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On the Current International Situation

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International developments since the disintegration of the Soviet Union have vindicated the analysis made in the 14th Congress of the CPI(M) (Madras 1992). The political resolution of the Congress stated that:

The international situation in the period after the 13th Party Congress has been a stormy and difficult one for the forces of socialism, national liberation and the working class movement. The reverses suffered by socialism in the Soviet Union and earlier in Eastern Europe have altered the world balance of forces in favour of imperialism for the present. The process of restoration of capitalism in the countries of Eastern Europe, the course of dismantling socialism in the Soviet Union and the break up of the USSR in its old form are accompanied by a new imperialist offensive. This has grave repercussions for the socialist countries and the Communist movement, the struggle to safeguard national independence of the third world countries and for the forces of peace and democracy. It is in such an adverse situation that the revolutionary and progressive forces must work to overcome the present difficulties.

Cataclysmic developments took place in the early 1990s—the living conditions of the working people deteriorated sharply, and the disarray in the international communist movement enabled imperialism to launch a new all-out offensive. Today, however, there are encouraging signs that working class movements across the world are reviving. It is clear that although capitalism remains dynamic in terms of its ability to change and reorient the global economy, including our own economy, it is failing more and more obviously to address the needs and hopes of the vast mass of the people. In spite of the immense resources world capitalism has at its

disposal and its tremendous capacity for world domination, it is still exhibiting its intrinsic contradictions and inevitable limitations. Identifying the characteristics of modern-day imperialism and the current features of the international situation are of great importance in outlining the tasks which today face all progressive and democratic forces, including communists.

World Capitalist Economy

The world economy is tending towards greater regulations. The imperialist-driven globalization, as well as the effects of technological progress on the world scale, result in the weaker countries having to surrender more and more. Most of them are forced to privatize their core industries, their infrastructure and their productive sources, at the cost of sacrificing their sovereignty. What is termed economic 'reform' is, in fact, robbing their economic sovereignty. Following the collapse of the socialist countervailing power, US-led world imperialism has tried desperately to establish its hegemony, and has embarked on an offensive in the political, economic, and cultural fields.

This period, however, has also seen the intensification of all the four fundamental contradictions. In the 15th Congress of our Party (Chandigarh 1995) we had analysed and illustrated the character of the four contradictions when the US has mounted sustained pressure on the third world countries and the remaining socialist countries. While globalization has led to the unhindered circulation of transnational finance capital all over the world, the 16th Congress (Calcutta 1998) underlined that the overall development in the world capitalist system is marked by contrasting developments of a degree not seen earlier. The development of regional economic blocs noted by the 15th Congress reflects the existence of three major centres of world capitalism, their mutual rivalries, and their attempts to consolidate their positions. The European Union, with its drive to achieve monetary union, is one bloc. The other is NAFTA, led by the US, which is trying to extend it southwards into Latin America. The third bloc is led by Japan, and it seeks to expand its sphere of influence in East and South East Asia.

However, even with the existence of these three rival blocs, the US maintains its hegemonistic role in the imperialist system. In fact, US imperialism, strengthened by the current revival of its economy, is

seeking to further consolidate its global hegemony. The expansion of NATO eastwards, with the objectives of encircling Russia and including Poland, Hungary and the Czech republic as members of NATO, is a glaring expression of US designs. The United Nations, instead of promoting peace, disarmament, development, political solutions to conflicts, and international cooperation, has increasingly become an instrument of the hegemonistic policies of the US and its allies. The IMF, World Bank, WTO, NATO and UN, manipulated by the US and other imperialist powers, constitute the main pillars of the new order that seeks to impose the imperialist global economic agenda through manifold pressures and military interventions. These institutions, designed to serve the global interests of the multinational corporations, today form a *de facto* 'world government'. The democratic restructuring of the UN and its Security Council is urgently called for.

The real picture of the world resulting from this globalization bears no resemblance to the fantasies peddled by the neo-liberal free market advocates. The 'miracle' economies of East Asia are in shambles. Poverty rates, unemployment and inequality are increasing in the third world on a huge scale. The US attitude towards free markets is illustrated by its taking recourse to embargoes and sanctions, apart from invisible political and economic pressure, as weapons against a host of third world nations, including Cuba, Guatemala, Yugoslavia, North Korea, and India. All this radically violates the doctrine of free trade. Most sanctions since the Second World War, around 130 cases, have been initiated by the US alone.

The international situation is taking new turns rapidly. For the first time since the Second World War, Germany has gone to war last week (German fighter jets were pressed into service as part of the NATO strikes in Yugoslavia). In the last week of March, on the pretext of a North Korean spy boat intruding into its territorial waters, Japan (another member of the Second World War Axis Powers) has declared its objective to equip its naval destroyers. This stage-managed show has resulted in a rushing through of an about-turn in the Japanese defence policy, much to the chagrin of both domestic and international public opinion (including its neighbours China and North Korea).

The USA and other imperialist powers refuse to destroy nuclear weapons, thus sabotaging all efforts to achieve universal nuclear

disarmament. There was much propaganda that the end of the Cold War would see a marked reduction in armament expenditure, resulting in a 'peace dividend' benefiting entire humanity, but this is far from materializing.

World imperialism led by the USA is today not only seeking to increase its dominance internationally, it is also enforcing its intrusion into the local domain. It invades every aspect of human life in every country. The aggressive pervasiveness of capital defines our times. It has become clear that capitalism today is incapable of solving a single problem that humankind faces. It has absolutely no progressive potential left. Lenin's characterization of imperialism as the 'moribund stage of capitalism' is truer today than ever before.

Real Face of Globalization

At the same time that mass starvation, disease, illiteracy, unemployment, malnutrition are increasing phenomenally in the third world countries, they are forced by the IMF and World Bank to introduce savage austerity budgets to finance their loan repayments. On the other side, merely 225 people have wealth of \$ 1.7 trillion (17 with 12 zeroes after it), which is more than the annual income of nearly half (47 per cent) of the world's population. That is to say, 2.5 billion people have less to live on than the 225 richest people. Marx had written, with characteristic foresight, 150 years ago: 'There must be something rotten in the very core of a social system which increases its wealth without diminishing its misery'.

It will not be out of place here to quote what Fidel Castro had to say at the international conference of economists on globalization at Havana in January this year:

What type of globalisation do we have today? A neo-liberal globalization; that is what many of us are calling it. Is it sustainable? No. Can it survive for much time? Absolutely not. A matter of centuries? Categorically not. Will it only last a few decades? Yes, only decades. But sooner or later it will have to come to an end.

Maybe you think I'm a kind of prophet or fortune-teller? No. Do

I know much about economy? No. Virtually absolutely nothing. To affirm what I said it's enough to know how to add, subtract, multiply and divide. Children learn that in elementary school.

How is the transition going to come about? We don't know. Through widespread violent revolutions or great wars? That would seem improbable, irrational and suicidal. Through profound and catastrophic crises? Unfortunately that seems the most likely, almost inevitable outcome, and it will come about in many diverse ways and through many forms of struggle.

What kind of globalization will it be? It couldn't be any other than jointly shared, socialist, communist, or whatever you want to call it.

Does nature and, with it, the human species, have much time to survive the absence of such a change? Very little. Who will be the creators of that new world? The men and women who people our planet.

What will be the essential weapons? Ideas, minds. Who will sow them, cultivate them and make them invincible? You. Is this about a utopia, one more dream among so many others? No, because it is objectively inevitable and there is no alternative. It was already dreamed not so long ago, only perhaps prematurely. As Jose Marti, the most enlightened of the sons of this island, said: 'The dreams of today will be the realities of tomorrow'.

It is, as Marx said, the 'soil' of real life, of society and its productive relations, that constitutes the core of our understanding of the past, present and the future. He wrote in *Civil War in France*:

Wherever, in whatever shape, and under whatever conditions the class struggle gains any consistency, it is but natural that members of our Association [the First International] should stand in the foreground. The soil out of which it grows is modern society itself. It cannot be stamped out by any amount of carnage. To stamp it out the Governments would have to

stamp out the despotism of capital over labour—the condition of their own parasitical existence.

The New World Order has been exerting all-round pressure on the remaining socialist countries which are committed to the path of socialism. They have to reconcile to the new situation, reform their economic course of action in order to defend the socialist gains. The upkeep of socialism is a crucial responsibility they are successfully discharging in a very difficult situation.

Response of Socialist Countries

China, which has undertaken economic reforms, has emerged as a strong economic power with rapid progress registered in every field of the economy. This development will have an important bearing in the future on the resistance to imperialist domination. The reforms have integrated the Chinese economy with the world economy to a greater degree and impact of this is being felt. The Asian financial crisis which has dragged for more than one year with no end in sight, has had its effects on the Chinese economy, including foreign investment and foreign trade. Anticipating the fall-out, the Chinese government has been trying to counter it by adopting a series of measures including scheduled financial reforms. When the financial storm swept across Russia, China was a safe island in the centre of the storm playing a significant role in stabilizing Asian and the global economy. Since the late 1970s, when China adopted reforms and the opening-up policy, it has enjoyed annual economic growth rates of 9.8 per cent from 1979 to 1997 leading to a tripling of its Gross National Product in less than two decades. China's impressive growth has also resulted in new problems, growing unemployment and regional disparities. These have to be addressed while resisting the constant pressures to interfere in China's internal affairs.

The Clinton administration cannot afford to jeopardise relations with China and continues to strengthen trade relations. However, the anti-China lobby in the US is actively raising bogus issues to hamper further relations. Apart from leveling charges about human rights, allegations of China stealing nuclear missile technology secrets is sought to be whipped up. On the other hand, China has warned the US not to place any nuclear missile systems in Taiwan under the new theatre missile development programme which the US is initiating in the East Asian region.

The financial-monetary crisis in South East Asia has turned into an economic crisis that not only has a drastic impact on the economies of the region but on the global economy as well. According to the Vietnamese Prime Minister Phan Van Thai, Vietnam cannot steer away from the whirl of this economic typhoon. Due to its impact, the markets for Vietnamese products have shrunk, prices have fallen with weaker competitiveness, foreign investments have gone down and the commercial activities have been on the decline. In order to restrict the impact of the crisis the Vietnamese authorities are advocating further boosting of economic renovation in combination with necessary reforms. This is to bring into full play all resources, first and foremost internal resources, with a focus on the domestic market, along with the further expansion of international markets and cooperation. In an address to the recent session of the national assembly, Phan Van Thai asserted that the year 1999 would be a year of continued renovation, stronger industrialization and modernization, first and foremost of agriculture and the rural economy. He said that the efforts of the entire Party and people would be brought into full play to overcome the difficulties and challenges, maintain socio-economic stability, focus on development of certain sectors and areas, especially products with a better competitive edge, raise the efficiency and competitiveness of the national economy, and create the necessary climate for further development:

We should be well prepared to face bigger difficulties and challenges, but in any circumstances, we should know how to make the most of the chances and competitive edges, with a fighting spirit and a confidence in our capability of marching forward, since we have got very great and very fundamental internal advantages, i.e. the large potential of internal resources is far from properly developed; the people's land and labour, resources and capital along with their dynamism and creativity; the capabilities of many sectors and services still to be tapped to the full.

Cuba, which has been the relentless target of US imperialism and subjected to economic blockade and subversion, has today reorganized its economic relations and is courageously defending the social achievements which are the fruits of the socialist system. They have undergone the tough experience of the revolutionary period specially during the last ten years confronting the most powerful

force on earth under very difficult circumstances and achieved what seemed impossible. The catastrophic situation is over, but difficulties remain. Standing face to face with USA, being in the forefront of the anti-imperialist struggle, Cuba is confident of overcoming all the obstacles in future too.

From the very triumph of the Cuban revolution four decades ago, the US—which was already the most powerful imperialist power and Cuba's neighbour only 90 miles away—has not ceased for an instant in its efforts to destroy it. The current exposures give proof of incredibly dirty methods of subversion and sabotage used by US imperialism against Cuba, which has also been the target of an intense slander campaign. However, Cuba is gathering more support internationally despite the US efforts to isolate it. In Latin America and the Caribbean, except for a handful, all other countries have established normal ties with Cuba. Barring three countries, all others in the last UN General Assembly session supported the resolution calling for lifting of all sanctions against Cuba.

The Democratic People's Republic of Korea is also fighting a tough battle for the survival of socialism. The food shortages after successive failure of crops and floods are causing serious problems. More than four years have elapsed since the publication of the DPRK-US Agreed Framework but its implementation has made no progress because the US has persistently resorted to delaying tactics. Any incident occurring in the Korean peninsula is conveniently used as a pretext for abrogating the agreement. The US economic blockade has caused great damage to DPRK. If the construction of a nuclear power industry had been promoted as scheduled, it would have been completed by now and DPRK would not have suffered a power shortage and the difficulties it faces today.

Attack on Yugoslavia

The last Central Committee meeting of the CPI(M) (March 1999) has noted that in the present world situation, where the United States is economically in a relatively better position than its rivals Germany and Japan, the US administration is chalking out belligerent plans. In a recent speech President Clinton has outlined a foreign policy of active intervention around the world for the remaining two years of his presidential term. Whether it be Kosovo, the Israeli-Palestinian issue, Iraq, or North Korea, in all these matters the US can be

expected to step up its hegemonistic activities. The Pentagon budget for 1999 has seen a marked increase in allocations for these activities.

The recent NATO attack on Serbia threw to the winds the charter of the United Nations and the established international law. It even went contrary to NATO's own post-Cold War doctrine. At a summit of its leaders in Rome in 1991 NATO clearly stated that 'the alliance is purely defensive in purpose; none of its weapons will be ever be used except in self-defence, and it does not consider itself to be anyone's adversary'. After enforcing a settlement on the Bosnia question and the stationing of US and NATO troops there and in other segregated countries of Yugoslavia, the US and its European allies had been aiding and abetting with money and arms the separatist Albanian forces in the Kosovo province of Serbia. Having failed to impose the terms dictated by the imperialist powers, NATO inflicted aerial attack on Yugoslavia causing a lot of damage. The United States sees the Yugoslavian government as a main obstacle to its domination of the region. Russia, China, India and many other countries opposed the NATO action on Yugoslavia. Differences seem to have arisen within and among European NATO members. Imperialism's interests in Yugoslavia are manifold. Kosovo can be another useful base from which military strikes against the oil producing countries can be launched to the South should they take it in to their heads to challenge imperialist rights to drain their oil wells at prices largely dictated by imperialism. It can strategically serve imperialism equally as a useful military base to strike Russia to the North. Yugoslavia and in particular Serbia stands on the most favoured route of an oil pipeline to supply Caucasian oil to the West. It is therefore crucial for them that Serbia be governed by a government responsive to imperialist demands as has been sought from many other weak countries. The imperialist forces are also interested in exploiting the rich mineral resources of Kosovo and Serbia. Should Yugoslavia be disintegrated and subjugated, the entire Eastern Europe, Russia and central Asian republics remain totally vulnerable to imperialism.

NATO: Instrument for US Hegemony

NATO's intervention into what is clearly a domestic dispute, its use of crude threats and subversive pressures is intended to force a sovereign government to accept an 'agreement' which has a binding clause of stationing NATO troops on the soil of a non-NATO country

and also to further disintegrate Serbia, a federal republic of Yugoslavia. The US imperialist interest lies in expanding NATO eastward, right up to the Russian border, to control the oil and gas pipeline that goes from the Caucasus region through Serbia and to control the strategic area for Southern Europe. This interference keeps open the danger of wider escalation in the neighbouring States which has a large number of ethnic minorities including Albanians and Serbs. In order to perpetuate the turmoil, the NATO powers have encouraged the separatist Kosovo Liberation Army with money and arms for the last few years. This will rekindle all kinds of narrow nationalism and chauvinism and fuel separatist movements throughout the Balkans. NATO's apparent concern over the plight of the Albanians stands in sharp contrast with those of the Kurds in Turkey—a NATO member that has its own aims in the Balkans. The recent integration of Hungary, Poland and the Czech Republic into NATO to fulfill the new 'strategic concept', the militarization of European Union contrary to the aims of disarmament, collective security, and world peace.

It is heartening to note that Russia, China and a large number of third world countries have lodged their strong protest against the aggression on Yugoslavia by NATO. Big protest demonstrations have also swept the European capitals.

NATO is going to observe its 50th anniversary next month. The question must naturally hang over the celebrations: now that the Cold War is over what is NATO for? The premeditated aggression on Yugoslavia dispels any remaining illusions. The NATO will be the spearhead of the US drive for hegemony in the Balkans and Eastern Europe.

Attack on Iraq: Control of Gulf Resources

The hegemonistic drive of the USA seen in the attack on Yugoslavia was preceded by the aerial bombardment of Baghdad and other places in Iraq since December 1998. Waves of cruise missile attacks and heavy bombing by planes was conducted with impunity by the United States and its ally Britain which caused tremendous damage and casualties. Already Iraq's sovereignty has been curtailed with two no-fly zones enforced by the US in Northern and Southern Iraq which cover 60 per cent of its territory.

This blatant aggression against Iraq bypassing the UN was met with universal condemnation. Unlike the time of the 1991 aggression, the Security Council permanent members, Russia, China and France criticized the action. During the latest attacks, Egypt and Saudi Arabia declared that they will not allow their countries to be used as the base for aerial attacks.

Even after the calling off of the aerial attacks, in the name of self-defence, in the no-fly zones, practically every day American planes are dropping bombs alleging that Iraqi radar and military installations are targetting them with hostile intentions. Since the December operations in Northern Iraq, at least 86 laser-guided bombs have been dropped till the end of February 1999.

The United States continues to impede and obstruct any effort to lift the sanctions against Iraq which had accused the UNSCOM (Inspection Commission of the UN) teams of conducting espionage for the US and being actively involved in undermining the Iraqi government before they were asked to leave. Revelations in the United States made recently show that a number of CIA men had been infiltrated into the Inspection Teams and they were actively collecting intelligence and indulging in activities which had nothing to do with the UN Team's mission. To overthrow the present Iraqi leadership and replace it with one of their choice constitutes the main objective of US policy on Iraq.

Latin America: CIA Crimes

Startling materials about the CIA machinations that throw light on the imperialist subversion in Latin America are being exposed. A flood of democratic protests across Latin America led to the digging up of the recent past. Now comes an apology from the American President for the way CIA teamed up with the rightist forces and the military to install a government in Guatemala that killed tens of thousands in a four-decade long civil war. General Pinochet of Chile was just one beneficiary of this policy. The American President has also admitted to their crimes in El Salvador. Similar American designs encompassing a wide range from Argentina deep down to Chile, Bolivia, Brazil, Colombia and Central America's Guatemala, Honduras, Costa Rica and Nicaragua have already been unmasked. In the name of tackling Leftist guerrilla campaigns time-tested

counterrevolutionary movements, terror and torture, infiltration and intelligence and above all a notoriously ruthless apparatus were provided by the United States. A month ago a Guatemalan commission released its findings on the murders and disappearance that had taken place during the military regime. All these materials are contained in official documents. The report brought to light the US game of money, arms and training to Guatemalan forces that committed acts of genocide against Mayans and Leftist groups and other extreme human rights abuses during the conflict which began in 1960. American training of Guatemalan military officers played a significant role in the torture, kidnapping and execution of thousands of civilians. Declassified documents also put on view that President Nixon in 1970 ordered a foolproof operation to conduct a coup in Chile. The most revealing exposure details relates to the vigilant killings often by death squads composed of off-duty policemen. Almost all of these countries witnessed security men moonlighting as gangsters.

Nobody will believe Clinton's promise last month in Guatemala city that the US will no longer take part in campaigns of repression, and will instead support peace and reconciliation processes. He announced, in the midst of brutalization being carried out even today in different Latin American countries that 'we are determined to remember the past but never to repeat it'. While the US will not loosen its grip over any of the Latin American countries, the democratic forces in Latin America who have been suppressed by economic and physical repression are rising and uniting to assert their sovereignty, human rights and livelihood. It is in this context that Fidel Castro has consistently been exhorting the Latin American and Caribbean countries to stand up firmly against the aggressive designs of the US. That is why the US does not like the existence of MERCUSOR for it is an important embryo for an alliance, which may become wider and grow, as a step towards regional alliance among South America, the Caribbean, and Central America.

Since 1996, in many Latin American countries the governments which imposed structural adjustment policies and 'austerity' measures have lost elections. The political instability is an expression of the discontent of the people affected by neo-liberalization.

In the third world countries, the US administration opposes industrial development that infringes upon US interests. Not only is independent development guided by domestic needs obstructed,

even efforts to pursue the democratic and peaceful means required by international law arouses fury and threats from the US administration. For instance, in Haiti, the democratically-elected President was removed by the US administration in view of his refusal to abandon his popular mandate through US-trained military thugs. There are scores of such events in the history of Latin America. Nothing will satiate the imperialist lust to dominate the whole region. Nor will the US rest until the military is under Washington's control, a crucial element of US policy towards the third world, particularly Latin America, for the past fifty years. If Allende's Chile, Sandinista Nicaragua, Arbenz's Guatemala had succeeded in consolidating their position, the US foresaw the danger of other Latin American countries following the same course.

Controlling the economy and making the Latin American countries more and more shackled to USA under the new world order is the new doctrine so as to subjugate the region. The crises in Mexico, South-East Asia, and Russia have had a serious impact on Brazil. Oil prices have fallen recently, the currency has been devalued steeply and estimated capital of \$ 160 billion has fled the country since last August and the Brazilian stock market has lost 60per cent of its value. As Brazil accounts for 45per cent of all Latin American output, if it were to collapse, the rest of Latin America goes down with it. The situation in Argentina has worsened badly. The neo-liberal globalization has shifted the nature of imperialist domination to a far more brute basis.

The collapse of the Soviet Union in 1991 triggered a great shift in the balance of military power. World imperialism, led by USA with its economic weapon in the form of IMF, World Bank and WTO and military hegemony with NATO, has turned towards 'gunboat diplomacy' against the third world countries. The development of militarism and the intensification of imperialism's intervention and aggression tends to consolidate, strengthen and extend to the whole world the domination of the main imperialist powers. For decades imperialism's aggressive aims were sought to be justified by so called Soviet threat. But the Warsaw Treaty's dissolution, the break-up of USSR, and the end of the Cold War, instead of leading to a peaceful and safer world, have created a grave situation. It is further aggravated by the refusal of the US and other imperialist powers to destroy nuclear weapons, the persistence of the 'nuclear deterrence' theory and the aim of ensuring a monopoly of such weapons; disputing in the traditional neutrality and non-alignment of several countries and pressurizing them into joining the policy of blocs; the

militarization of Germany and Japan and the elimination of constitutional barriers to the intervention of the armed forces outside the territories. In their aggressive policy the USA and other imperialist powers use the pretext of what they call new threats: terrorism, drug trafficking and other organized crimes in which incidentally they also participate. As smokescreen they cynically invoke the safeguard of 'human rights', the alleged right of 'humanitarian intervention' and 'peace keeping'.

Imperialist Intervention in Third World

Imperialism is constantly at work to secure economic and strategic positions, to kill off any resistance to their imperial policies, to block the road to any national liberation, progressive and revolutionary processes, to impose puppet regimes, to weaken the sovereignty of states, to pave the way for unbridled exploitation by transnational corporations.

In this path, they exacerbate ethnic, religious and border conflicts, instigate wars of extermination, breed extremely reactionary and obscurantist forces, support repressive and bloody dictatorships, slaughter civilians and cause the mass exodus of populations, taking entire peoples hostage by famine, and in many cases carrying out a true policy of state terrorism. It is an ominous feature of the post-1991 era that imperialism which 'recolonises' erstwhile socialist territory uses ethnic and religious nationalisms to carve up spheres of influence.

The US invasion of Somalia and its intervention in Haiti, the French intervention in Rwanda and other African countries, the imperialist interference in the Balkans, with direct NATO intervention and imposing the Dayton '*pax americana*', the US blockade of Cuba, Israel's crimes in Palestine and Lebanon, the genocide of the Kurdish people, the occupation of East Timor by Indonesia and Western Sahara by Morocco, the carnage in Afghanistan, the blockade against the Iraqi people and the US bombardments in Iraq, the provocations against Libya, the trauma on the people of Angola, the pressures and threats against the DPR of Korea, the dangerous rekindling of Taiwan's ambitions, are all glaring examples of the aggressive policy of imperialism and its tools and allies at a regional level.

It is US backing which emboldens Israel to violate the terms of even the unequal peace agreement to deprive the Palestinians of real autonomy and block the formation of an independent Palestinian State. USA continues with its military maneuvers in West Asia and inhuman sanctions against Iraq. Libya is also subject to sanctions. The brazen and unilateral missile attacks on Sudan and Afghanistan by US imperialism, once again reveals its hegemonistic designs. The recent events confirm that the USA uses all reactionary and terrorist forces to advance its objective. In the Indian subcontinent the US design for destabilization has continued for decades. The central Asian Republics have now become another strategic area for USA. The 'Dayton Accord' provided the basis for US intervention in the Balkans. The US is actively working to subvert and suppress progressive and revolutionary forces in Nicaragua, El Salvador and other Latin American countries.

Currently, imperialism adopts two-way tactics. In the first place, intensifying persecution against revolutionary and progressive forces and enabling the most reactionary and obscurantist forces to capitalize on popular discontent. On the other, developing international and supranational instruments of coercion and intervention—economic, political, cultural, ideological and military.

The G-7 forum, the World Bank, the IMF and the WTO work out financial and commercial policies that suit the great powers and the multinationals. They define the lines of combat against workers' social gains and rights, and administer their implementation.

In pursuance of the neo-liberal globalization, NATO develops military mechanisms, operational forces, sophisticated arms with a view to intervening wherever the USA and its allies deem their interests to be challenged. NATO's expansion to Eastern Europe and the Mediterranean, as well as the activation of WEU, considered as the European Pillar of NATO, and the creation of the Joint Combined Forces, significantly enlarge the role of this aggressive military alliance. Alongside, the UN, instead of promoting peaceful solutions to conflicts, disarmament, development and international cooperation, tends to become an instrument of the hegemonistic policies of the US and its allies.

The IMF-WB, WTO, NATO and UN constitute the mainstay of the New World Order, whose construction contains many other aspects

such as: revision of principles enshrined in international law; resort to special politically-motivated 'Tribunals'; enhanced Secret Services and their close cooperation, with the creation of supranational intelligence services; control over information technologies and domination of the media, massively used as an instrument of misinformation and mass manipulation; creation of sophisticated instruments to neutralize and take over social organizations and movements, or integrate them into the system; creation of allegedly 'humanitarian' organizations to cushion the devastating effects of neo-liberal policies and imperialist aggressions.

The strengthening of imperialism's national and supranational structures (formal and informal, public and private) aims at harmonizing a common global strategy on the economic, political, military and ideological levels and is driven by capitalism's globalization process and its need for transnational monopolist regulation.

These extend across all three worlds; the developed industrial powers, the developing countries of the South, and some of the former socialist states, now largely returning to their third world origins. Nevertheless it does not abolish or tame the contradictions within the imperialist camp. On the contrary, the rivalries, conflicts and contradictions among the great powers have not abated. They have even shown a tendency to grow and become exacerbated.

Among many reasons some stand out: capitalism's uneven development, with brutal US pressures to impose its hegemony world-wide and assert at all costs its supremacy within the imperialist camp; the creation of great areas of economic integration and free trade with an increasingly bitter struggle for raw materials, markets, spheres of influence, positions of geostrategic importance; a new imperialist carve-up the world in a framework that they themselves call 'filling the strategic void' caused by the disappearance of the USSR and socialism as a world system.

In relation to Eastern Europe, the Balkans, the Middle East, Asia, Africa and even Latin America, there are multiple areas of considerable conflict among the great powers, frequently involving—by 'proxy' or otherwise—other countries aspiring to be regional powers.

The US aim of imposing its world hegemony increasingly clashes with the expansionism of 'greater Germany' (particularly towards Eastern Europe and the Balkans), France (namely in Africa), and Japan (especially in Asia). Influence in the Middle East and the Mediterranean region is becoming an arena for serious dispute, specifically between the US and the great powers of the European Union.

Twenty five years since the invasion by Turkey in 1974, the Cyprus problem remains a major dispute in the sensitive Middle East. 38 per cent of the island still remains under Turkish occupation in defiance of the United Nations resolutions of unequivocal substance. The atrocities of the invaders include rape, systematic torture, savage and humiliating treatment on thousands of people as well as looting and robbery on an extensive scale. It has become one of the most highly militarized areas in the world. The goal of unification of the island, the only acceptable solution proposed by the Security Council has, however, been repeatedly frustrated with the USA pursuing the line of delaying the solution for the Cyprus division, to placate Turkey, its trusted ally.

The West Asian situation continues to be precarious because of the non-fulfillment of the 1993 agreement on the part of Israel, backed and instigated by USA. Following the disintegration of USSR, the Palestinian struggle for their statehood had naturally got weakened which helped USA to take full control of the situation. The objective of dividing the Palestinian movement also succeeded to an extent, and has found expression in the developments following the agreement. It is a well-known fact that Israel has been used by the USA as a strategic area and it is the USA which dictated Israel to disobey all the agreed resolution of the United Nations and the Security Council for the last five decades. The United States systematically blocked the international consensus. The Security Council and the General Assembly of the United Nations, as always, had been eliminated from the diplomatic scene by the continuous US veto, despite the fact that the NATO allies, the socialist countries, the third world, and the Arab States had long been united in advocating the political settlement along the lines adopted by the General Assembly by 151 – 3 votes in 1989. USA's deep commitment to the rule of force in world affairs is glaringly evident in the case of Palestinian question. The Israel government is making determined efforts to scuttle the rights of the Palestinian people. The relentless Israeli attack on southern Lebanon which it has occupied for the past seventeen years continues.

A number of Arab intellectuals and even religious leaders articulate the conviction that the United States stubbornly thwarts democracy in the region, as one of them writes, because 'it is much simpler to manipulate a few ruling families—to secure fat orders for arms and ensure that oil price remain low—than a wide variety of personalities and policies bound to be thrown up by a democratic system.' Elected governments are generally committed to reflect the popular will of the people for self reliance. Hence the USA props up dictatorships in the region. Besides, as divisions in the Arab world and Arab people are perpetuated by the deep-laid designs of US imperialism, prospects for peace in East Asia are far from bright in the near future. Most Arabs accuse the United States of not placing sufficient pressure on Israel to implement the peace accord. Though not so critical as before against foreign intervention in East Asia, the league of 21 Arab States could not but express their anger at the United States for not taking a active role in attaining real peace.

Indonesia In Turmoil

The turmoil in the South-East Asian financial markets that began in 1997 in Thailand spread swiftly across the region in the following months. The contagious chain-effect eventually became impossible to contain. Indonesia, which has always been affected by regional strife, is worst- affected with growing political unrest. Suharto's ascent to power by a US-engineered military coup was marked by a ruthless militarization of all the spheres of social and economic life. Practically all important seats of the government, including justice, state and private enterprises, were occupied by military generals or officers of the armed forces. The beginning of Suharto's military dictatorship was marked by the rise and omnipresence of the military and the killing of at least 600,000 communists, progressive and democratic-minded people.

Political activities remained, in practice, banned throughout the Suharto reign and the draconian military rule mastered the creation of an authoritarian State controlling political parties and mobilizing fundamentalist forces. Two political formations were allowed to function within the framework of military stipulations. Social and political discontent burst out in public outrage against the military rule and in favour of democracy that in 1984 culminated into the killings of a large member of people.

Limited democracy was allowed after the change in the world situation in the nineties. The general election of 1997 was overshadowed by the public anger aroused against the government's efforts to curb opposition to the ruling party. The Suharto regime suppressed all opposition, and the consequent violence claimed more than 250 lives. The other two contesting parties were United Democratic Party defending Islamic interest and Indonesia Democratic Party representing democratic and national aspirations of the people. The landslide victory of the government party was made possible by widespread electoral manipulations and fraud.

The repression that continued till the fall of Suharto regime was directed mainly against followers of Megawati Sukarnopurti and radical journalists, writers, artists, politicians, student and trade union leaders.

The financial crisis sparked off nationwide revolt against the military regime. The military was not able to contain the mounting revolt and it climaxed in the ouster of Suharto's 32-year reign in May 1998. Habibie, who succeeded Suharto, is regarded by many as a transitional leader for holding general election and ushering in democracy. Meanwhile there has been outbreak of social-ethnic and religious conflicts engulfing the entire country. It is in this context general election is going to be held in June this year. The army which has been supervised by US imperialism is not in a position to exercise its old authority but is still active to take control of the situation if need be. The Indonesian Democratic Party led by Megawati Sukarnopurti is gathering considerable support from the people. The Islamic fundamentalist forces are also very active. One section of the army apparently critical of the former regime is also trying to garner support.

A new situation has developed in East Timor as a result of the Indonesian crisis. East Timor which has been under forcible occupation of the Indonesia regime. The people have been fighting for the independence. In the past, the process of elections held in East Timor had always been manipulated. The results have always been contrary to the wishes of the majority of Timorese. The presence of the parties was a mere formality. Ultimately, the soldiers compelled the Timorese to vote for the government party. 70per cent of Indonesian economy is in the hands of the military. After the

invasion of East Timor in 1975, the coffee production in the region fell into the hands of three generals who were instrumental for the occupation in direct contact with the CIA. In the 19 years since 1975, 200,000 Timorese have been killed. Women, the aged and the children were concentrated in camps where they do forced labour and many starved to death.

With the support of US administration Suharto regime had violated all the resolutions of the United Nations and Security Council which recognised the rightful demand of self-rule and independence of East Timor. Now the new government is forced to come to a negotiating table and agrees to provide self-rule as an interim arrangement. The Habibie government was forced to recognise the principle of self-determination for East Timor. However, the military and the ruling circles will manoeuvre to engineer conflicts with the liberation movement through their armed militias.

Indonesia is a classic example of how a big country which adopts neo-colonial policies and authoritarianism at the service of imperialism reaches a dead-end with the very existence of the multi-national state being endangered.

Conflicts In Africa

As the next century approaches, almost the whole of Africa is in great turbulence: much of sub-Saharan Africa is in ferment, incessant conflicts plague the Horn of Africa, most of the Central Africa and parts of Southern and Western Africa.

Ethiopia and its tiny neighbour Eritrea, both are favourites of US administration, are at war for the last one year. Ethiopia has different nationalities that have been demanding right of self-determination after the overthrow of the Mengitsu regime.

The USA set up the two countries to overthrow the government in neighbouring Sudan. At the mediation of US administration, both agreed to a cease-fire in mid-1998 but it was short-lived. Eritrea took hold of the entire coastline of Red Sea thus making it difficult for Ethiopia to channel its export and import through the Eritrea port of Assab. Ethiopia had a long coastline till a few years ago. Now it has

to rely on Port of Djibouti, another small neighbour. Eritrea captured last year the port so far used by Ethiopia. The Organization of African Unity mediated in last November and put forward some proposals which Eritrea did not comply with. Large-scale fighting erupted recently along the one thousand kilometer-long border between the two poorest countries in the world with both sides using fighter planes purchased from Russia and East European countries. Having suffered heavily in the war, Eritrea unilaterally announced that it would accept the peace initiative of Organization of Arab Unity. The tensions, however, remain in the Horn of Africa. The USA has been active to keep OAU away from the scene and take the centre-stage in this strategic area.

The persistent ethnic war in Uganda, Rwanda, Angola, Zimbabwe, Namibia and Democratic Republic of Congo, all very rich in gold, diamond and other minerals is also causing concern for the non-aligned movement. Cargo planes loaded with arms and essential supplies from Russia and other republics of erstwhile USSR are pouring into the hands of rebels and the governments. In Congo, the rebels control almost half of the country's territory and are pillaging immense mineral wealth of the country. The foreign multinational corporations are also active in exploiting the situation for the pursuit of their profit. The rebels are blaming the government for allegedly allowing Zimbabwean and Angolan businessmen plunder the precious materials in the government controlled area. Uganda and Rwanda are providing all support to the rebels, while Zimbabwe, Angola and Namibia are assisting the government. At the initiative of Namibian President, the five countries tried to bring about a cease-fire. But it did make a little headway. The rebel organization in Angola National Union for the Total Independence of Angola (UNITA) has sent in its troops to the side of Congolese rebels. Rwanda government is said to be also assisting Congolese Tutsi ethnic rebellion. Opposed to Tutsi, the Hutus ethnics constitute 90 per cent population in both Rwanda and Burundi. The entire area of this part of Africa is disturbed because of the internecine warfare: thousands of people were killed and lakhs of people have already been displaced by the civil war.

In about 20 years of almost continuous civil war, about a million Angolan have been killed and another 10 million rendered homeless. Peace in Angola, world's one of the most heavily mined countries is the key to the stability of Southern and Central Africa. An accord signed in 1994 between Angola government and UNITA failed to bring about any change. The diamond rich Angola is being plundered

by the UNITA aided by the some neighbouring countries.

In Sierra Leone too, the rebels staged a comeback recently with the help of neighbouring Liberia. A poorest country, rich in mineral and agricultural wealth, inhabited by 4.5 million people, most of them poorest in the true sense of the term, Sierra Leone is deserted by 4,40,000 people who fled to neighbouring countries. Nigeria and Ghana helped the rebels to be driven out, but after much damage.

Morocco, a close ally of USA, annexed Western Sahara 24 years ago. When Spain withdrew from Western Sahara, then named Spanish Sahara, Western Sahara was usurped by the dictatorial regime of Morocco for settlement to outnumber Western Saharawis. The Polisario Front started liberation struggle in Western Sahara, rich in phosphate and marine life. Mauritania had also annexed part of territory. After the debacle of socialism in USSR and Eastern European countries, the independence struggle in Western Sahara got weakened in retrospect. United States brought Morocco and Polisario Front to an agreement signed in Houston in 1997 with Polisario Front making concessions.

The UN endorsed the agreement but it has not been adhered to by Morocco. It did not allow even a UN peacekeeping force in the Morocco-occupied part of Western Sahara. Many deadlines put forward by the UN were ignored by Morocco, obviously with the tacit support of US administration which is not in favour of independence of Western Sahara. After many debates and meetings, elections are set to be held in December this year. Saharans feel that the mandate can only be accepted if it is absolutely free and fair and not rigged by Morocco the Authority.

Despite the adverse international situation, the end of apartheid regime in South Africa was a signal achievement. However, with the main levers of the economy in the hands of the whites, the South African government faces immense difficulties to usher in basic changes in keeping with the long-held aspirations of the people. The tasks of the National Democratic Revolution being unfulfilled, the African National Congress and the alliance that exist, have to work in a very complex situation, both with and against the profit-making logic of the white dominated monopolies. It will never be a linear advance for the alliance which was forged 70 years ago to achieve national independence and emancipation.

The African people continue to face many serious problems including poverty, illiteracy, disease and food shortages. The neo-liberal global economy imposes further deprivation to the African nations. Territorial disputes have led to frequent wars between nations and ethnic rivalries continue to divide many countries. The revolutionary movements suffer most because of this strife. A continent with extraordinary natural wealth had long been regarded by MNC's as a mighty realm of limitless potentialities. This consideration influences African policy of American imperialism which is so explicit and systematic that it is hard to miss. What is important is to integrate vast African world into the global movement against the New World Order of imperialists.

The prospect for a strategic partnership between Russia and China has brightened with the recent efforts of both countries to improve relations on major issues confronting the present day world, which has the potential of a counter weight against US domination. The two said they would strive to establish a just and rational new international political and economic order and will make an effort to maintain regional and world peace, stability and development. On regional and international issues of common concern both China and Vietnam have come closer.

In Europe, Socialists and Social Democrats are ruling either alone or in coalition in almost all the countries, particularly in 13 of the 15 member-states in the European Commission. The June 10 European Parliament elections is expected to give a new orientation. Some leading politicians who pushed for the European Union and economic integration with the introduction of Euro are out of power now, casualties of voter's anger against relentless budget cutting, especially on social welfare programmes, against rising unemployment and crime. There has been a vital shift in the balance of power within the institutions of the European Union since then. The Euro, if stabilized, will surely pose a danger to dollar dominance.

The left, democratic and communist parties of Europe met several times to raise common issues affecting the people and organise general campaign on such issues during the June 10 elections. On certain international issues, the members of the European Union seem to be adopting contrasting positions. The working class movements across the Western Europe are trying to formulate

common strategy of struggle against the neo-liberal globalization. In Eastern Europe, the counter-revolutionary forces are facing chorus of sharp attack from the people who are glowingly impoverished at the WB-IMF prescriptions.

The IMF-WB institutions are, in their own words, not in a position today to provide any alternative to the on-going financial crises that encircled the vast domain of South-East Asia, Russia to Brazil.

Japan which accounts for 17.4 per cent of global GDP whose economy is as big as that of Germany, France and UK combined, witness sluggish growth, plunging stock market, falling output, fragile banking system and reduced investment in productive capacity. The European Union, Japan and the USA are engrossed in frequent trade conflicts which show further the insoluble capitalist crisis.

In such an international situation working people of all countries confront the executioners of neo-liberal policies in the national level, and alongside, and increasingly so economic, political and cultural onslaught of imperialists' New World Order.

Of particular importance is the ideological struggle across the globe against the preachers of 'end of ideologies' and the 'end of history' against the divisive and separatist role of the reactionary circles of all hues backed by their foreign mentors. The strong anti-imperialist solidarity in all forms is the prime need of the next millenium.

Unlike the situation at the turn of the nineties, by the end of the decade, there are emerging positive features which provide the basis for growing resistance to imperialist-driven globalization and US hegemonic attacks. The world capitalist system has entered a period of instability and recession engendered by the volatility of parasitical finance capital. This is creating the objective conditions for new conflicts within the system and resistance by the working class. The IMF-World Bank prescriptions are being criticized by capitalist circles themselves. The political fall out of these developments will be felt in the advanced capitalist countries too.

Unlike the earlier period, the US-led alliance whenever it attacks

third world countries, it is meeting with greater opposition. Both the recent attacks in Iraq and Yugoslavia did not have the sanction of the Security Council due to the opposition of Russia and China.

The growing might of China and the steps for a strategic partnership between China and Russia will prove an effective counter-weight to US hegemony in the future.

This period has witnessed the worldwide resistance to the attempt by imperialism to impose its unequal order and intensify exploitation that were manifest in the significant protest actions against the attacks on social welfare, the rights of the working people and the growing abandonment by the State of its social responsibilities. As we have said in the 16th Congress the CPI(M) considers itself an integral part of this struggle and solidarity against imperialism. As a party based on proletarian internationalism it will ceaselessly mobilize the Indian people to play their due role against imperialist order and for democracy and socialism.