

ROUGH DRAFT -- FOR N.C. INFORMATION

Draft Resolution for the I.E.C. Plenum

The World Situation at the Beginning of 1968

Economic Situation

1967 has been the first year in a long period in which 4 of the 6 major imperialist powers (USA, Great Britain, West Germany, and France) have not experienced an economic boom. In the USA "inventory reductions" have interrupted the Vietnam war boom during the first three quarters of the year. Without the war in Vietnam the entire capitalist world would know a serious and generalized recession. In western Europe the recession continues at present in Western Germany and in Great Britain and has transmitted its effects to most of the smaller countries. While Italy continues to escape this conjuncture, the situation in France remains indecisive but the expansion has been in fact stopped.

The first deep fissures that appear in the capitalist countries show up in its monetary system. Sterling, money of the country whose economy is at present the weakest, has been forced to devaluate. Its actual devaluation being fixed to avoid as much as possible the weakening of other currencies particularly the dollar. If the present devaluation of sterling proves insufficient and if the British government goes to a further devaluation a new situation could be created on the international monetary field with serious consequences to world capitalist economy as a whole.

The proposals of the Johnson administration for reducing the deficit of the balance of payments of the USA call attention to the same phenomena. Following closely upon the British devaluation this had the effect of accentuating the deflationary influences on the world economy, and thus counteracts the tendency for a recovery in the economy which was expected in Western Europe for the beginning of the new year. On the other side these constitute obviously a new attempt on the part of American imperialism to redistribute in a more equitable manner from its point of view the cost of maintaining the defenses of the world imperialist system, including the costs of the Vietnam war which weighs specially on the American economy. At the same time they risk to neutralize in part the effects of devaluation of the pound and thus aggravate the interimperialist contradictions which have already been rather accentuated in the course of the last years.

In the countries with colonial economic structures the relative stagnation persists and the disproportion with the western capitalist world grows. In certain cases like Egypt following the Israeli Arba war, India following the famine and industrial recession, Argentina as a result of mass unemployment the economies experience a serious decline.

The workers states of Eastern Europe and the USSR proceed meanwhile to economic reforms which do not result in any significant changes except in raising the rate of growth in the Soviet Union. These reforms have nevertheless provoked interbureaucratic conflicts thus sharpening the multiple social tension, above all in Czechoslovakia, in Poland, and in Yugoslavia, in consequence of the strong price rise and the growth of unemployment.

Political Situation

The political situation has been dominated by a series of developments which are more or less directly linked to the continuation of the war in Vietnam and to the recession in Europe. They testify to a growing sharpening of social antagonisms. We propose in the following to examine the principle problems which pose themselves on an international scale.

1) The Vietnam war remains the sharpest problem. It is at the same time the most advanced arena of the revolutionary struggle in the world as well as the principle focus of danger of a world war. It is part of American imperialist global strategy which aims to stop in Vietnam any new progress of revolution; by demonstrating the determination of imperialism to utilize its military power in the most decisive way and of continuing the escalation "to the brink". Recently American imperialism has carried its escalation to the neighbors of Vietnam (Laos, Cambodia, Thailand).

To face this imperialist strategy which has a global character there is not yet the slightest step to an equivalent strategy on the part of the workers states or international workers movement. The incontestable increase in military aid given by the workers states to Vietnam, the technical agreements between the Soviet government and the Chinese government for the transit of this aid does not constitute a qualitative change in their intervention. There still does not exist a political united front of the workers states for the defense of the Vietnamese. There does not exist a precise commitment on the part of the Soviet Union to come to the defense of China in the event the war is extended against China. There is no attempt to hinder Washington from concentrating its forces in South East Asia. The Soviet policies remain one of seeking to achieve a global agreement with the USA (peaceful coexistence), the increase of aid to Vietnam remains within the framework of this political line and is accompanied with pressure upon the North Vietnamese as well as the NLF to accept or tend toward a compromise.

But the continuation of the Vietnam war has provoked in the last period an extension of the demonstrations of solidarity for Vietnam, as well as a strong tendency to coordinate these on an international scale on an even more militant basis. In this, Oct. 21st, 1967, was an important international day initiated by the American antiwar movement which is today at the very center of the struggle against imperialism. This growing movement forces in certain countries the CPs to shift their politics somewhat to the left shown for example by their recent displacement of the old slogan which called for "Peace to VN" with the slogan of "Solidarity

with the Vietnamese people" and imposing a similar change in the "Peace Movement" whose failure becomes more and more flagrant to the same extent that the war is intensified.

2) The interimperialist contradictions have become aggravated both by the Vietnam war and the economic situation of the world capitalist system. For political and socio-economic reasons the bourgeoisie of most of the imperialist countries have taken a critical stand to the American policy of increasing escalation in Vietnam. The tendency of Washington to deploy its forces more and more toward the far east has accentuated the crisis inside NATO and increased the anxieties of the West German bourgeoisie lest the Yankees "retreat" from the European continent.

At the same time the penetration of American capital in Europe is accentuated demonstrating that the Common Market in reality is illusory protection for the European bourgeoisie confronted with American competition. Finally the appearance of Japan as one of the principle exporting powers on the world market has been and continues to be strongly felt by its competitors beginning with Great Britain.

The present international controversies such as that on the project of a treaty for non-proliferation of nuclear arms, on the matter of what attitude to take toward China, or on the entry of Great Britain into the Common Market reflect the new acute forms taken by the interimperialist contradictions.

3) The OLAS conference is the product of a specific revolutionary development in Latin America whose political maturation is favored by the progressive policies of the Cuban leadership. They have not failed to draw the necessary lessons for the future existence of Cuba from the line followed by the Soviet and Chinese leadership in Vietnam.

The OLAS conference constitutes since the origin of the Comintern the first attempt to regroup a revolutionary vanguard with the help of a workers state leadership. This regroupment has as its objective the preparation of the armed struggle on a continental scale for the conquest of power to finally build the socialist society. The setting of this objective is a tremendous step forward which should be supported without reservation by all revolutionary Marxists and particularly Latin American revolutionary Marxists.

The conference of OLAS marks an important progress by comparison to the TriContinental (Jan. 1967) in the sense that the Cuban leadership after having had its sad experience with the leaders of the pro-Moscow parties, have now directed their fire against the right and by their decision of "non-exclusion" opened the possibility of establishing a united front with different independent revolutionary groups in Latin America among others the Latin American Trotskyist organizations.

While supporting without reservation the OIAS as an attempt to form a revolutionary united front on a Latin American scale, we must not conceal the political insufficiencies which still exist, notably in the absence of courses of action and slogans for the goals of the urban proletarian masses and miners, whose incorporation in the general anti-imperialist and anticapitalist struggle must be assured, and who should not be considered simply as forces of secondary importance in the guerilla struggle whatever the importance one rightly assigns to these guerillas for rekindling the struggle in a number of countries or for carrying it to a new level where is posed the direct revolutionary conquest of power.

4) India, where the Congress party has considerably lost its authority is entered as the last plenum emphasized, into a pre-revolutionary situation made clear recently by the rising of the peasantry of Naxalbari and above all by the great struggle in West Bengal after the overturn of the united front government.

The importance of the Indian revolution which is actually in its first stages cannot be underestimated. It is after the Chinese revolution one which will effect a great mass of humanity (more than 500,000,000). It is a gigantic phenomena which will not fail to polarize during its development the social and political forces of the entire world.

If at present we have a decomposition of the bourgeois leadership which has acquired its authority over large masses on the course of the struggle against British imperialism we face on the other hand the difficult process of creating a Marxist revolutionary leadership with authority in the eyes of the masses of workers and peasants. The crisis within the official communist movement has brought into existence two parties one of which on the right is attached to Moscow and the other, so-called left, has broken with Peking, here the PCC attempts as elsewhere but so far without appreciable success to provoke a split in its ranks and to constitute a third party completely applying the Maoist line. The LCP (party of the left) has been and remains capable of an orientation thoroughly opportunist and Menshevik which expresses itself particularly by its participation in government coalitions with the dissidents of Congress or of the other bourgeois formations, in Kerala, in West Bengal, and in other states. These politics in the full crisis of famine and of peasant struggles led to failure in less than six months. But since they do not yet have a strong bureaucratic apparatus and have concentrated upon themselves all the repression and the hate of the bourgeoisie its mass influence continues to grow and its line fluctuates. In its recent self-criticism it even put into question the electoral orientation and the parliamentary road to socialism without however speaking out clearly against all blocs with the national bourgeoisie.

5) In the far east, despite the frightful defeat in Indonesia, one witnesses in this country a certain renewal of the revolutionary movement, provoked above all by the violence and savagery of the repression and by the deterioration of the economic situation.

Having attempted a not unimportant self-criticism the Indonesian CP is yet far from having found a truly Marxist line. It appears that Moscow for its part seeks to exploit the defeat before anything else to discredit its Chinese opponent.

The guerillas spread to Thailand, to Laos, to Burma and even according to recent information they appear in Indonesia. The mass struggle starts anew in Malaysia and a revolutionary revival appears in the Phillipines as well. This means that this whole area of the world becomes slowly a zone of spreading revolution which constitutes a sharp rebuff of the strategic counter-offensive of imperialism. The latter is perfectly conscious of this development and constructs a series of powerful aero-naval bases in Thailand, real launching pads for counterrevolutionary intervention in the entire Delhi-Manilla-Djakarta triangle.

6) In the middle east and in the east Mediterranean the precariousness of the existing situation shows itself as well in regard to the Greek-Turkish differences over Cyprus as in the Israeli-Arab conflict.

The Arab-Israeli conflict is in a logical connection with the strategy of the counterrevolution in a number of countries. Particularly after the elimination of Nkrumah in Ghana and the April seizure of power by the military in Greece both Egypt and Syria find themselves directly menaced by the machinations of the CIA. Once again the Israeli government served as a pliable instrument for imperialism.

The rapid military victory of Israel has had contradictory consequences in the Arab world. On one hand the anti-imperialist sentiments of the Arab masses are vastly increased together with a raising of consciousness particularly among the Palestine Arab mass. On the other hand, in the absence of a revolutionary alternative to the present leadership, right wing currents exploiting the military defeat tend to become predominate in the countries up to now identified as the more progressive. Thus in Egypt Nasser who was maintained in power by massive street demonstrations in June is now looking toward increasing collaboration with imperialism as the mass mood subsides. Syria tends to remain isolated. In Algeria the recent event strengthened the technocratic and bureaucratic elements at the expense of the left. As for Yemen, Salla has been overthrown by a team that seeks a compromise with the royalists, etc.

The Israeli-Arab war having disturbed the precarious equilibrium in the east Mediterranean was quickly followed by the Greek-Turkish conflict over Cyprus. The military junta in Athens facing large economic difficulties looked for a favorable diversion from these in a possible successful Enosis in Cyprus. But the Turks correctly taking account of the weakness of the national and international position of the Greek military have reacted vigorously forcing the Greeks to evacuate their troops from the island. But once again imperialism which fears a battle between two members of

NATO has arranged only a fragile cease fire and not a viable solution for Cyprus.

7) In the course of 1967 the USA has shown to a degree never attained in the past in what way the heightened contradictions of world imperialism reflect themselves inside that major country despite the absence of a political mass movement of the working class and likewise comparatively limited economic struggle from the latter. The trade union apparatus is particularly conservative and even though an open conflict now appears between Meany and Reuther the apparatus is still subordinated to the bourgeois parties.

The black freedom struggle develops and gains in members and in political significance. The old leadership (NAACP-Martin L. King) find themselves pushed to one side by the series of explosions in the large cities, above all in the industrial north of the United States. The slogan of "black power" has had a resonant replacing the old liberal slogans of equality. In the course of 1967 the black movement in a massive fashion has begun to link their struggle in the USA to the struggle of the Vietnamese and turn to the repudiation of the war and this not only in a verbal fashion as the black reformist leadership such as King. Finally certain minority currents are making steps toward the last position attained by Malcolm X i.e. to give to the struggle of the blacks a socialist objective.

Whereas the blacks constitute an important minority suffering superexploitation in the American society, the other social sector which is at the front of the fight against the war is that of the students who show themselves most accessible to the most radical criticism of the capitalist system. This phenomenon which is found in many other advanced capitalist countries is a sign of the coming political renewal in these countries, the young student being more mobile and more sensitive to the new tendencies than are the large masses of society.

8) In capitalist Europe the most important problems are on one hand found in the oldest of the capitalist countries, Great Britain, and on the other hand at its extremities, Spain and Greece, where the weakening of the economic system in Europe, expressed in some 3 million unemployed, reduced the margin of maneuver open to capitalism.

Great Britain is at present truly "the sick man of Europe". The slow decline of British imperialism which became apparent after World War I now is at a crucial stage. The "special partnership" with the USA definitely belongs to the past. The "Commonwealth" is equally an expression corresponding more to the political and economic relations of Great Britain and a series of countries of the past era rather than those that exist at the present. The door of the Common Market is closed to them for a rather long period not only because of the caprice of De Gaulle who knows well how to adroitly exploit the difficulties of British capitalism.

The crisis of British society begins to even put into question the parliamentary regime in a country which had been its cradle and which has possessed the deepest traditions around parliamentarism. The Conservative party has lost a large part of its capacity of years gone by. In the same time in the absence of a left even a little coherent and militant, Wilson through his leadership demoralizes the Labor Party. In the press there are the first inklings in favor of a strong power -- this is an absolutely new phenomenon in England.

After 2 years of wage control, in fact a lowering of real wages, which was designed to improve the economic situation for capitalist Britain and which failed to do so, devaluation was introduced which is again, at the expense of the working class. Its effect for the British economic situation seems to be limited and an eventual new devaluation is already rumored.

The policy of Wilson's government as he himself has spelt it out calls for a new assault upon the standard of living of the working class at the same time maintaining a foreign policy tied to that of Washington. The most probable perspective is that of growing resistance of the working class to the reduction of their standard of living, of an aggravation of the internal crisis of the Labor Party and the growing tension in the relations of the trade unions with the political movement.

If the British working class is in its largest layers full of combativity its weakest side is found in its union cadres including those of the left who are incapable of seeing beyond their union horizon, as well as the traditional left of the LP who are also above all else reformists and parliamentarians exactly like the most right wing of the LP leadership. In consequence no serious challenge appears as yet within the Labor Party to the Wilson leadership. This fact constitutes today the strongest check on the break of the British workers with the traitorous team of Wilson.

In Spain the perspective defended by some of a gradual liberalization and democratization of the regime together with the Europeanization of Spain has proven false. The power of Franco after having hesitated somewhat before the existence of the clandestine trade unions has put a finish to all perspectives of re-establishing of even some elementary democratic liberties. The repression is reinforced. Workers and student demonstrators are brutally suppressed. The crisis of the CP whose orientation has been completely contradicted by the events spreads showing itself in successive splits. The favorable conditions for the appearance of a new revolutionary vanguard continues to mature.

In Greece, the military coup d'état has not succeeded in acquiring even a small base within the petty bourgeoisie and traditional circles of the conservative parties, nor has it been answered with counter action by the masses. This is explained less by the effects of the repression, without a doubt serious, than by the deep deception suffered by the masses from the political cowardice of their traditional leadership (Center Union and EDA).

The hour for an active resistance leading to an armed struggle has sounded. The comedy of the King's departure, his "conflict" with the junta, the "Negotiations" for his return and of the "consultations" preparing for a new constitution all this should confirm the necessity of such a turn.

9) In the workers states of Eastern Europe and in the Soviet Union the past slackening in the rate of growth has induced the bureaucratic leadership to proceed to "economic reforms". Different though they are in various countries they have this characteristic in common -- of being reforms of administration, of management, or organization at the level of the apparatus and they do not carry effective democratization to the benefit of the working masses, the same when they proceed to the functions of the "workers" organizations in the factories whenever these organizations are not simply extensions of the bureaucratic apparatus. At the bottom these reforms shift the responsibilities and functions within the bureaucracy and in general are at the expense of the "politicals" and to the profit of the "technocrats". They tend, among other things to a more precise measure of the labortime, cost of production, etc. The aim is to stimulate the economy essentially by stimulating the practical interest of the bureaucrats involved, especially those who are closest to production. Until now only the Soviet Union shows a rise in its growth rate and this is probably only a temporary result as was the case of the Krushchev reforms. In any case it is doubtful that these reforms will have the effects even on a smaller scale comparable to those that followed the death of Stalin. Moreover since they are generally accompanied by either a direct halt or a slowdown in the growth of the real income they tend to increase the discontent of the masses.

In these same workers states the critical demonstrations on the part of the intelligentsia and of the young students tend to grow. This provokes the governments, haunted by the memory of the "Petofi" circle and the experience of 1956 to attempt further regimentation. In this we call particular attention to the conflict with the editors of the revue "Literarny Noviny" in Czechoslovakia, that with the editors of the revue "Praxis" in Yugoslavia, the demonstration of the students in Prague in October 1967, that of the students in Lubliana and of Belgrade in the beginning of 1967, the meeting on the 10th anniversary of the Polish October at the University of Warsaw and its consequence (expulsion of Kolakowski) and above all the efforts of the young Soviet intellectuals to re-establish the truth on the October revolution, of speeding up "de-Stalinization", of defense of the writers persecuted and condemned like the poet Brodsky, the writers Daniel and Sinyiavsky, efforts that have climaxed in January 1968 during the trial of Ginzburg, in the appeal of Litvino-Bogaraz. What is characteristic of this evolution is the greater self assurance of the protests. They are no longer content to merely defend themselves but they take the offensive addressing themselves to world progressive opinion, carrying the debate on a political plane in openly reclaiming political democracy in the framework of the dictatorship of the proletariat. This is considerable progress in comparison to the attitude of this same milieu at the time of Krushchev,

attitude which was dominated by the illusions of progressive democratization "from the top". These illusions are disappearing. One can expect the broadening and at the same time the beginning of the organization of political opposition whose key problem will be contact with the workers, who themselves are more and more disappointed by the mediocre results of "de-Stalinization".

In China, since the summer of 1967, the "cultural revolution" has been progressively checked. The Mao faction hasn't the strength to achieve decisive victory, they have been forced to seek a temporary compromise with certain layers of the apparatus. The Mao faction has recognized that in the events the working class has been divided, it appears that the autonomous intervention of the masses in the course of the events has played an important role.

10) In the international crisis of CP's the Chinese leadership as a result of its sectarian politics and certain manifestations of the "cultural revolution" has been abandoned by several parties who had been associated with them when the Soviet conflict first broke out publicly. But these parties (Japan, India, Vietnam, Korea) have not returned to the orbit of Moscow. The authority of the Soviet leadership on the CP's has no more been reinforced than has the cohesion between these parties.

The CP Cuba which took an apparently independent position in the Sino-Soviet differences delivered its own criticism of the Chinese leaders at the beginning of the TriContinental but without joining with those of the Soviet Union. On the contrary in the period which preceded OLAS Castro denounced the leadership of the Venezuelan CP in a way which went beyond the framework of that party. His criticism while aimed at the reformists of the pro-Moscow CP's of Latin America was accompanied with an explicit criticism of the aid given by the Soviet Union to certain reactionary governments of Latin America. The Cuban CP which had participated in the Moscow conference of March 1965 is not associated with the convocation of the next conference of Feb./March 1968.

A number of important parties have disassociated themselves from positions defended by Moscow. It is true not only for the Yugoslav party which has for a long time been alone in this posture, but also for the Rumanians and other parties as well (Holland, Sweden, Iceland and sometimes Great Britain). Since its last congress the Italian CP does not express in a public and frank manner as in the past against certain Soviet positions, but the leadership tries to intervene behind the scene to check the centrifugal tendencies.

One should consider the holding of the next conference of Feb./March 1968 at Budapest as an attempt to stop the process of ideological dispersion more so than a return to a "party guide" role of the CPSU. This conference will most likely be marked by the absence of seven of the 14 CP's leading workers states (China, Korea, Vietnam, Cuba, Albania, Yugoslavia, Rumania).

Our Tasks (This chapter has to be drafted along the following lines)

- 1) Defense of Vietnam. To carry the activity of our sections and our militants to the same orientation of the actions on an international scale like that of October 21st, to insure the largest united front in the mass demonstrations and to intervene in order to raise the political level.
- 2) Latin America. Take up that which has been said apropos OLAS. Support the guerillas and more especially concentrate the efforts of the Trotskyist movement for the support of the revolutionary struggle in Bolivia (recall the situation in that country, the beginning of the armed struggle, the relative weight of the Trotskyist organization).
- 3) Aid to the resistance of the Greek working masses following the orientation indicated in the text.
- 4) Prepare the Trotskyist movement for the oncoming Indian revolution with a view to our tasks.
- 5) For the sections in imperialist countries determine more precisely and bring up to date the orientation and program of transitional demands. Continue to recruit to and consolidate politically our sections as well as renew our cadres through new levies of youth (see other point on agenda).
- 6) Support the resistance to the bureaucratic oppression in the workers states.