

FIGHT RACISM! FIGHT IMPERIALISM!

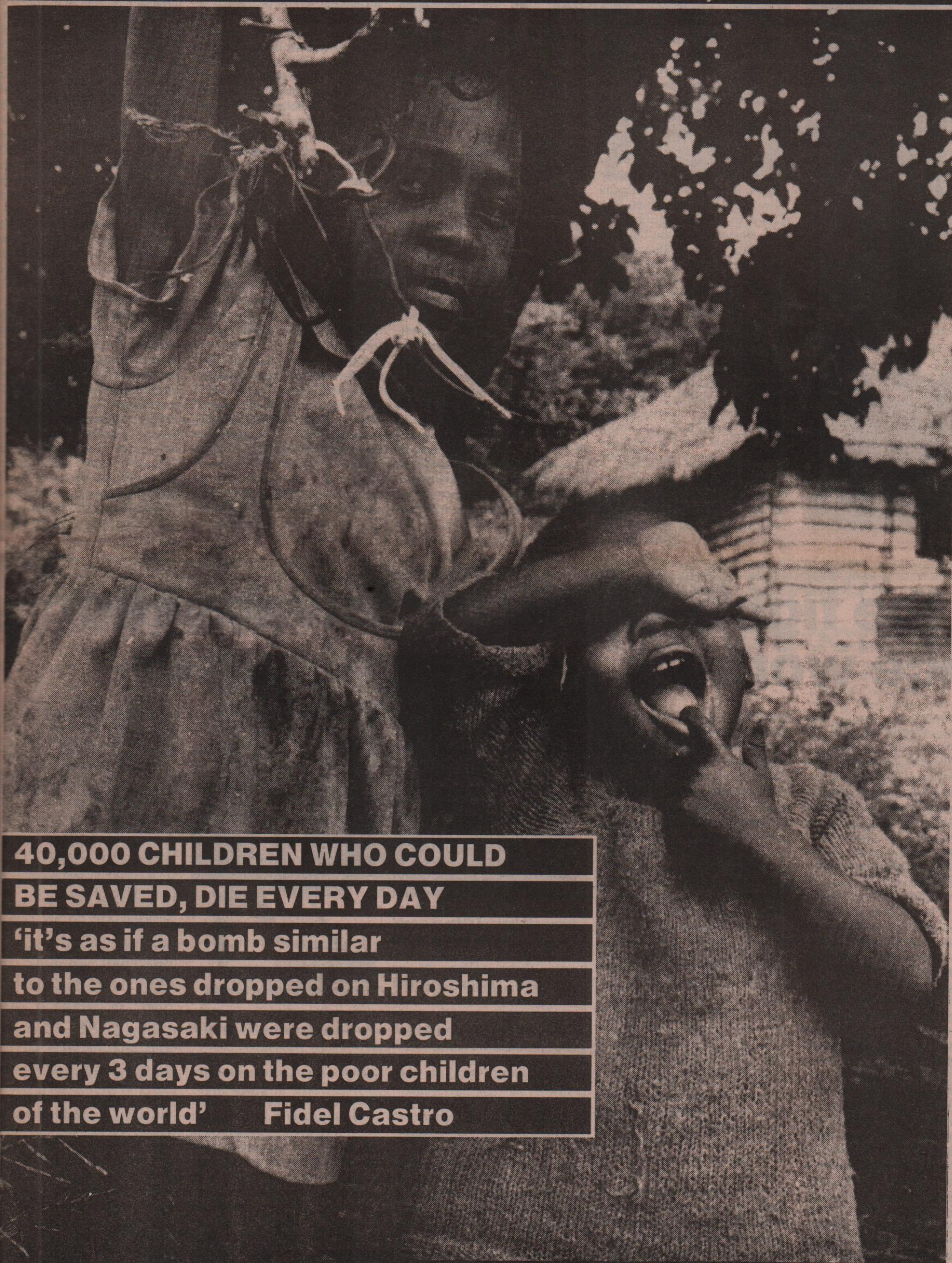
Revolutionary Communist Group

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Thatcher and the imperialists ended the decade as they began it – with robbery, terror, censorship and racism

DAYLIGHT ROBBERY

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40,000 CHILDREN WHO COULD BE SAVED, DIE EVERY DAY
'it's as if a bomb similar to the ones dropped on Hiroshima and Nagasaki were dropped every 3 days on the poor children of the world' Fidel Castro

THE GREEDY DECADE



Mr Innocent: Lord Young

ROVER GROUP

Fraudulent sell-off

DAVID REED

Deception, corruption and fraud have always been vital ingredients of the 'free' market economy. Capitalist governments not only cover up this unsavoury side of market transactions but frequently are found to be playing a central role in stage managing them. Nothing illustrates this better than the recent revelations about the sell off of the state-owned Rover Group to British Aerospace (BAe).

The Rover Group was sold off to British Aerospace for a paltry £150m in July 1988. 16 months later, on 30 November 1989, *The Guardian* published a confidential document revealing the existence of a £38m secret 'sweetener' paid to BAe as part of the transaction. This followed a report from the National Audit Office (NAO) two days earlier stating that the Rover Group was sold at a price that 'fell significantly short of the real value of the company'. In reality hundreds of millions of pounds had been transferred from the public purse to the government's friends in the business world, with at least £38m consciously and fraudulently hidden from public view.

According to the NAO report, Baring Brothers, the merchant bankers handling the sale and advisers to the Department of

Trade and Industry (DTI), had said that as a debt-free company the Rover Group was worth £950m, a figure needing to be discounted in view of the risks associated with the business. The European Commission (EC) in its investigation of the Rover sale valued the company at about £950m.

The risks however appear to have been minimal. BAe acquired a car company expected to produce, and producing, record profits over a five year period. It can use £500m of Rover's accumulated trading losses to offset against taxes on future profits, and has as well unclaimed capital allowances of £300m. It also acquired surplus sites valued, in May 1988, at £33.5m and holdings in nine other companies. A recent flotation of DAF, the Dutch commercial vehicle maker, showed that Rover's 40 per cent stake alone in that company was worth £147m, almost the total BAe purchase price. After the sale, BAe sold Rover's stake in Istel, the software house, for £39.1m. BAe itself was well aware of its financial coup as, in its own accounts, it put a book value on its acquired Rover assets of about £800m at the end of 1988.

But even this wasn't enough. In addition £38m worth of 'sweeteners' were given to BAe and deliberately hidden from public view. This was revealed some 16 months later in a confidential memorandum to the Public Accounts Committee

prepared by John Bourn, Comptroller and Auditor General, and leaked to *The Guardian*. A week later the Trade and Industry Secretary, Nicholas Ridley, was forced to publish confidential letters which gave us more insight into the sordid and fraudulent nature of the whole affair.

The memorandum showed that BAe did not have to pay the £150m purchase price until 30 March 1990, a £22m saving to the company in financial costs. The DTI reimbursed BAe's acquisition costs, including the buying out of minority shareholders, to the value of £11m, paid out in two instalments to avoid Parliamentary scrutiny. It also, as part of the package, agreed to pay BAe's £5m contribution to the European Columbus space project.

The memorandum exposes a further secret deal which allows BAe to pay back only £400m, rather than the £650m officially announced, if it sells Rover within five years. The newly released correspondence reveals that this matter was taken further and that there is a private letter attached to the BAe deal allowing the company to sell Rover within five years with no penalty at all. This represents a potential transfer of hundreds of millions to BAe as the original agreement involved government aid of £800m (later reduced to £572m by the EC) to the Rover Group before the sale.

Ridley, on being forced to ad-

mit that the 'sweeteners' did exist, claimed that they were necessary to secure the successful sale. They were kept out of the official report in order to deceive the EC and, without doubt, to keep the information from the British public. Two days before the sale was announced Lord Young, the former Trade Secretary, wrote to BAe asking it to choose how to hide the 'sweeteners' from Parliament and the European Commission. And on the day the sale was announced Professor Roland Smith, chairman of BAe, wrote to Lord Young saying that he intended to claim he was unaware of the secret correspondence between them on how to hide the 'sweeteners' deal from the EC and Parliament.

The confidential memorandum also reveals that at least four other companies were prepared to bid for Rover at the time when Lord Young gave BAe exclusive negotiating rights for a limited period. This was in spite of the advice from his financial advisers, Baring Brothers, to allow limited competition in bidding. So the argument that 'sweeteners' were necessary to secure the sale carries little weight.

This sordid episode once again reveals the corrupt reality behind the 'free' capitalist market system. It is a class system in which the rich feel 'free' to lie, cheat and deceive in order to transfer the wealth produced by the working class into their own pockets.

Support the fighting ambulance workers

LORNA REID

85 per cent of the public support the ambulance workers and a record 4.5 million signatures have been collected on a petition supporting their pay claim. It has become 'the most popular dispute in history', says NUPE. But there was no sign of a settlement before the Christmas/New Year period. Health Secretary, Kenneth Clarke, refused to refer the ambulance unions' pay claim to arbitration and chose instead to use a number of methods to defeat the dispute and force the ambulance workers to accept the government's pay offer.

On 28 November full page advertisements were carried in national newspapers outlining the 17 November pay offer made by Duncan Nichol, NHS Chief Executive. This publicity stunt cost £2,000 and was aimed at drawing public support away from the ambulance workers. The pay offer - 11.5% to workers in London, 9% to those outside London, over 18 months backdated to 1 April, plus a £500 payment to 2,000 highly skilled staff - was based on bringing forward £5 million from next year's pay deal. The ambulance unions have dismissed the offer as phoney and continue their demand for their pay claim to go to

arbitration.

In an attempt to split the workforce Clarke proposed to recognise the tiny, breakaway Association of Professional Ambulance Personnel and use their support for the 17 November offer to impose it on all ambulance workers. APAP has since had to withdraw its support as one third of its members have left to join NUPE.

The deployment of police and troops to replace suspended ambulance crews across the country is being widely criticised. London ambulance controllers passed a vote of no confidence in the management on 15 November and now refuses to put emergency calls through to Scotland Yard. On 2 December they walked out in protest at managers passing calls to the police via fax machines.

Ambulance crews are publicising the ex-directory phone numbers of their stations and urging doctors and the public to phone direct. Crews in Sheffield are running an emergency service from their union headquarters after 300 South Yorkshire ambulance workers were suspended and barred from using their ambulances. The crew members use their personal cars as makeshift ambulances. A call has now been made for suspended crews only to answer direct calls.

The London Ambulance Service has cut the pay of crews

who have been working to rule and not answering non-emergency calls. Crews lost £300 from their pay in November. Massive public support has thwarted the attempt by LAS to starve the crews into accepting the government's pay offer.

Talks between the unions and health service managers within the Whitley Council pay bargaining forum broke down on Thursday 14 December when management made no new offer to the ambulance unions.

At the heart of the government's intransigent stand against the ambulance workers is its plan to privatise the non-emergency side of the service as part of an overall plan to privatise the National Health Service. On 27 November Kenneth Clarke 'warned' that the continuation of the dispute would hasten the development of a 'two-tier' ambulance service and pointed out that the services in Wiltshire and Northumbria had already split and contracted out non-emergency work.

The Christmas/New Year period is the busiest time for ambulance crews - they receive up to 200 emergency calls an hour. The police and army will not be able to cope with this. The government is prepared to put people's lives at risk in order to defeat the ambulance unions to make way for privatising our health service.

Water privatisation - rich get richer

DAVID REED

This government will stop at nothing to hide its political bankruptcy. It has finally sold off the water industry. Or more to the point paid shareholders to take it off its hands. That is, the privatisation of water resulted in a net loss of more than £1.6bn.

In preparing the water industry for privatisation the government wrote off debts of £5bn and paid out more than £1.5bn to 'clean up' the industry. With the sale of water shares realising £5.2bn this gives a net loss of at least £1.3bn. In reality the loss is very much greater once other costs such as those of promotion and underwriting the shares (£200m) and incentives to customer shareholders (£120m) are taken into account.

In saving itself from a politically embarrassing failure and selling the shares ridiculously cheap, the government has made sure that not everyone will contribute equally to this loss. Water privatisation represents a redistribution of money from water consumers to the very much narrower group of people who could afford to buy water shares. That is, a transfer of money from the poor to the rich.

With the price set at 240p, of which only 100p needed to be initially paid out, water shares were 5.7 times over-subscribed.



Michael Howard, minister for water

2.7 million applications for shares were made. On the first day of trading on the market some 633m shares changed hands - about 30 per cent of the total shares, mainly by institutions as most private investors had not received their certificates. The average premium for the 10 water companies was 45p on the 100p partly paid shares. They ranged from 135p to 168p in early trading and between 131p and 157p at the close.

Who buys shares? The 1987 General Household Survey tells us that the typical British shareholder is male, well off, middle-aged, with a job and owning a house in the south-east. Probably a typical Thatcher supporter now being wooed by the Labour Party.

Since the privatisation process began the proportion of people owning shares has risen from 7 per cent of the population to 21 per cent. After the Abbey National flotation it is estimated that about 11.5m people own shares. But the distribution of shares follows the distribution of wealth in Thatcher's Britain. While 25-29 per cent of people own shares in London and the south-east, only 14 per cent do in the north, 17 per cent in Scotland and 16 per cent in Wales. 67 per cent of individuals earning more than £450 a week own shares, compared with 20 per cent of those earning £100-£200 a week (1987). 49 per cent of professional men own shares compared to 9 per cent of unskilled male manual workers. About 90 per cent of private shareholders own their own homes.

However this is only part of the story. Even with the cheap sell off of publically owned utilities by this government more and more shares are held by large institutions and not small private shareholders. In 1981 individuals held 28 per cent of UK company equity. By 1988 this was down to 20 per cent. So the major beneficiaries of the cheap sell off of public assets have been the large investing institutions. Popular capitalism also turns out to be a myth. And if you are poor you do not even come into the reckoning.

Fighting against the Tories' Poll Tax

LORNA REID

2,000 delegates attended the All-Britain Anti-Poll Tax Conference on 25 November to launch the All-Britain Anti-Poll Tax Federation to mobilise for mass non-payment, non-implementation and non-collection. On paper this should have been the basis of a dynamic movement against the Poll Tax. In reality it achieved nothing. At the end of the one day conference a national committee was elected and a statement of aims adopted, neither of which guarantees to build the type of movement necessary to defeat the Poll Tax.

To understand why this was so we need only examine the two dominant political trends present at the conference. Inevitably, with the Labour Party fundamentally opposed to any fight against the Poll Tax, it falls upon those on the left of the Labour Party to lead the fight. This has produced two left social-democratic strategies for building this fight.

The Militant Tendency, from within the Labour Party, has correctly recognised that the strength of such a campaign can only arise from within the communities, amongst the people who can't pay. However, their purpose is to build a social force with which to conduct their own political fight within the Labour Party. Precisely because of their unbreakable ties to the Labour

Party they cannot build the independent working class movement outside the Labour Party necessary to defeat the Poll Tax. In effect, the establishment of a national federation is their latest attempt to gain complete control of the fight against the Poll Tax in order to strengthen their own position within the Labour Party.

The second trend believes that only workers action, by which they mean traditional trade union action, can defeat the Poll Tax and the role of the community is quite secondary. This trend is represented by the Socialist Workers Party and an array of other smaller Trotskyist organisations.

Precisely because the trade unions have refused to mount a challenge to the Poll Tax and have joined Kinnock in denouncing non-payment the position of these organisations comes over as abstract and irrelevant. Unlike Militant they are unable to mobilise any serious working class forces and their positions do no more than express their own prejudices. The most absurd example of this was the motion from Crookesmoor Anti-Poll Tax Campaign, represented by supporters of Workers Power, who called for mass strike action including a general strike to defeat the Poll Tax, in a period when the trade union movement is doing hardly anything to oppose the Poll Tax.

The Socialist Workers Party and Socialist Organiser, coming down to earth, but essentially



holding to the same position, argued against this because a general strike is an organic development which must be worked for and that as yet the Federation does not have the authority to call one.

Militant are able to dominate the existing anti-Poll Tax Federation because they can claim to speak for the one million non-payers in Scotland as a result of their systematic work in the Scottish communities whereas the majority of the British left has played no role at all and at times has contemptuously dismissed as irrelevant those who can't pay as secondary to their mythical fighting trade union movement.

There were, however, some

independent forces who recognise the vital link between community organisations and trade union action. CPSA DSS Inner London Branch members, who took strike action in October against government attempts to use DSS staff as Poll Tax snoopers, placed their action in the context of the success of resistance built in Scotland. 'I bring fraternal greetings from my union branch and salute the one million non-payers in Scotland. They are an inspiration where I work,' said Debbie London from the Oval Office, South London.

Inevitably, during the conference the long-standing and important issue of the right of affiliation for political organisa-

tions was raised. Cannonbury APT sought to extend affiliation rights to Labour Parties and Montpelier APT argued for affiliation rights for all political organisations which agree with the aims of the Federation. Lorna Reid, delegate from Tooting Anti-Poll Tax Union and member of the RCG, argued, 'If organisations are denied the right to participate in the fight against the Poll Tax they will simply enter through the back door in the guise of anti-Poll Tax groups. It is undemocratic to exclude political organisations from participating in the fight in their own right.'

Militant's ability to retain control of the Federation through its present base in the

communities allowed them to take a sectarian stance in opposing the affiliation of political organisations.

Militant's concern to utilise the fight against the Poll Tax for its own fight in the Labour Party forces it to oppose any steps to build a movement independent of the Labour Party. It was for this reason they opposed the motion from the Black Lesbian and Gay Group which moved that the Federation mobilise the most oppressed in our society: black people, women, lesbians and gay men, the unemployed and make it clear that racist, sexist and homophobic activity will not be tolerated.

Militant refuses to confront the racist and sexist prejudices of the organised Labour movement. To do so they would expose the deep divisions within the working class. A movement against the Poll Tax can only develop if it puts to the fore the interests of the oppressed sections of the working class, in particular working class women and black people. Otherwise, it will be unable to mobilise these forces and remain tied to the backward traditions of the official labour and trade union movement. For this reason the Federation can go nowhere.

Bureaucratic manipulations will not gloss over these central political issues. An independent working class movement is the key to defeating the Poll Tax. The All-Britain Anti-Poll Tax Federation threatens to hold back this development. ■

Police harassment of Silcott family

GEORGE SILCOTT/JENNY SUTTON

In the last edition of *The Job*, the magazine of the Police Federation, there was a reference to 'unfinished business' at Broadwater Farm. Not satisfied with criminalising the youth and framing three innocent men for the killing of PC Blakelock, the police are still trying to break the spirit of the community. Part of this strategy is the continued persecution of the Silcott family, and in particular Winston's younger brother George.

Since Winston's arrest, the police have been harassing George, kerb-crawling and addressing him by his first name. The family were driven to move house by anonymous threatening letters and phone calls, and although on advice they reported these to the police, no action was ever taken.

In October 1988 George and a friend were driving in Tottenham in a rented car. Despite having all the relevant documents, they were stopped and arrested for TDA (taking and driving away). They were kept overnight at Enfield Police Station and the following morning taken to Muswell Hill station where they were charged with a burglary that had taken place the previous evening. Vicious bail conditions were imposed on George alone - an indefinite midnight to 6am curfew (this has been 'relaxed' over Christmas - instead he has to give 48 hours notice of his exact whereabouts to Horn-



sey Police Station).

In November 1989 George and some friends were outside a nightclub when the police arrived. George was handcuffed, pushed to the ground and punched in the face. At Tottenham police station he was told that he had been arrested for arson - the what, when and where were never disclosed. His name was on the cell door before he had even given it. The following morning he was told that he had threatened two PCs with a knife and was charged with being in possession of an offensive weapon. When he asked to see the 'knife' he was shown a photocopy. On granting him bail the magistrate said 'don't get yourself into any more trouble' - so much for innocent until proven guilty. That very same day he was stopped and searched in Oxford Street by a WPC who told him that he had been seen with a knife. She refused to give him a written note of the incident.

The harassment of George has to be seen in the context of what is happening to his brother. On his return to Albany Winston asked why he had been ghosted to Wandsworth and was told that he had been 'influencing other prisoners'. He has spent the last three months in solitary confinement. Unable to break his spirit inside, the authorities are attacking him through his family. But we, like Winston, are not going to be beaten down. 'We're not willing to wait fifteen years to see that justice is done. They'll never silence the family - we'll continue to fight to see Winston free'. ■

Provisional dates have been set for George's trials. They are: 17 January, Wood Green Crown Court (Burglary) We urge you to be there at the courts to support George.

STOP PRESS George Silcott was arrested and charged with rape on Monday 18 December. This is the third serious charge against him in just over a year.

Laura Ashley road to socialism

ROBERT CLOUGH

The CPGB recently concluded its 41st Congress amid calls for it to adopt a new name, if not to disband itself altogether. After all, as Martin Jacques pointed out in the main speech, if Leninism has had its day, what need is there for a Party which originated in that tradition?

There is nothing that should surprise us in this. The CPGB openly adopted the standpoint of middle class liberalism in 1977 with its new version of its programme, the *British Road to Socialism*. All that has happened is that liberalism has become older, richer and more reactionary. The CPGB has merely moved with what it calls the new times. Its increasing age is expressed in the higher proportion of utter gibberish in its pronouncements. Consider this:

'It [the working class] is not only a producing class but also a consuming class, more and more aware of its consuming identity.'

Or this:

'But class is not an abstraction. It changes, it is reproduced. At the same time, other bonds, other identities based on gender or ethnicity or sexuality are of ever growing importance. The old social blocs are dead.'

All this is a very pretentious and tortuous way of saying that class is no longer important, it's how you consume, your table man-

ners, your taste. They are the political equivalent of Laura Ashley - rapid, expensive chintz. Leninism - its theory of state, its concept of the party, the absence of civil society, its notion of revolution - is just passé.

Laura Ashley society is 'civil society', which means that the state is no longer as important as it was, because the middle class has all sorts of cultural outlets for its entertainment and generally has a fair old time. Martin Jacques suggests that 'in many areas the state's role is increasingly being obliged to change, to be more fluid, to be far more decentralised, to exit in partnership with civil society.' No, I don't know what black and Irish people make of 'civil society' either.

This then is the vision of the Laura Ashley road to socialism. It is very fashionable, best suited for those with a fair amount of discretionary income. With such affluence comes a new standpoint, which sees expanded consumption become progress to socialism, and can convince itself that there is really nothing horrid anymore in the outside world. It can be made to sound far more substantial by the abundant use of resonant phrases. But in the end, there is the common theme of empty nostalgia for a cottagey world that never existed, of fundamental contradictions obscured by fussy patterns and insipid pastel shades. But if you like Laura Ashley, you'll love the CPGB. ■

Terry O'Halloran

Communist and fighter for Irish freedom
Died 23 January 1989



On this the first anniversary of Terry's death all his comrades salute his memory. Over the past year there have been many occasions when we have thought of Terry but none more poignant than when the Guildford Four were released. How delighted Terry would have been to see them walk free. And how scorchingly he would have written exposing the frame up.

As developments in the socialist countries demand from communists a serious political response, we have sorely missed Terry's wide ranging knowledge and depth of Marxist understanding.

Perhaps, above all, in these rather bleak times, we miss his wit and irreverent humour.

Terry's life and political work influenced many people and it is fitting that the Terry O'Halloran Memorial Fund has raised over £2,000 to begin its task of supplying books to prisoners.

Terry O'Halloran we salute you!

COMMEMORATIVE EVENT
Sunday 28 January 2pm, Karl Marx Tomb, Highgate cemetery.

Sinn Fein broadcasting ban: action needed

AN NUJ ACTIVIST

Broadcasting unions are maintaining their public opposition to the British and Irish state bans on broadcasting the voices of Sinn Fein and other parties and organisations in Ireland - but when it comes to action they aren't so sure.

Public statements, court challenges - even demonstrations - are just about keeping the issue on the political agenda, but in danger of being used as a mask by union leaders to hide their nervousness at the actions media workers are in a unique position to take: industrial action, or breaches of the bans backed up with action to defend victimised journalists and technicians.

The effect of the bans has not just been, as is generally assumed, to make TV take the sound off interviews with Gerry Adams - to make him 'goldfish' in broadcast parlance. It is to keep the expression of Irish nationalism off the airwaves altogether: to keep nationalists out of all discussion on live programmes. Night after night, when Ireland is 'in the news', studio discussions can happily ignore anything more 'republican' than the SDLP.

The National Union of Journalists

has run a high-profile political campaign which has allowed political campaigners, such as Irish groups and parties, some space to join in, but it has shied away from taking action.

The crucial time, as always, was at the start: when the British ban was announced, a movement got going among broadcasting journalists - who had taken an effective 24-hour strike against the banning of the BBC's *Real Lives* programme in 1985 - for a repeat action. But this was sabotaged by the leadership, which cooked up a dodgy agreement with management, that if they all joined together in public protest, the union would have no quarrel with them.

That mistake is still with media workers trying to keep a real fight going. When the NUJ called a Day of Action on 19 October, anniversary of Douglas Hurd's announcement of the ban, there was a call for at least token stoppages by broadcasting chapels, but the response was extremely poor.

Instead, there was a march through London and a glitzy rally. Lots of publicity, but the government was untouched. In fact, the organisers found that the degree of opposition was higher among other journalists and even much of the public, than among the broadcasters

who have to operate the ban.

Shockingly, when in Dublin in March 1988 there was a breach of the Section 31 Irish ban by a journalist with RTE, Jenny McGeever, and she was sacked, the union did nothing to protect her.

The reason, quite simply, is that union leaders are terrified of the 'terrorist smear'. Whatever their feelings, they believe that to protest for any kind of Irish freedom is to be seen as Provo sympathisers. This, of course, is precisely what the government was banking on, and they are not prepared to challenge it. The bans are therefore opposed as an abstract 'free speech' issue, em-

phatically not as an Irish political issue.

The inhibition was frankly expressed by a leading Northern Ireland political journalist, Eamonn Mallie, on a radio phone-in on 19 October. He said: 'Quite honestly, I am not prepared to put my neck on the block on this issue. For the individual journalist it is just too risky... The protest has got to be in the hands of the NUJ leadership.' In effect, Eamonn Mallie and his colleagues are operating and policing the ban for the state. They have to take the everyday decisions on their broadcasts, and they always opt for the easy way out - often allowing managements to

make them impose a stricter censorship than is strictly required by the wording of the bans.

For managements' posturing is even worse than the unions'. The BBC and independent companies are always trying to play down the significance of the bans. They won't, for instance, telegraph clearly when they are being applied, preferring, in the words of a BBC Deputy Director General John Birt, to 'thread them into the programme' - in other words, pretend it's not happening. Just what the government ordered - or didn't, actually. Neither will broadcast corporations even back the legal challenges the NUJ is running. Parallel cases in the Irish and English courts are crawling towards the European Court of Human Rights; the Irish one has just arrived in Strasbourg, and the Commission has ruled there is a case to answer, and told the Irish government to submit a defence. The British case has just, predictably, been thrown out of the Court of Appeal, and would now have to go to the House of Lords before crossing the Channel. However, these cases are so expensive, in fact lawyers' fees, that there is a risk the NUJ will have to drop it.

Perhaps it will - and adopt an industrial strategy instead: some hope! ■



Sinn Fein's demonstration in Belfast on the anniversary of the broadcasting ban was itself banned by the RUC. Above: Councillor Alex Maskey cuts the RUC tape across the demonstration's path

Apartheid's hired assassins creep out of hiding

LEIGH AVON

Thatcher's claims that President FW de Klerk is dragging South Africa toward 'clear and irreversible' reform were shown to be utter nonsense this month by revelations of political murders, perpetrated by apartheid agents and sanctioned at the highest level of South African government.

Having read in the *Weekly Mail* that Almond Nofomela, a prisoner on Death Row in South Africa, had sworn an affidavit in which he claimed to have been a member of an apartheid death squad, Captain Johannes Dirk Coetzee fled the country. Coetzee's subsequent 'revelations' have embarrassed the South African government and, along with mounting pressure inside the country, threaten to force de Klerk into setting up an independent inquiry. Coetzee substantially confirmed Nofomela's statement but also goes much further. He was the commander of one of five 'hit squads' that operated throughout South Africa and internationally. He has admitted to being involved in several political murders including: Griffiths Mxenge, a Durban civil rights lawyer; two ANC members kidnapped in Mozambique and shot; an unidentified man also kidnapped and shot, in Lesotho; and Patrick Makau and an unidentified child who were murdered when the squad bombed a suspected ANC office at Manzini in Swaziland.

These death squads were also responsible for the murder of Joe Gqabi in Harare and of Ruth First in Mozambique in 1982 and of Dulcie September in Paris in 1988.

What is particularly interesting to anti-apartheid activists in Britain is Coetzee's information concerning the role of the South African Embassy in the bombing of the ANC London office in 1982. Coetzee spoke to the man responsible for the bombing, a British citizen who subsequently became a South African spy: '... He himself said that the explosives used to blow up the ANC offices had been smuggled to him in the South African Embassy's diplomatic bag. That was also his unofficial courier service, through which the senior military officers stayed in contact with him.'

Craig Williamson, Coetzee's ex-superior, 'spy-master' and fund-raiser for these covert activities is now a nominated member of the President's Council, a South African parliamentary advisory body. This murderer is now 'respectable', a highly placed member of de Klerk's administration.

We know who killed Dulcie September, David Webster, Anton Lubowski... Let us see them in the dock. If, as is almost definitely the case, these crimes were sanctioned, formally or informally, let us see those ministers and officials also stand trial and attempt to answer for their actions. ■

Guildford 4: obscuring the cover-up

MAXINE WILLIAMS

At the preliminary hearing of the May inquiry into the Guildford 4 and Maguire cases, former judge Sir John May bowed to pressure and granted partial immunity to witnesses who appear at the inquiry. Both May and the Home Secretary had formerly said that no immunity would be given. However, the form of immunity and who it applies to is still hedged around with doubts. Only full immunity

could ensure that the full story emerges. Moreover the inquiry has no power to subpoena witnesses and cannot even begin its proceedings until the criminal investigation of police officers currently underway is completed.

The earliest that the May report is likely to appear is 1991. No doubt many of those involved in the frame-up are hoping that time will lessen public interest in the cases. The delay will also give the government lie machine chance to continue to peddle the current rumour - that the

Guildford 4 were not innocent and were released only because of loopholes in the case against them. This was the tone of recent remarks made by Lord Hailsham in a television interview.

There is no doubt that those sections of the Establishment involved in the frame up - the police, the judiciary and politicians will fight to the bitter end to prevent the full truth from emerging. Quite how the May Inquiry will manage to gloss over the crucial role of the Metropolitan police commissioner Peter Imbert, for example, remains to

be seen.

Those who feared that the release of the Guildford 4 would make the government even more determined to prevent the Birmingham 6 frame-up being exposed, are so far proving correct. The government has repeatedly stated that the 6 will remain in prison and that no new evidence to question their convictions exists. However, heavy pressure on this issue continues and may have led to the recent recategorisation of the 6 from Category A status which convicted IRA prisoners are normally given.

Only by keeping up the pressure on these cases will the facts about both frame-ups emerge and the Birmingham 6 be freed. Meanwhile Paul Hill was detained and questioned by police as he flew from Heathrow to Dublin on 4 December to speak at a press conference publicising a march about the Birmingham 6 and other cases of injustice. Gerard Conlon has also been harassed by the RUC. No doubt the authorities wish to intimidate the two into reducing their high profile activities in favour of the Birmingham 6. ■

British terrorise Irish

PAM ROBINSON

The British Army and RUC have been carrying out a series of calculated campaigns against the nationalist communities in the occupied six counties of Ireland.

● The RUC have launched a major campaign of intimidation against people who have outstanding legal cases against them in an attempt to frighten them into dropping the cases. These include cases where people have found that files containing their personal details have been handed over to loyalist death squads. The RUC have raided selected houses, destroying personal belongings and property and removed personal files and photographs.

● On Thursday 9 November 14 homes were raided in Andersonstown, West Belfast, including the home of Kathleen Finucane, the mother of Pat

Finucane who was murdered by a loyalist death squad. The RUC informed her that the name of one of her other sons was on a death squad's list.

● Corporal Cameron Hastie, Royal Scots, and Private Joanne Garvin, UDR, were found guilty of handing over RUC files to loyalists. They both received suspended sentences of 18 months. The information they had disclosed led to the murder of Terry McDaid by a UVF/UDR death squad. The same squad severely injured Pat Fitzpatrick after receiving information from his file. It has now been revealed that admissions given by Hastie and Garvin to the RUC should have resulted in them being charged with conspiracy to murder. Terry McDaid's widow, Maura, has said she plans to sue the MoD.

● Documents described as 'likely to be useful to terrorist organisations' were discovered

by the RUC in Robert Allen's house in Derry on 18/19 November. Amongst the documents were details of John Davey, murdered by a loyalist death squad, plus details and photographs of nationalists. Kenneth Cavanagh, Philip Jackson, Jennifer Peoples, George Shields and William Temple were also arrested in connection with the discovered documents. Jackson, Peoples and Shields have pleaded guilty to possessing documents. Robert Allen is known to be associated with DUP councillor Ken Kerr.

● On 29 November Liam Ryan was murdered as he was closing up and letting customers out of the Battery Bar, East Tyrone. When locking up Liam answered a knock on the door and was met with a hail of bullets. Two gunmen burst in and shot Liam dead at close range. Four other people were injured in the attack. In a statement the UVF

described Liam as one of their targets. He had been continually harassed by the RUC who told him only a few weeks before he was murdered, 'You'll be dead by Christmas.'

● There has been a further exposure of RUC attempts to recruit informers from within nationalist communities. Gary McConville, 19, of Lurgan has suffered continual harassment from the RUC. In August he was arrested and held for 16 hours during which time he was accused of various attacks, verbally abused and assaulted. Under duress he signed a statement admitting throwing a stone. The RUC then offered to 'double his dole money' and 'drop all the charges' if he agreed to become an informer.

● On 13 November a 19-year-old single mother of New Lodge Road, Belfast, was arrested by the RUC following a raid on her home under the Emergency Provisions Act and was held for 24 hours. During this time she was interrogated for periods of up to four hours at a time and told she would 'end up like Mairead Farrell, blown up all over the street

some night' and 'You'll end up in Maghaberry and your baby will end up in care'. She was also offered a bribe of £50 to inform on local people including Sinn Fein members. She agreed to this in order to end her ordeal. On her release she contacted Sinn Fein and a solicitor.

● Matt Rooney has been harassed since May after he refused to become an informer. On 19 November he was severely beaten by a UDR patrol and suffered a ruptured kidney and severe bruising in an attack described by the UDR as 'putting the pressure on.' The following day as both he and his wife were on their way to their solicitors they were harassed by the same UDR patrol that had beaten Matt.

● On Thursday 2 November Kathleen and Brendan Duffy, the parents of Seamus, who was killed in August by a plastic bullet fired by an RUC officer, were arrested and held for two hours under the Prevention of Terrorism Act at Luton Airport as they entered England as part of the delegation from the United Campaign Against Plastic Bullets. ■

Liberation movements define different ways forward

DAVID REED/CAT WIENER

In December two politically important conferences took place in South Africa. The first of these, held in Soweto from 1-3 December, launched the Pan Africanist Movement (PAM). The second, a one-day meeting of the Conference for a Democratic Future (CDF), was held on 9 December in Witwatersrand University, Johannesburg. The final positions adopted by the two conferences reflect two essentially different trends in the liberation movement, in particular in regard to the question of negotiations.

The two conferences were fundamentally divided over their stance towards the OAU Harare Declaration of 21 August 1989. This declaration calls upon the South African government to create the climate for negotiations and lays five preconditions on such negotiations taking place: the unconditional release

of political prisoners and all detainees; the lifting of bans and restrictions on all organisations the removal of all troops from the townships; the end of the State of Emergency and the repeal of repressive legislation; and the end of all political trials and political executions.

600 delegates from all over South Africa attended the PAM conference. PAM is ideologically aligned to, but organisationally independent of, the Pan Africanist Congress. It stands in ideological opposition to the ANC and its MDM ally. PAM argues that there is no basis for genuine negotiations today in South Africa and that what it calls the five pillars of apartheid legislation are non-negotiable and must go. The conference unanimously maintained that only a one-person, one vote election to a single, non-racial chamber can lead to a genuine non-racial democratic society (see below the Harare Communiqué of the PAC setting out the perspectives of PAM).

PAM's founding conference

electd former Robben Island prisoner and founder member of the PAC, Clarence Makwetu, as President. An important decision made by the Conference was not to attend the pending Conference for a Democratic Future jointly organised by the MDM and the Black Consciousness Movement. Gora Ebrahim, Foreign Secretary of the PAC, told *FRFI* that the PAC were excluded from the convening committee despite declaring their willingness to participate. This meant that they would be unable to influence the declaration proposed for discussion at the conference or raise their objections to the participation of bantustan leaders and representatives of South African business interests.

Around 4,500 delegates attended the CDF conference, making it the largest anti-apartheid gathering in South Africa's history. The conference was attended by the ANC/MDM and its Charterist affiliates, the BCM/AZAPO and, reflecting a major change in policy, the military leader of the nominally independent Transkei 'homeland' and the leader of the KaNgwane 'homeland', together with other bantustan opposition parties. The Democratic Party and the Consultative Business Movement were given observer status. Commenting on the BCM/AZAPO decision to participate, Haroon Patel said:

'In the BCM, we were unanimous about participation, but we have had to do a lot of talking and explaining to our cadres. That unanimity is based

on the understanding that it is important for us to be part and parcel of mass struggles. This is an indication from the BCM that the blanket boycott position is in our view not the correct approach under current circumstances.'

The trade union federation NACTU withdrew from the conference although some of its unions linked to the BCM were present. NACTU representative Cunningham Ngcukana said the federation was unhappy about the attendance of 'collaborationists' such as the Democratic Party and the bantustan leaders.

One of the aims of the conference was to agree a united position to present to the United Nations which was due to begin a three-day debate on South Africa on 12 December. The conference adopted the OAU Harare declaration and further resolved to call for a 'constituent assembly, established on a non-racial basis and representing all the people of South Africa to draw up a new constitution for our country'.

However the BCM did not endorse the resolution and decided to take it back for further discussion by its supporters. It later dissociated itself from the conference declaration.

The two conferences show that the fundamental political divisions between the Africanist and Charterist trends of the movement remain. Deep-lying issues remain to be resolved and are highlighted in the differing attitudes to question of negotiations with the apartheid regime.

SWAPO victory in Namibian election

ANDY HIGGINBOTTOM

The results of Namibia's first ever universal elections were emphatic. 57.03% of the votes cast between 7 and 11 November were for SWAPO, a clear statement of popular support for the liberation movement. Over 97% of the registered voters took part in the poll which, according to its United Nations supervisors, were 'free and fair'.

Ten parties stood lists of candidates for election on a proportional representation basis to a Constituent Assembly. SWAPO has 41 of the 72 seats. The DTA, created and funded by South Africa as a counterweight to the liberation struggle, was a distant second with 28.6% of the votes, translating into 21 seats. South Africa's tactic of establishing a reactionary block of one third of the Assembly seats just succeeded. The DTA, together with the far right ACN and FCN, have 25 seats. Representation of the other smaller parties, the UDF (4 seats), NNF (1 seat) and NPF (1 seat), if they work in alliance with SWAPO, will not be enough to secure the two thirds majority required to approve proposals for an independent constitution. Whether the DTA block will be a trump card in South Africa's hand depends on developments outside the Assembly.

SWAPO President Sam Nujoma stated on 15 November:

'SWAPO wants to reassure the nation that it will stand by its policy of national reconciliation... Specifically, I want to reassure the Civil Service that its services will continue to be needed, as will the productive efforts of all sectors of our economy'.

Pretoria is setting up the infrastructure for a prolonged campaign of covert operations

in the mould of its genocidal operations against the other Front Line States. In northern Ovamboland, Namibia's most populous province, 92% voted SWAPO. And it is here that immediately after the election South Africa's destabilisation first emerged. On the weekend of 25/26 November nine Namibians were killed at the hands of DTA vigilantes. Lutheran Bishop Kleopas Dumeni complained that 'people are being beaten with sjamboks and stabbed by DTA supporters'. DTA vigilantes hunted down the visiting Canadian Rev John Evenson who was at Engela Lutheran Hospital investigating medical aid and co-operation. In another incident 13 SWAPO members, including two Assembly members, were taken to hospital after police assaults. Control of the police still lies with the South African appointed Administrator General, and will do so until the independent government is formed.

At Mavana camp in Kavango, a South African Defence Force general met former Koevoet and SWATF commanders, proposing they take their soldiers to bases in South Africa from which further operations against an independent Namibia can be mounted. On 7 December Sam Nujoma met with Sir Robin Renwick, Britain's ambassador in South Africa, requesting that British military personnel be sent to Namibia with the task of training former SWAPO freedom fighters and their SWATF enemies in an integrated national army. The model for this invitation is British army trainers in post independence Zimbabwe. But it was under British control that the MNR, created by Rhodesian military intelligence, was secretly moved to new bases in the Transvaal. The MNR has since been the vehicle for genocidal war against Mozambique.



Haroon Patel (BCM) at the convening committee press conference, chaired by Fr Smangalis Mkhathshwa, with Murphy Morebe (UDF)

Harare Communiqué

A consultative meeting between the Pan Africanist Congress of Azania and 24 delegates from inside Azania (South Africa), representing trade unions, lawyers, students, youth, women, the church and the media, was held in Harare, Zimbabwe from 24 to 26 November 1989. This first consultative meeting was facilitated by the Cold Comfort Farm Trust.

The meeting was formally opened by the Hon Cde Didymus Mutasa, Secretary for External Affairs of Zanu (PF), Speaker of the House of Assembly and Chairman of the Cold Comfort Farm Trust. He reaffirmed Zanu (PF)/PAC solidarity and expressed confidence that victory in Azania was in sight. He urged the people of Azania to unite and wage resolute struggles on all fronts.

The formal opening session, attended by Zimbabwe Government officials, the Diplomatic Corps and invited guests then heard a keynote address by Cde Johnson Mlambo, Chairman of the PAC. In his address he traced the PAC's pioneering role in the legitimate struggles of the Azanian people for national liberation and self-determination. He said the people were waging the struggle on the following principles:

1. Apartheid cannot be reformed, it must be totally eradicated;
2. The vehicle for genuine

change can never be the illegal minority racist regime but rather the oppressed and dispossessed majority. Therefore, the primary task must be to increase the fighting capacity of the people;

3. All forms of struggle must be encouraged and supported;
4. Internationally, the regime must be isolated and the call for comprehensive sanctions intensified. However, international actions must be regarded as a complementary factor... the decisive factor must be the internal factor;
5. The introduction of the East-West conflict in our struggle must be strongly resisted;

These principles have received wide support both internally and internationally.

On the current of 'negotiations' Cde Mlambo emphasised that as of now there existed no basis for genuine negotiations. The minority racist regime had not pronounced itself on the five pillars of apartheid, namely:

1. The population registration Act;
2. The 1913 and 1936 Land Acts on which is based the Group Areas Act;
3. The Bantu Education Act;
4. The Tricameral parliament system;
5. The Bantustans.

The above five pillars of apartheid are non-negotiable and must go!

Cde Mlambo welcomed the participants and expressed confidence that the consultations would prove extremely useful.

Cde Dikgang Moseneke spoke on behalf of the delegates from the home front. He informed the meeting about the growth of Africanism and the structures already established and those that will be launched shortly. He said that the Pan Africanist Movement (PAM) would soon be formally launched to coordinate and promote the Africanist cause. He stressed that the people inside Azania were also convinced that the racist regime was not ready for serious negotiations.

The consultative meeting then went into closed sessions to discuss the roles of church, lawyers, labour unions, students' and youth organisations, women, journalists and researchers and their contribution to the struggle for liberation. The discussions were wide ranging and profound.

The exchanges were conducted in a democratic atmosphere with the sole purpose of defining the common enemy and the most effective strategy to eradicate apartheid and its attendant evils of dispossession, oppression and exploitation and to usher in a new, genuinely democratic, non-racial and united Azania.

The participants agreed that the struggle was for national liberation and self-determina-

tion. To achieve this objective, the participants emphasised the need for the intensification of the struggle on all fronts.

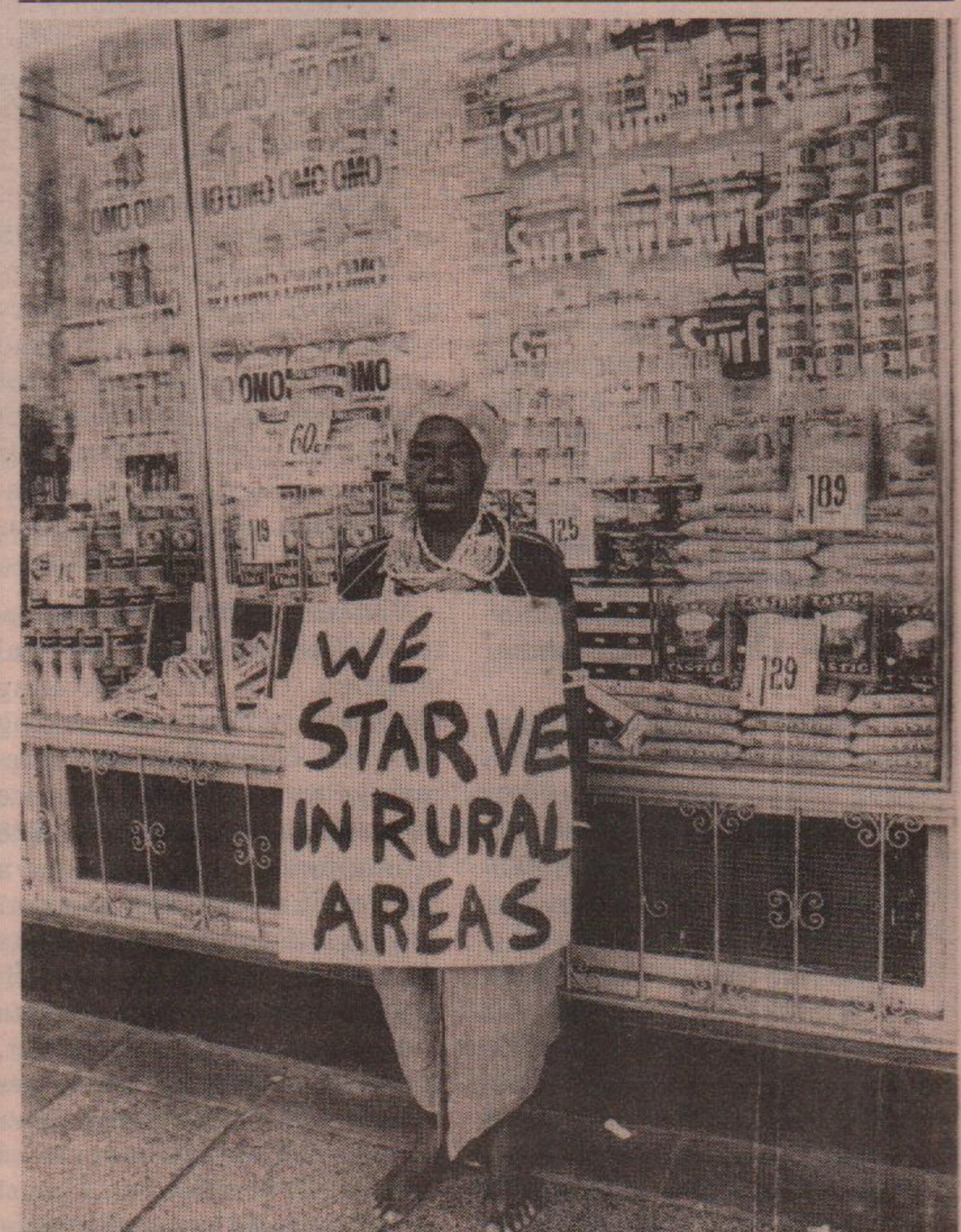
The launching of the Pan Africanist Movement on 1-3 December 1989 inside Azania was warmly welcomed by the participants. The PAC pledged to fully co-operate with the independent PAM.

The participants were unanimous in their call for principled unity of all those having a contradiction with the racist minority regime. Sectarianism and division were deplored. They agreed to campaign vigorously to end sectarianism such as those practised by the Kagiso Trust and other internationally funded institutions in South Africa.

The participants endorsed the PAC's position that, as of now, there exists no basis for genuine negotiations. They unanimously maintained that only one-person one-vote elections to a single non-racial chamber can lead to a genuine non-racial democratic society.

The internal and external participants expressed profound gratitude to the Cold Comfort Farm Trust and to the Government and people of Zimbabwe for making this important and historical meeting possible and the hospitality extended.

Issued by Gora Ebrahim
Secretary for Foreign Affairs
Pan Africanist Congress
of Azania



From *Beyond the Barricades: Popular Resistance in South Africa in the 1980s*. Published by Kluftown Books at £12, this book conveys the horror and the intensity of sacrifice and courage of the oppressed people of South Africa.

End embargo on Vietnam End forced repatriation

TREVOR RAYNE

'The British taxpayer has spent something in the order of £17 million... more and more of them are arriving. You can't cope... none of those going back are genuine refugees... They keep coming and coming... it just could not go on... Hong Kong is a tiny little island... It is no good (others) just complaining, unless they are prepared to take more.'

So there you have it from Margaret Thatcher: we're too crowded, they cost too much, why should we have to put up with them, what about the rest of the world and, anyway, how many more are there? Racism is so ingrained in the British government that only when the US State Department tells it that 'involuntary repatriation is unacceptable until conditions improve in Vietnam' does the government recognise the need to prepare the ground a little more thoroughly and begin diplomatic shuffles, negotiations, a propaganda offensive etc.

There are 57,000 Vietnamese in Hong Kong. The majority are held in 13 camps ringed by razor-wire and arc lights, guarded by armed police. The British

government states they 'are not refugees' but 'economic migrants'. Thatcher called them 'illegal immigrants'. They were treated like criminals and at 3am on 11 December under cover of darkness 26 children, 17 women and 8 men were rounded up and returned to Vietnam. Foreign Minister Hurd explained that this was to demonstrate to the Vietnamese planning to sail for Hong Kong 'that this is not a happy voyage'.

A chorus of racist abuse from Tory backbenchers, and the British press plus the raising of the spectre of the 'Yellow peril' Hong Kong invasion of Britain in 1997 is designed to hold the government line firm against international and particularly US pressure. The Vietnamese government has stated that it will receive all those Vietnamese who wish to return voluntarily, or who do not oppose repatriation. They rightly explain that the problem is one of US and British making.

Since the 1975 Vietnamese revolutionary victory the USA, backed by Britain, has determined to take revenge on Vietnam and destroy its economy. An embargo on trade, aid and loans, plus political and diplomatic pressure combined with military support for counter-revo-

lution through the Khmer Rouge and its allies, have been used to continue the Vietnam War by other methods. The explosive equivalent of 700 Hiroshimas, or more than the entire bomb-load dropped by all adversaries in the Second World War was rained on Vietnam by the US government. 400,000 tons of napalm and 72 million litres of defoliant turned vast tracts into chemical deserts. Perhaps 4 million Vietnamese were killed in the liberation struggles. Under these conditions Vietnam had to try and rebuild its economy.

Against this background the British press write of 'people fleeing communist dictatorship' (*Guardian* 13 December), of 'middle class families pushed to the margins of society by new authorities with more ideology than common sense'. When the first 'Boat People' arrived in the late 1970s and early 1980s they were used in the war against Vietnam; evidence of the supposed communist brutality and incompetence. Some were feted and touted around as great successes with their new found freedom. Others were shoved out of the way into south London estates to be left at the mercy of National Front thugs. But the propaganda and organised crime lured Vietnamese to take to their boats.

Communists and progressives should demand an end to the embargo on Vietnam, an end to British and US support for Cambodian counter-revolution, massive economic and medical aid to Vietnam, an end to forced repatriation of Vietnamese in Hong Kong.

Those who wish to help the victims of imperialism's war on Vietnam should send donations to the Medical Aid Committee for Vietnam, Bedford Chambers, Covent Garden, London WC2.



Filipino reactionaries divide

TREVOR RAYNE

'The sixth coup attempt actually gives notice to Congress and Senate, and to the whole Aquino regime, that the US will not tolerate talks of independence or any talk of ousting its military bases even if only for show. The outcome of this coup attempt, and the very existence and nature of the government after this coup, is for the US to decide and for all the world to see.' *The National Democratic Front of the Philippines International Office 1 December 1989.*

The sight of the mutinous troops marching back to barracks, rifles slung over their shoulders shouting 'Time out' and 'the fight goes on' had a farcical, self-parodying touch, like play-acting. Actors they are in a play scripted by the US government which backs both sides in this factional fight within the Filipino ruling class. US handlers encouraged anti-Aquino forces to launch the coup attempt, but saw to it that the plan stayed within limits: no direct attempt on the person of Aquino, no assault on the Malacanang palace.

However, a sufficient show of force by elite Scout Rangers and Marines to enable the US Air Force to determine the balance in favour of Aquino.

Having demonstrated Aquino's dependence on it, the US government will now insist upon the extension of its military bases on the islands beyond their expiry date in 1991, that Aquino become a figurehead for its chosen political instruments with possibly the increased incorporation of the Philippines military into the government.

The coup took place in a deteriorating economic and political situation that is aggravating divisions within the ruling class. Per capita income has remained roughly the same since 1974. Repayments on the \$28 billion foreign debt consume a quarter of the country's export earnings. Fifty per cent of the population live below the official poverty line. 'Even before the military rebellion broke out, the people's organisations are set to hold a People's Strike over a new (23%) oil price increase imposed by Mrs Aquino. Almost all teachers and government employees are already on strike and the movement to oust the US

bases... is surging to new heights'. (NDF)

In this context Aquino used the coup attempt to declare a State of Emergency. Military rule is being extended in a way reminiscent of the Marcos dictatorship. The targets will not be the coup plotters (hardly any punishment was dealt the perpetrators of the previous five attempts), but rather the popular organisations, supporters of the NDF and the New People's Army. Death squad slayings can be expected to increase.

We see in the Philippines US imperialism more confident, unrestrained in the use of firepower, treating the people and the government in the crudest colonial manner. This is transparent to the Filipino masses. The revolutionary forces will take advantage of the division among the reactionaries, of the political and economic crisis facing the government to go on the offensive. US imperialism will find that the containment exercise achieved with the replacement of Marcos by Aquino is undone and that the battle lines are drawn more clearly and less in its favour than ever before. ■

Victory to the Intifada!



Palestinian militants take refuge in secret alleyways

9 December marked the second anniversary of the Palestinian uprising. An uprising of the whole people against Zionist occupation, the Intifada has been sustained primarily by the working class and the dispossessed. It is this that has lent it the determination and resilience to withstand savage repression. Close to 1000 Palestinians have been killed, 50,000 wounded and over 60,000 imprisoned. The Zionists have extended detention without trial from 6 to 12 months and reduced the age of criminal responsibility to 12!

Despite this the Palestinian people have begun developing their own state apparatus. People's committees for secu-

urity, health, education, prisoners' welfare have developed alongside a campaign to boycott Israeli produce to enable the development of a Palestinian economy. The Intifada has also developed the means to enforce the popular will against collaborators, many of whom have been executed or forced to flee.

All these developments have foiled imperialist, Zionist and Arab collaborationist attempts to end the uprising and replace the PLO as the only legitimate representative of the Palestinian people.

In Britain we can celebrate the Intifada by organising to 'Boycott Israeli Produce!' ■

Brazilian election

GARY ROSE

Brazilians will be voting in the country's first Presidential election for 29 years on 17 December. The two candidates are Fernando Collor de Mello, an unabashed supporter of Thatcherite policies and Luis Inacio 'Lula' da Silva of the Workers Party (PT). Early polls had Collor ahead, but that lead is marginal and Lula is gaining ground daily.

Collor was a loyal supporter of the military dictatorship; he has run a hugely expensive election campaign largely financed by sugar barons. Lula has concentrated on an active grassroots campaign, without all the razzmatazz of Collor's American style election campaign.

There are 83 million registered voters. The majority exist outside the state structures in grinding poverty. In rural areas a huge majority are illiterate, they do not have access to public health services, to unemployment benefits or to documentation necessary to maintain regular employment. These people are forced to vote by law.



Luis Inacio 'Lula' da Silva

The election is taking place at a time when monthly inflation is running at 50%, the US dollar exchange rate on the Parelo, the semi-official parallel money market, has been swinging wildly, the price of gold rose 25% in one day and the stock markets of São Paulo and Rio de Janeiro are fluctuating wildly, as stockbrokers panic over the seemingly impending victory of Lula. Mario Amato, the president of São Paulo's business federation

has predicted that 800,000 businessmen will leave the country if Lula is elected.

Lula has stated that he is committed to a complete moratorium on Brazil's \$109bn foreign debt, that controls on company profits will be imposed and that the large agricultural estates will be carved up.

As the prospect of defeat hits home to Collor he has taken to instigating a dirty tricks campaign. This week he produced a former girl-friend of Lula's who claimed that he had tried to make her have an abortion and then abandoned her and the child. Abortion is a crime in Brazil. One of Collor's campaign workers promptly resigned and revealed that the woman had been paid the equivalent of £1300 to make the accusation.

If Lula does win the election, the PT have major problems to deal with. There are seven million children living on the streets; hunger and disease are rife. The critical question is of a possible coup by the armed forces. In the circumstances such a scenario could provoke a truly revolutionary response from Brazil's massive working class. ■

No respite for India's poor

VIRMAN MAN

To get rich quick in India there are two main routes: either get to know someone with political power, or even better, get elected to government. In November the Congress Party lost power for only the second time since Independence in 1947.

Government now falls to a hotch-potch coalition of several parties whose only point of agreement was to ensure the downfall of Rajiv Gandhi, the latest in the long line of the Nehru-Gandhi dynasty which has become almost synonymous with Congress for three generations. Wealth and privilege will now flow to another section of the middle classes. But for the majority of India's 800 million people - almost an eighth of

humanity - the question is: what's the difference?

Election candidates - on both Congress and opposition sides - included convicted criminals, film stars and even cricket players. Vote buying, courting favour, bribery and bullying with armed guards were the tactics used. Gandhi's major disadvantage was the fact that he could not keep his corruption from being publicly examined. In particular fresh evidence concerning the Bofors arms scandal, in which it is alleged that upwards of £25 million was paid by the Swedish arms manufacturer to Indian middlemen, to Congress members and even to Gandhi himself in order to secure the sale of Howitzers to the Indian army. Slurs and slanders replaced politics - neither side had anything concrete to offer except the usual vague promises of

all things to all people.

Now that VP Singh has power he has to decide what to do with it. His coalition government will not be easy to manage. On the one hand his allies include the vehemently Hindu fundamentalist Bharatiya Janata Party, and on the other the communist-led Left Front - but both refuse to participate in the same government. Horse-trading and wheeler-dealing will be the order of the day.

For the well-to-do the election was about how best to protect or improve their privileged position. For village India, however, the issues at stake were not corruption or dynastic power-play but schools, electrification, agricultural prices, inflation and health-care. To satisfy these needs requires more political will than the new government possesses. ■

'The FMLN is the only vanguard'

The Farabundo Marti National Liberation Front offensive launched on 11 November shook the Pentagon. Throughout El Salvador the regime's army was out-maneuvred and out-fought. For two weeks the world glimpsed the reality of the beleaguered fascist President Cristiani surrounded by a military frantically looking for a way to hit back at the enemy. His government sent letters to the Pope threatening the lives of bishops, his airforce used US pilots to bomb cities and drop leaflets calling for mass exterminations. This is the government that receives \$2 million a day from the United States, whose President is feted in Downing Street and applauded by Thatcher as a democrat.

The British press, in collusion with the US and British governments, has removed all reports of developments in El Salvador from its news coverage for over two weeks. Hardly surprising in view of what the offensive revealed. The FMLN proved that it is a sophisticated revolutionary army, able to deploy a range of political and military tactics.

This it is able to do only because of the support of the mass of the people. 70,000 US sponsored deaths have not broken the will to gain liberation. *Fight Racism! Fight Imperialism!* is pleased and honoured to carry an exclusive interview with a representative of the FMLN. The Second Offensive has begun; in future issues we will bring you news of its progress to victory.

We present below a timely interview with VICTOR AMAYA. Comrade Amaya is in charge of the Farabundo Marti National Liberation Front's (FMLN) political and diplomatic commission in Britain. He is a doctor and has been a member of the FMLN since its foundation. He spoke to EDDIE ABRAHAMS, TREVOR RAYNE and DAVID REED.

to attack the very heart of the military: at some times we were fighting no more than three hundred metres from the Chief of Staff HQ. We had them under pressure. Additionally we have had reports of defections - a company in San Miguel, a group of parachutists in San Salvador, 100 soldiers in Usulután. This means that morale inside the army is breaking.

TAKING THE WAR TO THE RICH

As the government was continuing to bomb working class districts, we decided to take the war to the wealthy areas, to go into Escalón, La Santana and other neighbourhoods where the ruling class, the death squads, the North American advisors, government officers and the higher middle class live. We decided to take the war there and invite them to bomb these areas the same way they did in the working class neighbourhoods. And of course they didn't.

In these wealthy areas, we didn't just occupy the Sheraton Hotel. We stormed the homes of senior army officers and captured important intelligence documents. We decided to let them feel what the poor felt when they were bombing working class areas. We used mortars to destroy their homes.

During our offensive in these areas we made it public that neither civilians nor North American advisors and their houses were targets. We offered a truce to allow the civilian population to abandon the area, the same way poor people were doing in working class areas.

How was your support affected by government bombing of working class areas?

Our people are very mature. They know where the enemy is. The government destroyed, in Zacamil, 500 humble homes which were actually a project of the Lutheran church for the earthquake victims. The people were made homeless for a second time. Yet they still support us. In Mejicanos, another working class neighbourhood, we recruited about 150 new supporters. They are now fighting with us.

Do you have the arms to offer these new cadre, do you have means to give them political education and training?



During the fighting army death squads entered the University of Central America in San Salvador and murdered six progressive Jesuit priests. As the US politicians wept crocodile tears over their deaths, military aid was increased for the beleaguered El Salvadorean army.

Yes of course. We have an embryo of a state in El Salvador. We have created a structure in which we have everything you would consider a state: local government, education for adults and children, medical care and so on.

As for arming the cadre, when you are new, you are not going to be given a gun immediately. You first have to do something in the logistics field or perhaps agitational work in the mass movement. You then have to have a minimum training to have a gun and after that you have to win the right to have a gun. It is not like giving candies. When you have a gun you feel proud because it is something like a prize for you.

How do you see the relationship between the military and the political struggle?

You should not see the FMLN as a military organisation. We have a military army, but we are a political and military force. That means that one of our objectives is to organise the people, the people at all levels. As I have told you, we have the embryo of a state in which we have many different levels of participation of the people. This is a popular movement in which the FMLN is only the vanguard, but is recognised by the people as that.

Do you believe you can sustain the present level of military operations?

Yes, sure. But the problem is that, as we have said many times, we don't want more killings. We don't like the war. We are not military men, we are civilians with arms. We are trying to achieve a new democracy in our country and are completely open to every political solution. But we have to put several conditions.

We absolutely do not accept any political solution with the participation of either Cristiani or the ARENA party because we know they are killers. We also have nothing to say to what we call *La Tandoná*, the officers who graduated in 1966 and who are in the most important places of power. We are trying to achieve a solution with the honest element inside the army and with all other political and social forces.

What impact do you think the latest US-Soviet summit is going to have on your struggle?

We know it is on the agenda. But we don't have any intervention by the USSR in our problems. We don't have anything to say to them. They could suggest something to us, but it would be nothing like ordering us.

But the USA has accused the Soviet Union of supplying you with arms through Nicaragua and Cuba.

The people who brought Soviet weapons to Central America were the Americans! After the defeat of the PLO in 1982, the Israelis took tons of Soviet weapons and brought them to Honduras. The Americans gave these weapons to the Nicaraguan Contras. Now, because the Contras have been defeated they are selling everything. You only have to go to the border and for \$100 you can get an AK47. We have also bought not only SAM 7 missiles but the one called the EYE. So we have these Soviet weapons not because the USSR has sent them to us but because the North Americans brought them from Israel!

There is talk of the FMLN obtaining arms from Nicaragua too. Is this all part of a propaganda attack on your struggle?

Yes, of course, that's very clear. We don't actually need Nicaraguan support in terms of weapons. We have enough in our country. During the last offensive, for example, we captured 100 M16 rifles, about 100,000 bullets and about 50 machine guns.

Can you tell us what the response has been in the Central American region towards the FMLN advances?

First, the Guatemalan army sent 126 members of the *Kaibiles*, a very well known counter-insurgency force composed of criminals, absolute criminals. But they were not able to get out of the airport in El Salvador because we were attacking. We have a declaration from our comrades of the URNG (the united front of Guatemalan revolutionary organisations) saying that if the Guatemalan army intervenes, the URNG will also go to El Salvador to fight on our side.

In the case of Honduras, it is actually a military base for the USA. We call it the aircraft carrier. Honduras is on the side of the USA. But I think that there will be surprises from the people of Honduras. However, Panama has supported our struggle and in Costa Rica the President has been under pressure from the North Americans because of his support for a peace settlement.

Can the US tolerate another revolutionary, anti-imperialist government in Central America?

We know that we are now at the stage where direct US military intervention is possible. It was in order not to give them a pretext for such an intervention that we decided not to consider their personnel and homes as military targets.

However, if they do intervene we have a contingency plan. Also the region will explode and the revolution will then rise to the level of a Central American one. ■

'Our country is working hard, implementing ambitious socio-economic development programmes. The irrational laws of capitalism do not guide our actions, and every man and woman in our country has a place in education, production or services. No close relatives of those who died while fulfilling their missions or who suffered serious injuries have been forgotten. They have received, are receiving and will continue to receive all the care and consideration due them for the sacrifices made by their loved ones and for their own devoted, selfless, generous, even heroic behaviour.

The hundreds of thousands of Cubans who carried out military or civilian internationalist missions have earned the respect of present and future generations. They have honourably upheld our people's glorious fighting and internationalist traditions.

On their return they have found their country engaged in a tremendous struggle for development while continuing to confront the criminal imperialist blockade with exemplary dignity. This is in addition to the current crisis in the socialist camp, from which we can only expect negative economic consequences for our country.

People in most of those countries aren't talking about the anti-imperialist struggle or the principles of internationalism. Those words aren't even mentioned in their press. Such concepts have been virtually removed from their political dictionaries. Meanwhile, capitalist values are gaining unheard-of strength in those societies.

Capitalism means unequal terms of trade with the peoples of the Third World, the exacerbation of individual selfishness and national chauvinism, the reign of irrationality and chaos in investment and production, the ruthless sacrifice of the peoples on behalf of blind economic laws, the survival of the fittest, the exploitation of man by man, a situation of everybody for himself. In the social sphere, capitalism implies many more things: prostitution, drugs, gambling, begging, unemployment, abysmal inequalities among citizens, the depletion of natural resources, the

FIDEL CASTRO

REVOLUTION socialism and independence

In this important speech Fidel Castro examines the implications of recent developments in the socialist countries for the vast majority of humanity in the Third World. He is the first communist leader to oppose the developments in the socialist countries and points to the interests of imperialism in supporting and fostering these developments. He reminds socialists of their fundamental internationalist duties. This is demonstrated by Cuba's own example. The speech was given at the memorial ceremony for the Cuban internationalists held at El Cacatual on 7 December 1989. In the first part of his speech Castro pays tribute to those who fell while carrying out their military and civilian missions. The speech continues: *

poisoning of the air, seas, rivers and forests and especially the plundering of the underdeveloped nations by the industrialised capitalist countries. In the past, it meant colonialism. Now, it means neo-colonising billions of human beings, using the most sophisticated - and cheapest, most effective and most ruthless - economic and political methods.

Capitalism, its market economy, its values, its categories and its methods can never pull socialism out of its present difficulties or rectify whatever mistakes have been made. Most of those difficulties are the result not just of errors but also the tight blockade and isolation imposed on the socialist countries by imperialism and the major capitalist powers, which have monopolised most of the world's wealth and the most advanced technologies by plundering their colonies, exploiting the working

class and promoting a large-scale brain drain from countries that have not yet developed.

IMPERIALISM WANTS THE SYSTEMATIC DESTRUCTION OF SOCIALISM

Devastating wars were unleashed against the first socialist state, taking a toll of millions of lives and destroying most of the means of production. Like a phoenix, the first socialist state had to rise more than once from its ashes. It has performed great services to mankind by defeating fascism and decisively supporting the liberation movements in countries still under colonial rule. Now, all this is being forgotten.

It's disgusting to see how many people, even in the USSR itself, are engaged in denying and destroying the history-making feats and extraordinary merits of that heroic people. That is not the way to rectify and overcome the undeniable errors made by a revolution that emerged from Czarist authoritarianism in an enormous, backward, poor country. We shouldn't blame Lenin now for having chosen Czarist Russia as the place for the biggest revolution in history.

Thus we didn't hesitate to stop the circulation of certain Soviet publications that are full of poison against the USSR itself and socialism. You can see that imperialism, reactionary forces and the counter-revolution are responsible for that tone. Some of those publications have already started calling for an end to the fair and equitable trade relations that were established between the USSR and Cuba during the Cuban revolutionary process. They want the USSR to begin practising unequal trade with Cuba by selling its products to us at ever higher prices and buying our agricultural produce and raw materials at ever lower prices, just as the United States does with other Third World countries - in short, they want the USSR to join the US blockade against Cuba.

Imperialism's undermining actions and the systematic destruction of the values of socialism, combined with the mistakes that have been made, have accelerated the destabilising process in the Eastern European socialist countries. The United States designed and implemented a long-term policy of treating each country differently and undermining socialism from within.

Imperialism and capitalist powers cannot hide their glee over the way things are turning out. They are convinced - not without reason - that, at this point, the socialist bloc has virtually ceased to exist. Groups

of US citizens, including US presidential advisers, are programming capitalist development in some of those Eastern European countries right now. A recent news dispatch reported that they were fascinated by that 'exciting experience'. One of them, a US government official, favoured the application in Poland of a programme similar to the New Deal with which Roosevelt tried to alleviate capitalism's severe crisis. This would be to help the 600,000 Polish workers who will lose their jobs in 1990 and half of the country's 17.8 million workers who will have to be retrained and change jobs as a result of the implementation of a market economy. Imperialism and the NATO capitalist powers are persuaded - not without reason - that, at this point, the Warsaw Pact no longer exists and that societies that are corroded and undermined from within will not be able to resist.

It has been stated that socialism must be improved. No one can deny this principle, which is inherent and permanently applicable to every human endeavour. But can socialism be improved by forsaking Marxism-Leninism's most basic principles? Why must the so-called reforms be along capitalist lines? If those ideas are truly revolutionary, as some claim, why do they receive the imperialist leaders' unanimous, enthusiastic support? In an amazing statement, the President of the United States described himself as the number one advocate of the doctrines currently being applied in many countries in the socialist camp. History has never recorded an instance of a truly revolutionary idea receiving the enthusiastic support of the leader of the most powerful, aggressive and greedy empire known to mankind.

REVOLUTION CANNOT BE IMPORTED OR EXPORTED

During comrade Gorbachev's visit to Cuba in April this year - a visit during which we had a frank, in-depth exchange of views - I publicly expressed my opinion to the National Assembly that, if any socialist country wants to build capitalism, its right to do so should be respected, just as we demand complete respect for any capitalist country's right to build socialism.

I believe that revolution cannot be imported or exported. A socialist state cannot be founded through artificial insemination or by means of an embryo transplant. A revolution requires certain conditions within society, and the people in each individual nation are the only ones who can create it. These ideas don't run

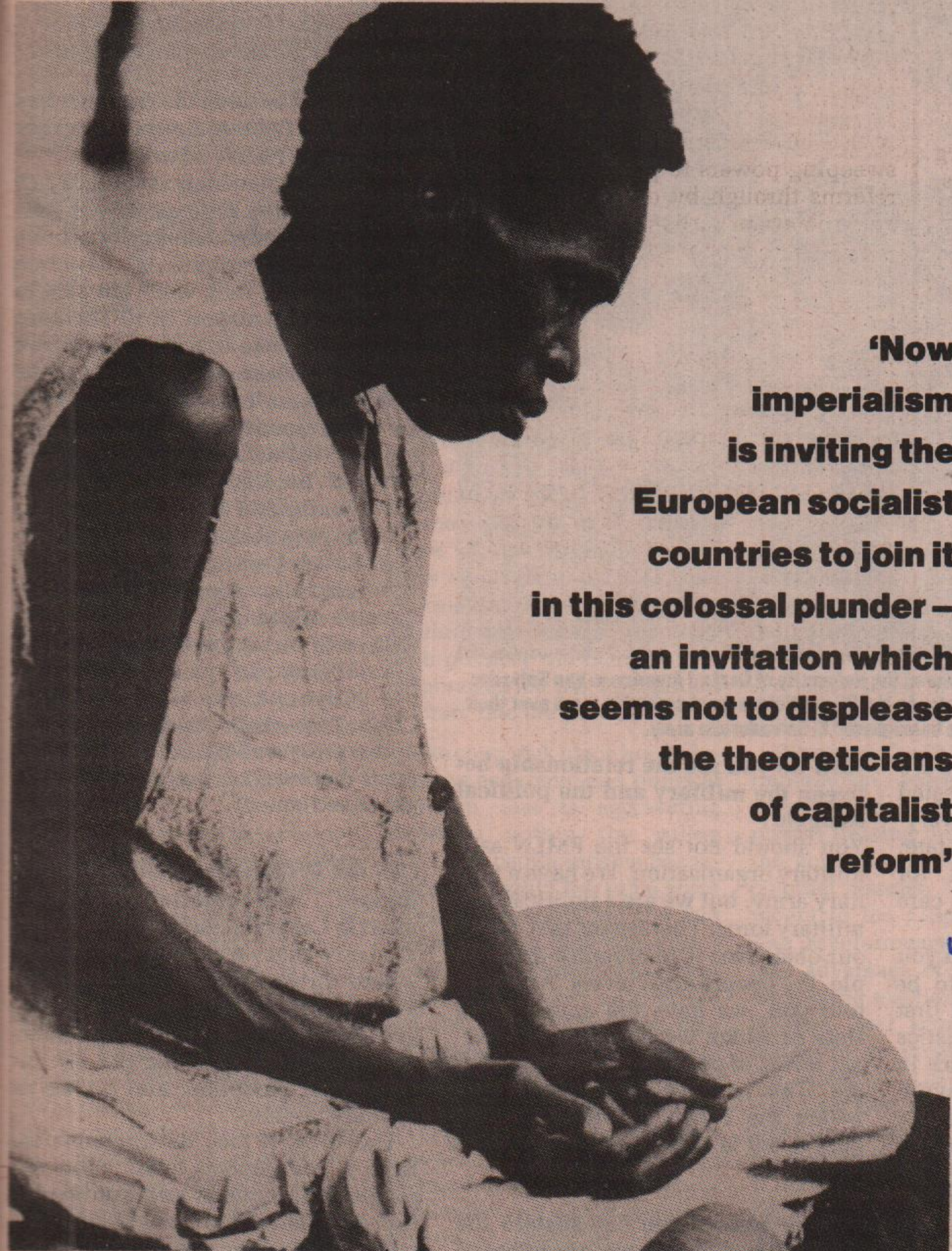
counter to the solidarity that all revolutionaries can and should extend to one another. Moreover, a revolution is a process that may advance or regress, a process that may even be frustrated. But above all, communists must be courageous and revolutionary. Communists are duty bound to struggle under all circumstances, no matter how adverse they may be. The Paris Commune struggled and died in the defence of their ideas. The banners of the revolution and of socialism are not surrendered without a fight. Only cowards and the demoralised surrender - never communists and other revolutionaries.

IMPERIALISTS URGE EUROPEAN SOCIALISTS TO JOIN THEIR PLUNDER OF THIRD WORLD

Now imperialism is urging the European socialist countries to become recipients of its surplus capital, to develop capitalism and to join in plundering the Third World countries. It is a well-known fact that a large part of the developed capitalist world's wealth comes from the unequal terms of trade it maintains with the Third World countries. For centuries those nations were plundered as colonies. Millions of their sons and daughters were enslaved. Their gold, silver and other mineral resources were exhausted. They were pitilessly exploited and underdevelopment was imposed on them. Underdevelopment was the most direct and clearest consequence of colonialism. Now those nations are being squeezed dry by means of interest payment on an endless, unpayable debt, while ridiculously low prices are paid for their commodities and they are forced to pay ever higher prices for the industrial goods they import. Financial and human resources are constantly being drawn away from those nations through the flight of capital and the brain drain. Their trade is blocked by dumping, high tariffs, import quotas, synthetic substitutes produced through advanced technological processes and subsidies for the developed capitalist countries' products when they aren't competitive.

Now imperialism is inviting the European socialist countries to join in this colossal plunder - an invitation which seems not to displease the theoreticians of capitalist reform. Thus in many of those countries no one speaks of about the tragedy of the Third World, and their discontented multitudes are guided toward capitalism and anti-communism - and in one country, towards Pan-Germanism. Such developments may even lead to fascist trends. The prize promised by imperialism is a share of the plunder wrested from our peoples - the only way of building capitalist consumer societies.

Right now, the United States and the other capitalist powers are much more interested in investing in Eastern Europe than in any other part of the world. What resources can the Third World - in which billions of people live in sub-human conditions - expect from such developments?



'Now imperialism is inviting the European socialist countries to join it in this colossal plunder - an invitation which seems not to displease the theoreticians of capitalist reform'

ION pendence

A ONE-SIDED PEACE?

They speak to us of peace, but what kind of peace? Of peace between the major powers, while imperialism reserves the right to intervene in and attack the Third World countries. There are more than enough examples. The government of the United States demands that no one help the El Salvadorean revolutionaries and tries to blackmail the USSR into ending its economic and military assistance to Nicaragua and Cuba because they express solidarity with the Salvadorean revolutionaries, even though we abide strictly by our commitments concerning the weapons supplied by the USSR, in accord with

— but also in any other Third World country.

The consecration of the principle of universal intervention by a major power spells an end to independence and sovereignty in the world. What kind of peace and security can our peoples have other than that which we ourselves achieve through our own heroism?

The elimination of nuclear weapons is an excellent idea. If it were more than simply utopian and could be achieved some day, it would be of unquestionable benefit and would increase world security — but only for a part of mankind. It would not bring peace, security or hope to the Third



'The Paris Communards struggled and died in the defence of their ideas.

The banners of the revolution and of socialism are not surrendered without a fight'

the agreements signed between our sovereign nations. Meanwhile, that same imperialist government which is demanding an end to solidarity with the Salvadorean revolutionaries is helping the genocidal Salvadorean government and sending special combat units to El Salvador supporting the counter-revolution in Nicaragua, organising coups d'état in Panama, sending military aid to UNITA in Angola — in spite of the successful peace agreements in South Western Africa — and continuing to supply the rebel forces in Afghanistan with large amounts of weapons, ignoring the Geneva accords and the fact that the Soviet troops have withdrawn.

Only a few days ago, US air force planes insolently intervened in the internal conflict in the Philippines. Regardless of whether or not the rebel forces had good cause for their action — which it is not our place to judge. The US intervention in that country is a very serious matter and is an accurate reflection of the current world situation, showing that the United States has taken upon itself the role of gendarme, not only in Latin America — a region it has always considered its private preserve

World countries. Imperialism doesn't need nuclear weapons to attack peoples. Its powerful fleets, which are stationed all over the world, its military bases everywhere, and its ever-more sophisticated and lethal conventional weapons are enough to ensure its role as the world's master and gendarme.

Moreover, 40,000 children, who could be saved, die every day in our world because of underdevelopment and poverty. As I've said before — and this is worth repeating — it's as if a bomb similar to the ones dropped on Hiroshima and Nagasaki were dropped every three days on the poor children in the world.

If these developments continue on their present course and the United States isn't forced to renounce these concepts, what new way of thinking can we speak of? Following this course, the bipolar world which emerged in the post-war period will inexorably become a unipolar world under US hegemony.

SOCIALIST RECTIFICATION IN CUBA

In Cuba, we are engaged in a process of rectification. No revolution or truly socialist rectification is possible

without a strong, disciplined, respected party. Such a process cannot be advanced by slandering socialism, destroying its values, casting slurs on the Party, demoralising its vanguards, abandoning the Party's guiding role, eliminating social discipline and sowing chaos and anarchy everywhere. This may foster a counter-revolution, but not revolutionary changes.

The US imperialists think that Cuba won't be able to hold out and that the new situation in the socialist community will inexorably help them to bring our revolution to its knees.

Cuba is not a country in which socialism came in the wake of the victorious divisions of the Red Army. In Cuba, our people created our socialist society in the course of a legitimate heroic struggle. The 30 years in which we have stood firm against the most powerful empire on earth, that sought to destroy our revolution, bear witness to our political and moral strength.

Those of us in our country's leadership aren't a bunch of bumbling parvenus, new to our positions of responsibility. We come from the tanks of the old anti-imperialist fighters who followed Mella and Guiterras, who attacked the Moncada and came on the *Granma*, who fought in the Sierra Maestra, in the underground struggle and at the Bay of Pigs, who were unshaken by the October missile crisis, who have stood firm against imperialist aggression for 30 years, who have performed great labour feats and have carried out glorious internationalist missions. Men and women from three generations of Cubans are members and hold posts of responsibility in our battle-seasoned party, our marvellous vanguard young people's organisation, our powerful mass organisations, our revolutionary armed forces and our Ministry of the Interior.

In Cuba the revolution, socialism and independence are indissolubly linked. We owe everything we are today to the revolution and socialism. If Cuba were ever to return to capitalism, our independence and sovereignty would be lost forever. We would be an extension of Miami, a mere appendage of US imperialism, and the prediction that a US president made in the 19th century, when that country was considering the annexation of Cuba — that our island would fall into its hands like a ripe fruit — would be proved true. Our people are and will always be willing to give their lives to prevent this. Here, at Maceo's tomb*, we recall his immortal phrase: 'Anyone who tries to seize Cuba will win only its blood-soaked soil, if he doesn't perish in the struggle first'.

We Cuban communists and the millions of our people's revolutionary soldiers will carry out the role assigned to us in history, not only as the first socialist state in the Western hemisphere but also as staunch frontline defenders of the noble cause of all the destitute, exploited people in the world.

We have never aspired to having custody of the banners and principles which the revolutionary movement has defended throughout its heroic and inspiring history. However, if fate were to decree that, one day, we would be among the last defenders of socialism in a world which US imperialism has realised Hitler's dreams of world domination, we would defend this bulwark to the last drop of our blood.

These men and women whom we are laying to rest today in the land of their birth gave their lives for the most treasured values of our history and our revolution.

We will follow their example. Eternal glory to them. Socialism or death. Patria o muerte. Venceremos!

* We thank the Cuban Embassy for giving us a translation of this speech a few days after it was given. It has been cut for reasons of space.

** Antonio Maceo, Cuban leader in the wars of independence against the Spanish.

EASTERN EUROPE

SOCIALISM in retreat

The momentous changes, sweeping so rapidly across the socialist countries of Eastern Europe, are fundamentally altering the context in which the communist movement developed its strategy and tactics over the past four or five decades. With bewildering speed many old and seemingly unshakeable certainties are being challenged and hurled into irrelevance. Almost overnight the bourgeoisie sighs with tremendous relief. According to them, communism — the main threat to bourgeois property and its attendant 'civilisation' — has proved to be only a transient spectre, a failure now vanishing into history. EDDIE ABRAHAMS examines the realities of counter-revolution.

I.

To a greater or lesser extent, in Hungary, in Poland and Czechoslovakia, in the German Democratic Republic and in Bulgaria, a dangerous counter-revolutionary process has been unleashed. Many will find it hard to believe that counter-revolution can take the form of mass peaceful demonstrations on the streets calling for freedom. But it will become clear, as it already has in Poland, that those leading the movement are not intent on reforming and revitalising the socialist system but sweeping it away and with it all the gains the working class has made in those countries — social welfare, full employment, housing, education and health.

The commitment to freedom of the influential petit-bourgeois sectors leading this movement will soon prove secondary to the priority of capital accumulation. In Poland Lech Walesa has argued that the Solidarity-led government should be given sweeping powers to push economic reforms through by decree to overcome delays in parliament.

This has happened now for two reasons. First, the reactionaries have seized the moment at which the Soviet Union has made clear its inability to sustain and defend socialism in Eastern Europe. Secondly, the leaders of these movements have been able to exploit the profound alienation of the working class from the Communist Parties with the former playing a passive role in the political life of Eastern European countries.

By exploiting the profound disenchantment with and hostility to the ruling Communist Parties, these counter-revolutionary elements were able to play a key role in mobilising the mass movement and in taking its leadership. In one form or another, these movements (Solidarity in Poland, New Forum in the GDR, the Civic Forum in Czechoslovakia and the Union of Democratic Forces in Bulgaria) have effectively ended Communist Party rule.

Under the guise of advocating generic non-class 'reform' to 'benefit all', the organised opposition in Eastern Europe is conducting a conscious pro-imperialist class battle on the economic and political front. They are demanding the replacement of the planned economy by a capitalist one and the introduction of rights to allow them to organise independently of and in opposition to the working class.

Such 'reforms' stand in total contradiction to the interests of the majority of the population. Yet the success of the counter-revolutionaries in dragging hundreds of thousands behind this programme is testimony to the thorough degeneration of the ruling Communist Parties. They have lost all standing and respect among the people and have transformed once proud parties into vehicles for privilege and career. With the Communist Parties discredited and the working class lacking its own independent voice the counter-revolutionaries are surging forward with unprecedented confidence.

II

When urged to offer economic aid to the GDR, the West German Finance Minister, Theo Waigel refused:

'In no way will we finance the past or a new form of socialist planned economy in East Germany.'

Chancellor Kohl pressed the point home by stating:

'Without a fundamental reform of the economic system, without scrapping the planned economy and erecting a market-based order, all assistance will be futile.'

The IMF, major imperialist banks and imperialist states are preparing proposals for multi-billion dollar aid packages to Eastern Europe. All these will be conditional on accelerating market reforms and privatisation, on austerity programmes and on price reforms which will eliminate subsidies on food and other essentials for the working class. The first results of such reforms can be seen in the unemployment queues and soup-kitchens in Poland. Here prices for bare essentials have rocketed and the population is left hungry while meat is exported for foreign exchange to pay interest on vast foreign debts.

The imperialist bourgeoisie recognise that socialism can finally be proclaimed dead only when the planned economies have been totally dismantled. They understand that politics is ultimately determined by economics and that the antithesis between capitalism and communism is to be found in the irreconcilable contradiction between the market and the planned economy. It is, therefore, to the destruction of the planned economy that they are directing their efforts, for as it collapses so do all the obstacles standing in the way of

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predatory imperialist capital transforming the region into a pool of cheap labour and cheap raw materials. As a spokesperson for Fiat put it, Eastern Europe will be like the Third World, but on Europe's doorstep.

This imperialist economic programme is actively endorsed by the dominant and organised trend in the Eastern European opposition. The Czechoslovakian Civic Forum, for example, is 'convinced that this (planned) economic system cannot be improved. We want to create a developed market . . . and real competition.' And an advisor adds that 'We need a Madam Thatcher here.'

In Bulgaria and East Germany the opposition has made market reforms a major plank of their platforms. In Hungary, the privatisation of the economy is being led by the ruling party itself. In Poland Lech Walesa, once beloved of the British left, has offered Poland and its working class for sale to US and European capital. In the USA he appealed: 'We seek buyers for 80% of the Polish economy . . . In Eastern Europe you can make the business deals of the century . . .'

Alongside this reactionary economic programme, the counter-revolution has a worked-out political programme. In every Eastern European country we hear demands for an end to the 'leading role of the Communist Party', 'free elections', 'free press', 'freedom of conscience'. Running alongside these 'freedoms' are demands for prohibitions on any political organisation in the workplace. These anti-working class elements, whilst demanding freedom for themselves, try to stop the working class defending its own interests.

The imposition of bourgeois 'freedoms' has already produced reactionary results. Proponents of capitalist restoration can now organise without fear of suppression. The fascist West German Republican Party is preparing to take part in 'democratic elections' in the GDR, and is distributing leaflets on working class estates. Pro-Nazi contingents are marching on the weekly demonstrations in Leipzig. In Poland millionaires, and in their wake anti-semitic fascists, flaunt themselves in public life, while Jacek Kuron, Minister of Labour in the new Solidarity government, is preparing laws to ban strikes.

III

To understand the origin and the survival of counter-revolutionary forces it is necessary to turn to the legacy of 1945-1955 - the period of the establishment of the socialist countries of Eastern Europe. The ruling Communist Parties proved too weak to destroy the influence of the bourgeoisie and petit-bourgeoisie. In agriculture, and even in industry, a significant proportion of the economy remained in bourgeois hands, while petit-bourgeois social-democratic elements infiltrated the state, the party and economic apparatus.

Socialism triumphed to a great extent because of the presence of the victorious Red Army, rather than as a result of working class uprisings. Unable to rule alone, the Communist Parties went through a process of mergers or federations with social-democratic organisations which increased the weight of opportunism within the ruling parties. From the inception of socialism in Eastern Europe the connection between the Communist Party and the working class was weak and already tainted by opportunist bureaucratic features.

As a result of these factors, there was no thorough destruction of the old bourgeois state apparatus. The dictatorship of the proletariat was not exercised effectively and the working class was not drawn into active participation in the planned economy and in political life. Bourgeois, bureaucratic and anti-democratic meth-

ods prevailed. Forgotten were the proletarian principles of the Paris Commune: the abolition of Parliamentarianism and its replacement by direct working class democracy, the uniting of the legislative and executive arms of the state in the hands of an armed self-governing working class, the payment of the average working class wage to state functionaries and working class delegates, the right of immediate recall of all party and state personnel.

Imperialism, therefore, had a strong foothold which it has used to undermine socialism. In addition, COCOM prevented socialist countries gaining access to modern technology. Through its destructive arms race it helped distort the socialist economies forcing them to divert key resources from civilian to military construction. With each major anti-imperialist and anti-capitalist victory imperialism responded with savage war - Korea, Vietnam, Angola, Mozambique, Afghanistan, Kampuchea. In these conditions, it proved virtually impossible to develop the socialist economies internationally, let alone in Eastern Europe itself.

These processes accelerated the existing trend towards corruption, privilege and bureaucracy in the communist parties. Whilst accumulating the gross privileges recently exposed in the GDR and Bulgaria, they stifled honest working class criticism of these distortions. However, the anti-privilege current in the GDR, for example, is rapidly becoming an excuse for communist baiting. Today the Communist Parties do not have the political and moral strength to combat counter-revolution.

IV

Developments in Eastern Europe are by no means a foregone conclusion. The anti-working class and anti-communist forces now have the initiative. But, as the positive gains made by the Eastern European working class during the past four decades are undermined and as the capitalist market creates poverty and unemployment, once again the working class will begin to organise and resist.

We would do well to heed the words of Daniel Passant, deputy editor of *Polityka*, the Polish Communist Party paper:

'The left will not perish completely. Socialism left durable traces in people's consciousness. The trend towards re-privatisation - the re-establishment of private schools, the rich villas and limousines of the new bourgeoisie, the Church's great influence, the revival of right-wing nationalism and obscurantism, deeper and deeper poverty and the spectre of unemployment in a market economy - will create a climate for the left's revival. This will be a new left, smaller but more authentic than the traditional models of the past . . .'

Furthermore, during the next state of its struggle, the working class in Eastern Europe and internationally starts from a higher level. Since the second imperialist war the working class has grown enormously not just in Eastern Europe, but in South Africa, Latin America and South East Asia. So drunk is the bourgeoisie celebrating the retreat of socialism on one front, that it fails to see the millions who are digging its grave. It fails to see that the difficulties and problems presently confronting socialism are neither inherent nor inevitable but a product of imperialist warmongering, opportunist crimes and the mistakes the proletariat is bound to make on its road to final victory. It cannot understand as long as imperialism exists to exploit, oppress and murder, it will never be left at peace and the masses will never cease to fight for its destruction and for the ultimate liberation of humanity. ■

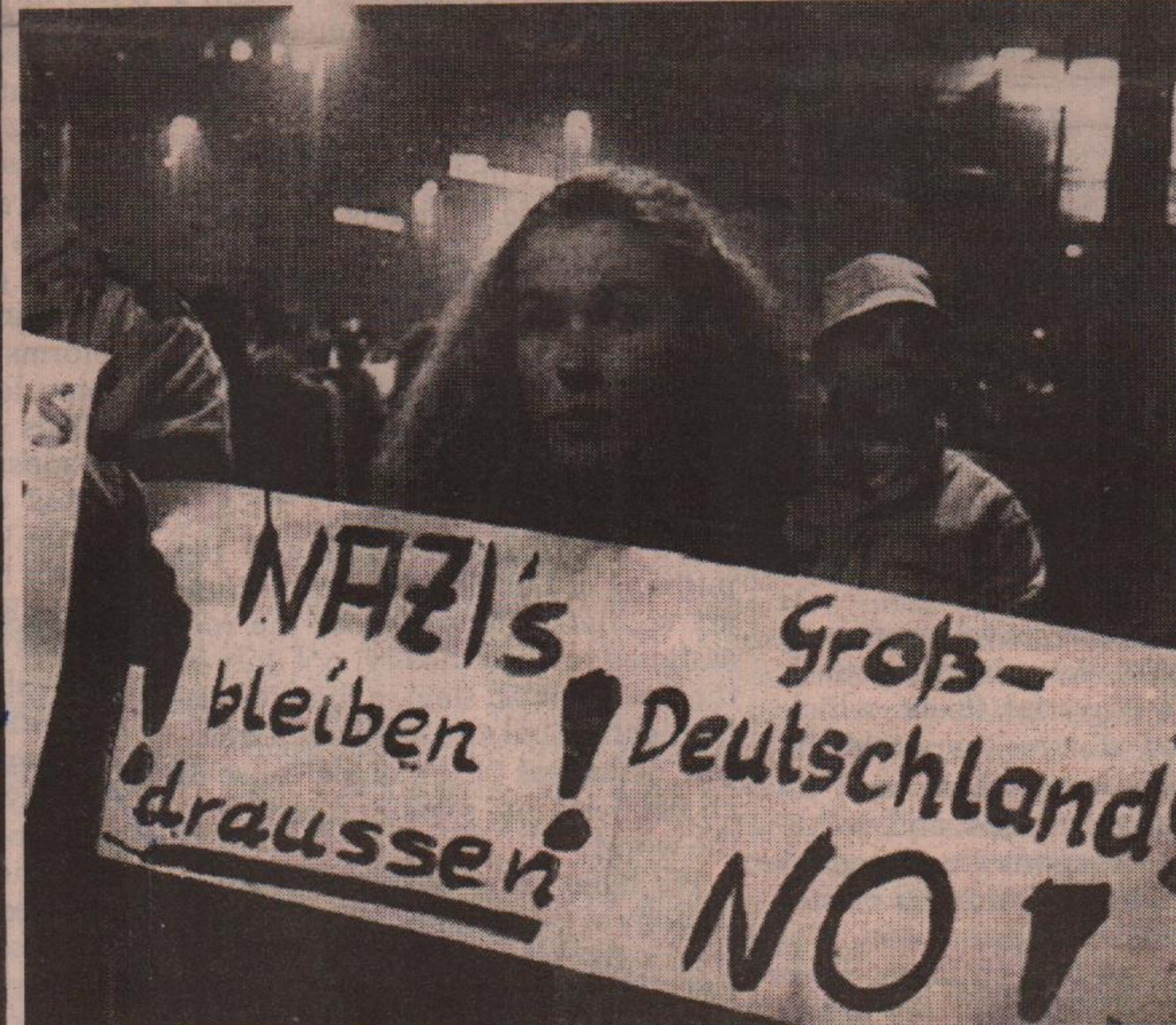
IMPERIALISM and the division of Germany

In recent weeks the mass movement in the German Democratic Republic has split between those favouring reunification with imperialist Germany, and those calling for a renewal of socialism in a sovereign GDR. The unifiers have been promoted by right-wing groups in West Germany, including Chancellor Helmut Kohl's Christian Democratic Union. Over 40 years ago it was the Soviet Union which persistently argued for a united Germany, but the British and American imperialists instead decided to use Germany as a major political and military weapon in the 'cold war' against the Soviet Union and communism. Now that they believe they have defeated socialism, a coalition of right-wing reactionaries and social democrats are keen to promote a reunified capitalist Germany. DALE EVANS looks at the historical background and shows that the imperialist view of whether Germany should be divided has always been dictated by one thing - the economic and political interests of imperialism.

The conference at Potsdam - just outside Berlin - in July 1945 was the last meeting between the leaders of the Allies. Truman was the new President of the USA and during the conference Clement Attlee and Ernest Bevin of the new Labour government replaced Winston Churchill and Anthony Eden of the wartime coalition government. Despite the virulence of Truman's and Bevin's anti-commun-

reparations from the western zones for the Soviet Union were halted; and the pace of denazification drastically slowed as the British and Americans came to rely heavily on ex-Nazi officials. Wilfred Burchett, correspondent for the *Daily Express*, said that '... from the moment the question was raised, the Russians fought for a united Germany, and the west opposed it.'

'From the moment the question was raised, the Russians fought for a united Germany, and the west opposed it'



GDR demonstrators reject unification and Nazism

ism the parties agreed to bring the whole of German political and economic life under strict Allied control. The principle of a united Germany was accepted, and a programme for denazification enacted. Germany and the capital, Berlin, were split into four zones, controlled by France, Britain, USA, and the Soviet Union.

The Potsdam agreement should have provided a solid basis for an eventual peace treaty, with Germany as a demilitarised, neutral and unified state. However, Britain and the USA worked against the Potsdam agreement and for the organisation of a separate state. A joint economic zone was set up without the inclusion of the Soviet Union, currency reform took place without the Soviet Union;

In March 1947 the four foreign ministers met in Moscow to come to a conclusion on the German question. The position of the Soviet Union was simple. It argued for the creation of a united Germany; the payment of \$10 billion reparations (\$128 billion worth of damage had been caused by the Nazi invasion of the Soviet Union); the raising of German output to pay reparations; and the bringing of the Ruhr industrial region under four-power control. Britain and the USA stalled on most of these questions, with France vehemently arguing against the creation of a united Germany. France, which was not part of the Potsdam conference, was brought into the Allied Control Council and the foreign ministers con-

ference to veto anything the British and Americans did not want.

The conference lasted six weeks, finishing without any comprehensive agreement. The crucial issues for the Soviet Union of reparations and a unified German state were left unsettled. With hindsight there could in fact be no political settlement, for on 12 March President Truman made his infamous statement that the USA was to give military and economic aid to the fascist regimes of Turkey and Greece. In Greece this meant support to the Greek monarchist-fascist government to defeat the democratic movement and army led by the Greek Communist Party. This policy of overt and covert intervention against national liberation movements was known as the Truman Doctrine. Although this policy had no direct influence at the Moscow conference, it was the reality of American foreign policy and meant that the principles of Potsdam had long been abandoned by the imperialists.

The split between the allies was further exacerbated by the launch of the European aid programme by the Secretary of State Marshall in June 1947. The Marshall Aid programme was an attempt to rebuild the capitalist economies of western Europe; destroy communist influences in the working class; build political structures loyal to US imperialism; create purchasing power in Europe for American commodities; and finally undermine Soviet influence in Eastern Europe. Although the Soviet Union was not exempt, the political conditions of aid meant that it could only refuse. Between 1947 and 1952 West Germany received Marshall Aid to the value of \$4 billion. In 1945 the Soviet Union had tried to begin negotiations for a loan of \$6 billion for reconstruction; in fact it received nothing.

The London foreign ministers conference met in January 1948 without result. Later in 1948 the imperialists attempted to flood the Soviet zone with new currency; this led to the Berlin Blockade. March 1949 saw the creation of the Federal Republic of Germany. This situation was clearly what the USA and Britain had hoped for. In a closed session of Congress in 1949 John Foster Dulles said: 'Russia has indicated her willingness to withdraw if we do the same, and we are not willing to do the same.'

In 1949 the anti-communist North Atlantic Treaty Organisation was established. The long-term aim of imperialism was to remilitarise the West German state. West Germany's first Chancellor and CDU leader Konrad Adenauer proved to be a loyal friend of imperialism. He banned the Communist Party in Germany and vigorously campaigned against anti-militarists. Denazification was halted: in 1952 85 per cent of all officials in the West German foreign ministry were former members of the Nazi Party. He also declared his intentions to reunify the two Germanies by force and reincorporate 'German' eastern territories which had been annexed by Poland in 1945. The Paris conference of 1954 allowed the remilitarisation of West Germany, and its eventual entry into NATO. The division of Germany was now complete and was the result of the western imperialists launching of the cold war. ■

■ Violations of human rights

Amnesty International Report 1989, £12

The Amnesty International Report 1989 is in fact a record of the year 1988 and the work undertaken by Amnesty in that period. The book is divided by continent, then subdivided into countries; each subsection beginning with a short summary, followed by a more detailed account. Some accounts examine the political background; others, usually in those cases where the government is stable, simply catalogue the violations of human rights which have taken place and the action Amnesty International has taken about them.

This is a useful book. If you need any proof, for example, that the country which claims to be the most advanced in the world is among the most barbarous, you need only turn to the chapter on the US where you find that:

'At the end of the year 2,182 prisoners... were under sentence of death in 34 states.'

'Robert Streetman... was executed by lethal injection in Texas on 7 January after the US Supreme Court denied a stay by a tied four-four vote. The court had indicated that a stay of execution might be granted if a new appeal was made but the Texas Attorney General refused a reprieve to allow lawyers time to do this. Robert Streetman was kept waiting before his execution for more than three hours. For part of this time he was strapped to a stretcher in the death chamber.'

'Two mentally ill prisoners... were executed... Wayne Felde, a former Vietnam war veteran, had been diagnosed in 1979 as suffering from post-traumatic stress disorder. He was convicted in 1981 of the murder of a police officer. Leslie Lowenfield, convicted of murdering his estranged girlfriend and four members of her family, was diagnosed as a paranoid schizophrenic who was



Electric chair still in use in US

'currently unable to understand the death penalty.'

The section entitled 'Israel and the Occupied Territories' highlights the 25,000 plus arrests of Palestinians including children which took place in the first year of the Intifada, the 300 people shot dead, the deliberate security force policies of breaking hands and feet and misusing teargas so it results, not in crowd control, but in death by suffocation.

The section on the 'United Kingdom' examines the Gibraltar shootings, the Broadwater Farm trials, the PTA, shoot-to-kill and the then current state of the appeals of the Birmingham 6 and Guildford 4. It quotes a government response to one of its letters about Gibraltar in which Amnesty International are accused of being 'offensive' and 'prejudiced.'

Amnesty International's credo is laid out at the beginning of the report: 'Amnesty International is a worldwide movement independent of any

government, political persuasion or religious creed. It plays a specific role in the international protection of human rights:

- it seeks the *release of prisoners of conscience*. These are people detained for their beliefs, colour, sex, ethnic origin, language or religion who have not used or advocated violence;
- it works for *fair and prompt trials for all political prisoners*;
- it opposes the *death penalty and torture* or other cruel, inhuman or degrading treatment or punishment of all prisoners without reservation.' (Amnesty's italics.)

This espousal of only prisoners who have not used or advocated violence is well-known. It led Amnesty in the past to refuse to campaign for Mandela and other ANC prisoners although they have since stated that he should be freed. It leads them to distinguish between 'political prisoners' and 'prisoners of conscience,' a distinction which becomes fairly meaningless in countries such as South Africa or Chile. And the syntax



Israeli soldiers violently arrest a demonstrator during the Gaza uprising

of the policy statement appears to imply that *if* a man or woman *does* use or advocate violence, it then becomes acceptable to imprison them, not for that in itself but for 'their beliefs, colour etc.'

It sometimes becomes irritating to read through this 'objective' examination of human rights in a world where things are *not* equal, where the execution of a corrupt general by the revolutionary government of Cuba is blatantly not the same as the judicial killing of ANC activists in South Africa; where the ex-Somocistas locked up in Nicaragua cannot be equated with freedom fighters interned in the other Latin American regimes. Amnesty claims that it 'does not grade governments according to their records on human rights: instead of attempting comparisons it concentrates on trying to end the specific violations of human rights in each case.' However, this apparently objective approach ignores the political interrelations between countries, the role of power-blocks and, of course, the role of imperialism.

This said, the Amnesty Report's authors are perceptive in their critique of recurrent features among the worst offenders. The names of El Salvador, Guatemala, Peru, the Philippines, Turkey, Colombia and Syria

reappear time and again in the introduction to the report where Amnesty makes it clear that it is not fooled when:

'Governments continue... to attempt to deflect criticism of murder by their own forces by references to the acute circumstances of internal armed conflict and to criminal behaviour of non-governmental groups.'

There are one or two surprises in the book: the glowingly favourable report on Libya, contrary to everything alleged in the Western bourgeois press, the complete omission of anything on New Zealand and an extreme example of Amnesty's liberalism in the almost touching account of 100 Dutch police officers who launched a letter-writing campaign to 500 of their counterparts in South Africa, presumably asking them to mend their ways!

In general the Report is well-researched and systematically presented. It provides useful background material and, although expensive for individuals, is a good reference book for political organisations to purchase.

Nicki Jameson

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■ Under class oppression

Losing Out: The Emergence of Britain's Underclass. Frank Field, Blackwell, 1989. £7.95

'The same causes which develop the expansive power of capital, also develop the labour power at its disposal. The relative mass of the industrial reserve army thus increases with the potential energy of wealth. But the greater this reserve army in proportion to the active labour army, the greater is the mass of a consolidated surplus population, whose misery is in inverse ratio to the amount of torture it has to undergo in the form of labour. The more extensive, finally, the pauperised sections of the working class and the industrial reserve army, the greater is official pauperisation. *This is the absolute general law of capitalist accumulation.*' (Marx, *Capital* Vol 1, p 798 Penguin Edition).

Frank Field, though he would not concede it, has written a book illustrating the general law of capital accumulation. What is remarkable is that for three-quarters of the book he produces such an indictment of this law. A self-opinionated right-winger he may be, but, unlike a lot of his op-

ponents to his left, he knows his subject inside out. He shows us what the reserve army of labour is, how it was created, who makes it up, and how it is sustained. He has distilled a large amount of statistical detail, and, despite its daft political conclusions, this is an invaluable book.

The first part of Field's book is concerned with establishing the facts of poverty: the number (8.2 million dependent on supplementary benefit) compared with 4.4 million in 1979; the high proportion of single-parent families (nearly 40 per cent of the bottom 20 per cent of earners); the poorer levels of health, life expectancy and educational achievement. Whilst the existence of long-term unemployment is singled out as the crucial factor in the growth of an impoverished stratum of the working class, Field is sensitive to the impact that the crisis has had on low-paid workers. In 1979, the pay of the lowest decile (10 per cent) of male manual workers was 68.3 per cent of median earnings; in 1987, it was 61.9 per cent. For non-manual male workers, the figures were 63.4 per cent and 55.9 per cent respectively; sex made little difference: female figures were 75.5 per cent and 72.3 per cent for manual

workers, 69.2 per cent and 64.6 per cent for non-manual workers. In other words, low paid workers were relatively even worse paid compared to the rest of the employed working class.

Field documents some of the instruments that the government has used to augment the effect of unemployment in increasing poverty - the abolition of the Fair Wages Resolution, the abolition of Schedule 2 procedure, the dismantling of part of the Wage Council machinery, especially in relation to young workers, and the various schemes such as the New Worker Scheme to subsidise low-paying employers. However, he unfortunately separates this off from the section on the 'secondary labour market' - the temporary and part-time labour market. This is the 'flexible' labour market, where a section of the industrial reserve army gains a tenuous hold on employment. It is 'flexible' in so far as capital defines it as flexible - low security, low pay, few if any fringe benefits, unorganised and uncontrolled by health or safety regulations. One in three workers now form part of this section of the reserve army: 4.5 million in part-time jobs, 40 per cent of the EC total, and 1.3 mil-

lion in temporary jobs (more than double the 1981 total). One quarter of all male and one half of all female workers now make up such 'flexible' workers. The existence of massive underemployment on top of unemployment was until recently a hallmark of an underdeveloped or neo-colonial economy. Now it is a permanent feature of the most decadent imperialist economy in the world.

Field shows how this section of the population is chained by the poverty-trap. What this means is that for someone receiving means-tested assistance, a £1 increase in wages triggers off such loss of benefit that the pound all but disappears. Some 78 per cent of families now receiving family credit are above the tax threshold, and so fall within the trap:

'For a full-time working family paying income tax and national insurance contributions, and receiving income-related benefits, an extra £1 of gross earnings can lead to an increase in income tax of 25p, a 9p increase in national insurance contributions, a 46p reduction in family credit, and a 17p reduction in housing benefit - a total of 97p'. (p129)

Hence it is made almost impossible for the reserve army of labour to escape the cycle of dependency.

Field's political conclusions are uninteresting, but there are two or three points worth noting. Firstly, unlike the majority of his ilk (and of his erstwhile critics), he notes that one

crucial element of Thatcher's boom has been the export of capital, pointing out that earnings on overseas investments rose from £5,799 million in 1980 to £16,567 million in 1987. But he can draw no political conclusion from this.

A further point concerns the political role of this reserve army. Although he notes that it is tending to exclude itself from the rights of citizenship, a process that the poll tax will reinforce, he does not regard it as posing a threat to public order. Although there have been a number of riots, his view is that in proportion to their burdens, the response of the oppressed has been muted. 'Desperately deprived groups', he writes, 'do not organise to bring about the downfall of a political system.' But then neither do relatively privileged groups. What is missing - in Field's approach as well as in reality - is a political dimension. It is true that deprivation on its own does not create a class consciousness, and certainly has not done so in Britain. But deprivation that is a result of direct political oppression will in the long run breed resistance. That it has taken rather longer to develop than might have been expected is a matter that is beyond the scope of this review. But it is precisely in this area of political response that Field is frankly banal. Read the book not for the last part, however, but for its concise treatment of the impoverishment of the oppressed of the working class.

Robert Clough

FIGHT RACISM! FIGHT IMPERIALISM!

'Cocaine capitalism' examines the cocaine trade in two parts. In part one **TREVOR RAYNE** examines the economic conditions that have generated the most profitable industry in Latin America. Part two looks at its political consequences, links with counter-revolution and impacts on US cities and the banks.

Cocaine capitalism

President Bush redeclared 'War on Drugs'. The British government dispatched a frigate and 50 military and police officers to Colombia. Police are raiding downtown Los Angeles and Tottenham. It is captivating headline stuff - for a fortnight. Three months after Bush signalled his intent to crush the drug trade, his 'drug czar' William Bennett is denying rumours that he is threatening to resign because of the lack of progress made.

The world's illegal drug trade is valued at \$500 billion. Cocaine is the world's most profitable item of trade. Its worth, at wholesale prices, varies between five and seven times its weight in gold. Annual cocaine production generates approximately twice the revenue of the world's output of gold. Colombia alone produces sufficient for five billion dosages a year which would retail at between \$20 billion and \$100 billion, depending on the degree of purity and markets used. Los Angeles' Federal Reserve Bank reported a \$3.8 billion cash surplus earlier this year as money laundering diversifies out of Florida. The House of Commons Home Affairs Committee issued a report describing Britain as an 'off-shore banking centre' for drug traffickers, who are circulating an estimated £1.8 billion through the British financial system.

Drug money courses through every vein, supplies every organ of capitalism, right into its financial heart. Those who aspire to its fortunes could do little better than to deal in drugs. In a system where money is power, those who control the drug trade have to be reckoned with. Imperialism has never lost control of the global heroin business (see *FRFT* 58), but in the case of cocaine it has generated the social conditions in Latin America (where it is produced) and the USA (where most of it is consumed), to create a multinational whose organisation and ambitions reach beyond the boundaries imperialism specifies for it. This is the real significance of the *Financial Times*, the *Economist*'s and Milton Friedman's call to legalise it: they want to ensure the profit remains within the fold of their own ruling class and they fear the economic and social destabilisation that these massive profits bring when unregulated. Legalisation would allow the scale of the profits and their distribution to be controlled.

However, the 'War on Drugs' is more than an attempt to reap appropriate profits; it is a war against the consequences of imperialism itself: revolutionary liberation movements in Latin America and racially oppressed peoples within the heartlands. It is also 'war' waged against the very life blood of capitalism and as such it is a phoney war.

Cocaine and its crack derivative are capitalist drugs par excellence. In them you can see all the destruction that the domination of money over humanity brings. Crystalline, glittering; the short rush and euphoria followed by paranoia and depression, are metaphors for the facade and the substance of capitalist society.

WHERE IT IS GROWN: LATIN AMERICA

'The only raw material whose

value has increased is cocaine. The only successful transnational based in our countries is drug trafficking. The most successful efforts towards Andean integration have been made by drug pushers.' (President Alain Garcia of Peru at the United Nations in 1985.)

Imperialist exploitation of Latin America has made cocaine a thriving business. Its debt to the transnational banks was \$426 billion in 1988. In the five preceding years Latin American countries paid out approximately \$150 billion in principal and interest. A three per cent rise in US interest rates adds a further \$10 billion to the bill. The debt burden is made more unbearable by the collapse in Latin American commodity prices which resulted in a \$50 billion drop in revenue between 1976-86. For Bolivia and Peru, the two major countries growing coca (the leaf from which cocaine is produced), the purchasing power of their legal exports fell 39.9 per cent and 26.2 per cent respectively between 1981-86. Since the 1960s the agricultural sectors of the Bolivian, Peruvian and Colombian economies have all shrunk. They have not been replaced by a significant industrial growth.

Prices of the legal exports of these countries are controlled by a handful of transnational corporations and determined in London, New York, Tokyo etc. Nestlé, General Foods, Procter and Gamble, Unilever and fourteen other companies control 85 per cent of consumer countries' imports and 90 per cent of the world's coffee trade. Coffee amounts to a third of Colombia's export earnings. Its prices are now at their lowest level since the 1920s. 75 per cent of bananas are marketed by just a handful of companies: Geest and Fyffes dominate. The price of tin, formerly Bolivia's main export earner other than cocaine, is set on the London Metal Exchange. A dozen transnationals - Rio Tinto Zinc, Amax, Anglo-American etc - control 75 per cent of this market.

The consequences of their price manipulations are a profound indictment of capitalism. In 1988 Latin America recorded 0.6 per cent economic growth. Under and unemploy-

Drug trade death in Colombia



Children sleeping rough in the streets of La Paz, Bolivia.

ment in Bolivia, Peru and Colombia are 67 per cent, 60 per cent and 55 per cent respectively. With traditional commodities unable to sustain the rural work force, so the exodus to the cities accelerates and food production declines. Those who remain in the countryside had better grow coca: an Andean peasant can earn \$150 an acre a year growing maize, \$500 growing coca.

Cities are exploding. Lima, capital of Peru, population seven million, expands through rural migration by a thousand people each day. Bogota, capital of Colombia, has 4.5 million people and an extra 500 peasants every day; São Paulo's 17 million a further 2000.

Vast tattered armies camp in cardboard and corrugated-iron shanty towns. The 'informal sector' of the economy is growing: in Lima it is 60 per cent of the work force, Bogota 54 per cent, São Paulo 43 per cent. Exposed to the most hideous forms of exploitation, they shine shoes and car windows, sell gum, rob, deal and kill on the streets to survive. A third of Latin America's 434 million people are in hunger and poverty. The situation is degenerating.

The Continent has 40 million street children. 'In Rio, every month, about 100 children under three years old are abandoned in the streets or in the hospitals. In Acre [an Amazon state] impoverished mothers sell their young daughters to lorry drivers or gold prospectors as prostitutes. In São Paulo there are 1200 gangs of child criminals and between them they have 10,000 firearms.' (Report from the Roman Catholic Bishops of Brazil). Only 13 per cent of Brazilian children complete their compulsory eight years education. Child labour is common. Two thirds of working children in Brazil, not an exception but a standard for the continent, earn half the minimum wage: a 58 hour week for just £5. 'When you go on the street, you know you're in the middle of a war. If you don't kill you die'.

The cocaine trade has spread across South America. The disastrous debt repayments and terms of trade proscribe other means of accumulation for local aspirant capitalists. They have a ready-made work force prepared to risk the dangers of illegality to get out of crushing poverty. What is required is access to the

US and European markets. Therein lies the pivotal role of the Colombian cartels. Colombia, with a long history of smuggling gems and marijuana to the north, is critically situated for the transit of produce from Bolivia and Peru to the USA and Europe.

COLOMBIA

Prior to 1972 Latin American cocaine production was a small scale, open-market business. In October 1972 the US Bureau of Narcotics and Dangerous Drugs held a conference in Bogota: 'Fighting the drug menace', 'saving our youth' etc. As a result the US intelligence services directed the Colombian police in a 'clean up' exercise. The small farmers and traders were shut down. Sections of the police and military established a monopoly production, processing and distribution industry. The Colombians were particularly helped by Cuban exiles based in Florida but located in most major US cities. They gunned rival distributors out of business. Dollar deposits in Colombian banks multiplied four fold over 1974-76. From 1978 to 1982 Colombia's international currency reserves tripled to \$6 billion. The central bank supervised the massive transfer of dollars into pesos - no questions asked. By 1984 the Medellin drug cartel was offering to pay off Colombia's \$12 billion foreign debt in exchange for the dropping of extradition charges against it.

Today Colombia's foreign debt stands at \$17.6 billion. Debt repayments consumed 48 per cent of 1988 legal export earnings. Coffee, at \$1.6 billion, earned a third of these. Since then its price has halved after the USA rejected the International Coffee Agreement price formula. This will cost Colombia six times the \$65 million Bush emergency aid in the forthcoming year alone. Six million Colombians are dependent on coffee for their livelihood. Even at its highest prices coffee earned Colombia about a third of the revenue brought in by cocaine. 'We need that money to keep the economy going. That's a sad but unequivocal reality', admitted an official of the Banco de la Republica.

BOLIVIA AND PERU

It is the same story in Bolivia and Peru. 'Ironically the greatest threat to

the Government's 10 per cent inflation rate target for 1987 would be the success of the cocaine eradication campaign.' (Lloyds bank *Economic Report for Bolivia* 1987) In 1985 Bolivia's inflation rate was 20,000 per cent, the highest since the 1923 German inflation, foreign exchange reserves collapsed and the number of tin miners fell 80 per cent in four months. The central bank began twice weekly auctions of pesos. Illegal cocaine exports were over 177 per cent the value of legal exports. The country was flooded with dollars that were recycled and deposited in US and European banks. The auctions soaked up pesos and the government built up its foreign exchange reserves. 'Private individuals face the minimum of enquiry when selling dollars to banks and exchange houses; it is thought that about 80 per cent of the dollars acquired in this way derive from the narcotics trade.' (Lloyds Bank Report) The 'eradication campaign' did not 'succeed'.

Peru's current inflation rate is approximately 800 per cent. During 1988 the economy's output fell 8.5 per cent. Between January-May 1989 it fell a further 22.8 per cent. The foreign debt is \$17 billion and Peru is \$5 billion behind with repayments. It is cut off by the IMF and transnational banks from new loans. Over half the cocaine consumed in the USA originates in Peru's Upper Huallaga Valley. Over half a million Peruvians are directly dependent upon the coca crop for their subsistence.

Were the 'War on Drugs' to be just that it would collapse at least three Latin American economies, trigger debt repayment defaults and bring imperialist client governments crashing to their knees.

Writing in the 15 October 1858 *New York Daily Tribune* on the cost to China of imported opium, forced on it by two wars waged by Britain to improve Britain's trade balances, Marx predicted 'the Chinese government will try a method recommended by political and financial considerations - viz: legalise the cultivation of poppy in China.' With bitter irony the opium returned to Britain to waste working class lives. Now crack returns the new Empire's crimes, but the victims, as before, are the working class - this time in US cities. ■