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POLITICAL REPORT AT THE DECEMBER 1969 MEETING
OF THE INTERNATIONAL EXECUTIVE COMMITTEE

By E. Germain

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SOCIALIST WORKERS PARTY

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The United Secretariat decided that the political report to this plenum should consist of five points:

An analysis of the world economic situation; the development of the Vietnam war and the antiwar movement on a world scale; the upsurge of working-class struggles in capitalist Europe; the current stage of the crisis of Stalinism; and the expansion of the activities of the International.

Obviously these topics do not cover all of the important developments since the world congress. Several subjects will be taken up in the Latin-American discussion -- the workers uprisings in Argentina, the developments in Peru and Bolivia, and so on. Other items have to be dealt with by comrades in the discussion such as the growing prerevolutionary crisis in India, the important strike wave in Ceylon in which we are playing a key role, the new position of Japanese imperialism in East Asia, the latest developments in the Arab revolution. We all hoped that our Palestinian comrade, Saïd, would be here; and I must inform the IEC that he is absent because of repressive measures taken by the Zionist state. The Zionist government has banned a whole group of Arab leaders in Palestine from leaving the country, from even leaving the districts where they live. That is why Comrade Saïd is not here.

1. The World Economic Situation

You will have read the editorial in Quatrième Internationale ["The Turn in the International Economic Situation;" see Intercontinental Press, October 6, 1969, p. 877] which was reproduced in English and several other languages, as to economic perspectives internationally in the coming months. I do not think it is necessary to return in detail to that document. I will just refer to the general outline of the analysis.

The eight-year boom of the American economy is finished. The only question still to be decided is whether the American economy faces a real recession or just stagnation. In Western Europe the boom is still continuing in several countries, especially the most important one, West Germany. But there are many signs indicating that this is now declining and that a considerable slowdown in economic growth will occur in capitalist Europe, too, in 1970. The overheating of the West German economy makes probably a new West German recession. The key question is whether this West German recession will take place in 1970 or in 1971.

This is a key question because a narrow time lag between the U.S. recession and the West German recession could induce a generalized recession throughout the whole international capitalist economy. On the other hand, if there is a considerable time lag then the differing economic conditions in the main countries of the capitalist world can cushion the depth of the recession each one undergoes.

In addition, a recession in the United States would create new supplementary difficulties for the semicolonial countries. It would touch off a down trend in the prices of most raw materials, with all the consequences this would signify for the economies of many semicolonial countries.

The only important capitalist country that seems to be able to escape the consequences of this downward movement in 1970 seems to be Japan. There the boom still continues out of domestic resources and out of the consequences of the Vietnam war. Nevertheless, we should not forget that nearly 20 percent of Japanese exports go to the United States; so that a recession in the U.S. could not fail to affect the Japanese economy, too.

That was how things stood in September 1969. What has happened since then? The first item to be stressed is that definite signs of an actual recession in the United States have already appeared. For several months, industrial production has dipped. Inventories have built up at a very rapid pace. Total expendable income is increasing more slowly than prices, which means that real income is declining. Orders for investment goods have stopped growing at the same rate as before. Because certain fiscal measures favoring investment are being ended, it is forecast that productive investment will decline. One sector, which is a key sector in the American economy, the automobile industry, has already been seriously hit. In some key automobile factories, a serious reduction in current output is to be seen.

Unemployment figures rose significantly as the fall season opened. It is true that unemployment dropped in November, but this was a result of statistical legerdemain. When a recession begins in any capitalist country with a rather high standard of living, one of the first consequences is that a number of people, as the bourgeois economists say, "drop out of the labor market." This means that housewives and young people in particular stop looking for work because they know they won't be hired anyway.

The coinciding of these signs seems to indicate the probability of a recession in the first half of 1970. If I nevertheless advise the comrades to take a cautious attitude, it is essentially because of the following reason: the American capitalist class is still divided as to the seriousness of the danger of inflation and how far to go in ending this danger. There is no doubt that the immediate reason for the current recession is the anti-inflationary measures taken by the government. I say, of course, the "immediate reason," and not the deeper reason. We know that the deeper reasons lie in the classical contradictions of capitalism. But whereas all the bankers and financial authorities of the Nixon administration favor continuing with the anti-inflationary measures, that is to say, making certain that a recession occurs in the U.S. next year, one wing of the capitalist class, particularly the capitalist politicians, favor slowing down these measures. At this very moment, Congress is debating a big tax reduction. If enacted, this would of course increase inflationary purchasing power and the tax reduction would stand in complete contradiction to the general policies of the Nixon administration. The outcome of the debate will be determined partially by the interests of particular politicians who face election contests in 1970 and want to be reelected regardless of the cost to the capitalist economy of the United States as a whole. To grant the concession of a tax reduction is one way of getting reelected, they think.

But behind these very limited sectional interests of the bourgeois politicians there is a more basic difference of opinion in the capitalist class. This difference of opinion is closely linked with what we could call the impending intensification of the class struggle in the United States. The capitalist class has to make a judgment on the relationship of forces between it and the working class inside the United States. As we all know from European experience, a recession is an excellent weapon against the working class under "normal" capitalist conditions. It puts pressure on wages, it creates unemployment, divides the workers, and has a whole series of consequences favorable to the capitalists in the daily class struggle. A whole wing, probably the majority, of the American capitalist class is deliberately moving in that direction today.

But another wing of this same bourgeoisie is afraid that a big increase in unemployment would intensify the radicalization of the Black and youthful sectors of the American working class and would spread the growing radicalization in American society to sectors of the adult white working class that are still apathetic politically today. They are apprehensive that the workers would react

even more violently against unemployment than they have against inflation and the rising cost of living. This is a real dilemma, because they cannot fight inflation without creating unemployment, and they cannot avoid unemployment without increasing inflation.

As for the possible effects of an American recession on the European economy, in general most of the capitalist experts in Europe worry about this, particularly in view of the fact that in a series of European economies, monetary, financial, economic, or social instability has significantly increased in the recent period. I think we can place France, Britain, and Italy in this category today, that is to say, three of the four major capitalist powers of Europe. And any supplementary cause of unrest, already alarming to the capitalist class, could of course very gravely increase the political and social instability in these countries.

I should like to indicate only one factor in this relation that is generally underestimated by bourgeois politicians and especially by bourgeois economic experts and that is a direct result of the long-term inflationary trend. There is something like \$20 billion of European capital floating around in the American stock market system, a not insignificant part of which is in the form of stocks of investment trusts, some of which are operating on a highly speculative and even semicrooked basis. This is a very big sum of money for European capitalism. I'm thinking especially of the so-called real estate investment trusts. Just to give you a point of reference: the total foreign capital investment of all the imperialist powers today is around \$100 billion. So this amount alone is one-fifth of the total international capital investment.

If these capitalists become panicked and start to think that a collapse can occur in Wall Street, or that some of these international investment trusts that have been built on the assumption of a constant rise in stock, bond and land prices might collapse and even go bankrupt, capital will flow out of these schemes and this could have many grave results for international capitalism. I suppose we have no stock market experts in the hall, but some comrades will have read in the newspapers that Wall Street's stock-market index, from a maximum of above 1,000 will probably drop below 700 within the next few days. It is already around 720 and is plunging every day. This means the stock-market speculators confront much knottier problems today than the revolutionists.

Under the third point in this report, I will take up the consequences of this change in the economic climate of international capitalism on the European class struggle. But I want to insist again

on its importance for the developing social crisis in the United States.

The American capitalist class has been dealt a very powerful blow by the successful resistance of the Vietnamese revolution. Inside the United States it has been confronted with three successive waves of mass radicalization: first the radicalization of the Black masses; then the radicalization of the students, and now a mass antiwar movement that has obviously begun to go beyond the limits of a purely student movement. It is clear that in such an atmosphere, the more clear-sighted politicians in the bourgeois camp cannot take lightly the perspective of a supplementary radicalization of the white working class and the opening up, so to speak, of a new home front inside the United States while the Vietnam war is still going on -- not only a Black revolt on the home front, and the antiwar movement, but increasing tension between the white workers and the capitalists.

I say this because my own conviction is that whatever decisions the capitalists may take -- and probably they will decide to continue the anti-inflationary measures; that is to say head towards a recession in 1970 -- it seems hardly possible that they can view the perspective of five, six, or seven million unemployed in the United States lightly. For that reason, I believe that as soon as the recession has reached a certain point, they will revert to anti-recession measures in order to limit unemployment. And we must understand that they still have the resources needed to do this. Such a turn will intensify the contradictions of the world capitalist system. It will deepen the crisis of the world monetary system. It will provoke sharp reactions among the European capitalists. But faced with the danger of an acute social crisis inside the United States, the probability is that "sacred egoism," as the capitalists say, will gain the upper hand over other considerations.

2. The Vietnamese Revolution and the International Antiwar Movement.

It is in the light of these increasing monetary and economic difficulties of American imperialism that we must understand the dilemma it faces in the Vietnam war, a dilemma that expresses all the world contradictions of the imperialist system today in a very concentrated way. I do not have to repeat what we said in the past on the central strategic role the counterrevolutionary war in Vietnam played in the imperialist counteroffensive on a world scale after the victory of the Cuban Revolution. We know that this counter-offensive has failed. In Vietnam itself I do not believe we should doubt the declarations of the provisional revolutionary government of South Vietnam that their people's committees today control three-quarters of South Vietnam. That means, militarily, that the positions

of American imperialism and of Saigon's counterrevolutionary forces have been reduced to strongholds around the cities and along the coast. The political cost of continuing the war is overwhelming today. The war is extremely unpopular in American society. It has divided the capitalist class from top to bottom. It has created the biggest radical mass movement the USA has known since the thirties.

But on the other hand, the political price that imperialism would have to pay for complete withdrawal from Vietnam would not be lighter than the price they have to pay for continuing the war. A military withdrawal of American imperialism from Vietnam, whatever the political camouflage to cover it up, would be seen by all the peoples in the colonial and semicolonial countries as a tremendous defeat for American imperialism and therefore as a tremendous stimulant for revolutionary struggles everywhere -- in the first place in Asia itself, where you already have a strong guerrilla movement in Thailand, where you have the first elements of a growing revolutionary movement of armed struggle in Burma, where the new Indonesian guerrillas have been able to consolidate a few of their strongholds, where you have a new wave of radicalization in the Philippines, which has led to the fact, little noticed by international revolutionary opinion, that the Philippine government was forced to withdraw every single soldier it had in Vietnam. It is the first government to be forced to completely withdraw all its soldiers from Vietnam -- in addition, there are all the consequences such a withdrawal would lead to in Africa and Latin America, which can easily be imagined.

The ideal solution for American imperialism would be a real compromise in Vietnam, that is to say a compromise solution that would precisely avoid the revolutionary effects of their defeat in South Vietnam. The whole purpose of initiating the Paris negotiations was to try to find a way of reaching such a compromise. The Soviet bureaucracy has done everything it could to push the Vietnamese revolutionists in this direction, pressing the claim in all circles that to end the war in Vietnam you have to make it possible for American imperialism to "save face." But contrary to this current of opinion, the area of compromise is practically nonexistent. We must learn not to be hypnotized by words but to understand the reality. On paper, you can work out many formulas, and there are experts who have been doing just that night and day for two years -- free elections under international control with the participation of the NLF in the control commission and even the exclusion of the Saigon government. The Americans have gone as far as proposing that and it is one of the latest proposals to be bruited about in the Paris conference. But when you go through all

these formulas and words, everything comes down to the very simple question: will or will not the NLF give up its arms when American imperialism withdraws from Vietnam? That's the key question.

Well, they did once, in 1954, under the Geneva agreement, and they paid very dearly for that. Thousands of their cadres were killed, put in concentration camps, tortured. And the revolutionary militants had to start all over again, arming themselves in order to avoid being massacred. That's how the civil war in South Vietnam started up again; we should not forget that. The probability that they will give up their arms a second time is not very high in my opinion. And if they do not give up their arms, any wholesale withdrawal of American imperialism from South Vietnam would mean that they would hold power in South Vietnam. That's the essence of the question. It is possible that they will make opportunistic political compromises, that they will use all kinds of formulas from the Stalinist arsenal, but they will hold power. That is the essential thing; for their power is not bourgeois power; it will not be a people's front power; it will be power from another social class. And this sets a completely different political and social dynamism in motion. That is the real dilemma of American imperialism; and they cannot get out of it: either continuous radicalization of broader and broader masses inside the United States, or a big political, social, and military defeat in Southeast Asia.

I think that our American comrades have drawn from that dilemma the correct conclusion that probably the war will go on for a rather long period, which of course implies that the antiwar movement will continue to grow.

If we want to judge the overall aspects of this conclusion, we have to say two things on which it would be irresponsible for us to remain silent. First, the continuation of the war means a tremendous burden of sacrifice, destruction and death for the Vietnamese people. No one in the world has any right to tell them under what terms they should end the war, so long as he has not done something very concrete and very powerful to support them militarily in this uneven fight. Secondly, the Soviet bureaucracy bears tremendous responsibility for not acting in such a way as to make the defeat of American imperialism unavoidable in a short period. It is obvious that in this situation of an impasse for American imperialism even a limited increase of military matériel for the South Vietnamese revolution would tip the scale. Because they want to help American imperialism save face, the Soviet bureaucracy has not supplied that help.

On the development of the international antiwar movement, it is necessary to

deal with one point that has created some confusion in the vanguard and even in certain circles of our own movement. It is necessary to understand that this antiwar movement has two different origins and functions, inside the United States and outside the United States. Outside the United States, it is essentially a political vanguard movement, the expression of the radicalization process, of radicalized anti-imperialist sentiment in a growing sector of the youth and marginally of the working class; but it does not spring from day-to-day immediate material needs of the masses, and it cannot fulfill an immediate practical function except the very indirect function of putting pressure on American imperialism. Inside the United States, on the contrary, the antiwar movement plays an immediate practical role of helping the South Vietnamese revolution. The bigger the antiwar mass movement in the USA, the more people that are mobilized, the more that they mobilize around the specific slogan of withdrawing the American troops immediately and unconditionally from South Vietnam, the bigger becomes the very practical dilemma of American imperialism which I indicated a few minutes ago, and the bigger becomes the possibility of victory for the South Vietnamese revolution in the immediate or near future.

In other words, I think that the whole movement has to understand that the policy of our American cothinkers is absolutely correct, that it is a thousand times more important to have one million people in the streets for the immediate withdrawal of the American troops from Vietnam than to present a more radical image of ourselves before a few hundred persons. American revolutionists who do not understand that in reality fail in their internationalist duty of helping the victory of the South Vietnamese revolution. They place foremost a factional interest in trying to increase their own forces by appearing in the most radical image possible among the small radicalized circles in the United States. It is clear that in the United States today you cannot mobilize ten percent of the forces that can be mobilized under the slogan "Withdraw the Troops Now" if you were to replace that slogan by "Victory to the NLF" or "Solidarity with the South Vietnamese Revolution" or any other slogan correct in itself but not capable of bringing about a large-scale mobilization at this stage given the fact that the immediate material impact of the war awakens layers upon layers that are still miles from having a revolutionary socialist consciousness. And I repeat, it is the international duty of the American revolutionists to mobilize the maximum number possible of people who can be mobilized against the war today. It is also obvious that the immediate withdrawal of the American troops from

Vietnam in reality means the victory of the South Vietnamese revolution, as I indicated before.

But in the rest of the world -- with the possible exception of those countries that have sent soldiers themselves to Vietnam (and in view of the limited size of these contingents, not even that is absolutely certain) -- the situation is basically different. The antiwar movement in these countries is not a product of the immediate needs and demands of the broad masses, but a result of a process of political radicalization of the vanguard. For French revolutionists, Italian revolutionists, German revolutionists, there does not exist any possibility of making an immediate direct contribution to the victory of the South Vietnamese revolution, except by making an immediate victorious socialist revolution in their own country. For them, the key question is therefore the one of inserting themselves in the general trend of political radicalization, and contributing to the maturing and political clarification of that vanguard.

They have to fight the Khrushchevist and semi-Khrushchevist tendencies; they have to fight the pacifist tendencies; they have to identify themselves clearly and fully with the South Vietnamese revolution; and they have to try to do this not only in words but also through certain specific forms of struggle that indicate clearly they are revolutionists and not reformists or pacifists. That is why most of the sections of the Fourth International outside of the U.S. have correctly taken the lead in using slogans like "Victory to the NLF," "Victory to the Vietnamese Revolution," and giving the antiwar movement as militant forms of action as possible.

We have gone through the experience in many European and also in a few Asian countries, that not only for building the revolutionary movement and educating the vanguard, but even for assembling a stronger antiwar demonstration, these clear-cut radical slogans were more effective. In Britain, as well as in Denmark, and West Germany and Italy, tens of thousands of people demonstrated for victory to the NLF; you wouldn't have assembled the same masses with more defensively formulated slogans.

It is necessary to understand the reasons for this. They lie in the different relation of the Vietnam war to the immediate needs of broad unpoliticized masses in the USA and in Europe. They lie in the different level and dimensions of the revolutionary youth vanguard in the USA and in Europe. The duality of tactics between the comrades in North America and the comrades in the rest of the world is a result of this difference in the objective roots and function of the antiwar

movement, as well as the difference in mass consciousness inside the antiwar movement in these two parts of the world.

3. The Strike Wave in Europe

On this question, too, we have had an editorial in Quatrième Internationale. Since we held a long discussion on this strike wave the day before yesterday at the European conference, I shall limit myself to just a few remarks. We understand that the reality in capitalist Europe is a very complex combination of general trends that hold true for the whole continent, and of factors that hold true specifically for only certain countries. Different comrades in the discussion at the European conference stressed either one or the other side of this reality. It is nevertheless very significant that certain common trends, which we indicated in the editorial in Quatrième Internationale, are continuing to show up even in countries where one would not have expected them to appear so soon. This holds true, for instance, in the general trend of the struggles of the European workers to be directed against wide wage differentials and hierarchization [job classifications]. The Italian comrades were absolutely correct in saying that this in reality represents an embryonic attempt to challenge capitalist relations of production. Because what is behind this is not just a specific formulation on wage demands but a challenge against the whole organization of labor in the factories today.

Obviously in countries where you have had or have a prerevolutionary situation, like Italy and France, this will be much more explosive than in countries where the situation remains more stable. But the fact that you find it also in more conservative countries like West Germany or Sweden is extremely significant. And without exaggerating and without losing sight of the great differences between various countries, we have to understand that a turn really has occurred, and we must understand the historical importance of this turn and its dynamics. In West Germany this will probably last for years, but it is of decisive importance for our movement to understand that something has begun to change in the attitude of the workers.

Another aspect, which we indicated in the editorial, is the appearance of autonomous working-class organs. We had the pleasure of hearing yesterday from the Swedish comrades that even in Sweden, where the integration of the labor movement in neocapitalism is probably more advanced than in any other European country, with the possible exception of Switzerland, the first important wildcat strike in over thirty years led to the election of a strike committee by the strikers. The Italian comrades have

explained to us all the different forms of autonomous working-class organizations that are appearing in the strike wave in Italy. We were also very pleased to learn from Comrade Daniel that in France, under the direct impulsion of our own comrades in the strike at Sud-Aviation, strike committees and even a central strike committee were elected. I don't want to return to the whole debate on the relations between the building of these autonomous organs and the work inside the trade unions, which we held yesterday and the day before. I only want to draw a general conclusion.

Many things that seemed fixed and stable, including within the working-class movement of Western Europe, are again in flux today. General instability has increased as a result of this strike wave. Our sections should learn to look at the reality of the working-class movement in their country in the light of this appreciation. Even when you make a detailed analysis of the wildcat strikes in Germany, you come to the same conclusion. We have to approach this problem from an overall point of view. The working class has tremendous power in Europe, potential power. The whole economic expansion that has taken place in Europe in the last twenty years has tremendously increased the potential power of the working class. The workers are much more confident than before. When you have ten million people on strike in France, and even fifteen million in Italy, the power of attraction of such a huge mass of strikers on all the other working layers of the population is overwhelming. The normal reaction of intelligent capitalists faced with such a tremendous power is to do nothing, that is, wait and see. It is certainly not to provoke fifteen million strikers by starting to shoot at them. A Swiss newspaper, one of the most intelligent in Europe, commented on the strikes in Italy by saying: "Some people think you could have a Greek development in Italy; they are very wrong. If some right-wing elements took up arms what would happen would not be a Greek but a Spanish development." It is obvious that today in Italy you do not have an atmosphere in which the arrest of 10,000 people would create apathy in the whole Italian working class. There would be thousands upon thousands who would shoot back, not to mention other reactions on a mass scale.

Nevertheless what Comrade Peng said yesterday is true. This situation cannot go on forever. As long as the working class is very militant, the possibility of a right-wing coup is out of the question. But this militancy cannot continue endlessly. There is a certain time limit that has to be taken into account. It is impossible for us to fix that time limit exactly in advance. But it is certain that inside the capitalist class of Italy the

desire for revenge on the working class is accumulating, especially against the most militant wing of the workers. As soon as a decline in the mass struggle sets in, this desire for revenge could come to the fore and bourgeois reaction would take an active line. There is no basis in Italy for a mass fascist movement today; but the possibility does exist of a strong-state initiative, of military dictatorship of different forms, of military-police action, once the mobilization of the masses declines sharply. That is the danger we have to watch for. Once a decline sets in, things could move backward rapidly.

One additional factor in the present crisis in Europe is the crisis Comrade Pierre referred to the day before yesterday, that is, the big crisis in bourgeois leadership. We would probably have to go back a long time in the past to find a situation in Europe in the main capitalist countries -- perhaps with the partial exception of West Germany, and even there it is now appearing -- characterized by a crisis in bourgeois politics, bourgeois political parties, and bourgeois parties comparable to the one existing today. This is an important objective factor. It reflects of course basic contradictions in bourgeois society. It is undoubtedly an element that increases the self-confidence of the masses, that is to say, it is an element in the relationship of forces that weakens the capitalist class. Any complicated political maneuver that a bourgeois government in Europe has to make -- and you can draw up a whole list of them: maneuvers between bourgeois allies in Europe; maneuvers with American imperialism; maneuvers with the middle classes, especially the peasantry in Europe; maneuvers with the Soviet bureaucracy; maneuvers with bureaucratized working-class organizations in their own countries -- all this becomes so complex and creates so many sectional differences amongst bourgeois politicians and so many divisions among them, that in Europe today for the first time since 1948-49, large mass circles have the impression that the bourgeois politicians are rather helpless and unable to find any answers to the complex situations with which they are confronted. In France this is very striking, and the result of the downfall of de Gaulle should not be underestimated from this point of view. You have the same situation in England. You have the same situation in Italy. And even in West Germany, where the situation is a little bit better from the point of view of the capitalist class, you had a very stable and powerful capitalist government during the Adenauer era that is now finished. You have many elements of instability among the German bourgeoisie today, instability, division, and doubt. We think that the German comrades should take this aspect of the change in government in Germany into consideration.

4. The Deepening Crisis of World Stalinism.

It has been said that the dynamics of the crisis of world Stalinism is determined by the fact that the crisis in each sector of the world Stalinist movement -- that is, inside the Soviet Union, inside the East European bureaucratized workers states, and inside the Communist parties in the capitalist countries -- interacts constantly with the others. During recent years, the main stress was on the crisis in Eastern Europe, in the first place Czechoslovakia, of course, and on the crisis inside the Communist parties. The process of installing direct agents of the Soviet bureaucracy in power in Prague is now being finished and the consequences for society in the CSSR have been tremendous. The figures given by experts show that the industrial output in the CSSR has fallen to 40 percent of the normal level. This means that in Czechoslovakia for the past six months in the factories a latent permanent general strike, if you could call it that, has been carried on. That is to say, the workers go to the factories but they hardly work. The official figure given by the Stalinist leaders in Czechoslovakia is that in the year 1969 fourteen million man days of labor have been lost through "open" strikes. This is only a small part of the truth.

Of course this is not a strike of the classic kind. It is possible that some of the observers have exaggerated the figures on the decline in output, as they stated it in a secret document that advocates taking repressive measures against the strikers and the "slow down" movement. But you must understand the difficulties they are up against. We got a report from contacts in Czechoslovakia that since the elimination of the Dubcek leadership there have been three successive replacements of party leaders in the factories. Party committees were eliminated; new committees were elected; then they were eliminated in turn, and a third round of committees was elected. The central leadership of the party in the factories; i.e., those who are in power there, bow to the pressure from the workers more than to the directives from the Central Committee. This can be changed only by massive expulsions from the party -- some give a figure of more than 50 percent of the party members in the factories who will have to be expelled.

Some of the liberal bureaucrats think that this passive resistance is so great that the Russians will be forced to capitulate and put them back into power. I do not believe that. I believe that the only way the Stalinists can go on now in Czechoslovakia is through a very big repression. And I think that they have already started. Of course, this is no way out in the long run. But by using unemployment, they can for a certain time break passive resistance at the factory

level. That is what they have started to do. They fire people on a very large scale and don't give them any new job; that is, they don't give them any possibility of making a living. If they carry this far enough, I think they will be able to register certain results. But at the same time, all this greatly intensifies the crisis faced by the international Stalinist movement.

The desperate attempt of the Kremlin to finish the discussion on Czechoslovakia in the international Communist movement is doomed to failure. As Comrade Pierre indicated in his report to the European conference, we have already witnessed a series of violent discussions and splits in several Communist parties on the Czechoslovak issue. At the last meeting of the Central Committee of the Austrian Communist Party just a month ago, twenty-three members of the Central Committee and three members of the Political Bureau walked out, including the editor of the party's daily paper. They had to dissolve the whole youth organization because it was opposed to the Kremlin's intervention in Czechoslovakia. From Australia we heard that a similar division is developing in the Australian Communist Party, and I remind you in passing about what happened in Switzerland, Finland, Sweden. A supplementary example: in Holland, the Soviet bureaucracy has completely lost control over the Dutch Communist Party, and the only people there who are defending the Moscow line are a small group expelled from the CP, probably not more than a couple of hundred. They are maneuvering with some left Social Democrats outside of the party organizations. They do not even have a formal organization. This trend is continuing, having appeared in several other countries. We should say something about the last congress of the British Communist Party, where a big faction fight occurred; and we know what is happening in France and Italy.

It is interesting to note that in contrast to what happened in the past, this differentiation has become a process that follows its own logic. In the British Communist Party, for example, there were two tendencies in the beginning: the one in favor of the invasion of Czechoslovakia, and one against it. Today there are already four tendencies. There are those who are in favor of the occupation. There are those who are against the occupation but who are for Husak and who take the position that anything the formal leadership of the Communist Party in Czechoslovakia does is okay. There are those who are against the occupation and against Husak. And finally there are those who, while being against the occupation and against Husak, say it is not enough to oppose the occupation -- it is necessary to examine the reasons that led to this occupation; that it is necessary to explain how one socialist country could occupy another socialist country. They push criticism against the Soviet

bureaucracy the farthest. In nearly every European Communist Party, these four tendencies can now be found. The report sent by the Austrian comrades on the speeches made by the leaders of the Austrian Communist party in the Central Committee indicates that those who are now expelling the pro-Dubcek minority are the ones who themselves opposed the occupation of Czechoslovakia.

Today, after the "normalization" in Czechoslovakia has succeeded in temporarily destroying organized mass political resistance, the center of gravity of the crisis of world Stalinism is shifting back towards the Soviet Union. The greatest attention should be paid to all signs of growing political differentiation inside the Soviet Union, including the appearance of openly oppositional tendencies inside the Soviet bureaucracy. These are all signs pointing toward a political crisis that can open the road to a political revolution inside the Soviet Union. Oppositional tendencies in the Communist movement inside Eastern Europe have come to the conclusion that a new wave of mass uprisings against the bureaucratic rule is improbable in Eastern Europe as long as a decisive turn does not occur in the Soviet Union itself. They say: "Soviet tanks crushed the uprising of the East Berlin workers. Soviet tanks crushed the uprising in Hungary. Soviet tanks crushed the political revolution in Czechoslovakia. Who would start a fourth one with such a perspective?" I do not think we need to speculate on this; but it is obvious that any rise of large-scale political opposition in the Soviet Union would be the most decisive factor in changing the situation in Eastern Europe.

For some time now we have had the feeling that this is closer than most people think. We reported to the United Secretariat that at the last congress of the CGT in France, in a private conversation he had with some journalists, Ségué, the general secretary of the French CGT, said in passing, as if it were an obvious fact, that a very grave crisis exists in the Soviet Union today, and that the only thing to be hoped is that it can be solved without much bloodshed. That Ségué would say something like this before a rather large, be it private, audience is significant. Perhaps it is not indicative of the real situation in Russia, but it is indicative of what the CP bureaucrats think about the situation there.

Many people who study the politics of the Soviet bureaucracy feel that the leadership exhibits tremendous weakness if not near paralysis. Even on small questions it is very difficult for them to reach a decision and to act. We have no indication of large-scale mass movements in the Soviet Union, as occurred

on the eve of the downfall of Khrushchev, but there are many indications of a growing articulate opposition among the intellectuals, students, and young members of the party. In addition to all the information that we have already cited in the past to explain the reasons for the occupation of Czechoslovakia, and the well-known documents of Yakhimovich and Grigorenko, which are documents of real Communists, a new document is now available, which our world press must publish. This is the extraordinary letter against the rehabilitation of Stalin signed by many sons and daughters of old Bolsheviks, including famous ones like the son of Bukharin, the children of Shliapnikov and of Radek, the grandchild of Kalinin. The document carries the most signatures of any document yet put out by the new opposition inside the Soviet Union.

Clearly many things are going on in this field in the Soviet Union that we do not know about. But we are convinced that the most decisive factor operating in the crisis of leadership in the world Stalinist movement is the internal crisis in the Soviet Union. There is no other possible explanation, because all the other factors one can cite are either marginal, or run counter to it. (Just to mention one indication: the American experts are of the opinion that today the military relationship of forces between the Soviet Union and the United States favors the Soviet Union to a greater extent than before the early sixties. They seem to have reestablished an equilibrium on intercontinental ballistic missiles and nuclear submarines. So it is the internal political and social crisis that underlies the paralysis of leadership, and not other, external factors.)

I don't want to start a discussion on China in this IEC. This is not on the agenda. But I believe that the one factor that best explains the hatred of the Soviet bureaucracy for the Maoist leadership--which has nothing to do with diplomatic maneuvers, or the price of machinery, or any other elements of trade, which can only play a secondary role in that hatred--is the fact that Radio Tirana and Radio Peking are appealing every day to the Soviet people to revolt. We do not like the wording of these appeals; very often they are filled with confusion, although I must say that Stalin is mentioned less and less in these appeals. (One of the latest arguments used by these radio stations is that Soviet "imperialism" betrayed the world revolution already in 1939 when it made a pact with Hitler. This is not exactly an argument in favor of Stalin.) But however that may be, the fact that a radio station appeals every day to the Soviet people to rise and

make a revolution has a basic connection with the hatred of the Kremlin bureaucracy for Mao Tse-tung. You can be sure, if you know the psychology of these bureaucrats, that they will be ready to do many things to stop these appeals--concessions, if they can stop them with concessions; and if they cannot stop them with concessions, they will be ready to do many bad things.

5. The Expansion of the International.

The expansion of the International since the last world congress has been in general along the lines forecast by the world congress resolutions themselves. I cannot give a full activities report in behalf of the United Secretariat, and I am certainly not ready to report on the activities of the most important sections. I would like to take up only a few aspects of those activities in order to draw from them some conclusions.

First of all, the geographic expansion of the world Trotskyist movement is continuing. We have established contacts in several new countries since the world congress, and we will try to put out modest publications in several new languages in which Trotskyist literature up to now has not appeared.

All the comrades know that in the field of publications we are making a real breakthrough on a world scale. But I will give you an indication of what is now possible by indicating the languages in which the world congress documents have already been translated: French, English, German, Swedish, Japanese, Italian, Danish, Greek, Spanish, Chinese, Arabic, Dutch. And they are in process of being translated now into the following languages: Polish, Czech, Russian, Serbo-Croat, Persian, Urdu, Hindi, Sinhalese, Tamil, Indonesian, and Bengali. These include practically all the widely spoken world languages with the exception of Portuguese, and I hope that even in Portuguese we will be able to solve the problem in the year to come.

This is linked to the expansion of a series of publications which the International must now assure penetrates into new areas. We have started a Spanish bulletin and we have to resume publication of a Spanish magazine. We have an Arabic magazine that was not openly a magazine of the FI but that has to become one. We have started publication of bulletins in several East European languages and we are preparing to publish a regular bulletin in Persian. The possibility of doing something in the Turkish language is also envisaged. All this is linked with the fact that we have recruited a certain number of comrades who are willing to undertake this work, but who are still too weak

to undertake it with only their own forces. It is of course preferable if, as in the case of Pakistan, the comrades are able through their own efforts to publish a Trotskyist bulletin, a revolutionary Marxist paper directed toward a new country. We will have to take some initiative with regards to Portugal. We will then have covered practically every European country, since in Finland there is already a group of Trotskyist sympathizers, in Ireland there is now a group sympathetic to the FI, and in Norway we are also building a nucleus.

But this geographical expansion of our work cannot be seen outside of our general political analysis. We have to have certain centers of gravity in this work of expansion in relation with the analysis we make of the main focal points of revolution in the world today. I am not speaking now about Latin America because there will be a special report on this question. I will insist now only on two such fields, the Arab world and Eastern Europe.

If we take our own analysis seriously, if we consider that there has been a new upsurge of the Arab revolution as a result of the guerrilla resistance struggle of the Palestinian masses, if we consider, in addition, that there is a mounting crisis among the bureaucratic regimes in Eastern Europe and in the Soviet Union, we must do something about it. We cannot sit and wait for the spontaneous generation of Trotskyists. So one of the first decisions that was taken by the United Secretariat elected after the world congress was to set up an Arab commission and an East European commission in order to do two things essentially: assure regular publications of our material in these two parts of the world and form initial nuclei of comrades. We have created a series of other commissions; I have spoken about some of them already yesterday. Suggestions were made by comrades during the European conference, and I think the United Secretariat has to take all these proposals into consideration.

What does this mean in practice? It means strengthening the central apparatus of the International, which is still very weak. This can only be achieved by a series of cadres of different sections devoting themselves to international work. That is the basic function of these commissions. If these commissions are only composed of United Secretariat members, they are useless. Setting them up must be the occasion to add to the number of comrades already doing regular work for the International, under the control of the United Secretariat, a whole series of cadres of the sections. We have already had a certain modest success in this field and we have to have more. The commissions we pro-

posed to create yesterday will only be able to function if that condition is fulfilled. I must say that in the field of the Arab work we have succeeded in making a real impact. We have become well known in Jordan and in Lebanon, and several comrades have been making trips there. We have recruited new comrades, and there is now a real possibility of overcoming the weakness we had in our Algerian work. This means that the possibility exists of creating nuclei of members of the FI in different Arab countries.

The comrades have to understand

that the realization of all these tasks makes very urgent the expansion of financial means for the International. In this sense, too, we have made real progress. The treasurer, who will speak immediately after me, will give you concrete indications. But, as generally happens in times of expansion of the movement, the needs have increased faster than the means. In order to have the commissions function well, and to make it possible to assure the penetration of Trotskyist literature and Trotskyist organization in all these new fields, it is absolutely necessary to strengthen by manpower and by money the Center of the International.