SPEECH OF DR. CHEDDI JAGAN, General Secretary of the People's Progressive Party, Guyana, at CONFERENCE on "THE WORKING CLASS AND THE CONTEMPORARY WORLD", in Moscow, October 8-10, 1986, sponsored by the USSR INSTITUTE OF INTERNATIONAL WORKING CLASS MOVEMENT.

THE WORKING CLASS AND TODAY PROBLEMS

The industrialised capitalist states are in a deep and prolonged crisis and are also riven by more or less deadly internecine struggles for markets, the maintenance of spheres of influence and by internal pressures for trade protection.

The Asian, African, Latin American and Caribbean countries, are plundered. An enormous amount of nearly \$250 billion annually is extracted and is used to fuel the arms race and at the same time is the cause of under-development.

At the centre of the problems of the underdeveloped countries is the debt crisis, which is simultaneously the cause and effect or an accentuated expression of the crisis. Their total external debt is estimated at \$1001 billion at the end of 1986, on which interest payments exceed \$140 billion a year.

The debt crisis has its roots in the domination, subjugation and exploitation of "third world" countries by foreign capital. Their dependent status is reinforced by the machinations of the imperialist states and the transnational corporations (TNC's) and the acquiesence of many of the dominant ruling groups in the third world. The development strategies — Puerto Rican model; "open-door" regional integration; "joint ventures" partnership — strengthened the position of foreign capital. Industrialisation assumed a deformed character. This has increased their dependency and compounded their problems. Consequently, in the 1982-1985 period, the net transfer of profits, principal and interest from Latin America and the Caribbean was US\$106 billion¹, the annual average for the 1981-1985 period being \$36 billion.²

Debt payments greatly contribute to balance of payments and budget deficits and other development problems of the "third world".

CONTRADICTIONS

There are growing contradictions in the present-day complex world situation. The capitalist world is torn by the insoluble problems of stagnation and inflation. Attempts to reflate the economy led to inflation; and vice versa, attempts to check inflation led to growth in unemployment. Similarly, modernation through the scientific revolution helped to aggravate the unemployment situation. Unemployment, which increased from 10 million in 1974 to 35 million today, has sharpened the antagonisms between the bourgeois and working classes.

Differences are also increasing, as in the latter period of the dirty war in Vietnam, between the three sections of the U.S. ruling monopoly capitalist class — those involved in military production; those in foreign investments; and those in domestic production. These sections had moved closer together after the "Iranian revolution" of 1979, when contracts for billions of dollars of military equipment were cancelled, foreign investments were expropriated, and oil prices were increased. Today, while the arms manufacturing monopolists are raking in superprofits, the overseas investors face an unfavourable climate: the transnational banks (TNB's) seriously curtailed their lending since the grave debt crisis of 1982; exports dropped to third world countries in view of the latter's drastic cuts in imports to create a favourable trade balance and to earn foreign exchange to pay interest on debts. In Guyana, despite lucrative profits, subsidiaries of Chase Manhattan Bank and the Royal Bank of Canada ceased operations because they could not take out profits, on which taxes had to be paid in the parent countries. Similarly, Pan American and British Airways stopped flying to Guyana.

Differences are emerging between the foreign monopolies and those involved in production for the domestic U.S. market. Increasingly, strident calls are made for protection against cheaper imports of goods produced by "runaway capitalists" in

search of higher profits in the "third world". Contradictions are sharpening between the imperialist camp and the "third world". Imperialist-imposed development strategies and a militarisation programme in the underdeveloped countries contributed to the debt crisis, which is ticking away like a time bomb and threatens the collapse of the world capitalist financial and monetary systems. The debt crisis has created a serious curtailment of imports from the centres of world capitalism. At the same time, because of unequal international trade and onerous debt payments, even the dependent capitalist or capitalist-oriented states in the periphery are forced to take an anti-imperialist position. Increasingly, they oppose the IMF/World Bank's austerity, "adjustment" programmes, and call for lower interest rates, access to markets at the centres of world capitalism and for a solution to the debt problem, consistent with development and the basic needs of the people.

Consequently, the monopolists, connected to arms production, have a vested interest in the Cold War, the nuclear arms race, the "Star Wars" programme, and the sale of arms to the whole world. Militarism is thus linked to the creation of tensions particularly in the developing countries, which account for 75 per cent of the world's imports of arms, amounting to \$117 billion in 1984. At the same time, it is intended to frustrate the aims of the socialist community to preserve world peace, to modernise the economy for the further enhancement of living standards, and the catching up and surpassing of world capitalism. The military-industrial complex would agree to peaceful coexistence only if it is linked to a freeze of the world revolutionary process and the liquidation of the national liberation movement. On the other hand, the other sections of the monopoly ruling class are not opposed to peaceful coexistence and detente.

Militarism also adversely affects economic and social development. The "welfare state" is being dismantled and the war against poverty has been abandoned in the U.S.A.

Military expenditure is responsible for a quarter of the foreign debts of the third world, on which interest payments alone amount to over \$140 billion annually. In Guyana, the biggest heads in the 1986 national budget of G\$1,252 million are public safety and national security (G\$273 million) and public debt (G\$452), representing 58% of total expenditure.

Consequently, in the third world, more than a billion people suffer from hunger and malnutrition. And approximately 450 million adults are fully or partially unemployed.

The prospects for the third world countries in the Western hemisphere are bleak. According to ECLAC projections, 10% of the population, the super-rich, took in 1980 40% of the national income, whilst 40%, the poor, had to exist on only 8% of the national income; the 130 million living in conditions of total poverty or critical poverty in 1980 will rise to 170 million by the year 2000; the 80 million unemployed and under-employed in 1980 will reach 112 million in 1995.

THE WORKING CLASS

The working class remains the main revolutionary class today. Its growth and consolidation continue. The number of wage workers in the capitalist world increased during the past 60 years by six times, to 560 millions in the early eighties. In the same period, the proletariat in the industrialised capitalist countries has grown about three times. In the third world, the numbers of wage workers grew twice as fast as the active population in general.

In the developed capitalist states, the working class must link the antimonopoly struggle with the anti-military and anti-war struggles. Since peace is the most important single issue today, the broadest anti-monopoly coalition, including sections of the bourgeoisie, must be mobilised for its realisation.

In the developing countries, the non-aligned movement is increasingly linking development with the struggles against colonialism, neocolonialism, imperialism and militarism. The "Delhi Six" are making a vital contribution to the cause of disarmament and world peace. Regrettably, however, in view of their parasitic neo-bourgeois class interests and in keeping with their class outlook, the petty-bourgeois and emerging bourgeois dominant ruling groups in many "third world"

countries pay lip service to the non-aligned movement; they tend to vacillate and compromise with imperialism, especially in those cases where the debt crisis is acute. In many instances, fear of, and attacks against the working class and at the same time the need for foreign exchange lead them, if not to tenuous alliances with imperialism, then to a position of neutrality, "equidistant from the superpowers". This is happening in Guyana.

Poverty and hunger are due to the fact that the vast majority, about seven-eights, of the third world countries, are capitalist-oriented with a deformed industrialisation, and are linked to the crisis-ridden world capitalist system in a status of dependence. The dependence leads to underdevelopment, backwardness, poverty and instability which in turn in a vicious circle strengthen the dependence. "With economic underdevelopment, large-scale capitalist reproduction turns into large-scale reproduction of relative backwardness and dependence".

The "Puerto Rican", "Brazilian" and "Mexican" models of dependent capitalism with a deformed industrialisation have proven bankrupt, as recently shown in Jamaica and Grenada under the Seaga and Blaize governments respectively. No country which has taken this path with IMF/World Bank adjustment programme and austerity measures has achieved development and social progress.

In contrast, Marxism-Leninism (scientific socialism) has been and remains the main decisive force in mankind's development. It ensures the emancipation of the working people, and at the same time a steady growth of the economy and of the people's well-being. Socialist Cuba has made despite harassment remarkable progress, as attested to by WHO, UNESCO and others like Swedish Nobel Prize winning economist, Gunnar Myrdal. A 31-page UN report published in mid-1984 stated that the "centrally planned economies, where the slowdown was never as deep as elsewhere, continued to record more rapid growth in material output than other groups of countries".

National independence and socialism have been on the agenda for many years in the Commonwealth Caribbean. In this sense, the two phases of the revolution -- national liberation and social liberation -- cannot be counterposed; they are interlinked. There is a merging of the two phases of the struggle against imperialism and against local reaction. However, since imperialism is the main prop of the big landlord, monopoly and financial oligarchy, and is mainly responsible for the dependency, backwardness and authoritarianism, it is necessary to project in the first phase a democratic anti-imperialist alternative.

In countries like Guyana with a more complex political situation, communists and other revolutionaries, in keeping with their national and international tasks, have to exercise extreme care and flexibility. They have to work out an alliance policy with political forces either in government or out of government on the basis of unity and struggle. They must take anti-imperialist actions in common with the dominant ruling group(s), while at the same time, in cooperation with other democratic and progressive forces, vigorously oppose the regime's anti-labour and anti-people's actions. The working class must link the struggle for liberation and independent development with the struggle for democracy and peace: development, democracy, disarmament and peace are interacting. It must fight against authoritarian rule and administrative/police methods. It must also support the peace initiatives of the CPSU for a step by step disarmament programme by the end of this century. The huge amounts spent on the arms race must be diverted to peaceful construction and development; for jobs, food and social progress.

Unity and solidarity must be our watchwords. The working-class movement must assiduously work for the strengthening of the world revolutionary streams -- the socialist community, the national liberation movement in the "third world" and the working class, democratic and peace forces of the capitalist world. Mutual support must be rendered for peace, national and social liberation and social progress.

Working class unity and working class ideology go hand in hand. Today more than ever, the imperialists and other reactionaries have intensified ideological warfare. The working class communist vanguard must link the economic class struggle with the political and ideological struggles. Development is not simply a question of finance and economy. The economic base is integrally related to the superstructure—politics, ideology, institutions and culture. Between them, there is an interconnection, inter-action and reciprocal influence. Success will depend on the extent to which there is a harmonious interconnection of all public spheres, a world view and political will. It is necessary, therefore, for the masses to be fully conversant with the ideology of the working class, Marxism-Leninism. It is a Leninist concept that without a revolutionary theory there can be no revolutionary movement.

Working class revolutionary leaders and their parties and groups must be capable of applying in a creative way the principles, theory and practice of Marxism-Leninism. And their work in trade unions must be strengthened.

References:

- 1. ECLAC, LC/L 367 (CEG 11/13), 13 February, 1986, p. 61.
- 2. Ibid, p. 100.
- 3. Victor Volsky, Social Sciences, Moscow, No. 3, 1982, pp. 93-94.

Copyright © Nadira Jagan-Brancier 2000