 *Business Week* confirms that "oil supply and demand are approximately in balance worldwide. . . ."

The key reason for the high spot prices is that the oil companies are hoarding millions upon millions of barrels of oil.

Business Week reports "a stockpiling effort that is filling up tanks worldwide."

The September 22 *Economist* gives this description: "Hastily recommissioned tankers are again being ordered to steam slowly, adding more millions of barrels to the effective stockpile. Heating oil dealers in central Europe and eastern North America are finding it hard to coax extra gallons into their customers' brim-filled tanks."

The *Economist* cites an estimate by the International Energy Agency that stocks of oil and oil products would be at an all-time record high by October 1.

The oil companies claim their stockpiling is justified by fear of future oil shortages. But the immediate impact is clear: to keep prices artificially high and add billions more dollars to company profits.

Meanwhile, evidence of massive price-gouging by the oil companies continues to mount. A recent Energy Department report revealed that oil refiners increased the retail price of home heating oil twice as fast as the price of crude oil between January 1977 and 1979.

And an unpublicized civil trial in Nova Scotia, Canada, four years ago—belatedly reported by the *New York Times* on September 30, 1979—provided a vivid picture of fraud and profiteering by Exxon, the world's largest oil company. Company documents and testimony by Exxon officials revealed that:

- "The company disguised increases in its profit margins by backdating them to blend in with price increases tied to OPEC price increases."

- "Exxon used transactions between subsidiaries . . . to justify price increases to other customers."

- "Exxon used offshore corporations to 'launder' and artificially inflate price increases. . . . these corporations were organized to avoid millions of dollars in taxes."

Both the semicolonial oil-producing countries and working people in the United States are victims of the oil corporations' insatiable drive for profits. Nationalization is the only way to call a halt to their plunder. □

23% in U.S. Say 'Nationalize Oil Companies'

The astronomical profits reported by the oil companies have convinced millions of Americans that the only solution is for the government to take over and run the oil companies.

According to a poll conducted jointly by the *New York Times* and CBS News and released November 6, more than half the population of the United States (54%) is now convinced that the "energy short-

age" is phony and 23% favor nationalization of the industry as the best available solution.

Support for a government takeover was highest among those hit hardest by the huge price increases for gasoline and heating oil—Blacks (42% in favor of nationalization) and those with incomes under \$10,000 a year (31% in favor of nationalization).

Intercontinental Press/Inprecor will give you a week by week analysis of the most important world events.
Subscribe now!

Five Antiracist Demonstrators Gunned Down by Ku Klux Klan

By Jon Hillson

[The following two articles are excerpted from the November 16 issue of the *Militant*, a revolutionary-socialist newsweekly published in New York.]

* * *

GREENSBORO, North Carolina—With the televised image of the Ku Klux Klan-Nazi massacre of antiracist demonstrators still fresh in their minds, many here are asking: *Did the police deliberately let the murderous assault take place?*

Local cops who tailed armed Klaners and Nazis from the city limits into the heart of Greensboro's Black community on November 3 were nowhere to be seen when the racist scum opened fire on some seventy-five to one hundred assembling demonstrators.

Four were killed on the spot, with a fifth dying from wounds on November 5. One protester remains critically wounded. At least nine others were hospitalized.

The barrage of bullets lasted from two to four minutes, as the hit squads calmly loaded and reloaded shotguns, pistols, rifles, and automatic weapons, firing into the fleeing crowd.

Thus far, twelve racists have been charged with four counts of first degree murder and one count of conspiracy to commit murder. Four others are being held on charges of conspiracy to commit murder. All are being held without bond.

Two demonstrators were arrested. Nelson Johnson, a leader of the action, was charged with inciting to riot. Willena Cannon, who intervened when the cops grabbed Johnson, was charged with interfering with an officer.

The Morningside community, where the killings took place, is marked by an uneasy calm.

"There are a lot of cops here now," one young Black told the *Militant*, "but I got

no idea why. Where were they on Saturday?"

This is what happened on November 3, according to eyewitness accounts.

The mood of assembling anti-Klan demonstrators suddenly changed as a carload of Klan and Nazi members drove toward the crowd, shouting, "Kill the nigger SOBs."

A small group of demonstrators encircled the car, shouting back.

One racist got out of the car and fired a pistol in the air.

"That was the signal," one eyewitness told the *Militant*. By this time several carloads of Klanners and Nazis had pulled up behind the point car. As many as forty racists were in the convoy.

The armed occupants of the cars got out, aimed, and fired into the crowd.

Greensboro Police Chief W.E. Swing has admitted that the KKK vehicles were "under surveillance" as they entered Greensboro. Some of those arrested drove from as far as Gastonia, seventy miles away.

Despite such knowledge, cops were at least two blocks from the rally site when the shooting began. Swing has since refused to reveal the source of the information that prompted the police surveillance.

Initially, police were present at the anti-Klan assembly site. But they withdrew before the massacre.

Why?

Because, they assert, they encountered "hostility" from the demonstrators!

Swing told reporters that the cops kept a "low profile" in response to demonstrator demands to keep out.

At a news conference prior to the event, called by the Workers Viewpoint Organization, the group sponsoring the event, WVO leader Nelson Johnson urged the cops "to stay out of our way" and not to interfere.

Johnson made plain that he was making this demand because he was concerned with the problem of police harassment of the demonstration. He had no knowledge of the impending Klan attack.

At 11:03, the morning of the march, police logs confirm, Swing knew something that Johnson and the demonstrators didn't.

Eight cars carrying Klan and Nazi members were swinging into the Black community, soon to pick up a ninth vehicle. They were on their way to commit murder, and the cops let it happen.

Johnson termed the murders "selected political executions." All five were leaders of the Communist Workers Party (CWP). The Workers Viewpoint Organization, a



One of five anti-Klan demonstrators murdered in Greensboro.

small, national Maoist grouping, renamed itself the CWP several weeks ago.

Three of those murdered—Michael Nathan, William Sampson, and James Waller—were white. One, César Cauce, was Cuban, and one, Sandra Smith, was Black.

Four were involved in union organizing activity, three in textile mills and one in a hospital.

One of the slain CWP leaders, James Waller, helped lead a strike at Cone Mills Haw River plant in 1978. He was, according to Amalgamated Clothing and Textile Workers Union spokesperson John Kissick, victimized for his role in the strike.

"This was a SWAT-team-like assassination coup," Johnson told a November 5 news conference. "There were 100 [people at the assembly], twenty-five who were in the party and about six who were leaders in the organization. The gunmen knew who to kill before they got there."

Dr. Page Hudson, North Carolina's chief medical examiner, confirmed the dead had been hit in the head or heart.

Johnson also told reporters that the starting point of the march had been changed after it had been publicly announced on a leaflet. Only the Workers Viewpoint leadership and the police, he said, knew the new starting site.

How did the Klan killers know where to go?

For Greensboro's Black residents, the assassination was an armed invasion of their community. Bystanders were hit. Several residents of the Morningside community told the *Militant* of seeing a child bleeding from buckshot wounds in the mouth.

"I know one thing," an angry resident told the *Militant*. "When the Klanners drove up, they were shouting, 'Kill the niggers,' not 'Kill the commies.'"

Outrage and anger in Greensboro's Black community is widespread, and there is uniform condemnation of the Klan-Nazi brutality. Much of the indignation is directed at the Greensboro police.

Rev. Leon White, chairman of the Raleigh-based Commission for Racial Justice, explained the sentiment at a November 5 news conference here.

"We can't understand why every time Black people and poor people stand up for their human rights that the police can never be found," he said.

The news conference included representatives of the American Civil Liberties Union, who called for an investigation of police conduct independent of Greensboro city officials. NAACP officials have called for a federal investigation of the incident.

An emerging theme of the Greensboro cover-up of potential police complicity in the murders is to try to minimize the horrifying crime by emphasizing that the victims were "communists."

Rev. White effectively countered this McCarthyite effort. He condemned the

witch-hunt rhetoric of the media and city officials. "We've got to find a way to make sure that these brothers and sisters did not die in vain," White said. "Everybody's calling them a bunch of communists, but they were my brothers and sisters in the struggle."

Behind the Klanners and the Nazis may be a more powerful force.

That force is the employers at the three Cone Mills textile plants where the slain CWP leaders worked.

News reports indicate that they had been under employer surveillance on their jobs. In each case management personnel refused to comment on corporate spying.

This may be just the tip of the iceberg. The Piedmont area in North Carolina is the scene of a deepening battle between union-led organizing drives and corporations that are willing to use any trick in

the book to stop the advance of the labor movement. The chief target of the employers is the Teamsters, against whom a steady stream of red-baiting and charges of inciting "violence" have been leveled.

The November 3 attack also fuels the ongoing media campaign to portray the Klan as a rising organization, whose alleged growth is aimed at demoralizing the fighting spirit of North Carolina workers, both Black and white.

The cold-blooded assault may have done just the opposite, however.

One resident of the Morningside community seemed to speak for many when he told the *Militant* of his belief in police-Klan partnership. "If we step out of line, the cops are here in a second," he said. "But I'll tell you this. If those Klanners get off, city hall will have hell on its hands," he said. □

Workers in North Carolina Outraged by Killings

By Jon Hillson

GREENSBORO, North Carolina—"It was an attack on all of us," the young white International Association of Machinists member said.

"It was just awful, it shouldn't have happened," said the older white woman, a member of the Teamsters union.

"The cops got the Black Panther Party, they got Malcolm X, but they won't get the Klan," said the thirtyish Black worker, an IAM unionist.

It is Monday, November 5, the first day back at work since Ku Klux Klanners and Nazis murdered five anti-Klan demonstrators here. The main topic of discussion in area plants is the bloody attack.

Among Black workers, there is general condemnation of the murders and a clear perception that Greensboro's cops participated in a set-up that allowed the Klan-Nazi hit squad to carry out the assassinations.

There are divisions among the white workers. But racist workers who back the Klan are in a distinct minority. The overwhelming majority are outraged at the killings. They, too, sense police complicity in the brutal assault.

Several workers, members of the Socialist Workers Party in Winston-Salem, described their discussions on the job about the shootings.

"There are Klanners where I work," said Doug Cooper, an installer at Bahnson Company, which is organized by the IAM. "Everybody knows it. But I didn't run across anybody who supported the Klan action. Even those who felt there was blame on both sides thought the shooting was an outrage."

One white worker put it this way. "We pay taxes to keep up the police," he said. "And they should protect everyone."

Another young white asked the obvious

question, "How many police are in the Klan?"

Even whites taken in by the Klan's "white rights" sales pitch took their distance from the murderous assault. "People have a right to belong to it [the Klan]," one such worker said, "but what they did was an outrage."

"The Klan is against everybody and everything progressive, not only Blacks," one Black IAM member said. "They are against women, against labor. It's all of us at stake in this."

A group of Black workers at lunch spent their break trying to convince a conservative friend of theirs of the implications of the assault. "What if they [the Klan] attack our picket lines if we have to strike? What side will you be on?"

One white worker at Bahnson, who is also a farmer, supported the Klan before the Saturday shooting. But the massacre changed his mind. At a break on Monday, he joined in a discussion, arguing with a close friend against the Klan. "The violence," he said, "is just too much."

At one break, the talk turned to the situation in Boston, "up South," where white racist gangs have recently terrorized Black students. "Look," said a white worker, "they don't protect school children there, so why should we expect it here?" The worker, a former member of the United Mine Workers of America, said that police inaction in Boston "makes these people [Klanners] bolder down here."

Several Black workers talked about the double standard of police protection, noting how in Dallas, when Klanners were recently outnumbered by anti-Klan protesters, the cops turned out in force on the side of the racists.

Despite the shock waves sent out by the

murders, several Blacks emphasized that things are different in the South today.

"It's better than in the 1960s," said a Black Teamster, a shop steward. "Then, it was just a Black thing. Now it's Blacks and whites getting together."

"The Klan, its racist backers, have less impact today," said a Black IAM member, "because Blacks are more together and because whites understand more. It's not like it was ten years ago."

What has forged this understanding among whites is the growth of union organizing drives in the open-shop, right-to-work-for-less South. Here in the Piedmont area, the bosses' paradise has become a center of Teamster-led organizing drives.

While not openly flying anti-union flags, the labor-hating Klan has become increasingly isolated by the organizing battles whose victories are based on unity between Black and white workers.

In the plants and mills the most open Klan types are company men, supervisors and foremen.

One white worker, in a discussion with co-workers, agreed about how bad the Greensboro Klan assault was. As he got up, a racist supervisor said the demonstrators "got what they deserve." The worker quickly nodded in agreement.

The bosses use this kind of intimidation in an effort to maintain a climate of disunity between Blacks and whites. But it's a climate that's breaking down rapidly.

One Black unionist, a former employee at the Newport News shipyard in Virginia, and a supporter of the Steelworkers' organizing drive there, said: "The Klan is and has been disrupting working people. We need to make sure everyone is aware of this terror in North Carolina."

A Socialist Workers Party member said, "Workers are still confused by the idea promoted by the capitalist media—that the murders resulted from some kind of 'left vs. right' gang war. This idea is a pure fraud, designed to explain away what the Klan and the cops did."

"But two things stand out. People are shocked and angered and don't think it should have happened. And, white or Black, people believe the cops had a hand in it. Let the Klan do it, and there's going to be a cover-up." □

Police Harass Czech Dissidents

According to a Reuters dispatch from Prague, nine Czechoslovak dissidents were arrested and held over the November 3-4 weekend, on the pretext of a supposed "death threat" against Communist Party General Secretary Gustav Husak.

Although the nine were later released after questioning, their arrests are an indication of ongoing police harassment against antibureaucratic activists in the wake of the frame-up convictions of six members of Charter 77 in October.

Statement by Socialist Workers Party

'A Murderous Attack on Every Worker'

[The following statement was released November 6 by Andrew Pulley, Socialist Workers Party candidate for president of the United States.]

* * *

The November 3 assassination of five anti-Klan demonstrators in Greensboro, North Carolina, was a murderous attack on the rights of every working person in this country.

I urge the labor movement nation-wide, Black and other civil rights organizations, women's groups—every decent human being—to unite to condemn this massacre. We must stand up and call a halt to Ku Klux Klan (KKK) and Nazi violence and demand that the murderous scum responsible for this outrage be brought to justice.

If antiracist protesters can be gunned down in Greensboro with impunity, rightist goons and company thugs will be emboldened to step up their attacks on Blacks, Latinos, picket lines, and union organizing drives across the country.

There should be an immediate outcry against the November 3 bloodbath—through telegrams, protest meetings, and rallies—by trade unions, Black and Latino organizations, women's groups, student organizations, and other defenders of civil rights.

We must demand the arrest, prosecution, and conviction of *all* those responsible for the murders.

We must demand the dropping of all charges against the two anti-KKK survivors of the attack, who have been arrested on frame-up charges for participating in a peaceful, legal protest.

We should demand that President Carter open a full investigation of the killings and the cover-up that is now occurring in their wake.

Working people in Greensboro and around the country want to know the answers to these questions: Why did the Greensboro cops *leave* the demonstration just when they knew the racist killers were on their way? Were they informed in advance of the murderers' plans?

What about the FBI? Did it have agents in the Klan-Nazi hooligan gang, just as it had agents in the bombing of the Birmingham church in 1963 and the 1965 shooting of civil rights worker Viola Liuzzo?

What about the owners of the textile mills in the area, such as Cone Mills? They have admitted spying on their workers, including some of the victims of the November 3 attack, and have used gun thugs to intimidate strikers.

We must demand that all the FBI, state, and local police files be opened to deter-

mine the full extent of the bloody conspiracy that has claimed the lives of five people.

Greensboro Mayor Jim Melvin, backed up by the capitalist media, has portrayed the KKK's murderous assault as just a "gang war" between the left and the right. He has praised the role of his cops in the whole affair.

But the source of the violence on November 3 in no way lies with those who were protesting the racist, antilabor scum of the KKK.

No one knows better the real root of violence in this country than the courageous workers in right-to-work-for-less states¹ like North Carolina—where recent union organizing drives are breaking down the openshop bosses' paradise despite goon attacks, spying, and intimidation from the employers.

It is the success of these union drives—like the victory of Steelworkers in Newport News, Virginia, and Teamsters at Hanes Dye and Finishing Company in Winston-Salem, North Carolina—that the ruling class of this country fears. And it is the determination of Black and white workers to fight *together* for the union that is driving groups like the Klan into a murderous frenzy.

The South of today is not the South of twenty years ago. The bosses' strategy of pitting white workers against Blacks is losing its appeal—shown most dramatically by labor's defeat of the racist *Weber* suit in Louisiana.² The Klan and other rightist groups, while increasing their violent attacks, are small and isolated.

What is happening in the South today gives the labor movement confidence that we *can* stand up to scum like the Klan, we *can* isolate them, we *can* drive them out of existence.

Dallas anti-Klan forces demonstrated this November 3 in their march against a handful of KKKers. Blacks and other opponents of racism have similarly driven back the Klan in Decatur, Alabama.

We—the labor movement and our allies—are the *majority*. In the wake of the Greensboro massacre we must stand up and let the world know it. □

1. States which have antiunion "right-to-work" laws prohibiting contracts requiring that all workers at a job be members of a union.—IP/I

2. The *Weber* suit was a legal action taken by a white worker against a contract between Kaiser Aluminum and the steelworkers union that established an affirmative-action program to lessen the effects of discrimination against Blacks in hiring and job up-grading. In June 1979 the U.S. Supreme Court upheld the constitutionality of the program.—IP/I

AROUND THE WORLD



Stiff Resistance to Bolivia Coup

A powerful general strike by the Bolivian Workers Federation (COB) has prevented the consolidation of a November 1 coup led by Col. Alberto Natusch Busch. Natusch seized power from President Walter Guevara Arze, Bolivia's first civilian ruler in fifteen years.

Guevara had been elected as a compromise interim president by the Bolivian Congress in August, following a stalemated election involving three candidates. He was to have ruled until a new election in May 1980.

The resistance to the coup, including militant demonstrations in the working-class neighborhoods of La Paz, the country's capital, has not been broken by the military's fierce repression. Although more than seventy demonstrators have been killed by the army and military police since the general strike began, with some estimates going as high as 200 deaths, army units continue to face stiff resistance when they move into working-class areas.

Tin miners, who are the most decisive sector of the Bolivian working class, are reported to have armed themselves with guns and dynamite to resist government troops in the isolated mining areas.

In the face of the ongoing general strike, Col. Natusch offered on November 7 to allow the elected congress to reconvene and to share power with him until new elections are held. This proposal was rejected by both the COB and the congress.

The continuing resistance to the coup is said to be cutting into military support for Col. Natusch, as field grade officers worry about the long-term impact of the growing repudiation of the armed forces.

White Racist Regimes Step Up Raids Against Zambia, Angola

In a continuation of attacks by the white minority regimes against neighboring countries, South African and Rhodesian troops carried out a coordinated assault into southwestern Zambia October 21. The estimated 400 Rhodesian troops struck near Chirundu and the 600 South Africans near the towns of Senanga and Sesheke.

The aim of the invasion, like the previous ones, was to inflict severe losses on the Zimbabwean and Namibian freedom fighters, and also to pressure the Zambian regime into lessening its aid to the liberation forces.

A week later, on October 28, about 150

South African commandos were flown into southern Angola, where they attacked strategic railway junctions, destroyed bridges, and killed about twenty persons.

The United Nations Security Council condemned the South African "aggression against Angola" November 2, and demanded a halt to such attacks. The American, British, and French representatives on the council abstained from voting on the resolution.

In October, before the latest raid, the Angolan government revealed that three years' of South African attacks on Angola had left at least 1,383 persons dead and 1,915 wounded and had caused \$300 million worth of damage.

Strikes Sweep Martinique

Through much of September and into early October, Martinique, a French colony in the Caribbean, was rocked by a strike wave.

It began September 10 when most of the bank employees at the Crédit Martiniquais walked off their jobs to press for the dismissal of three racist bank officials. They won their demand.

Construction workers struck a few days later, demanding higher wages. On October 1, the strikers demonstrated in Fort-de-France, the capital. They erected barricades and clashed with the police. They won a 10 percent wage hike.

Dockworkers, airline employees, teachers, automobile mechanics, and doctors also went on strike. On October 8, students launched a three-day boycott of classes.

Public Floggings in Pakistan

As part of its campaign to terrorize the Pakistani population in general, the military junta of Gen. Zia ul-Haq has stepped up public floggings for even minor criminal offenses.

The crowds, however, have begun to express open sympathy with those subjected to the lashings. In a dispatch from Rawalpindi in the November 4 *Manchester Guardian Weekly*, correspondent Peter Niesewand reported that a crowd of 12,000 at a public flogging of twenty-seven persons reacted angrily to the lashings. Police then attacked the onlookers with riot batons.

"When the first prisoner endured 15

lashes and managed to walk away," Niesewand reported, "the people cheered and whistled. A second man who did the same, and then defiantly raised his arms to the crowd as if he was a victorious boxer, won a roar of approval."

Starvation in East Timor

Sixty thousand refugees in Indonesian-occupied East Timor face starvation within the next two months unless relief supplies reach them, according to a report in the November 3 *New Republic*.

As many as 300,000 Timorese have fled to Indonesia-controlled coastal areas and towns during 1978 and 1979, as a result of devastating army attacks on villages in the mountainous interior of the island. Some 250,000 of these refugees remain crowded in squalid camps.

The Indonesian army invaded East Timor in December 1975, shortly after the former Portuguese colony became independent. Although an Indonesian-appointed "Regional Popular Assembly" voted to accept incorporation of East Timor into Indonesia in May of 1976, it was not until 1979 that Indonesian forces had sufficiently consolidated their grip to start touring foreign journalists through areas under their control.

Aid has begun to be sent to East Timor through international relief agencies, but church and government sources in Australia, Indonesia, and the United States have charged the Indonesian military with systematically plundering relief shipments, and distributing what's left of them on a politically discriminatory basis. The regime has obstructed relief efforts in other ways, as well. The November 2 *Far Eastern Economic Review* reports one case in which 115 tons of foodstuffs sent from Australia was left sitting on the Jakarta docks for six weeks "because of documentation problems."

As the chief backer of the Indonesian military dictatorship, the U.S. government bears major responsibility for Jakarta's genocidal war against East Timor. The initial Indonesian attack in 1975 came just twelve hours after U.S. President Gerald Ford and Secretary of State Henry Kissinger had visited Jakarta. The U.S. government has reportedly supplied \$2.9 million in aid to Timorese refugees, but this figure is dwarfed by the \$112 million in American arms sales to the Indonesian military in 1978 alone.

Big Shake-out Nearing for World Auto Industry

By Winfried Wolf

Is the sixth largest automotive producer going to buy out the third largest? Volkswagen (VW) is a company in robust health, swimming in the liquidity of billions of Marks. Is it going to swallow up the faltering Chrysler Corporation, which has been showing huge deficits? There was a sensational report to this effect in the financial press at the end of June 1979.

A price was even mentioned—a “mere” 1.9 billion marks. Volkswagen should not have any difficulty in putting that much money on the table at a time when production and profits are increasing. However, the report was strongly denied by both the Wolfsburg and Detroit trusts. For the moment at least, the deal has not been concluded.

Nonetheless, this affair has shed a harsh light on the situation in the world automobile industry, in which up to now there had seemed to be no limits to the expansion. But now an acute crisis of competition is shaping up. While the European trusts are stepping up their competition within the Common Market, VW is trying to make a breakthrough in the American market.

At the same time, the Japanese are biting off a bigger and bigger share of the West European market. Of course, they are going about this less aggressively but with “greater sensitivity.” And they are looking ahead to making direct investments in West Europe.

In this period, the two American giants, General Motors and Ford, are preparing for an offensive in the small and medium car field in the West European and American market. For that purpose they have launched massive investment programs.

There are also some newcomers to make this picture of competition even more crowded—the automotive producers in the East European countries and in South Korea. Two immediate conclusions can be drawn. First, the world automotive industry is going to undergo restructuring processes of considerable scope. Secondly, the new investment programs are going to lead to enormous surplus productive capacity, that is, a new worldwide crisis of the automotive industry.

This scenario shows striking similarities to the 1973-75 crisis. In 1973, the so-called oil crisis (that is, the higher prices of oil and raw materials) lent an inflationary character to the economic boom.

Of course, the higher prices for gasoline did not directly affect the boom in the automotive industry, but they had already become a factor in the nascent crisis of the

industry. This boom generated surplus productive capacity on the world scale. The automotive market could no longer absorb this productive capacity. The market was beginning to become saturated.

In 1975, the automotive industry was experiencing its deepest crisis, just at the time when, as a result of the general recession, declining purchasing power on the part of the workers, unemployment, stagnating wage levels, and the tightening of credit reinforced all the other elements of crisis. Today, the new “oil crisis” of 1978-79 may very well be the omen of a new crisis in this industry and in the capitalist economy as a whole.

We will analyze these developments below.

The Weight of the Auto Industry in the Major Countries

The automotive industry occupies a special place in the economic structures of the United States, Japan, France, West Germany, Italy, and Britain. These six countries, in which 80% of world automotive production and 75% of demand are concentrated, are marked first of all by the “structural weight” of the automotive industry. This sector accounts for between 5% and 8% of total industrial production. It accounts for one-tenth, or more, of the exports of all these countries (see Table 1).

But these figures do not come close to telling the whole story. The real weight of the automotive industry in these countries is much greater than it would first appear. For example, according to a study done by the Common Market, at the end of 1975, the automotive industry directly employed about 1.3 million workers.

In addition, 1.8 million workers were employed by parts plants and subcontractors to the automotive industry. Another 1.6 million workers are employed in selling and servicing motor vehicles. These two categories together amount to two and a half times the number of workers employed in the automobile plants. (*Frankfur-*

ter Rundschau, December 30, 1976.)

In West Germany, the metalworkers union (IG Metall) and the German Institute for Economic Research (DIW) estimate that in 1975 “the jobs of 5% of all West German wage earners, or about 1.4 million wage earners out of a total of 26.4, depended on the level of demand in the market for motor vehicles.”

The figures for other countries are similar. *Le Monde* has estimated the number of workers dependent on this industry, including those directly involved in automotive production, at one million in Britain and 500,000 in Italy.

While the *weight* of the automotive industry in the big producer countries is, in general terms, quite similar, the *trend* in this branch has differed considerably from country to country.

In France, West Germany, and above all Japan, the relative weight of automotive production in overall production has steadily increased. But in Italy and Britain the relative weight of automotive production has not grown, and in the United States it has actually declined.

Thus, in the decade from 1950 to 1960 the annual growth rate of automotive production in West Germany averaged 18.5%, while overall industrial production increased only an average of 10.5% annually. In the 1970s, these rates have been 8.1% and 6% respectively (*IGM-Studie*).

In France automotive production increased at an average annual rate of 12.7% between 1959 and 1977, while overall industrial production increased 11.2%. For the same period, the growth in investment in the French automotive industry was 13.5%, as against 13% in the economy overall. These figures are annual averages. (*Economie et Statistiques*, no. 104, October 1978, Paris.)

These very different trends have had important consequences in shifting the relative weights of each national automotive industry in worldwide production (see Table 2).

The sharp differences in the share of

Table 1
Structural Weight of the Automotive Industry

Country	Number of Workers	% of total Workforce	% of total Industrial Production	% of total Industrial Exports
France	250,000	5	5.9	10
W. Germany	600,000	8	6.9	12.5
Britain	480,000	6.3	5.9	10
Italy	200,000	4	5.2	10
U.S.A.	—	—	6.0	—

Source: *Le Monde*, July 3, 1979

world production held by the various countries are in some respects specific to the automotive industry. France illustrates this, since it has clearly improved its position in recent years. On the other hand, the development of this industry displays certain general characteristics of the imperialist structure.

- In the 1950s, the United States held a monopoly in automotive production, and in the 1960s it held a dominant position. It has now been overtaken by its European and Japanese imperialist competitors.

- Among the U.S.'s competitors, Japanese imperialism holds the dominant position. In only ten years, it has quadrupled its share of worldwide automobile production. It has become the world's second largest automotive producer, though it still lags considerably behind the U.S.

- In Europe, the old imperialist power Britain is the only country that has been steadily losing ground.

- In contrast, the other countries of the Common Market have been continually strengthening their position vis-à-vis the U.S. As a whole, the Common Market has held a lead over the U.S. in this sector since 1970, as it has in ship building and steel. In the automotive industry, the Common Market countries account for 32.1% of world production as against only 29.2% for the U.S.

Saturated Markets?

When people talked about the crisis of the automotive industry in 1974-75, the expression "saturation of the market" was frequently used. In the United States there was one car for every 2.2 persons and in West Germany one car for every 3.7 persons. The industry had reached a threshold that seemed difficult to surmount.

"The automotive industry . . . is experiencing a rate of growth today markedly lower than in the 1950s and 1960s. This

Table 2
Percentage of World Production of Sedans and Station Wagons

Country	1937	1951	1955	1961	1965	1970	1974	1976
U.S.A.	78	77	72	53	49	29	29	29.2
Britain	8	7	8	11	9	7	6	4.6
France	4	5	5	9	7	10	11	10.2
W. Germany	5	4	7	14	14	16	11	12.2
Japan	-	-	-	1	4	14	16	17.3
Italy	-	-	-	-	-	7.6	6.5	5.1

Source: IG Metall Studie and Statistisches Jahrbuch der BRD 1978

confirms that the great expansion of this industry is coming to an end . . . and that demand is more and more limited to the need to *replace* cars already sold." Ernest Mandel made these observations in the late 1970s.¹

The German metalworkers union declared, although this was nothing but empty words spoken for obvious reasons: "We are still far from having saturated the German market." But it could not fail to recognize that there had been "an exceptional decline in the average rate of growth in the automotive industry" or that there had been a "change in the strategy of the employers, who are now trying to increase not the number of vehicles produced but the prices."

In fact, however, in most of the big automobile producing countries the growth rates of this industry set new records in the period 1975-79. In West Germany, the annual growth rate has been around 10%, notably higher than in the 1960s. On the other hand, if you look at the period 1970-79, that is including the crisis of 1974, the annual growth rate is around 7%, that is, a little below the average in the preceding decade.

But everywhere the density of automobiles has increased. In the United States, it

1. Mandel/Wolf, "Ende der Krise," Berlin, 1977.

reached the point in 1978 that there was one car for each 1.5 inhabitants (*Le Monde*, July 3, 1979). In West Germany it was one car for every 3 persons; in France, one for 3.1 persons; in Italy, one for 3.3; and in Britain, one for 3.8 persons (*Frankfurter Allgemeine Zeitung*, February 24, 1979). So, in 1980, West Germany will have 23 million cars. A 1975 Shell Oil Company study estimated that this figure would be reached only in 1990, which a new study in 1977 then revised to predict that this total would be attained in 1985.

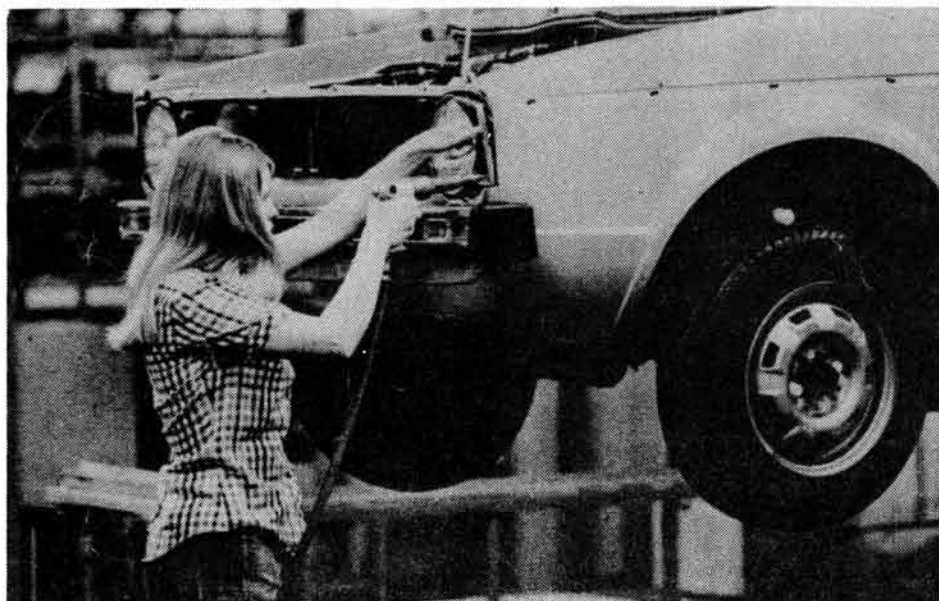
The statistics on this new growth in the density of automobiles and on the absolute increase in the number of registered vehicles show that what is going on is not simply, or even mainly, a process of replacing and updating the present fleet of automobiles, although this plays an important role.

It is evident that the abstract concept of "saturation" depends far too much on the use value aspect of the automotive product. It neglects the possibilities for increasing the value itself. That is, this concept does not take sufficient account of the anarchy of capitalist production. One car for 1.5 inhabitants, as is the case in the United States (and this ratio is computed on the basis of the total U.S. population, including children), does represent waste from the standpoint of the society as a whole. Even if you accept the idea that individual private vehicles should be the main means of transport, which we do not, these figures indicate that a point of "natural saturation" has long since been reached.

However, in a society that does not plan public transportation, a society where the automobile industry itself blocks such planning, a society that as a general rule assures that individual cars are a cheaper and more comfortable means of transportation than public transport (in the U.S. many big cities have no public transport at all), in such a society the sort of trend described above becomes quite possible. The only criterion, then, is the demand on the market.

Over the past four years, there has been such demand on the market. In this period, after years of belt tightening, real wages increased slightly. In absolute figures, employment rose, as it did in the U.S. And credit was loosened.

On the other hand, there has been an absolute, or at least relative, stagnation in



German autoworker building a VW Golf (Rabbit).

the development of public transportation. In West Germany, for example, where, unlike the United States, there is a relatively well developed network of urban and interurban transport and where only recently quite considerable investment was made in this system, the number of persons using public transport dropped by 0.5% in 1978, by comparison with 1977. In 1979, there seems to have been no increase in the number of users.

In contrast to this picture in public transport, in the last two years individual transport has increased by 11%. A similar picture emerges as regards freight. In 1979 road transport has grown by 13.5% compared to 1977, while rail transport has increased only 8% (*Kommerzbank Branchennotiz*, March 9, 1979).

So, what has become of the official preaching about the need to "accept the consequences of the energy crisis?" In view of the sort of development described above, the heated discussions over reducing the speed limit in Germany begin to look strangely like a charade.

Growing International Competition in the Auto Industry

A new boom would also mean stepped up competition, more surplus capacity, and finally a *new crisis*. The evolution of the international automotive industry already foreshadows this (see Tables 3, 4).

Table 3
Exports of Cars and Station Wagons
by the Largest Producer Countries
(measured in thousands and ranked by growth)

Country	1965	1977	Increase
1. Japan	101	2,959	x 29.3
2. Canada	78	886	x 11.4
3. U.S.A.	106	688	x 6.5
4. France	489	1,621	x 3.3
5. Italy	308	644	x 2.1
6. W. Germany	1,419	1,939	x 1.4
7. Britain	628	475	- 0.7

Source: *Frankfurter Allgemeine Zeitung*

First of all, these figures confirm what was said previously about the vigorous offensive the Japanese automotive industry has been waging. According to Table 3, Japanese automotive exports increased by nearly thirty times between 1965 and 1977! However, one is immediately struck by one important difference. Table 2 shows that U.S. automotive production has declined as a percentage of world production. But in the period 1965-77, as shown in Table 3, the export of U.S. cars has soared, growing more rapidly than exports of their Common Market competitors.

To be sure, a large part of these larger U.S. exports resulted from the increasing industrial relationship between the United States and Canada, that is, from the automobile business within North America. Likewise, it has to be kept in mind that at the beginning the volume of automobile

Table 4
Imports as Percentage of Newly Registered Cars in Each Country

Year	France	W. Germany	Britain	Italy
1966	13.9	13.6	5.1	14.3
1970	19.9	22.5	14.3	31.3
1975	20.3	24.9	33.2	31.4

Source: *Economie et Statistique*, October 1978

exports from North America was very low. By 1977, the exports of the United States and Canada were still lower than those of West Germany or France. But these figures also partially reflect the first counterattacks of the American automotive industry against the Japanese and European offensive.

The figures in Table 4 also reflect a situation of stepped-up competition. In the four Common Market countries cited, in the period 1966-75 automobile imports doubled in Italy and West Germany, and grew in Britain by six times. The French automotive industry was the most successful in protecting itself from foreign competition. In the case of France, imports in that period rose only by 50%.

The competitive struggle in the international automotive industry was opened up by the offensive launched on the export market by the Japanese and European automobile producers, which was directed at the American market. This offensive was marked by the spectacular success of the VW "Bug" and later by the Japanese small cars on the American market and was the outstanding feature of the 1960s. It brought about, as already pointed out, the breakdown of the American domina-

tion of auto production. But from an overall standpoint, the American giants were not worried.

Initially, there was even a sort of "division of labor." The small and medium-sized car field was largely conceded to the Common Market and Japanese producers. In the field of the big "medium-sized" cars and the traditional six- and eight-cylinder cars, which was still decisive for the U.S., American supremacy remained unassailable.

Moreover, from the early 1960s on, the decline of the dollar helped decisively to protect the "big three"—General Motors, Ford, and, at that time, Chrysler—from Japanese competition.

This situation changed with the onset of the automobile crisis and the "oil crisis" in 1973. Since then we have seen major restructuring in automobile production. At the start, the shift benefitted the U.S.'s foreign competitors. So, when Volkswagen set up its own plant in the U.S., it seemed that war had been declared. American industry took up this challenge, and in turn declared war on its competitors. In mid-1977 it announced its investment programs in Europe. This operation must now be analyzed.



Japanese auto exports have increased nearly thirty times in a little more than a decade.

Starting in the mid-1970s, several factors changed the situation in automotive production. First, in the advanced capitalist centers, conditions arose that more and more put in question individual transportation in cars (long tie-ups in rush hours, parking problems, the creation of pedestrian zones in the city centers).

Moreover, while the "oil crisis" of 1973 was certainly deliberately exaggerated, it nonetheless reflected a potential shortage of gasoline, and it brought on a relatively rapid rise in price that is now constantly on the minds of drivers.

Finally, the widening of the crisis of capitalism in decline has aroused a *growing awareness of the environment* and provoked broad opposition to pollution as a factor that is destroying the conditions for human life. This has not taken long to produce results. Some very severe measures have been taken affecting the technology and regulation of the new automobiles now being put into service as well as the fuel used in them. Safety measures are more and more rigorous. The lead content of gasoline has been reduced and rationing has been introduced.

The first consequence of this situation that should be noted is a *general increase in the prices of cars and other individual vehicles*. This contrasts with the previous period when they remained usually relatively cheap. The result has been a *massive rush toward small and middle-sized cars*.

At the same time, there was a turn away from the "big tanks" that had dominated the American market. The European and Japanese cars got 30-40 miles per U.S. gallon of gasoline, about twice or more what the American cars did. Moreover, small diesel cars were developed, including the famous Volkswagen Golf diesel [marketed in the U.S. as the Volkswagen Rabbit], whose price was particularly favorable. Since then, there has been experimentation with new diesel vehicles that get 70 or more miles to the U.S. gallon.

The restructuring gave an immediate advantage to the European and Japanese companies in the North American market, as well as in all other world markets. In the U.S. imported automobiles at one point took 25% of the market. It is the Japanese who have benefitted the most. In 1976, Nissan motors sold half of their production abroad and 35% in the U.S. Of the 4.5 million Datsuns made in 1977, about 900,000 were sold in the U.S.

In 1977, the U.S. launched a counteroffensive. It began with an attempt to reconquer its own internal market by building small and middle-sized cars (for example, the Chevette). Since 1977, they have succeeded in underselling the imports because the rise of the Mark and the Yen has forced their Japanese and German competitors to increase their prices. The share of the market held by imported cars rapidly

declined from the peak of 25% to levels as low as 10% in some years.

Volkswagen sales declined spectacularly. After the records set in the early 1970s, when VW sold up to 500,000 vehicles a year in the U.S., sales dropped below 200,000 from 1975 to 1977.

The VW-Chrysler affair, to a certain extent, reflects these structural changes and their consequences.

Chrysler Abandons Western Europe While VW Builds in the U.S.

The Chrysler Corporation, the world's third largest automotive producer, has not been able to cope with these structural changes. It should be noted that its product line is even more dominated by the "big tanks" than the Ford and GM trusts. The new regulations aimed at reducing gas consumption and increasing safety, and



GM's "world car," the Chevette, has been competing against small imports.

the changes in the type of vehicles that this entails, alone will force Chrysler to make capital investments of 4 billion dollars in the period 1978-83.

Chrysler has been sinking deeper into losses and debts. In 1975, for example, it experienced the biggest losses in the history of the American automotive industry, running a deficit of 260 million dollars. In 1978, its share of the market fell from 17% to 12%, and it lost nearly 205 million dollars. But its share of the internal market has risen back to the level of 15% (*Wirtschaftswoche*, July 2, 1979).

In the current year, Chrysler announced it expected to lose the colossal sum of 700 million dollars. So, it has begun a spectacular worldwide retreat. In August 1978, it announced that it was selling all European Chrysler operations to the Peugeot-Citroën group. Chrysler/Europe was mainly made up of Simca-Matra, Chrysler/United Kingdom, and Chrysler/Spain. In 1977, annual production was around 774,000 vehicles, or about a quarter of the total Chrysler production.

Before taking over Chrysler's holdings, Peugeot-Citroën produced 1.5 million vehicles. In return for this move, Chrysler got 230 million dollars and a 15% share in the French group, which has now been catapulted into first place among the European

automotive trusts (ahead of VW) and into third place worldwide, ahead of Chrysler, Toyota, Datsun, and VW (*Handelsblatt*, August 14, 1978).

Six months later, VW absorbed Chrysler/Brazil, which along with passenger cars produced two kinds of business vehicles from its Dodge truck line. Thus, VW has become the unchallenged number one producer of cars in the largest Latin-American market (before buying out Chrysler, VW already held 51% of the market). It also got a serious foothold in the contest to win the truck market in North and South America. (Chrysler's share of the Brazilian truck market was 2.3%. *Handelsblatt*, January 26, 1979.)

In this period, Chrysler is concentrating on the U.S. market and pushing production of two medium-sized cars, the Omni and Horizon, which are competitive models that can meet the present and the likely future official requirements and regulations. But the trust is not financially strong enough to produce both the engines and the automatic transmissions for its models. For that reason Chrysler signed a contract of cooperation with Volkswagen, which is to deliver 300,000 Golf engines for these cars.

Moreover, at the end of July there was a report that VW is going to buy Chrysler/Argentina, which would open the door to the second biggest market in Latin America, one that had previously been closed to VW. The Argentine market was previously dominated by Chrysler, FIAT, Daimler-Benz, and Renault (*Frankfurter Allgemeine Zeitung* of July 14, 1979).

While Chrysler is cancelling its international contracts and falling back on the American market, and even there is threatened with bankruptcy, VW is growing and becoming a multinational corporation. In 1976, the directors of the Wolfsburg trust decided, after long hesitation, to challenge the American automotive trusts in their own country.

VW invested 1.2 billion Marks to start up production in the United States. There was no other way, according to the trust's strategists, to stem the effects of the fall of the dollar and the decline in their sales in the United States. (The rate of exchange between the dollar and the Mark was 1 to 3.65 in 1970; 1 to 2.59 in 1974; and 1 to 1.80 in 1978.)

The success achieved by VW in 1978 and 1979 proved the correctness of its decision. VW sales in these years were 300,000 and 380,000, approaching the previous records. Most of these cars came from the factory in New Stanton, Pennsylvania, a newly-built, but never operational, plant taken over from Chrysler, which is symptomatic. After a year of production, this factory reached its maximum capacity in producing Rabbits (Golf) and could no longer keep up with the demand. Moreover, there were several strikes in this factory, which is run by the former Chevrolet manager, James McLernon, who is both an ambi-

tious person and a demagogue. It seems that in mid-1979, plans were drawn up for a second factory involving a 5 billion Mark investment (*Frankfurter Rundschau*, June 19, 1979).

In this context, "a merger in the United States between VW and Chrysler would have a certain logic," *Wirtschaftswoche* noted in its June 25, 1979, issue. It made this comment following the first rumors of the merger, which were published in the American magazine *Automotive News*. It seems that for the moment there is no question of VW buying out Chrysler completely, as had initially been reported, at least not for the low price of two billion Marks. VW would rise to the rank of the second or third largest automotive producer in the world, behind GM and Ford. It is unthinkable, in these conditions, given the sharpening international competition, that the American government would not intervene.²

It is much more realistic to envisage close collaboration between Chrysler and VW, perhaps with VW buying a portfolio of Chrysler stock, entering into new contracts for cooperation, and building joint factories. There is already talk of a joint factory to build both engines and transmission systems.

The result would be essentially the same as in a full merger. In collaboration with Chrysler, VW would rise to the same level on the American market as the two giants, Ford and GM. Chrysler would get the financial means to carry out its plans for restructuring and would overcome the gaps in production technology, with VW's help in the area of motors.

The U.S. Counteroffensive

All these news reports and the general situation seem, first of all, to demonstrate definitively that the automotive industry in the United States is in a precarious position. In fact, the journalistic accounts of this situation have often been very one-sided. The following is an example: "The empire of the American trusts in Europe was often called the third-biggest industrial power in the world. Today, this empire is clearly declining. It is breaking up." (*Rouge*, August 11, 1978, on the occasion of the sale of Chrysler/Europe to Peugeot-Citroën.)

This way of looking at things is incorrect, because it is too one sided. In reality,

2. There is reason to believe that the rumors that Chrysler was going to be bought out by VW were set in motion by Chrysler itself, with the aim of forcing the U.S. government to take measures to shore up Chrysler and to get financial support. On the other hand, another argument can be made against the rumors that Chrysler is going to be bought out entirely by VW. Chrysler produces not just cars but also MX 1 assault tanks. So, the buying out of this corporation by a foreign company would be detrimental to "the interests of American security."

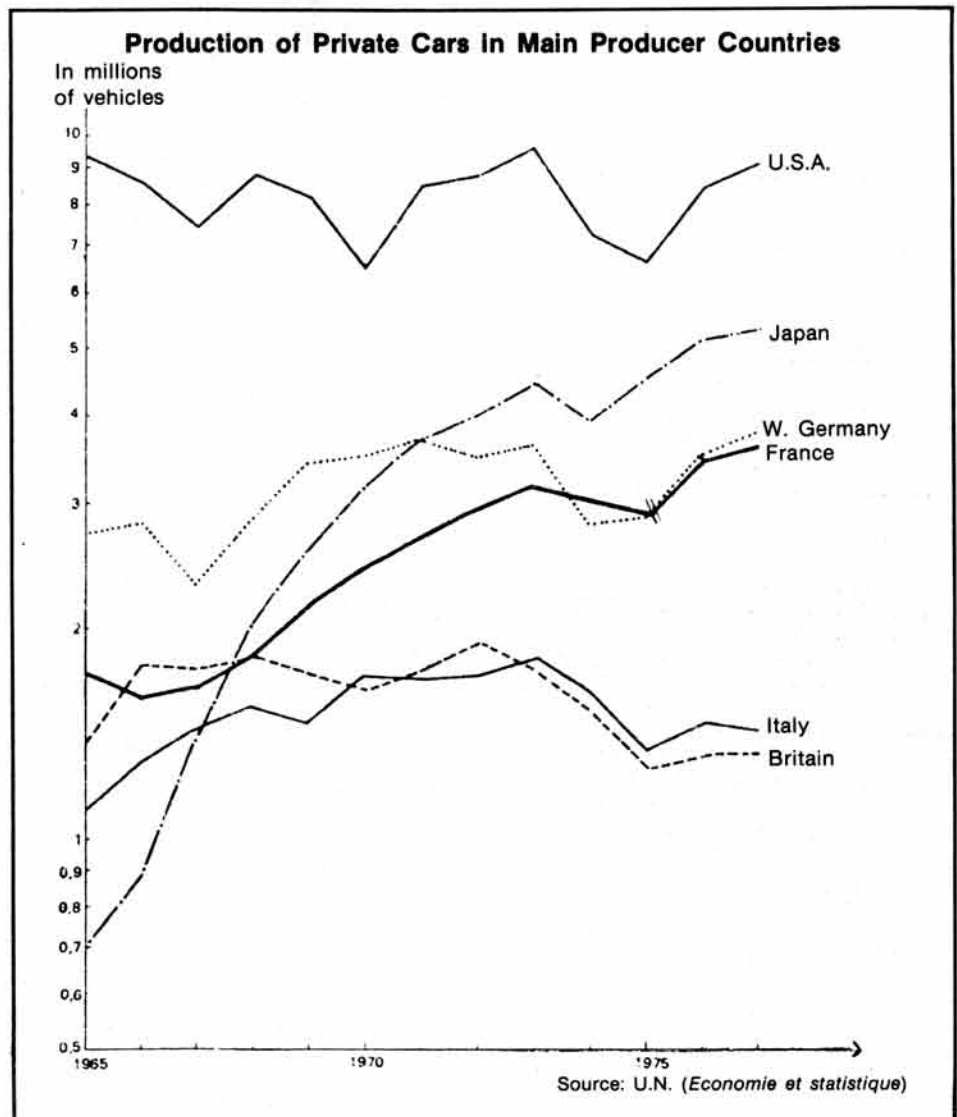
the U.S. automotive industry has only been seriously worried by the competition from Japan and the Common Market. It experienced certain difficulties in responding to the offensive and restructuring mentioned above. But subsequently, at least two of the American giants—Ford and GM—have taken up the challenge. And at present their chances for tightening the screws on their European competitors and pushing back the Japanese are far from unfavorable. The General Motors and Ford trusts have, in fact, three big advantages over their rivals:

They have, first of all, big plants in Western Europe already, and so they do not have to set about building any now. As long ago as 1929, GM bought the German Opel company, which today is the second largest producer of automobiles in West Germany. In Britain, it owns Vauxhall, and in Australia Holden. It employs 130,000 workers in twenty-one European factories and has the capacity to assemble 1.5 million vehicles (VW in the United States produces barely 200,000!). It accounts for 10% of the total production of

cars in Europe. Ford, the no. 2 producer in the United States, has even passed GM in Europe. It has been engaged in a still more powerful process of concentration.

In 1967, Ford had already combined its fifteen European companies under the roof of 'Ford of Europe.' In 1975, the U.S. automotive trusts controlled 52% of British automotive production, 31% of West German production, and 13% of French production. This is an advantage that its European competitors themselves do not have. (*Economie et Statistique*, op. cit. The figures reflect the situation before Chrysler/Europe was bought out.)

Secondly, the two American giants have a clear superiority in productive capacity over their rivals. GM alone produces 6.7 million vehicles, more than the three biggest European producers put together. (Peugeot-Citroën combined with Chrysler/Europe produces 2.3 million; Volkswagen/Audi NSU, 2.2 million; Renault-Saviem-Berliet, 1.8 million.) Of course, such giant size may not always be an advantage, especially if this trust does not succeed in really concentrating its productive



capacity.³

But once such a concentration exists, and today competition is forcing all the American producers to concentrate their productive capacity, bigness pays. Ford and GM have just coordinated their respective production shops and have perfected the conception of what they call "world cars." These are basically the same car, sometimes with modifications, disguised by different styling. That is, they have the same motors, transmissions, and chassis. These models are built in all the plants that belong to the trust, throughout the world, in a largely standardized way.

The advantages of this are clear: The parts are interchangeable. The costs are lower due to economies of scale. And it is easy to make adjustments to adapt to the fluctuations of demand in the market. Finally, there is still another advantage. This flexibility is also an invaluable help in the event of workers struggles.

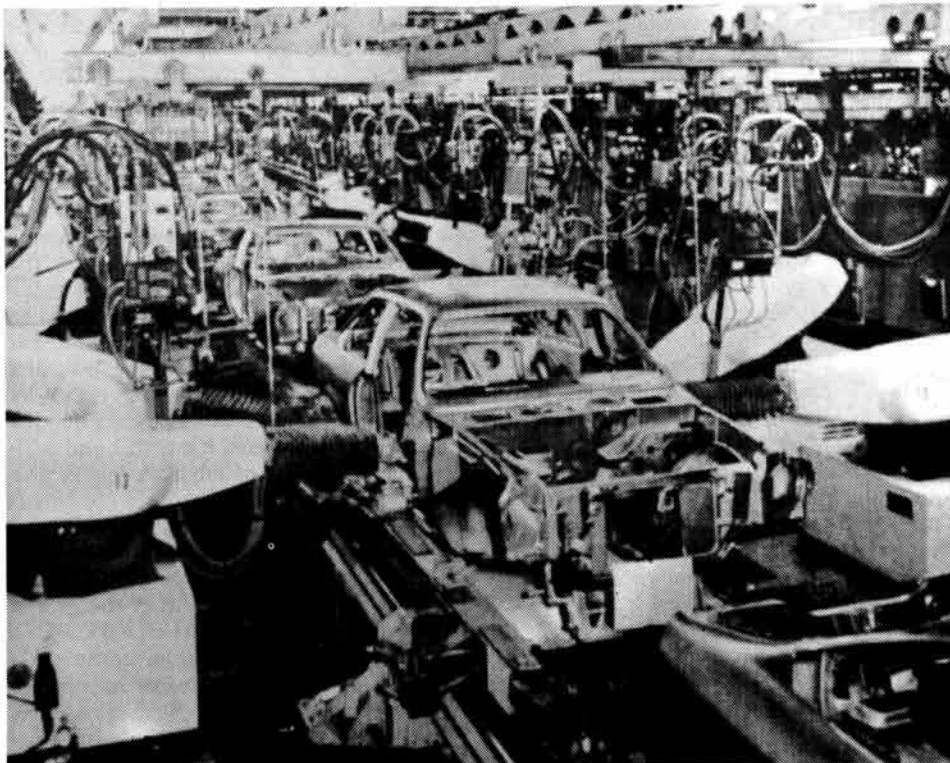
When an English factory, for example, goes on strike, Ford can shift production to Spain, Belgium, or West Germany without any technical problems.⁴

Thirdly, the two American trusts have a financial potential much greater than their rivals. Their investment programs, moreover, are on a scale commensurate with this power. In June 1979, GM pointed up the possibilities for financing and investing that these two world giants had.

After having already decided in 1977 to expand the factories owned by its West German subsidiary Opel by allocating an investment program of 5 billion Marks, GM decided in 1979 to launch a new 4 billion-Mark program to build two new factories in Spain (in Saragossa, and Puerto Real near Cadiz), as well as an engine factory in Austria. Thus, the funds that GM allocated just to these European programs totalled more than the overall investment programs of almost all its competitors. The same can be said about

3. This is why GM undertook such a process of concentration only belatedly. Moreover, the new Peugeot-Citroën group has one specific weak point. The trust either has to make drastic adjustments to meet competition, or it will go into a structural crisis under the blows of competition. The British Chrysler workers have pointed out that a policy by the company oriented toward competition and profits was in direct contradiction with the interests of the workers. After learning of the merger, they got an assurance that there would be no firings.

4. The "world car" concept is also one of the causes of VW's new success. The "Bug" has now been replaced by the Golf (Rabbit) "world car" and the Polo-Passat-Dasher-Sirocco-Derby line. The other new cars in the VW group that are in themselves fully competitive but do not fit this conception are being strictly limited to one segment of the auto market. VW's Audi subsidiary, for example, is concentrating more and more on luxury cars and thus is trying to compete with Mercedes-Benz and BMW.



Automated machinery at use in GM's Lordstown, Ohio, plant.

the investment of Ford/Europe, but in this case there are as yet no detailed figures.⁵

The Threat of Huge Overcapacity

Under the impact of this U.S. offensive, the boss of the FIAT corporation, Agnelli, has said: "The European automotive companies should get together to collaborate more closely in the face of the threat from across the Atlantic" (*Wirtschaftswoche*, June 25, 1979). Good advice, but the car makers in the Common Market are acting differently. A competitive war has broken out throughout the European auto market. The various trusts are drawing up oversized programs. One thing that can be said with certainty about these plans is that taken together they involve the creation of enormous surplus capacities.

This incomplete survey of investment (it leaves out the detailed programs of the French producers) enables us to estimate here and now that the total investment for the period ending in 1983 will be 35 billion Marks. In 1979 and 1980, investments should total more than 10 billion Marks. In 1979, European productive capacity is about 12 million vehicles annually. *Euro-Finance* expects, as a result of the new

5. *Der Spiegel* has reported that VW has also gotten orders for engines for the Ford factories in the U.S. Even if this were true, which seems hardly likely given Ford's investment program, this operation could in no way be compared with the VW-Chrysler cooperation. In the case of Ford, it could only be a temporary solution that would prepare the way for a still more effective offensive by this trust (*Der Spiegel*, June 16, 1979).

investment programs, that the maximum capacity in 1982-83 will be 13 million. But today, despite the economic boom, only 10.5 million vehicles are being sold annually.

The picture grows still darker when you consider the situation on the export market. The Japanese producers have made concentrated efforts to increase their share in Western Europe. In West Germany alone in two years, 1977-79, they have managed to double their sales to about 125,000 vehicles.

At the same time, the Japanese have doubled their share of the market, which rose to 4.2% in 1978 and an estimated 4.5% for 1979. In the process, they have changed their traditional image as "exporters of cheap cars" and won a new layer of customers by selling very expensive automobiles (this is the explicit intention of Mitsubishi, a "new Japanese Mercedes").

The "new cheap imports" are coming today from the East European countries and this year they started coming from South Korea as well. The most famous of these cars is the Lada, which is produced in the Soviet Union in a plant built under FIAT license (the Vaz factory in Togliattigrad). Now, in view of the competition these cars are offering on the export market, the capitalists are no longer so happy about this example. The Soviet factory produces 800,000 vehicles every year, and it exported 300,000 of these in 1977, mainly to Western Europe. These sales produced 3 billion Marks revenue for the USSR (*Wirtschaftswoche*, November 24, 1978).

More recently, a Romanian plant, set up by Renault, has begun to play a certain role (*Le Monde*, July 3, 1979). The imports from the East European countries are priced 1,000 to 2,000 Marks cheaper than the competing models produced in Western Europe.

The new capitalist exporter of cheap cars is Hyundai Motor Company, based in Seoul, South Korea.⁶ Of course, this company is only producing 100,000 vehicles today and only exporting a few thousand vehicles to Belgium, Holland, and Greece. However, its planned investments would enable it to make a breakthrough in 1982, with a capacity of 730,000 vehicles.

The 4,000 Mark price tag on the "Pony" model is extremely low by comparison with the price and quality of competing models, although the best that the Korean company can hope for is to break into the European markets in the early 1980s (*Frankfurter Allgemeine Zeitung*, November 27, 1978).

A Crisis in the Auto Industry in 1980?

Today, we are seeing the crystallization in the automotive industry of a series of general structural elements in the crisis of declining capitalism and of the coming recession. In spite of, and partially because of, the deep recession of 1973-74, a new overheating is evident. In 1975-76, the existing capacity was more and more fully utilized. Then, there was a new rise of investment from 1977 to 1979. This explosion has come in the context of increased international competition. It has been evolving in a totally anarchic way, and is creating, as has already been noted, gigantic surplus capacities.

Since 1978, a new inflationary process has been developing. The relative absence of unutilized surplus capacity has accelerated profits, because relatively growing demand in the market has created very favorable conditions. But these conditions are precisely the factors that are going to touch off the new crisis of the automotive industry in 1980 or 1981—that is, the *excess capacity* planned today and the *decline of solvent demand*.

The situation remains favorable, even highly favorable, for making profits and will probably remain so in the near future. (For example, in 1979, VW enjoyed a 5 billion Mark liquidity.) Conditions will deteriorate only when the processes described mature. In the coming crisis, unutilized capacity will result in a fall in the rate of profit.

So, why will a decline in demand be the first factor to touch off the crisis? In this

6. This is the automotive branch of the most powerful Korean company (which, however, ranks eighty-ninth on the list of the world's big capitalist trusts). Its automotive production is carried out in cooperation with the Japanese company Mitsubishi.

area as well, the automotive industry has proved representative of the general imperialist structure. The new economic boom has created only few, if any, new jobs. At the same time, it can be seen that real wages have risen hardly at all, in accordance with the stabilization policy practiced internationally.

At the beginning, the new investments were devoted exclusively to increasing the efficiency of production. It was only at the start of 1979 that investment began to be directed toward expanding production. But this was done everywhere on the basis of a very high level of technology, thereby involving savings in labor power.⁷ So, this new investment went hand in hand with an intensification of labor. A few figures will demonstrate this.

In 1979, despite increased production and large investment, British Leyland further reduced its workforce by 15,000 workers and before the end of the year it expects to lay off another 5,000. This amounts to an 18% reduction in the workforce. New massive cutbacks in employment were announced in September 1979.

The Volkswagen trust increased its general sales by 62.5% between 1974 and 1978. On the other hand, its labor costs increased only by 38.9% for the same period. In 1978, the VW workforce was on the average 5% lower worldwide and 11% lower in West Germany than it was in 1974 (*Handelsblatt*, May 5, 1979).

In trusts such as British Leyland, and Peugeot-Citroën now that it has bought out Chrysler/Europe, and FIAT now that it has bought into SEAT (a Spanish car maker), the threat of layoffs hang over the workers like the sword of Damocles. These companies are going to have to reduce their workforces in order to hold their own in international competition.

The same is true for Alfa Romeo. At the end of July 1979, it was announced that this nationalized company was for sale, that is, that it was going to be reprivatized. Despite a massive increase in production (more than 20% in 1978), Alfa Romeo suffered big new losses (126 billion lira in 1978).

To be sure, these plans for reprivatization were dropped as a result of the protests they aroused. But the fact remains that it has been confirmed that Alpha was "looking for a financially sound Italian or foreign partner." The partner they want is

7. Since 1978, they have begun to use automatic machinery on a large scale in the automotive industry, among other things, for spot welding. It should be noted, moreover, that it is symptomatic that the German automotive industry first used automated machines to build the Ford "world car," the Fiesta (at the Saarlouis factory). This began in 1977. Today VW is the leader in West Germany in this technique of production. In its factories, there are about 100 automated machines. VW itself makes them. This is the reason for its relationship with the computer company, Adler-Triumph.

FIAT. How this affair ends is of little importance. The fact is that here too, gigantic restructuring is being carried out, that is, *they are laying off workers* (*Neue Zürcher Zeitung*, July 29, 1979).

In the United States, General Motors has made it clear that gigantic investment programs and an export offensive do not at all mean job security for the workers. On July 30, 1979, this automotive giant announced the lay-off of 12,600 workers in the U.S. At Ford by midyear layoffs totalled 14,000; and at Chrysler, 19,500⁸ (*Neue Zürcher Zeitung*, July 31, 1979). And, it should be noted well, this was in a big boom year in the automotive industry.

This new boom is a reality only on the credit side of the bosses ledgers. The workers face the threat once again of having to bear the whole burden of the new crisis. If today, in the middle of an overheated economic picture the number of workers is lower than it was during the last overheated phase, it can easily be envisaged that the layoffs in the new crisis will be more massive than they were in the crisis of 1973-75.

Today already the Common Market commission in Brussels is predicting that "hundreds of thousands of jobs" will be threatened in the automotive industry of member countries. Only a struggle for a shorter workweek and for dividing the work among all offers the workers in the auto industry, as well as in the rest of the imperialist economy, a real chance to fight back.

Beyond this question, the problem of the international coordination of the defense of the workers' struggles arises. Here again the auto industry offers an instructive example. The internationalization of VW's production means, for instance, that only a broad network of trade unions active in the VW concerns throughout the world can counter the plans of the management.

In this regard, the June 1979 reactivation of the World Auto Commission for VW in the framework of the International Federation of Metalworkers (FIOM) was certainly a step forward. But direct action is more important than summit conferences of plant delegates and union functionaries.

The FIAT trust and the FIAT workers demonstrated the possibilities for such a struggle in June and July 1979. At that time, as a result of the strikes by the Italian FIAT workers, the company wanted to ship in cars built in Spain (by SEAT) and in Brazil. The stevedores, however, refused to unload the cars and defeated this operation. Finally, the company's attempt to bring the cars in over the roads was blocked by the resistance of the French unions. □

8. By early November, total announced lay-offs by the American Big Three were: GM, 37,250; Ford, 53,800; Chrysler, 29,000.—IP/I