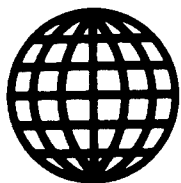


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19 November 1987



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# ***JPRS Report***

## **Soviet Union**

### ***WORLD ECONOMY & INTERNATIONAL RELATIONS***

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# Soviet Union

## World Economy & International Relations

No 8, August 1987

JPRS-UWE-87-012

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### English Summaries of Major Articles

18160012c Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 8, Aug 87 (signed to press 17 Jul 87) pp 158-159

[Text] **The Conception of Interconnection between Disarmament and Development.** The Theses of the Institute of the World Economy and International Relations of the USSR Academy of Sciences. I. Ivanov in the article **"Demilitarization of World Economy as an Urgent Necessity"** indicates that the new political outlook in the nuclear age rejects the arms race as humanity directly or indirectly must pay with millions of human lives, with a depletion of natural resources, with the waste of the gigantic sums on the arms race. Hence the broad international resonance to the Disarmament for the sake of development programme moved in the Soviet statement of January 15, 1986. Disarmament is the moral, political and economic imperative. Even under the conditions of absence of war the further progress of civilization becomes more and more difficult, for the armaments burden can be compared with the material damage of world wars themselves. The arms race deforms production, affects the financial system, results in pronounced anti-social consequences, militarize international economic relations, considerably affecting economic growth. The arms race diverts tremendous material, manpower and scientific resources. The author focuses on the fact that the extent of massive consequences of militarism hits the economy of any level. The US economy is by no means an exclusion. According to the calculations made by the Institute of World Economy and International Relations the acceptance by the USA of Soviet proposals of January 15, 1986 would save them 1 trillion dollars and Western Europe about 300 billion. The author clearly demonstrates the possibilities of switching military resources to peaceful aims programme vividly manifested in certain spheres. The author states that only disarmament will release huge material and intellectual resources and make it possible to use them for purposes of creativity, economic development and prosperity.

V. Vrevsky and V. Ivanov in the article **"Asia and Pacific Region: Nuclear Age Realities"** note the mounting interest to the region on the part of Soviet scientists, dealing with international problems as well as foreign specialists, seeking possible solution of the issues that have piled up. The area is vital to the interests of many countries. Here after the war period a contradictory neighborhood of socialist, developing and capitalist countries has taken shape. One has to state that militarization, the escalation of the threat of war in the region are picking up dangerous speed. The region is turning into an arena of military-political confrontation and high level of nuclear danger, as powerful land armies, mighty navies and air forces have been established there. The scientific, technological and industrial potential of many countries from the Western to the Eastern fringes of the Ocean makes it possible to boast any arms race. The authors

discuss the needs for establishing a comprehensive system of international security and a search for special measures pinpointed at lowering the level of military and nuclear confrontation. Special attention in the article is given to different approaches to the problem of nuclear weapons. The authors clearly show that an analysis of the nuclear aspects of the situation in the Asia and Pacific region gives ground for the assertion that the diversity of approaches to the problem, the ideas about national security makes the perspective of further proliferation of nuclear weapons with their increasingly sophisticated systems quite possible. The article notes that the urgent task of the region is to prevent nuclear weapons from causing a general catastrophe.

The article by A. Kokoshin and V. Larionov **"The Kursk Battle and Present Day Defensive Doctrine"** is dedicated to the 44th anniversary of the Kursk battle, one of the greatest in World War II. It embraced both defensive and offensive operations. The article explains the reasons why this battle is considered to be exceptionally important in the history of wars and military art. A deep study of historical regularities in the art of such warfare is an important prerequisite for present day military-political investigations, an analysis of the issues of arms limitations and disarmament as well as the strategic stability. The article indicates that under present conditions the experience of purposeful defense in Kursk acquires international significance. Some aspects of military historical experience in the recent past demand that the laws, governing military actions must be apprehended in theory. In the nuclear age the correlation between defense and offense, their advantages and shortcomings is different. In this respect the Kursk battle is a good example when defense turned out to be stronger than offense. A good demonstration of the idea is the Warsaw-Treaty member-states military doctrine, signed in Berlin on May 29, 1987 whose aim is to prevent a nuclear as well as conventional war. This doctrine, being strictly defensive, proceeds from the assumption that in the present-day conditions the use of military force for the solution of any disputes is inadmissible. The Polish initiative (the Jaruzelski Plan) advanced on May 8, 1987 is another good example, serving to consolidate peace in Europe and build a reliable system of security. This is a new comprehensive plan for arms reduction and confidence building in Central Europe.

P. Cherkassov in the article **"France and the Conflicts on the African Continent"** takes as his subject the French policy in the African Continent in the 1980's, its aims and main directions particularly in Chad, Libya, Southern Africa and Western Sahara, which France continues to regard as its own sphere of influence. The French policy is studied in the context of the global policy of the Fifth Republic. The author shows that France does its best to secure its own interests in the African continent, resorting to all kind of economic, political and ideological measures, endeavoring to retain its substantially limited sphere of influence and continuing at the same time to derive handsome profits. French financial aid is

another source of pressure which is not only thoroughly controlled by France but also serves as an instrument of interference with internal affairs of the above mentioned countries and regions. The author emphasizes that France provides the so-called assistance with the aim of creating the corresponding political conditions and establishing the direct economic control over the African continent, it once dominated. All this is increasingly linked with France's military plans.

The article by E. Dmitriev **"Palestinian Resistance Movement: New Frontiers"** provides a fresh understanding of an important stage in the life and struggle of the Palestinian resistance movement (PRM)—the conducting of the so-called Palestinian "dialogue" and the 18th session of the Palestine National Council (parliament in exile). The author traces the development of events: the meetings of the leaders of different Palestine organizations with those of the Arab countries of progressive orientation for mapping out a single political platform of the PRM for examining the way "the dialogue" and the session were being conducted, their results. The author emphasizes those particular aspects in the decisions of the session which could in favourable circumstances determine during a long period of time the strategy and tactics of PRM: relations between the PRM and the Palestine Liberation Organization (PLO), the prospects of the Syrian and Palestinian relations, the working out of a common approach of all Palestinian organizations to the idea of convening an international conference on the Middle East. Such a conference could be a desired international and legal forum able to decide, on the bases of the observance of justice for everybody, the main aspects of the present-day Middle East situation, the Palestinian problem included. The noted decisions should be based on the respect and realise on practice the principal national rights of the Arabian people of Palestine.

I. Zorina and V. Sheynis in the article **"Brazil and Argentine in the World Today"** discuss the problem raised by a reader of the magazine: Isn't it a high time to consider Argentine and Brasil as developed capitalist countries. In their opinion the answer to the question is not an easy one. Between the developed capitalist countries and the bulk of developing ones there lies an intermediate zone, incorporating Argentine, Brazil and quite a number of other comparatively developed countries usually related to the "third world". The article in the form of a dialogue is backed by numerous arguments, facts and statistical data, demonstrating that the two countries are notably above the average level of the developing countries in some major economic and social indicators. But at the same time the problems of socio-economic modernization, democracy, introduction of institutes of civil society and a quest for their place in the international division of labour are extremely acule and painful in these two countries. Estimating the changes of the last few years (primarily the return of Argentine and Brazil to a constitutionally-democratic order, changes in foreign policy, improvement of the economic situation

in Brazil and altered priorities of its socioeconomic strategies) the participants in the dialogue discuss the two countries' perspectives and examine the conditions which both contribute and hinder the further development of positive political process.

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**IMEMO on UN Disarmament Conference Call**  
*18160012d Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 3-8*

[IMEMO disarmament propositions: "Urgent Present-Day Problem"]

[Text] Disarmament and development—these two concepts increasingly stand alongside one another in our time. Their interconnection is becoming increasingly apparent. The progress of mankind, the rational use of its material resources and the growth of its spiritual potential are inconceivable without getting on top of the underdevelopment of vast areas of the world, former colonies, for the most part, and this, in turn, is impossible without colossal financial resources, which may come to light only given a reduction in expenditure on armaments. Thus disarmament, being in itself a most important step en route to the establishment of lasting peace in the world, would at the same time also be a great contribution to world development.

A UN conference on the interconnection between disarmament and development will be held this August in New York. Responding to this important event, the journal is publishing material devoted to this subject.

### **Concept of the Interconnection of Disarmament and Development**

Propositions of the USSR Academy of Sciences IMEMO

1. The interconnection of disarmament and development is conceived of as an organic part of the concept of the creation of an all-embracing system of international security encompassing the military, political, economic and humanitarian spheres of world politics. The "disarmament—development" formula

— reflects the interdependence of states and peoples, the wholeness of the modern world and the interdependence of the processes of its development;

— signifies recognition of the realities of the nuclear-space age, the unconditional need for a lowering of the level of military confrontation and a limitation of states' military potentials to the limits of a reasonable sufficiency;

— recognizes the urgency of concerted international efforts for the solution of a set of global problems, including the surmounting of backwardness and underdevelopment, environmental protection, the peaceful conquest of the oceans and space and provision for the growing food, raw material and energy needs;

— shows that by way of real disarmament, primarily a process of the elimination of nuclear and other types of weapons of mass extermination, it is possible to halt the huge waste of resources being swallowed up by military preparations and begin to switch these resources to peaceful ends, the enhancement of the well-being of the peoples and the progress of culture;

— reveals the role of disarmament as a reserve and catalyst of the socioeconomic development of the whole world community;

— embodies the new political thinking rejecting militarism and the cult of violence in international relations and oriented toward cooperation and mutual assistance in world affairs.

2. In the modern world the buildup and refinement of weapons does not assure countries and coalitions thereof greater security but has the reverse effect. The arms race has begun a process ruinous for all states which is increasingly less susceptible to reliable control and which embodies the old, outmoded logic of relations between states and peoples typical of the prenuclear era and prenuclear thinking.

The modern world is fundamentally different from the past world of several decades ago not only in the existence of weapons of mass annihilation. It is a new stage of human civilization, a highly urbanized, high-tech stage, with a dense and complex network of socioeconomic structures, production centers and vitally important supply lines. Such a civilization is by its very nature extremely vulnerable and subject to dire dangers in the face not only of nuclear but also conventional weapons, whose power of destruction has grown many times over since the times of WWII and is continuing to grow unchecked.

3. Thus two relatively new, but fundamental facts—the critical level of the power of destruction of modern weapons and the qualitatively new nature of present-day civilization—make urgent the renunciation by states and governments of obsolete concepts of security built on military strength and an arms buildup and the creation of a variety of blocs and groupings targeted against a “probable” enemy.

The transition from outdated militarist, confrontational concepts and from the division of countries into “friends” and “enemies” to the new political thinking and an all-embracing system of international security demands the mobilization of all peoples and states of the world and their common will and joint actions.

Such an approach makes it possible to regard disarmament and development as two interconnected and mutually complementary aspects of international security.

Disarmament removes the threat of general annihilation by way of the elimination of all weapons of mass destruction, a reduction in armed forces and conventional arms and the limitation of states’ military potential to the level of a reasonable sufficiency necessary solely for ensuring defense needs; and creates material guarantees for the formation of a fundamentally new system of international security and contributes to a strengthening of mutual trust and cooperation, in short, affords prospects for real peace.

Development, based on these prerequisites, provides the conditions for the further evolution of human civilization and contributes to the solution of the national and global problems confronting mankind.

The development process encompasses economic, social, cultural and other aspects of social life and is geared to a rise in people’s living standard and quality of life based on the progress of the national economies and an upgrading of international economic relations on a just and democratic basis.

4. Disarmament is of decisive significance in the struggle for international security and the mobilization of material resources and efforts for effective socioeconomic development. The process of a strengthening of international security via disarmament could acquire the necessary acceleration and become irreversible if it were closely coordinated with activity in the socioeconomic and spiritual spheres, primarily with the elimination of the most destabilizing and explosive manifestations of backwardness and underdevelopment—the global problems of poverty and the intolerably low level of health care and education—and also with the accomplishment of the task of preservation of the natural environment, which is increasingly acute for mankind, the overcoming of national egoism, removal of the obstacles in the way of cultural and spiritual development and the establishment of trust between states, nations and people.

5. The elimination of weapons of mass destruction and a radical reduction in conventional arms would sharply limit the objective possibilities of one or several states imposing their will on other countries and peoples and refusing self-determination and choice of independent development path. Disarmament could to a significant, if not decisive, extent protect the sovereignty of states, large and small, against outside encroachments, including the right to dispose independently of their natural resources.

6. There is not only a political but also close economic interrelationship between disarmament and development. Contributing to the strengthening of international security, disarmament also represents a unique method of the release and switchover to peaceful purposes of the

tremendous resources being swallowed up by the arms race. It affords additional material and intellectual opportunities for an acceleration of socioeconomic development and the surmounting of the economic lag of the former colonies and semicolonial territories.

In turn, the economic progress of each country and its spiritual and cultural development, the consistent expansion of world economic relations and the eradication from them of inequality and discrimination would undoubtedly contribute to an easing of international tension and lend powerful additional impetus to a reduction in arms and disarmament and the creation of a nonviolent world free of nuclear weapons.

7. Disarmament and development are organically interconnected and interdependent both at the global level and on the scale of individual regions. The specifics of their interconnection at the present stage of human civilization presupposes concentration of efforts on what is most important—curbing the nuclear arms race. In other words, and this needs to be stressed, the elimination of nuclear and an appreciable reduction in conventional arms are of priority significance in the struggle for international security and will create the conditions and prerequisites for the efficient promotion of socioeconomic development. The specific steps and initiatives pertaining to the creation of zones of peace, nuclear-free zones and so forth are also playing a positive part in this respect.

8. Fundamental significance is attached in this context to the interpretation of one further aspect of the "development" concept. Development is a global and multidimensional process, in which the entire world community participates. First, there are urgent social and economic tasks in each country or groups of countries. Second, by virtue of the internationalization of world processes a significant change in the pace and nature of development in one part of the world is reflected and will be reflected increasingly strongly in similar processes in other parts. Consequently, both the developed countries, in which resources would be released in the disarmament process, and the developing countries, to which some of these resources are to be allocated, could expect to benefit from disarmament.

No social system which exists currently and no state could lose from measures of actual disarmament. The greatest effect could be obtained given general and complete disarmament, but even the partial release of the tremendous and diverse resources used in the military sphere could contribute to socioeconomic development.

The developed capitalist states would be able to step up the pace of economic growth, enhance the degree of use of S&T achievements and scientific personnel for civil

production and reduce taxes. Disarmament would make a significant contribution to the solution of such acute problems as budget deficits, inflation, unemployment, poverty and homelessness.

Disarmament would also play a big positive part for the socialist countries. They would direct their efforts at the fuller satisfaction of the population's growing requirements, accelerated S&T progress and increased labor productivity. Disarmament would be reflected in salutary fashion on an improvement in the system of socialist production relations and an expansion of the social sphere.

It is difficult to exaggerate the tremendous positive significance of a halt to the arms race and of disarmament for the emergent countries and for their surmounting of the barrier of backwardness and underdevelopment. Disarmament would make auspicious changes to all their economic and social processes: economic growth, transformation of the backward industrial base, development of agriculture, solution of acute social problems, foreign economic relations and so forth.

9. Impetus to the development of individual states and groups of states thanks to disarmament would proceed not only under the influence of a rebuilding of their own economic structures but also on the part of the world economic environment. The latter is particularly true in respect of the developing states. The potential for development which would be afforded given disarmament would be found, specifically, in a curbing of such calamities as inflation and the surging growth of debt, exclusion of the influence of military-political and military-strategic calculations on international trade and S&T policy and the practice of rendering economic assistance, cultural exchange, the spread of information and so forth.

10. The concept of the "disarmament—development" interrelationship presupposes an orientation both toward the promotion of socioeconomic development and the accomplishment of wide-ranging tasks of the demilitarization of human society. Of extraordinary importance in this respect are a renunciation of military-political diktat and coercion in foreign policy and the close connection of a mechanism for switching resources from military to peaceful purposes with a restructuring of international relations on a just, democratic basis, with the establishment of a new international economic order and with other directions of the struggle for international economic security. Great significance is attached also to efforts geared to the shaping of the new thinking and new mentality, which would impede the spread of chauvinist, militarist ideas and sentiments and, on the other hand, cultivate ideas of humanism and cooperation between peoples.

11. The principles of peaceful coexistence, good-neighborliness and mutually profitable cooperation constitute an inalienable part of the concept of the interconnection

of disarmament and development. For this reason the practical realization of this concept would inevitably contribute to the creation of qualitatively new, auspicious conditions for the political settlement of regional conflicts. Balanced disarmament at the regional level would help remove such factors of tension as mutual suspicion, distrust and hostility. On the other hand, limitation of the arms race in individual parts of the world would reduce the degree of risk of the outbreak of armed conflicts between neighbors and simultaneously contribute to the establishment of political dialogue and the unification of efforts on paths of the solution of economic and social problems. This, in turn, would help the developing countries emerge more rapidly from their calamitous situation and thereby remove a number of factors of potential local and regional conflicts.

12. In each country and region the mechanism of the switchover of national resources from military to peaceful purposes, that is, a conversion mechanism, would have its own particular features, which are determined by the social and political system, the level of development of military production, the system of the organization and administration of military-economic activity and also the degree and form of the participation of state-owned and private enterprises in the manufacture of the military product. Accumulated experience (specifically, the experience of the first years of the postwar period) and study of the problems of conversion show that any state, regardless of its social system and level of development, has sufficient opportunities for switching the military economy to peaceful tracks.

However, the difficulties and complex problems which are connected with conversion, particularly in the most militarized sectors of the economy, should not be underestimated. These difficulties, albeit to a differing extent and of a different nature, will arise both in the developed capitalist and in the socialist and developing countries. A need for special measures along state lines for the purpose of compensating a reduction in military demand and assisting the retraining of the workforce could arise. But the difficulties connected with conversion simply cannot be compared with the tremendous damage which will be done to mankind and each country individually by a continuing arms race.

13. Conversion is an integral part, important mediating link and stage of the "disarmament—development" process. It is a method of the release in the course of disarmament of material, financial, human and scientific resources and the channeling thereof for development purposes. Treaties and agreements in the disarmament sphere are the first and most important thing, which would make conversion of the military economy into a civil economy and the release and use of resources for development purposes practicable. This interconnection is conveyed well by the formula "political disarmament accords—practical disarmament measures—conversion—development". Recognition of this

fundamental four-component outline of the interconnection of disarmament and development would be useful at the time of solution of emerging practical problems, including those connected with the creation of an international mechanism for redistribution of resources for development purposes.

14. An appreciable contribution to the solution of conversion problems should be made by international organizations. Measures of actual disarmament and the corresponding reduction in military spending could require the elaboration of special international programs and plans of development, in respect of individual countries and regions included. Also possible is the participation of international organizations in the elaboration of theoretical problems of conversion and practical recommendations concerning ways and methods of accomplishing it. The focus of attention could be questions of the proportions of economic development under the conditions of disarmament; the reorientation of the production capacity, manpower and other resources released for the solution of urgent problems of a national, regional and global nature; use of the achievements of S&T progress in the interests of world development and for the purpose of eliminating the economic backwardness of the emergent countries.

15. In the elaboration of "disarmament—development" problems and the practical realization of this concept a considerable role belongs to the nonaligned movement and also various social movements, which are presenting initiatives with respect to conceptual and practical aspects of the interconnection of disarmament and development.

16. The institutional aspects of the interconnection of disarmament and development are connected with the problem of the creation of the appropriate international fund for development assistance via disarmament. It is important that all interested states, regardless of their social system and level of economic and military-technical development, be able to participate in the creation and functioning of the fund. This would ensure the balance and mutual complementariness of international and national development acceleration efforts. The fund could in its practical activity be based on the system of UN institutions and make use of their possibilities and channels for realization of its projects.

17. Questions of the formation and use of the resources of the development assistance via disarmament fund require special attention. It would be expedient when elaborating them to proceed from the following considerations:

— the basic principle of formation of the resources of the fund should be receipt of some of the resources released as a result of actual disarmament;

— the amounts of the released resources which will be put at the disposal of the fund will be announced by the parties to arms reduction agreements in unilateral or concerted manner;

— the fund will accumulate resources both in the form of materials, equipment, technology and engineering and other services and in the form of financial contributions predominantly in the national currency.

18. The investors of resources released in the process of a reduction in arms and military spending in the international development via disarmament fund should be primarily states with big economic and military potential. It would hardly be advisable as a matter of principle to exclude from the fund's donors the developing countries which are the most militarized and which thereby have sizable financial resources. First, in not all cases is the level of their military and military-economic activity warranted from the viewpoint of the regional and domestic situation and defense requirements. Second, the removal of these countries from active, albeit, of course, somewhat different from the great powers, participation in disarmament processes could under the conditions of a change in the balance of forces in the world give rise in them to the temptation to solve questions of mutual relations with other developing states from positions of military strength. Third, in the ranks of detached observers or merely recipients of resources from the fund, these countries would thereby be undermining to a large extent the idea of the profound and all-embracing connection between disarmament and development with reference to the developing states themselves and also to some extent the concept of an integral and interconnected world.

19. The form of transfer of the released resources is an important question. It is necessary to consider here the particular features of the currencies of the socialist countries. Supplies of equipment, commodities and materials in physical form calculated in prices of the international market and also contributions predominantly in the national currency, which could be used, specifically, to train local personnel to operate the supplied equipment and for other purposes, should constitute a significant, if not the greater, proportion of the aid.

20. The choice of criteria is important when rendering the development countries assistance thanks to resources released in the disarmament process. From the economic viewpoint preference should, evidently, be given the less developed countries; and states which pursue a consistent policy in respect of mobilizing intrinsic resources for development purposes and which are engaged in the fulfillment of large-scale projects of importance for the prospects of their economic and social progress. All other things being equal, preference in the receipt of such assistance could be enjoyed by countries which endeavor to reduce the burden of unproductive military spending and participate actively in the disarmament process. The

country's performance of specific measures and commitments in the disarmament sphere could be an important criterion. Such assistance may not be made available to racist and aggressive regimes. The question of such and other restrictions on assistance along the development via disarmament assistance fund lines would be subject to further elaboration on the basis of the principles of the UN Charter and other rules of international law.

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### **Benefits to World Economy From Disarmament**

18160012e Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 9-20

[Article by I. Ivanov: "Demilitarization of the World Economy—Urgent Necessity"]

[Text] The arms race is incompatible with the new political thinking, which is an imperative of the nuclear age. It is unacceptable not only as a means of securing the external interests or national security of this state or the other but also economically, owing to the tribute which militarism compels all mankind to pay. "To pay," as the 27th CPSU Congress pointed out, "directly and indirectly... by a waste of national resources and the diversion of gigantic sums into the arms race. And the unsolved state of numerous increasingly difficult problems." Whence the extensive international comment elicited by the Soviet "disarmament for development" concept advanced in the well-known statement of M.S. Gorbachev of 15 January 1986. It has already become a part of the political platform of the nonaligned movement and many mass antiwar movements.

A special UN conference on the interrelationship between disarmament and development is opening at this time in New York. It is assembling a year late owing to the obstructionist policy of the United States and a number of NATO countries. However, the obstacles which had been created were overcome by the efforts of the socialist and emergent states and the world community as a whole. Mankind no longer wishes to be reconciled to the fact that "hundreds of billions of dollars spent annually on the production and upgrading of weapons," UN experts stress, "are in grim and dramatic contrast to the need and poverty in which two-thirds of mankind lives" (1).

Truly, present-day militarism is acquiring many new danger and ugly features.

### **I**

What is qualitatively new is primarily the fact that, given the present scale of military production, it is not only the survival of mankind which is being put in jeopardy.

Even under conditions of peace the further progress of civilization is problematical since the burden of the arms race is becoming comparable to the material losses from world wars.

Thus approximately 50 million persons are involved in the sphere of military production activity in the world, UN experts estimate. It accounts for approximately one-fifth of the contingent of scientists and engineers. Annual military spending amounts to \$600 billion—an amount exceeding the total GNP of the developing countries of South Asia and the Pacific. As of the mid-1970's the increase in this spending has been overtaking economic growth. In sum, in the past 10 years the total thereof has exceeded total material losses from WWI. If existing trends in this sphere continue, the total burden of the arms race threatens by the year 2000 to have far surpassed mankind's material losses from WWII (2).

Further, the diversion of resources into the arms race has become so considerable that it is deforming the social production mechanism. Confiscating states' resources, military preparations are holding back an increase in economic potential and its modernization, which is particularly ruinous in a period of the radical structural changes occurring in the world economy.

According to the calculations of the American economists (R. Degress) and (D. Greysers), states with high military spending are investing relatively less and lagging behind in the increase in and modernization of fixed capital, productivity and competitiveness. Their economic growth, to which the military product is mechanically ascribed, is "inflated," and the expanded nature of production is largely illusory (3).

Primarily these negative phenomena are leading to the disorder of state finances. The price of the military product usually grows more rapidly than that of the civil product. Military spending is being covered partly thanks to deficit financing and loans on the money market. As a result budgets are becoming unbalanced. Bank interest rate is rising and national and private debt is increasing.

The arms race also has clearly expressed negative social consequences. Arms production is less labor-intensive than civil production, and it is social needs primarily which are sacrificed to the military budgets. A study conducted by West German specialists showed that of the five leading capitalist countries the highest level of unemployment was observed where the biggest military spending was noted. As far as social programs are concerned, "each manufactured gun, each warship launched," former U.S. President D. Eisenhower observed, "and each rocket launched ultimately means theft from those who are starving and undernourished and who are suffering from cold and lack clothing" (4).

Finally, the arms race is also militarizing international economic relations, which are now influencing economic growth so appreciably. Up to one-tenth of the consumption of individual raw material commodities goes for military needs. As a result artificial "strategic stockpiles" thereof disorganizing the raw material markets are being built up. All kinds of "prohibited lists" are coming into use on the finished product markets and in the technical assistance field. Weapons themselves, the constant increase in the costs of the production of which requires to ensure profitability increasingly large series production and, consequently, exports, are among the most important commodities of international trade. Such exports, in turn, are inciting discord and hostility between the countries importing the weapons and leading to an intensification of regional conflicts.

The large-scale and far-reaching consequences of militarism damage a national economy of any level of development and size. Nor is the United States, whose economic position is highly indicative in this respect, any exception. Burdened with incredible military spending, this country loses every 12-14 years resources the equivalent of its annual GNP. In terms of competitiveness and increase in productivity it has sunk almost to the end of the list of the 17 main capitalist states. The huge foreign payments deficit and the federal budget deficit have already led to a fall in the exchange rate of the dollar and a swelling of the national debt, which may be considered a kind of synthesized expression of the price of the arms race for the American economy. The United States' foreign debt alone increased from 2 percent of GNP in 1985 to 8 percent in 1987, and by 1991 threatens to have risen to 17 percent of the gross product. National assets totaling approximately \$1.2 billion and also 12.4 million acres of land have already passed into the hands of foreigners. As a whole, counterposed to actual money in circulation and the country's gold and currency reserves totaling \$330 billion is a \$10 trillion internal and foreign debt. According to the American economists M. Carnoy, D. Shearer and R. Rumburger, under these conditions the United States cannot simultaneously both conduct an arms race and undertake the dynamic structural modernization of the economy. The authoritative banker E. Kirkland, on the other hand, believes that the country is already heading downhill within the framework of the "long-wave cycle" of economic activity (the "Kondratieff cycle") pertaining to the latter half of the 20th century (5).

It is not fortuitous that there are multiplying appeals for the ruinous "security through armament" hypnosis to be shaken off. "The growing economic outlays on the production of modern arms systems," a report of the European Trade Union Movement Institute pointed out, "are completely unjustified from the political viewpoint since they by no means enhance the level of a nation's security." In the United States only 31 percent of Americans polled in the spring of 1987 urged an increase in military spending (including only 23 percent in favor of "star

wars"), whereas 71 percent demanded increased appropriations for aid to the poor and the homeless, and 78 percent, for social needs (6).

Yet according to estimates of IMEMO specialists, the United States' adoption of the proposals contained in M.S. Gorbachev's 15 January 1986 statement alone would enable it to save approximately \$1 trillion on military spending. This would mean a sharp reduction in budget deficits, a curbing of inflation, stimulation of the modernization of industry, a galvanization of social policy and so forth. And such savings could ultimately become a reality if the Soviet-American arms reduction negotiations finally produce a concrete result.

Nonetheless, the advocates of militarization are not going away, advancing in its defense updated arguments against disarmament and, consequently, against development. The most importunate sound is coming from the chorus of rightwing figures in a number of West European countries, who believe that a renunciation of nuclear weapons will either render it "defenseless" or require by way of compensation a buildup of conventional arms, a race in which per unit of power of destruction is more costly than in nuclear arms. However, quite apart from the risk connected with the deployment of nuclear weapons in such a densely populated region of the world, such calls could, if realized, deprive West Europeans precisely of the resources which they are now attempting to find to do away with the technical and economic lag behind the United States and Japan.

The military technocrats are presenting their calculations also. They are attempting to prove that a dismantling of weapons systems could prove more costly than their creation. Yet the elimination of one nuclear submarine would cost, for example, \$24 million, and of a bomber, \$14,500, but their operation alone costs \$60 million and \$7.3 million respectively.

Ultimately the main argument is that according to which the arms race needs to be continued in order to "economically exhaust" the Soviet Union, thereby achieving victory in the competition of the two social systems.

It is well known that the Soviet Union does not aspire to military superiority and sees the way to ensuring security in a reduction in the level of military-strategic balance. At the same time, however, under existing conditions our defense does not come cheaply. The budget for 1987 allocated for these purposes R20.2 billion compared with R19 billion in 1986. This is twice as much as the expenditure on environmental protection or the development of light industry, is more than all appropriations for health care, physical culture and sport and constitutes two-thirds of the resources allocated for housing construction, transport and communications, two-fifths of budget and credit investments in the agrarian-industrial complex and approximately one-third of expenditure on social security. Finally, the said amount is

roughly equal to the budgets of Azerbaijan, Georgia, Moldavia, Latvia, Kirghizia, Turkmenia, Tajikistan, Armenia and Estonia together.

There is no doubt that the defense burden is very telling for the socialist economy. Disarmament would help our development also. However, hopes of running the Soviet economy "into the ground" on this path are illusory. They were not realized even in years which were not its best and are even more absurd in the approaching period of acceleration. In addition, the difficulties of the USSR, real ones, not invented ones, will by no means solve the problems of the United States itself and other NATO countries, where they are far more acute. "We often hear, from President Reagan included," the *International Herald Tribune* writes in this connection, "that only Mikhail Gorbachev needs an arms control agreement, and for economic reasons, what is more.... But the same could be said about the United States also. And should be said since the huge amounts which America is spending on weapons are the sole reason for its loss of its economic superiority to Japan and other countries. The spending on arms is a heavy burden on the country's capacity for competing in this world of growing rivalry.... The lesson is perfectly clear," the newspaper concludes, "America's statesmen, possessed by the idea of the Soviet threat, are causing the country severe economic harm. In its ardor to create ever newer and ever bigger weapons in ever larger quantities the United States is squandering intellectual resources so necessary for countering the real challenges of the present day" (7).

The "disarmament for development" concept is of tremendous significance for all groups of states. It incorporates not only a moral-political imperative but also intelligent demands of present-day economic and business life. This is manifested as graphically as can be in such questions troubling the world as the problems of the emergent countries and the prospects of S&T progress. The belief in the practicability of the conversion of military industry for satisfaction of civil needs is strengthening also.

## II

Speaking of Asian, African and Latin American countries, P. Noel-Baker once emphasized that for them "disarmament and development are not two different problems but one. They must either be tackled together or neither will be solved" (8).

Indeed, in the atmosphere of intensifying arms race the amount of the resources being transferred to the "third world" in the form of aid is diminishing literally before our eyes. For the OECD countries "official development assistance" now constitutes 0.34 percent of their GNP or half as much as recommended by the United Nations, and the United States is in last place (0.2 percent) in this respect (9). Simultaneously the loans to which governments of the Western powers are resorting on the money markets to cover their deficits taking shape as a result of

the buildup of military spending have led to a sharp surge in the interest on private credit to the developing countries, thereby making a substantial "contribution" to their trillion-dollar debt. Finally, the arms race itself in the NATO countries is being financed largely precisely thanks to exploitation of the developing states.

There is a multichannel mechanism of this financing. The basis thereof are the neocolonial profits of the transnational corporations, which are subsequently either transferred directly to their subdivisions engaged in military business or are taken via taxes into the budgets of the NATO countries, military included. The latter are also replenished thanks to the imperialist powers' income from their credit transactions in the "third world". All this is crowned by government borrowing on private money markets, on which also part of the neocolonial profits of the TNC transnational banks which they put into financial circulation ends up. A quantitative evaluation of this transfer is difficult owing to a lack of statistical data. However, it is evidently a question here of many billions, about which the press of the developing states writes. "The imperialist powers," the Indian NATIONAL HERALD observes, "are transferring on an ever increasing scale in every possible way the material resources of the developing countries to their economy.... While experiencing the negative impact of militarism, they themselves are being forced to finance it, despite the fact that the gap between them and the industrial countries is increasing continually."

The arms race is also attended for the developing economy by indirect negative consequences. Military production is less materials-intensive than civil production. Even in a tank traditional construction materials "extend" to only 60-65 percent of its cost, whereas in a tractor, 75 percent. The corresponding indicator for warships is 60 percent. In military electronics 40 kg of optical fiber replaces a ton of copper. All this is causing a relative diminution in the need for the raw material exported by the developing countries and lowering the price thereof. Simultaneously unemployment born of the same militarization is reducing demand for consumer goods from the "third world".

It is clear that disarmament could at a stroke cut the knot of all these interconnected problems. But the bacilli of militarism are as yet penetrating the economy of the developing countries themselves, pulling them into the arms race. These countries' military spending has increased in the past 15 years in the proportion of 0.9 per 1 percent of economic growth, and the "third world's" share of world military spending is now higher even than that of the world GNP.

Of course, a distinction needs to be made in connection with the direction of this expenditure—into the defense of national independence against the intrigues of imperialism and its agents or the suppression of its own peoples and provocations against neighbors. But in any event this is placing on the fragile economy of the

emergent states the heaviest burden, swallowing up up to one-third of the accumulation fund and forming a 20-percent increase approximately in the foreign debt. Up to three-fourths of world arms exports is channeled into the developing countries, although, according to the calculations of UN economists, each dollar spent to this end reduces their domestic capital investments by 25 cents, and given arms imports of the order of 6-8 percent of GNP, the development process is coming to a halt altogether (10).

The damage from militarization is augmented in the "third world" by direct losses from military conflicts largely growing in its soil. More people have perished from them in Africa than in the course of the struggle for independence. Huge and senseless losses are being inflicted on one another, for example, by Iran and Iraq. The countries which make their territory available as springboards for aggression against neighbors are being harmed also. In the southern areas of Honduras, where the "contras" have made their nest, 200,000 peasants have been driven from the land, the owners of coffee plantations have lost \$15 million and employment has declined. Regional conflicts are being artificially fanned by imperialism and the arms manufacturers, and it is not surprising that the reduction in the emergent states' military spending in the last 3 years has caused a real panic in West Europe's military-industrial circles (11).

As a whole, however, "we do not have to fire a missile from a Trident submarine and then count the dead," G. Galloway, general secretary of the British War on Want organization, observed. "Millions of people dying every year from starvation and diseases connected therewith may also be considered partially casualties of the nuclear arms race.... The first casualties are the poor. They are dying either from the fire of the tanks or because their government prefers to buy tanks and not food." "There is a clear connection," he sums up, "between the problem of hunger in the world and the economic underdevelopment of many countries on the one hand and the fabulous expenditure of resources on arms on the other."

And, on the other hand, disarmament and use of some of the resources thus saved for development purposes would afford the developing countries entirely different prospects. "Per capita consumption per dollar of reduction in military spending," the American economists W. Leontieff and F. Duchin point out, "would grow particularly rapidly in the poorest developing countries located in the arid zone of Africa, Tropical Africa and the resource-poor zone of Latin America" (12).

A reduction in military spending would normalize world raw material trade and the situation on credit markets. Additional resources would appear for "official development assistance" and solution of the debt problem. In any event, it may be said with confidence that the present net outflow of resources from the "third world" would be replaced by an influx thereof. It would be

possible to a large extent to avoid relapses into power politics in foreign economic relations. "Disarmament," UN experts note, "would in the long term contribute to the efficient economic and social development of all countries, developing countries particularly, facilitating a closing of the economic gap between them and the establishment of a new international economic order based on justice, equality and cooperation in the solution of other global problems" (13).

A reduction in the developing countries in the local burden of military spending would have an appreciable effect also. According to UN experts, given a reduction in the proportion of this spending in GNP from 4.5 to 3.5 percent, savings could increase by 2.7 percentage points, and economic growth, by 0.3 percent, and there would be a sharp diminution in the need to attract loan capital from abroad. In turn, a renunciation of arms imports would lead to an increase in the economic growth rate of 0.76 percent and a reduction in the sum total of foreign debt by 20-30 percent and in the proportion of the payment of interest in all debt payments, to 26 percent, and a surplus instead of a deficit trade balance. "While the price of militarization could prove intolerable," the British economist S. (Dedzher) concludes this econometric analysis, "disarmament offers an economical and productive alternative for development" (14).

It is not fortuitous that the idea of the organic interconnection of disarmament and development permeates all recent documents of the nonaligned movement. "The heads of state and government emphasize the direct connection between peace, disarmament and development," the economic declaration of the Eighth Non-aligned Conference in Harare points out. "They note that orderly development may be achieved only in an atmosphere of peace and cooperation and in this connection confirm their appeal for an immediate halt to the arms race, which should be followed by urgent disarmament steps in order to release in this sphere the human, financial, material and technological resources so necessary for development" (15).

Here the positions of the nonaligned and socialist countries are close or coincide.

### III

In our time it is of fundamental importance to correctly determine the interconnection which exists between such phenomena as militarism and S&T progress. One aspect of this interconnection is obvious and tragic—the achievements of science are being remelted into weapons of mass annihilation. Militarism is using them for a qualitative upgrading of arms and to circumvent and undermine accords on control thereof. "It would be an unforgivable mistake to abandon the use of new technology for defense needs," French Premier L. Fabius once maintained. "Our main task and the task of our allies is

to ensure that this technology provide us with a 'deterrence factor,' which is essential for maintaining the stability of international relations" (16). Irresponsible, illusory hopes of winning an arms race and ensuring security through "fear of retribution" are thereby linked with the progress of technology. Such hopes merely make more difficult, if not actually block, the sole dependable guarantee of international security by political means.

But a whole school has taken shape in the West unequivocally proclaiming the militarization of science an essential prerequisite of its development in general. Thus E. Martin, undersecretary of defense of the United States for research and development, believes that "scientific research for defense needs is extending the horizons of science and technology." Even if "these benefits are far off," its American political scientist B. Steinberg emphasizes, "they could still be tremendous" (17). West German Chancellor H. Kohl believes that the country which does not conduct military research "will become a second-rate state". Reference is made here to the transfer of technology from military to civil sectors and the creation in military laboratories of substantial amounts of "dual-purpose" technology.

Of course, it cannot be denied that a number of technical innovations which have now become widespread originally appeared in the military research sphere. However, this is only a secondary result of the process of the intensive squandering of accumulated S&T potential for unproductive and inhumane purposes.

According to the estimates of UN experts, the civil sectors of the economy, providing for 95 percent of the world GNP, dispose of only 75 percent of the world science potential, which is in itself a disproportion. Militarization means the secrecy of the results of R&D and restrictions on their dissemination. The main intrinsic regularity of the development of science as a universal process fed by the mutual exchange of information is thereby disrupted. Military-engineering designs, on the other hand, which may be offered for transfer to the civil sectors, have at least three negative features.

First, they are designed for a limited circle of sectors. In the United States this means approximately 60 of the 496 subsectors, which, naturally, is very far from technical support of the entire economy. Second, military R&D is in its latest fields frequently very far removed from civil needs. As UN experts estimate, barely 20 percent of such development is directly applicable for nonmilitary purposes. Finally, like the entire military product, such designs are developed utterly without regard for costs, which makes their assimilation in civil industry unprofitable. It was not fortuitous that London's *The Economist* noted "the growing incapacity of U.S. industry to make things which are attractive to Americans, let alone foreigners," and for this reason the arms race is now a most important factor of the deterioration in the competitive positions of the United States on world markets (18).

In addition, in accelerating the arms race the alliance of military clients and contractors is at every step permitting the production of military products in a technically unfinished form, and this is merely increasing recklessness in military-engineering policy and the risk of an accidental outbreak of a conflict. For example, the B-1B bomber is being manufactured with work still to be done on its "electronic brain," in the equipment for "blinding" an enemy's radar installations and in the cruise-missile firing mechanisms included; the stress on its wing area is close to being destructive and so forth. The catastrophe of the American Challenger shuttle spacecraft was, as it turned out, essentially programmed inasmuch as at the time it was being built the Thiokol company allowed engineering mistakes to occur. As the newspaper *People's World* observed, the U.S. Navy spent \$65 million on a new communications system without having given clear technical justification, and the Air Force allocated \$6 billion for a new tactical fighter without the corresponding cost and laboratory analysis.

What is new under these conditions is no longer the transfer of technology from the military to the civil sectors but, on the contrary, a persistent search for ideas by militarized science in civil science. This largely explains the United States' endeavor to involve the S&T potential of its allies, specifically Japan, in the SDI. The Challenger catastrophe has prompted NASA to direct its sights toward the near-Earth orbital station planned by the European Space Agency for peaceful purposes, but promising, the Americans believe, for work pertaining to the "star wars" program.

In sum, by virtue of its scale, the militarization of science in the West also is beginning to acquire qualitatively new features. Having reached certain limits, it is weakening and severing the connection between the pace and level of the development of science and the dynamics of social labor productivity. "Science and technology," K. Marx once noted, "communicate to functioning capital a capacity for expansion independent of its given value" (19). This rule, however, is hardly now applicable to the functioning of the aggregate capital of the most militarized NATO countries. For example, the United States, which is absolutely and relatively superior to the other capitalist countries in terms of the number of scientists and amount of expenditure on R&D, occupies among them, as mentioned above, a highly unenviable place in terms of labor productivity growth rate, is living in debt to a large extent and has a deficit trade balance in science-intensive civil products.

Militarized science does practically nothing for the development of the emergent countries either. On the contrary, it increasingly consolidates their peripheral status and creates new threads of military-technical dependence. The "star wars" program demonstrates all this as clearly as could be. According to the estimates of its "spiritual father," E. Teller, which are sustained in a spirit of publicity, up to 90 percent of the results of the program may subsequently be used for civil purposes.

"Much of the technology which will be studied within the framework of the SDI research program," G. Pattie, former minister of trade and industry of Great Britain, supported it, "is that on which the future of industrial civilization depends... and future generations will not thank us if we turn our back on these opportunities."

But it is precisely the work within the "strategic defense initiative" framework which is shrouded in a curtain of particular secrecy. The transfer of its results even to the overseas firms which are acting the part of subcontractors is authorized only "within the limits permitted by the interests of the security of the United States".

The civil returns from realization of this program, L. Branscomb, vice president of IBM, estimates, "will amount more to a drop in the ocean" for superpowerful lasers, particle beams, large-scale optics and infrared sensors will hardly find a commercial application. Finally, the American Society of Physicists estimates, the SDI is altogether reckless since the parameters of technology required for its realization exceed the current possibilities of science by many orders of magnitude (20).

In sum the "strategic defense initiative," by tying up scientific and technical resources, the American expert M. Lucas collates the possible effect of this program, "will probably impede the introduction... of civil technology necessary for an upturn of the Western economy. The 'star wars' program will also place the machinery of the security services above scientific activity as a whole. This will slow down even more the introduction of innovations and the spread of new technology to various nonmilitary sectors of the economy inasmuch as scientific developments produce the best results not under conditions of secrecy but, the reverse, given an unimpeded exchange of opinions. Creative research will in many instances probably be held back. Important discoveries which could be applied in the civil sphere will be classified. And export restrictions dictated by security considerations will be extended to many of the innovations which will, for all that, come onto the market. Ultimately this will lead to a delay in the expansion of mass markets for the sale of new products and also in the application of new technology for the solution of large-scale economic problems." Indeed, the United States' civil product is now, according to some estimates, 20 times less science-intensive than the military product (21).

For this reason questions of the release of science and technology from the "militarist ghetto" into which they are being driven by the military-industrial complex merit detailed discussion at the upcoming UN conference, and their solution requires practical action on the part of all its participants.

#### IV

The "disarmament through development" concept is applicable by no means only in the redistribution and financial sphere. It could also extend to the sphere of

production, in which it presupposes the conversion of military industry and its transfer to the manufacture of civil products. In turn, conversion could most seriously undermine the economic and entrepreneurial motives of the arms race and halt it at its very sources.

The proponents of militarism are attempting to intimidate the public with the fact that conversion would cause chaos in the capitalist economy, including unemployment and the bankruptcy of many corporations. However, there is already sufficiently extensive literature refuting such assertions. Thus calculations show that employment would not fall at the time of conversion but, on the contrary, would increase, and only 1 percent approximately of the amount of military spending would go on restructuring and the retraining of the workforce, what is more. The complete replaceability at the macro-economic level of government military spending by civil spending in the function of impact on the marketplace has been proven. This was checked out in the economic report of President L. Johnson for 1969, and in 1972 the R. Nixon administration actually reoriented part of the military budget toward social needs and the cities, science and education (22). In the practical plane questions of the conversion of military industry were posed in the platform of the British Labor Party in the period 1974-1977. Not only did none of this "ruin" the economy of the United States and Britain but even helped them in some respects overcome the energy crisis more quickly. Unfortunately, such impetus of the detente period was subsequently lost when it was dismantled by rightwing conservative circles.

Within the framework of this article a subject of special analysis is civil conversion in its least studied component—at the microeconomic level, within the framework of individual firms and enterprises. An analysis shows that here also it is not only feasible in principle but also attainable relatively quickly for it can be prepared on the basis of the extensive experience of the reorientation of production in the wake of changing demands of the market which the corporations already have.

Under the conditions of current structural changes and the extremely changeable marketplace questions of a transfer of resources and the reorientation of production have become the daily concern of executives of practically all corporations, which are resorting for this purpose to its diversification, the manufacture of new commodities or a search for new spheres of application of products already being manufactured.

In Japan, for example, there has been a pronounced reduction in recent years in the production of aluminum, synthetic fiber and ships, however, the firms which produced them have not gone bankrupt but have switched to new markets. This is also happening on an extensive scale in the United States, where industry, encountering increased import competition, also regularly adjusts its production profile. According to the

estimates of UN experts, periods of such adaptation take from 3 months to 3 years, but it is significant that it is a question of actual facts of business practice.

Similar instances also arise at the junction of civil and military production, the boundaries between which from the viewpoint of intrafirm management are generally quite mobile. In the United States, for example, the proportion of military consumption of semiconductors has in its time fallen in 13 years from 38 to 21 percent, computer chips, in 6 years from 100 to 37 percent, and computers, in the same period from 100 to 47 percent. The instance of IBM in just one year reorienting 30 percent of the manufacture of its computers from military to civil demand is known (23).

This endeavor is further explained by the fact that military-industrial business is highly specific. Superprofits therein coexist with a rapid change in technical requirements, a bitter struggle for orders and underloaded capacity. Sharp, including annual, fluctuations in the proportion of military orders in overall turnover may be seen among many corporations, including the Pentagon's leading contractors.

In addition, there are examples of the special (and successful) conversion of military to civil production undertaken in a number of firms at the initiative of the unions or management. Particularly receptive to it here are diversified concerns with experience of the intrafirm maneuvering of capital and capacity. Thus the trade union at the Lucas Aerospace firm (Britain) ascertained approximately 150 alternative civil commodities which could be produced at its plants manufacturing military products. Some 54 types of such commodities were ascertained at the naval yards of the Vickers concern in Barrow. It was ascertained also that it was possible at the plant in Newcastle to produce instead of Chieftain tanks presses and equipment for coal mining, bulldozers, steam generators and pumps. Even the Royal Munitions Factory in London proved capable of manufacturing home electronics and radio equipment.

In the FRG the trade union at the Blohm und Voss military (70 percent of the product) shipyard proved to management that the enterprise could at no less profitability manufacture civil ships and desalination equipment. Even the Krupp plants in Bremen and Kiel are assembling together with Leopard tanks equipment for saving energy and assimilating alternative sources thereof.

In France the Arms de (Shatlero) firm created the Sfena division for the production of civil products. The Atelier de (Tarb) military enterprise also manufactures instruments with built-in electronic components. The explosives factory in (Ripo) has been reoriented toward the peaceful use of nuclear energy, and the plant in (Guerni) has begun to manufacture agro-industrial equipment instead of supplies for the navy.

In Italy military contractors are producing trucks, helicopters and ambulances, and the Snia Viscosa firm is producing synthetic fibers in parallel with explosives.

In Sweden both military and civil aircraft are being assembled simultaneously on the production lines of the SAAB company. In Holland Philips has on the basis of the manufacture of radar equipment assimilated the production of transport artery safety equipment and so forth.

Of course, reverse metamorphoses, including the entry of companies which were previously civil in their profile into the military-industrial complex, are possible also. Much here depends on the correlation of military and civil government orders. But it is significant that in the event of a sincere aspiration to disarmament governments of capitalist countries may in conversion policy rely on a quite wide stratum of business circles.

The socialist countries will come to the UN conference on the interrelationship between disarmament and development with the precise and clear program set forth in the Warsaw Pact statement "On Overcoming Underdevelopment and Establishing a New International Economic Order". "Proceeding from the fact," the statement points out, "that there is a close interconnection between disarmament and development and that only disarmament can release vast additional resources for overcoming economic backwardness, the Warsaw Pact states advocate as emphatically as can be specific measures in the sphere of disarmament being accompanied by a corresponding reduction in military spending. The material, financial, human and scientific resources thus released should be used to accelerate the economic and social progress of the appropriate countries and also to eliminate economic backwardness in various parts of the world. Each step on the way to arms limitation and disarmament, specifically the elimination of nuclear arms, should result in the release of additional resources for development." "A reduction in such (military—I.I.) spending," UNCTAD experts agree with this position in their recent survey "Revitalizing Development, Growth and International Trade," which was prepared for the Seventh UNCTAD Session in July 1987, "would afford access to the huge resources necessary for an acceleration of progress in the solution of such major global problems as poverty and underdevelopment" (24).

On this platform the Soviet Union and the socialist countries are prepared for cooperation and dialogue with all states to which peace and their own economic future are dear.

#### Footnotes

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### International Security System for Asia-Pacific Region Proposed

18160012f Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 21-31

[Article by V. Vrevskiy and V. Ivanov: "The Asia-Pacific Region and Realities of the Nuclear Age"]

[Text] In their attempts to articulate into regional components the complex, intertwined and interdependent structure of international relations in order to distinguish the most dangerous knots of contradictions and find possible ways of solving accumulated problems both Soviet and foreign specialists are calling attention increasingly often to the Asia-Pacific region. It is in this area in the postwar period that the direct and contradictory neighborhood of socialist, developing and developed capitalist states took shape, many conflict situations and crises arose and a multitude of small wars and two of the biggest—in Korea and Indochina—were fought.

The Asia-Pacific region is distinguished by an extraordinarily wide spectrum of underlying socioeconomic, political and ethno-cultural conditions, which in itself makes the international atmosphere therein mobile and complex. The high levels of concentration of military power and military-political tension in the region are therefore causing particular concern. As distinct from Europe, there is no military-political mechanism here as yet for the discussion of military problems and security issues. A comparatively new and highly serious factor is the rapid growth in Asia and the Pacific of the nuclear threat.

The dangerous trends in the military-political sphere on the one hand and the absence of any political structures for the discussion of disarmament issues on the other are objectively complicating the task of the incorporation of

the region in the process of the creation of an all-embracing system of international security and demand a search for specific measures to lower the level of military confrontation.

## I

The strategy of the "encirclement" of the Soviet Union and the other socialist countries from the Far East direction led on the eve and at the outset of the 1980's to a manifest "nuclear tilt" in the United States' military preparations in the region and the content of its allied and bloc relations. These and other changes for the worse in the atmosphere of both global and regional relations prompted the Soviet Union to take the necessary steps to defend its security interests.

Since the United States' use of nuclear weapons against Japan, situations arose repeatedly (in the 1950-1972 period) when plans were being made once again to use America's nuclear power. Of the roughly 20 such instances (the majority of them saw the Soviet Union as the target), at least 7 concerned East Asia.

The "geographical" escalation of the United States' military nuclear activity rapidly extended to the Pacific, which became an area of strategic confrontation. Its level at the present time continues to grow. America's nuclear forces are being built up and upgraded qualitatively, and there is an incessant quest for increasingly new "possibilities" of the use thereof. The United States is making active use in its global strategy of a ramified infrastructure consisting of bases and facilities located on the territory of other countries. There are 87 of them in the Western Pacific alone, including 28 in Japan, 21 in South Korea, 20 on the Philippines, 10 in Australia and 8 on Guam (1). American nuclear weapons are deployed in South Korea, on the Philippines and on the island of Diego Garcia. More than half the ships of the U.S. 7th Fleet, which operates in this part of the Pacific, carries nuclear weapons.

The nature of the deployment of sea-based nuclear arms frequently glosses over the true danger connected with the race in sea-based arms, strategic particularly, and the wide-ranging set of ASW facilities. Achievements in the field of combating ballistic missile-firing submarines include means of their electronic, acoustic and magnetic detection and tracking with the use of satellites, aircraft, surface ships and multipurpose submarines and represent a serious potential danger to international stability and the strategic balance. U.S. military circles are pointing to the fact that even in the event of "a conflict in Europe employing conventional weapons" one of the first targets could be Soviet strategic submarines, for "hunting" which the United States is attempting to create a global tracking system. The Western Pacific, where there are sufficient facilities at the Pentagon's disposal, and the very nature of the basing of the Soviet fleet presupposes its passage through strategic straits, is

being used particularly actively for preparations for antisubmarine warfare. The United States has approximately 2,000 nuclear weapons earmarked for it (2).

The naval forces of the opposing sides are not "separated" by borders and frequently find themselves in the same areas. There are as yet no international or bilateral treaties which would appreciably limit the sea-based arms race, which is developing mainly in accordance with qualitative parameters, and naval activity, which is connected with the greatest risk of clashes, the unsanctioned use of nuclear weapons and global conflict.

For the United States the Asia-Pacific region is becoming an important sphere in its "geography of breakup" of the evolved correlation of strategic forces both quantitatively and qualitatively. It is indicative, specifically, that the program of Trident (a new type of SLBM on new strategic submarines) began to be implemented in full precisely from the Pacific. As American specialists estimate, this system has all the necessary reference parameters to be the most "deterrent" and least vulnerable part of the United States' strategic "triad" and a key component of its nuclear power. By the end of 1985 some 12 Poseidon-firing submarines had been refitted with Trident I missiles (3). Since 1981, when the first new-class missile-firing submarine—the Ohio—was commissioned, a further seven such submarines have appeared (4), the sole base for which as yet has been built at Bangor (on the United States' northwest coast).

Obviously, the Trident factor should not be seen in the context of some one geographical area, even such a vast one as the Asia-Pacific. However, the high degree of dependence of the anticipated "efficiency" of this system on the reliability of communications and guidance methods and certain other considerations made for the first "choice" in favor of the Pacific, the western part of which is saturated with American military bases and communications facilities.

The possibilities of the Trident 2 missiles make it possible to extend considerably the range and operational patrolling area of the Ohio-class missile-firing submarines. At the same time, however, the American command intends in four cases out of five using the new generation of SLBM's mainly to increase throw weight, installing increasingly powerful and accurate independently targetable warheads, which, as before, gives rise to the "need" to bring the missile-firing submarines closer to the borders of the USSR inasmuch as the range of the C-4 and D-5 missiles is then equalized (5).

In this version the Trident will be superior in terms of its "first-strike" possibilities to ground-based ICBM's on condition that the problem of the reliability of communications with submarines on the open sea is resolved. It

should be emphasized that the combination in the Trident system of mobility, high accuracy and capacity for destroying highly protected targets creates, as American specialists acknowledge, a fundamentally new strategic situation.

Strategic bomber aviation also makes use of the infrastructure which has been created in the region. These include the Castle and March bases in California, Fairchild in Washington State and on the island of Guam, which is the biggest point of permanent basing of B-52 bombers outside of the continental United States. Nuclear warheads for them are stored at the Clark Field air base (Philippines). In recent years the Pentagon has been increasingly active in "assimilating" military facilities in Japan, specifically the Kadena air base on Okinawa, which services B-52's, the KC-135 tanker and the C-141 transporters delivering containers with nuclear warheads. It is used in extra-long distance flight training exercises along a route toward USSR territory.

The geography of the range of strategic bomber aviation is also expanding thanks to an agreement concluded in March 1981 between the United States and Australia. It ensures for the B-52's access to the Australian Air Force base in Darwin and the possibility of their operational redeployment on Diego Garcia.

A new factor seriously complicating the situation is the deployment, which began in 1984, of cruise missiles on surface ships and multipurpose submarines of the 7th Fleet. With the appearance of cruise missiles capable of carrying nuclear warheads the conditions are created for converting the entire U.S. submarine fleet into a "quasi-strategic" force. As a whole, it is planned having fitted 137 ships of the U.S. Navy, including submarines, with these missiles by 1991 (6).

Of the three Tomahawk class of cruise missiles which exist and which will become available, two are intended for destroying ground targets, and one—of lesser range—is of the ship-to-ship class of missiles. Of the 4,000 cruise missiles which the U.S. Navy will have received by 1994, 758 will be fitted with nuclear warheads. In the future all multipurpose submarines could be "passed" for the use of cruise missiles (7). Thus the United States is acquiring a highly mobile nuclear weapons system of great range, which could be regarded as a "fourth component" of the United States' strategic potential, which opens a new direction in the nuclear arms race.

A particular danger of destabilization of the situation in the Asia-Pacific region is connected with the scale of the deployment of sea-based cruise missiles. This newest type of medium-range nuclear weapon affords extensive opportunities for upgrading in all basic parameters: speed, range, accuracy, throw weight and radar-combatting properties. Nor is the possibility of the deployment of both more powerful, supersonic cruise missiles and the conventional Tomahawks with nuclear warheads

(TLAM-N) in the launch tubes of the Ohio-class submarines ruled out (8). With the deployment of a squadron of Ohio-class missile-firing submarines the foundations of such a version of the United States' buildup of sea-based nuclear forces in the Pacific are being laid today even.

Nor can the fact that the "go-ahead" has been given primarily for missiles in the "nuclear version" fail to attract attention. This threatens to complicate sharply the achievement of arms control agreements (there is no other method of monitoring sea-based cruise missiles with nuclear warheads than direct on-site inspection).

The United States also has in the region forward-based nuclear forces, including 7th Fleet carrier aircraft and tactical bomber aviation, including F-16 fighters, deployed at the Misawa base (Japan). Corresponding American weapons on the territory of South Korea represent a danger also. They are maintained in a state of heightened combat readiness, which, combined with the tense atmosphere on the peninsula, sharply increases the risk of their use.

The threat of the further spread of nuclear weapons remains in the Asia-Pacific region. Some countries could be attributed to the ranks of "threshold" countries, that is, have reached the economic and technical level necessary for the production of explosive nuclear devices.

## II

The Soviet concept of a world free of nuclear weapons is counterposed by the belief of a number of Western countries that it is they which have in the last four decades ensured the absence of direct military confrontations between the main opposing sides.

The problem of the political choice between nuclear disarmament and doctrines based on "nuclear deterrence" has a regional aspect also. As far as Asia is concerned, here the Soviet Union also proposes movement toward nuclear disarmament and the elimination of nuclear weapons.

Countries whose policy reflects every conceivable variety of attitude today toward nuclear weapons are located in the Asia-Pacific region. China, like the USSR, has declared its commitment to no first use thereof and supported the Rarotonga Treaty (on the establishment of a nuclear-free zone in the South Pacific). At the same time the PRC has not subscribed to the Nuclear Nonproliferation Treaty.

New Zealand has declared its unwillingness in principle to participate in the United States' nuclear strategy in any form and has legislatively prohibited nuclear-powered ships or those carrying nuclear weapons from calling at its ports, and aircraft, from using its airspace and airfields.

A whole number of states is proposing the establishment of conditions of a kind of "geographical nonproliferation" of nuclear weapons based on the "zones free of nuclear weapons" concept—"nuclear-free zones". The Rarotonga Treaty was the first such measure limiting nuclear activity. A proposal concerning the creation of a nuclear-free zone on the Korean peninsula has been expressed repeatedly by the DPRK Government. The idea of such a zone in Southeast Asia is acquiring growing recognition also.

While not accepting the Nuclear Nonproliferation Treaty as the basis of a political mechanism averting the danger of the outbreak of nuclear war and measure for ensuring the security of the peoples, considering it "ineffective and discriminatory," India at the same time has announced its renunciation of the possession of nuclear weapons, supports the idea of the prevention of their use or threat thereof in relations between states, participates actively in the work of the "Delhi Six" and pursues an antinuclear policy in the United Nations. While declaring its readiness to subscribe simultaneously with India to the Nonproliferation Treaty and its "positive" attitude toward the possibility of the creation of a nuclear-free zone on the subcontinent, Pakistan is expanding its military research program in the nuclear sphere and, according to certain evidence, is close to the creation of an explosive nuclear device.

A type of nonnuclear policy for show is characteristic of ruling circles of Japan. Its government officially adheres to the "three nonnuclear principles," but in reality is gradually departing from the positions dictated by the "nuclear allergy" which had become firmly established among broad strata of the country's population and in fact permits calls at its ports by American warships carrying nuclear weapons and supports doctrines based on "nuclear deterrence".

The basic provisions of Japan's policy in the nuclear sphere were set forth in comprehensive form for the first time in 1968 by Prime Minister E. Sato, who declared that nuclear energy would be used by the country solely for peaceful purposes and that it would contribute to nuclear disarmament and was renouncing the production, possession or imports of nuclear weapons.

It would seem that Japan has the moral right and simultaneously duty to contribute to a strengthening of the international antinuclear mood and have its say, supporting the concept of a nuclear-free world. However, in practice the attitude of Japan's official circles toward problems of nuclear disarmament is a kind of continuation of the American policy. Thus they have in practice "not noticed" M.S. Gorbachev's 15 January 1986 statement, the Soviet moratorium on nuclear testing and the ideas and proposals formulated in the Delhi Declaration. The results of the Reykjavik summit were assessed precisely in line with Washington's position. And the "three nonnuclear principles" themselves are from the legal viewpoint highly uncertain and have not been

officialized legislatively. In addition, they perform a subordinate role in relation to the commitments assumed by Japan in respect of the Japanese-American "security treaty" and cannot be seen in isolation from it. Military-political interaction with the United States has in fact already led to the violation of one of these "three principles," which proclaimed a renunciation of the importation of nuclear weapons. Speaking at hearings in the U.S. Congress, Rear Adm G. LaRocque testified back in 1974 that U.S. warships do not unload their nuclear weapons before entering Japan's territorial waters and ports.

The official position of the Japanese Government amounts, in accordance with an understanding with the United States, to the fact that the transit of nuclear weapons and their deployment at American bases or on ships calling at the country's ports require prior notification and joint consultations. Inasmuch as the United States does not raise the question of consultations, the Japanese side formally proceeds from the fact that there are no weapons carried by ships of the 7th Fleet. At the same time, according to E. Reischauer, former American ambassador in Japan, a verbal agreement was reached between the governments of the two countries on the basis of which American nuclear warheads transit Japanese territory.

This dual approach is criticized on the part not only of the opposition but also, for different reasons, of course, by the most conservative sections of the ruling circles, which are demanding the official lifting of the restrictions on imports of nuclear weapons to Japanese territory or, at least, authorization of their transit. Advocating a revision of the "three nonnuclear principles" policy, they maintain that in the present form it is contrary to military cooperation with the United States, on which the "nuclear guarantees" depend.

There are also those who deny altogether that the Japanese Constitution limits the country's right to the possession of nuclear weapons. Back in 1957 Prime Minister N. Kishi maintained that the possession of "defensive" nuclear weapons would not legally contradict the constitution inasmuch as the latter provided for the right to self-defense. In addition, a number of groupings and representatives of military circles are advocating the complete revision of Japan's policy in the nuclear sphere and the creation of "an independent nuclear deterrent force". The first installment of the "Defense White Paper" (1970) declared Japan's right to create a "defensive nuclear potential". The country ratified the Nuclear Nonproliferation Treaty only 7 years after it had signed it.

Even if it is assumed that there are formally no nuclear weapons at the American bases in Japan, it is nonetheless firmly integrated in the system of the United States' nuclear presence in the region. Aside from the above-mentioned air bases in Kadena and Misawa, high-frequency communications stations of the U.S. Strategic

Air Command are located on the country's territory. Stations for communicating with aircraft have been installed there—the command posts of the commander of U.S. forces in the Pacific and the special presidential communications. There is a station for low-frequency communications with submarines in Yoshimi. Such facilities are of decisive significance for maintaining the combat readiness of the American nuclear forces and are designed to enhance their deterrent and destructive role many times over. As the American authors W. Arkin and R. Fieldhouse point out, "the nuclear forces are only part of the nuclear infrastructure as an entire complex consisting of hundreds of experiments and tests and electronic communications and control facilities. In reality each laboratory, test range and military base or communications facility participates in the preparations for nuclear war. Military exercises and maneuvers, lines of communication, observation stations and test ranges maintain the efficiency of nuclear weapons" (9). The upgrading of the nuclear infrastructure is becoming a factor of stimulation of the arms race.

Facilities of this infrastructure are deployed both on the West Coast of the United States and on the territory of allies in the Asia-Pacific region. Thus satellites of the Navstar system, which provide for communications with submarines included, control a network of ground stations of satellite communications, four of which are located in the region: in California, Alaska, Guam and on the Hawaiian Islands.

Some of the 78 facilities of the United States' nuclear infrastructure on Canadian territory also may be attributed to the northern sector of the Pacific. Despite the fact that back in 1978, during the special UN disarmament session, P. Trudeau officially declared that his country's armed forces had ended all participation in operations involving nuclear weapons, Canada remains a most important ally of the United States in the nuclear sphere. Its military airfields figure, as before, in the United States' plans to scatter strategic bomber aviation in the event of a nuclear alert. The Canadian side participates in two major programs pertaining to the development of scenarios of military operations under nuclear war conditions, and its armed forces are involved in the functioning of the NORAD system and other early warning facilities. There are 45 radar of the two "lines" of this system on Canadian territory.

The United States is hoping to build here a modern over-the-horizon radar and bases for AWACS aircraft. Joint studies and research into the creation of a satellite capable of fixing low-flying targets, including cruise missiles, and also a satellite radar system are being conducted in conjunction with the United States. American antisubmarine forces conduct maneuvers and test arms in Canadian waters. The Canadian Government has accorded the United States an opportunity to test air-based cruise missiles on the country's territory.

A most important part in the deployment of facilities of the nuclear infrastructure is played by Australia. There are 10 different communications stations on its territory. They include a satellite system station performing early warning functions in Narrangara, a station for low-frequency communications with submarines in North West Cape, an intelligence-gathering facility in Pine Gap and a station for communication with satellites in the Adelaide area. And, furthermore, the functions of some of them cannot be duplicated by facilities at other points in the region for geographical reasons.

The traditional arguments of the Australian Government in support of cooperation with the United States in this field amount to a need to make its contribution to agreements on verification of strategic arms limitation, early warning of Soviet ICBM launches and maintenance of the efficiency of the "retaliatory strike potential"—the United States' strategic submarines. W. Hayden, the country's foreign minister, observed that the communications facilities on Australian territory are under the dual control of the United States and Australia, whose government has access to all the transmitted information. According to him, "Australia can certify that nothing happens at these facilities which would be contrary to the policy of the Australian Government, including its opposition to the so-called winning of a nuclear war and any idea of a nuclear first strike" (10).

At the same time such assurances are being criticized primarily in Australia itself. The question of the fact that the presence of Australian personnel at the "joint" facilities does not guarantee control of the nature of the transmitted information, which, specifically, is relayed to strategic submarines, has been raised repeatedly in parliament and in the works of Australian scientists.

The intelligence-gathering center in Pine Gap operates under the control of America's special services, and Australian personnel is not employed in key departments of this complex. Since the time it was commissioned the station has been oriented toward the interception of telemetric data obtained at the time of Soviet and Chinese ICBM tests and the gathering of intelligence data on Soviet strategic facilities. The station in Narrangara, like the entire satellite early warning system, could be used for "retargeting" the strategic nuclear forces and could be incorporated in a nuclear war-waging scenario and the SDI system.

Inasmuch as there have been significant changes in American nuclear strategy in the 1980's and fundamentally new technological approaches have been mapped out some Australian authors have been raising the question of the fact that even if in the 1960's and 1970's the American facilities on the country's territory did perform only "stabilizing" functions, now they could be used as an integral part of a "first-strike" potential (11).

Involvement in the United States' nuclear strategy and close military-political relations with Washington as a whole had a pronounced influence on the role which Australia assumed at the time of formulation of the principles of the treaty on the nuclear-free zone in the South Pacific. In order that its ally's strategic interests in the region might not suffer and that there be no complication of the Australian-American military partnership sufficiently wide holes were left in the treaty. For quite a long period of time Australia opposed the proposals concerning the creation of a nuclear-free zone, pointing primarily to the negative attitude toward this idea on the part of the United States. Interest in the institution of a nuclear-free zone was revived only with the assumption of office in the country of the Labor government of R. Hawke, which on the one hand expressed serious concern at the French nuclear tests and, on the other, was forced to respond to the antinuclear mood within its own party.

In August 1984 the South Pacific Forum supported, at Australia's initiative, the creation of a nuclear-free zone. The corresponding treaty was concluded a year later. Its signatories are prohibited from producing, acquiring or obtaining nuclear weapons. However, each subscriber is accorded the right to itself determine its attitude toward the access of ships and aircraft carrying nuclear weapons to its ports and airfields. A considerable number of types of nuclear activity are beyond the framework of the restrictions. Thus, for example, the ban on testing pertains only to nuclear warheads, but not to their delivery systems, as a result of which the United States' interests on Kwajalein Atoll, which serves as a firing range for ICBM tests, are not affected. The treaty in no way limited Washington's possibilities of using the islands of Micronesia for its military bases. As far as the storage of nuclear weapons within the zone is concerned, particular attention is called to the exclusion therefrom of Guam—a U.S. strategic nuclear base.

Essentially, in allowing the transit of nuclear weapons and calls of warships carrying nuclear arms at ports of the subscribers the initiators of the Rarotonga Treaty rendered meaningless their prohibition of the deployment of nuclear weapons in the region. In this plane we may speak only of a ban on the deployment of nuclear weapons on the territory of the corresponding countries. As the Australian scholar G. Fry observed: "The movement of American submarines and surface ships through the region and their calls at regional ports will likely remain a most appreciable and permanent form of the presence of nuclear weapons in the Southwest Pacific. Inasmuch as these arms may be instantaneously converted from a 'transit' posture to a 'deployment' posture there is every reason to regard such activity as a form of the permanent presence of nuclear weapons in the region" (12).

Some Western authors observe that the real significance of the Rarotonga Treaty is more its affirmation of certain principles than the adoption of specific measures to limit

nuclear activity in the region (13). The Vanuatu Government, in particular, which declared its territory a nuclear-free zone and banned ships carrying nuclear weapons from calling at the country's ports, pointed to the imperfection of the treaty and its symbolic significance.

Consistency in its unwillingness to participate in the United States' nuclear strategy is being demonstrated by New Zealand's Labor government. According to a statement of Prime Minister D. Lange, "New Zealand does not need to be defended by nuclear weapons" (14). When the D. Lange government refused right of entry to New Zealand's ports and territorial waters to ships carrying nuclear weapons and nuclear power packs, this gave rise to the sharp discontent of the United States, which declared that such a policy would undermine the foundations of ANZUS. However, according to the reasoning of certain New Zealand politicians, who were prominent in the past, the ANZUS Treaty was "designed" in a period when warships were not nuclear-powered and did not carry nuclear weapons. Mentions of these strategic shifts changing the very content of the treaty began to be encountered only later in joint communiques of its participants.

It has to be seen that a principal task pursued by the initiators of the Rarotonga Treaty was to bring international pressure to bear on France, which is continuing to use Mururoa Atoll as a firing range for nuclear testing. Washington's unwillingness to join with the USSR and China, which have signed the protocols to the treaty, has in fact brought this attempt to nothing. As a result the British Government also has not had to choose between the positions of its senior NATO ally and closest "nuclear neighbor," with which London fully shares the ideas concerning the unreserved acceptability of the "nuclear deterrence" concept.

French nuclear tests on Mururoa Atoll have been conducted since 1966 and have become a kind of catalyst of antinuclear sentiments in Australia and New Zealand. France ceased nuclear explosions in the atmosphere in 1975, but underground testing has expanded. By the mid-1980's, according to certain data, it had carried out over 200 nuclear explosions. It was precisely in 1983, following the start of the latest series of tests, that Australia declared its readiness to contribute to the creation of a nuclear-free zone in the South Pacific.

The significance of the French Pacific experimental center is growing under conditions where Paris intends augmenting appreciably all components of its nuclear "triad" and equipping them with more sophisticated nuclear warheads, which will require new testing. Although France continues to advance as an argument in support of preservation of the test range the need to have "deterrence" potential, in the opinion of foreign specialists it can only be a question rather of France's desire to create qualitatively new types of "third generation" nuclear weapons.

Great significance for the regional situation is attached, naturally, to China's policy. In May 1980 it tested an ICBM with a range of 10,000 km, and in October 1982, its first SLBM. The program of the buildup and upgrading of the PRC's nuclear potential includes the construction of 12 missile-firing submarines and the creation by the start of the 1990's of a supersonic strategic bomber (15). As J. Singh, an Indian expert in military strategy, observes, China began to implement its military-nuclear program under the influence of U.S. policy in the Asia-Pacific region in 1950's-1960's, particularly in the light of Washington's openly expressed threats to use nuclear weapons against the PRC, particularly at the time of the Korean War.

In recent years the speeches of Chinese leaders have broached increasingly often questions connected with the negative impact of the nuclear arms race on the international atmosphere, although, as before, a tendency to proceed from the principle of the "equal responsibility" of the USSR and the United States for the existing situation in this sphere is discerned in the PRC's position. According to Deng Xiaoping, the creation of strategic space-based systems would mean a qualitative escalation of the arms race between the USSR and the United States, which could get out of control and lead to a growth of the danger of nuclear war, which affords the PRC grounds for "opposing all plans leading to an arms race in space... and those who begin the deployment of space-based arms."

There is much in the Chinese evaluations which could be seen as the essential prerequisites for a stimulation of the role of this great power in the struggle to avert a nuclear catastrophe and for peace and security, in the Asia-Pacific region included. Specifically, addressing the UN General Assembly Second Disarmament Session, the head of the PRC delegation proposed that all the nuclear powers conclude an agreement on the nonuse of nuclear weapons. Judging by the comments of the Chinese press, the Soviet concept of a world free of nuclear weapons has been greeted with interest in the PRC.

### III

The diversity of approaches and dissimilarity of both the political mood and ideas concerning national security make the prospects of a further growth of the nuclear threat and the "spread" of nuclear weapons and systems supporting the use thereof to the Asia-Pacific region entirely probable. At the same time it is here that conditions permitting hopes that antinuclear nonpower principles will prevail in interstate relations have begun to take shape.

The Delhi Declaration was born in the Indian capital, and the USSR and the PRC have declared no first use of nuclear weapons. The Rarotonga Treaty was the second international agreement aimed at the creation of a nuclear-free zone. A certain positive role in Japan's policy

continues to be performed by the "three nuclear principles". An important factor of international relations in the Pacific in recent years has been the antinuclear policy of the D. Lange government. The idea of freeing their region from nuclear weapons is being paid ever increasing attention by the ASEAN countries. Despite the ambiguousness and inconsistency of the foreign policy courses of Canada and Australia, their governments are continuing to advocate the nonmilitarization of space and preservation of the ABM Treaty. These countries and also New Zealand turned down the offer of participation in research within the SDI framework.

The denominator of a constructive antinuclear mood could be the proposal made in the "Delhi Declaration on the Principles of a Nonviolent World Free of Nuclear Weapons," namely, the idea of the conclusion of an international convention banning the use and threat of nuclear weapons. Such a convention could be a confidence-building measure of the greatest significance in the Asia-Pacific region also. The success of this idea will largely depend on the position of individual Asian and Pacific countries and possible shifts in the attitude of governments, political parties and the public toward nuclear weapons in general and nuclear confrontation in particular.

The opening of such a convention for signatures would confront each state with the need to look anew at the content of its foreign policy ties, including such aspects thereof as participation in military agreements with the nuclear powers, the presence of bases and military facilities on their territory and the use of territorial waters and ports by warships carrying nuclear weapons.

The foundations of regional security in decisive areas could be laid and movement initiated by the conclusion of the Nuclear Nonproliferation Treaty continued with the aid of the convention. At the new stage, furthermore, the efforts of all countries, including those which have not yet subscribed to the treaty, could be united. The atmosphere of international relations in the Asia-Pacific region and the ideas of different countries on methods of ensuring their security also need a renunciation both of the ideology and specific concepts of "nuclear deterrence"—fraudulent, dangerous and essentially amoral.

The reality of the nuclear threat demands the urgent and, what is most important, joint actions of all countries. Lowering the level of nuclear confrontation and creating the political mechanism of a reduction primarily if only in the most dangerous and destabilizing nuclear weapons systems is a problem which has to be tackled at the negotiating table. The sooner such dialogue begins, the greater the opportunities will be for concentrating efforts on the untying of regional knots of tension also.

The proposals made by M.S. Gorbachev a year ago in Vladivostok and developed in his replies to questions of the Indonesian newspaper *Merdeka* in July 1987, in

which the task of avoiding a dangerous growth of the strategic nuclear confrontation and preventing the spread of nuclear weapons was highlighted as a priority, call for this.

The specific spheres for the search for agreements, including a lowering of the level of military confrontation incorporating a reduction in the activity in the Pacific of the navies of the USSR and the United States, were mapped out also. Negotiations on this issue should concern primarily ships carrying nuclear weapons, cruise missiles particularly. Multipurpose submarines should be put in this category, evidently. The Soviet side has declared its readiness to negotiate a limitation of anti-submarine activity and the prohibition thereof in certain zones of the Pacific.

Multilateral and bilateral negotiations on confidence-building measures could also cover the problems of the security of maritime supply routes causing such "concern" in the United States and Japan and also questions of a radical reduction in armed forces and conventional arms. One further important question—the withdrawal of strategic submarines from the present vast areas of operational patrolling and limitation of their deployment areas to mutually agreed boundaries. A limitation of the scale of naval exercises and maneuvers in the Pacific and Indian oceans and adjacent seas would also contribute to confidence-building.

Extensive international comment was elicited by M.S. Gorbachev's statement on the Soviet Union's readiness to consent to the removal of all its medium-range missiles in the Asian part of the country also on condition that the United States do the same. Operational-tactical nuclear systems would be eliminated also.

The USSR has also declared its readiness to undertake not to increase the number of nuclear weapon-carrying aircraft in the Asian part of the country if the United States refrains from additionally deploying in the Asia-Pacific region nuclear missiles capable of reaching the territory of the Soviet Union.

A most important task today is excluding nuclear weapons from the set of means of international policy. Untying the "Asian nuclear knot" by relying on the old experience and stereotypes and traditional political thinking is impossible. New approaches must be linked with an emphatic renunciation of reliance on nuclear power and nuclear intimidation.

#### Footnotes

1. W. Arkin, R. Fieldhouse, "Nuclear Battlefields. Global Links in Nuclear Arms Race," Cambridge (Mass.), 1985, p 147.

2. STRATEGIC ANALYSIS, August 1985, p 510.

3. ARMS CONTROL TODAY, September 1985, pp 5-6.

4. The Ohio-class nuclear-powered missile-firing submarine is armed with 24 Trident 1 (C-4) ICBM's with a range of approximately 7,400 km and a multiple RV (8-14 warheads). As of the end of the 1980's it is planned equipping new and rearming the operating submarines of this class, installing Trident 2 (D-5) missiles thereon, which could have a range of up to 11,000 km and carry warheads which are more powerful and also distinguished by increased accuracy. As a whole, it is contemplated building no less than 20 Ohio-class submarines. The operational possibilities of one such submarine are superior to the summary indicators of 10 nuclear submarines of the Poseidon system of the preceding generation. Speed, notably reduced noise level, diving depth, the systems of defense against antisubmarine weapons and a capacity for firing 24 missiles in less than 10 minutes make each Ohio-class submarine a source of increased danger.

5. ARMS CONTROL TODAY, September 1985, p 6.

6. FAR EASTERN ECONOMIC REVIEW, 6 September 1984, p 42.

7. PACIFIC DEFENCE REPORTER, November 1984, p 33.

8. "U.S. Naval Institute Proceedings," June 1986, p 77.

9. W. Arkin, R. Fieldhouse, Op. cit., p 123.

10. ASIAN DEFENCE JOURNAL, November 1984, p 50; PACIFIC DEFENCE REPORTER, April 1986, p 14.

11. See ASIAN DEFENCE JOURNAL, November 1984, p 50.

12. G. Fry, "A Nuclear Free Zone for the South West Pacific: Prospects and Significance," SDSC Working Paper, Canberra, 1983, p 18.

13. ASIAN DEFENCE JOURNAL, May 1985, p 83.

14. "Ministerial Speeches," 1 September 1986, p 20.

15. See "India and the Nuclear Challenge". Edited by K. Subrahmanyam, New Delhi, 1986, p 54.

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**Contemporary Significance of Battle of Kursk**  
*18160012g Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 32-40*

[Article by A. Kokoshin and V. Larionov: "The Battle of Kursk in the Light of Contemporary Defense Doctrine"]

[Text] One of the greatest engagements of WWII—the battle of Kursk—at which the offensive strategy of Hitler's Wehrmacht finally foundered, took place 44 years ago. The Kursk victory and the breakout of Soviet forces toward the Dnepr were the culmination of a fundamental turning point in the course of the war. Nazi Germany and its allies were forced onto the defensive in all theaters.

In this battle defense, as the most economical method of operations, demonstrated the possibility of obtaining the maximum advantages thanks to the increased weight of fire, of antitank weapons particularly, and obstacles, including antitank mines, and successful resistance to the most powerful tank penetration forces.

This is why the Kursk engagement represents an exceptionally important example in the history of wars and military art from the viewpoint of the dialectics of the confrontation of means of attack and defense and the correlation of the possibilities of an offensive and defense.

Ascertainment of the profound historical regularities in this sphere is an important reference component for contemporary military-political research, an analysis of questions of arms limitation and disarmament and the increased stability of the military-strategic balance (strategic stability) and, consequently, is most directly related to the problem of the prevention of war both under current conditions and, possibly, in a post-nuclear era and the question of a reduction in conventional arms, in the course of which, as the Warsaw Pact states propose, there would be the diminished possibility of surprise attack and the launch of offensive operations (1). A lowering of the levels of military confrontation and the consolidation of stability in the sphere of conventional armed forces, particularly in Europe, is an essential condition of profound reductions in nuclear arms and the increased stability of the military-strategic balance at this level also.

The Soviet Union proceeds from the fact that the potential of conventional armed forces also must be lowered to the limits of a reasonable sufficiency, that is, to the level necessary for tackling only defensive tasks.

The question of military doctrines is of considerable importance for an evaluation of the real intentions of military-political groupings, as of individual states also. The Warsaw Pact countries emphasize that in the interests of security in Europe and throughout the world the military concepts and doctrines of military alliances

should be based solely on defensive principles. This makes the corresponding demands on strategy and tactics. The exclusively defensive nature of military doctrines presupposes corresponding measures in the sphere of the organizational development of the armed forces, including questions of their numerical strength, structure, arms, deployment, combat training and indoctrination of the personnel and military planning.

The extensive and harsh experience of WWII, despite the changes in the technology of conventional arms which have occurred since 1945, should be taken into consideration in full here.

The document "Military Doctrine of the Warsaw Pact States," which was signed by the leaders of the USSR and other members of the Warsaw Pact in Berlin on 29 May 1987, is a demonstration of adherence to the idea of "exclusive defense". It observes, inter alia, that the military doctrine of the Warsaw Pact as a whole and of each of its participants is subordinated to the task of the prevention of war—both nuclear and conventional; it proceeds from the fact that under present conditions the choice of the military option for solving any contentious question is impermissible (2).

Particularly indicative in this respect is the place in the document which touches on methods of realization of the defensive essence of the military doctrine of the Warsaw Pact countries at the strategy and tactics level. It says there that the socialist states propose as a principal goal a reduction in Europe in armed and conventional arms to a level "...whereat neither side would in providing for its defense have the means for a surprise attack against the other side and for the development of offensive operations in general" (3).

This high-minded position presupposes certain changes in the way of thinking of military professionals. It cannot, obviously, fail to entail a reconsideration of a number of generally accepted postulates of military theory and practice. Specifically, the still current belief that only a "decisive offensive leads to victory" no longer extends to nuclear war. What kind of victory would it be, advancing across a devastated death zone?

Certain aspects of historical experience, primarily the experience of the recent past—the history of WWII—and the intrinsic regularities of armed struggle require a reinterpretation also. The correlation of defense and an offensive and their advantages and shortcomings appears differently in the nuclear age than hitherto.

The reorienting of military doctrines proposed for wide-ranging discussion between the Warsaw Pact and NATO should also be underpinned by practical steps in the sphere of a reduction in offensive types of arms most suitable for a surprise attack and the prohibition thereof.

The comprehensive plan of a reduction in arms and a deepening of trust in Central Europe (the "Jaruzelski Plan") put forward on 8 May 1987 by the Polish leadership operates in this direction. It provides, in particular, for the gradual withdrawal from this region and a jointly agreed reduction in conventional arms, primarily those possessing the maximum power and accuracy and capable of serving a surprise attack, and a change in the nature of military doctrines such that they may be mutually recognized as exclusively defensive.

The existence of huge arsenals of nuclear weapons on the sides confronting one another does not preclude the possibility of combat operations being conducted with the use only of conventional weapons. At the present stage of the development of warfare there has been a refinement of the first speculative evaluations connected with the appearance of nuclear weapons, operations using conventional weapons are recognized as probable and many traditional categories and principles of operational art have been rehabilitated.

Marshal of the Soviet Union S. F. Akhromeyev, chief of the USSR Armed Forces General Staff, notes the following in this connection: "Recognizing the inevitability of a retaliatory nuclear strike and its catastrophic consequences, our probable adversaries have in recent years been paying special attention to the development of conventional weapons systems with higher yield, range and accuracy specifications. Simultaneously they have also been upgrading methods of unleashing military operations with the use of conventional weapons.... Soviet military science is leaving none of these enemy actions unattended. We are taking these trends into consideration both in the training of the troops (forces) and in control thereof" (4).

What was the essence of the intention of the Soviet Supreme Command in the summer-fall campaign of 1943, which had been initiated by the battle of Kursk?

The spring of 1943 had passed. The Wehrmacht's affairs on the Soviet-German Front had taken a difficult turn. Behind it was the crushing defeat at Stalingrad. The overall correlation of forces had taken shape in favor of the Red Army, despite the success which Group of Armies "South" had managed to achieve in March 1943 at Kharkov. Despite all the most severe losses in people and equipment sustained by the Soviet Union in the preceding years of the war and the loss of a number of most important industrial centers, Soviet armed forces prior to the battle of Kursk were already superior to Hitler's forces on the Eastern Front in a number of indicators. The superefforts which had been made by the party and the entire people to mobilize industry, agriculture and human resources for the needs of the war had borne fruit.

But even in such a manifestly disadvantageous situation Hitler, after agonized hesitation, resolved to carry out the powerful offensive Operation Citadel in the central

sector of the Soviet-German Front to encircle and wipe out the main forces of the Red Army. The strategic and political aim of the operation, like the entire summer campaign of 1943 on the Eastern Front, was the subject of keen debate in Germany's military-political leadership. There was a clash of the most diverse, at times, opposite opinions. The term "standoff" figured in the evaluations even at the first stage of the formation of the new plan. It was linked with vague hopes of achieving peace with the Soviet Union, having exhausted its offensive possibilities by way of defense. Supporters of this approach were Jodl, chief of staff of the Wehrmacht Operations Command, and Admiral Doenitz. Field Marshal Manstein, commander of Group of Armies "South," proposed a plan for the extermination of the southern flank of Soviet forces (were they to advance) primarily by means of mobile strategic defense.

The Army General Staff believed that immediately following the flood season period the Red Army would right away switch to active operations to liberate the occupied oblasts. Its intentions in summary form amounted to preempting the attacks of Soviet forces, choosing an auspicious moment and switching to a counteroffensive, in the course of which inflicting a major defeat on the enemy and weakening it to the utmost. Certain top officers of the Army General Staff hoped to thus regain the lost initiative. This viewpoint was also shared by Field Marshal Kluge, commander of Group of Armies "Center". Manstein was ultimately disposed toward it also.

Together with this British and American forces' invasion of Italy and France even was expected, and a big victory in the East would have permitted the release of part of the forces to reinforce positions in the West.

Mobile defense was emphatically rejected by Hitler and a number of representatives of the Army General Staff. Germany's most acute military-economic requirements, they believed, did not allow under any conditions a risk of losing the Donbass and the resources of the Ukraine.

Hitler and the Army General Staff were still in the grip of the impression made by the triumphant armored breakthroughs of the first years of the war, when mobile forces constituted powerful, if not decisive, offensive potential. This inclined them in favor of the idea of the need to attack first to thwart a possible Red Army offensive in the Ukraine. Gambling on a preemptive attack, they also proceeded from the fact that the Wehrmacht would at any moment have to begin a fight on two fronts.

Inasmuch as the forces which could be allocated for an offensive were limited, the Kursk bulge was chosen as the most suitable sector. It was contemplated here wiping out the forces within the arc and smashing the Red Army reserves east of Kursk, which, as the Wehrmacht Operations Command Staff believed, not without reason, were intended for a summer offensive. Removal of the arc would bring about a reduction in the front by 370

km and the possibility subsequently of releasing up to 18-20 divisions and maintaining the reserves. By this attack the Red Army would be deprived of a starting point for an offensive against the flank of Group of Armies "South" in the direction of the Dnepr or against the rear of the Orel arc, that is, of Group of Armies "Center"; the success could then have been developed.

What had Hitler to rely on?

A gamble was made on a decisive concentration of forces and resources. Despite the general correlation in the Kursk bulge area, which was unfavorable to the Wehrmacht, a pronounced preponderance of forces was achieved thanks to the concentration of forces in narrow sectors north and south of Kursk. On the northern side of the bulge it constituted in terms of people 12:1, in terms of tanks and assault guns, 11:1. On the southern side, in the sector of the main attack, the German-fascist command had achieved superiority in all indicators: people, artillery, tanks and engineer troops.

Big hopes were placed in surprise and, the main thing, the lightning speed of the operations: in 2 days forces of the northern and southern assault groupings were to have linked up east of Kursk, and by the close of the fourth day, to have completed the operation. It was anticipated that the Soviet command would not have time to bring up the necessary forces to the breakthrough sectors and parry the assaults.

Finally, the Hitler command considered virtually the main factor of success of Operation Citadel the expected arrival by the start of the summer of 1943 of a large quantity of military equipment which was new to the Wehrmacht and, consequently, its enemy: the Tiger T-VI heavy tanks, Panzer T-V medium tanks, Ferdinand self-propelled heavy assault guns and such.

According to the yardsticks of that time, this was formidable weaponry. It was considerably superior in terms of its tactical-engineering specifications to the weapons systems with which the Wehrmacht had attacked our country (T-III and T-IV medium tanks, for example) and which had in the majority of operations successfully overcome the Red Army's defenses in the summer of 1941 and 1942.

The front and turret armor of these tanks and self-propelled guns were not pierced by 45-mm cannon—the main antitank weapon of Soviet infantry. Antitank rocket launchers were practically powerless against them also. The German Tiger T-VI heavy tank weighed 57 tons and had a maximum speed of up to 40 kph, which was not inferior to that of KV-1 and KV-1s heavy Soviet tanks, but was superior to them in thickness of armor and armament. In terms of these parameters the Panzer T-V medium tank was roughly equal to the KV-1 heavy tank (5), but superior to the latter in terms of speed. The Soviet IS heavy tank—the most powerful combat vehicle of WWII—began to be received only in the fall of 1943,

after the battle of Kursk, and the T-34 medium tank was inferior to the Panzer in thickness of front armor (6), but superior to it in terms of speed and maneuverability; the caliber of their guns was approximately identical. Granted all this, the Red Army was manifestly inferior in the numbers of heavy tanks which had been produced by the start of the battle and which had been mustered in this area.

In terms of a number of indicators the German Ferdinand assault guns were superior to the Soviet SU guns of the same class—the SU-122 and the ISU-152.

German-fascist aviation had not by the summer of 1943 lost its domination in the air. German aviation industry had maintained its capacity for creating new models of engineering. Specifically, by the start of the battle of Kursk the Focke-Wulf-190A with a speed of 625 kph and armed with two 20-mm cannon and two machineguns and the Henschel-129 ground-attack aircraft had appeared in the skies.

Thus technically the Hitlerites were thoroughly prepared for the offensive. Altogether 50 divisions, 16 of which armored and motorized, were earmarked for the penetration attack in the Kursk sector. This was the "color" of the Wehrmacht—the "Adolf Hitler," "Death's Head" and "Das Reich" SS armored divisions and the motorized "Greater Germany". The northern assault grouping had approximately 1,200 tanks and assault guns, the southern, 1,500. Over 65 percent of the aircraft at the disposal of the Wehrmacht and its allies on the Soviet-German Front were earmarked for participation in Operation Citadel.

The Soviet command directed to this sector of the front all five tank armies available at this time, 15 armored and mechanized corps and a multitude of individual regiments and brigades. And T-70 light tanks constituted a significant portion of armored resources, what is more. On the Voronezh and Central fronts they constituted almost one-third of the total number of vehicles. In addition, our tank armies had only just been formed, and the formation of the 4th Tank Army was altogether completed only by the start of the counteroffensive.

Although the Red Army disposed in the Kursk sector of no fewer forces than the Wehrmacht and in terms of a number of indicators was superior to it even, General Headquarters, abandoning the idea of an offensive at the first stage of the campaign, adopted an original plan of premeditated defense. This was the first occasion in the history of wars and military art when the most powerful side switched to the defensive. As is known, the classical formula of military art proclaims: defense is the stronger form of military operations, and for this reason recourse to it is had by the weakest (7).

In this case it was proved how advantageous reliable defense is even under conditions of superiority. Of course, the gamble here was made on guaranteed anti-tank defenses, that is, such a reserve of strength was created as to have created the confidence that the enemy would not succeed in disrupting operational liaison between its components, creating a breach that would be hard to fill and breaking through the strategic front.

An author of this original idea was Marshal of the Soviet Union G. K. Zhukov (8). It seemed to the supreme commander so daring and unusual that it took him a long time to resolve to support it.

Of course, not being a professional in questions of military strategy and operational art, I. V. Stalin could not have foreseen with such confidence as Zhukov the outcome of a defensive engagement, the less so in that in the summer of 1941 the length of the front and in the summer of 1942 on the southwest strategic axis Soviet forces' defenses had failed to withstand the onslaught of the German offensive.

It has to be noted that in 1941 it was manifestly insufficient attention to questions of strategic defense and Stalin's incorrect assessment of the direction of the Wehrmacht's main thrust which had led to heavy defeats of the Red Army and the loss of vast territory of our country.

On the eve of the Great Patriotic War Soviet military theory had elaborated insufficiently the forms and methods of conducting a strategic defense; conducting a defense on an operational-strategic scale had been worked up extremely inadequately in practice, and the provision with antitank weapons was insufficient. A most difficult task which the supreme command had to tackle in the very first days of the war was the organization and conducting of strategic defense. A readiness to repulse aggression demanded not only the elaboration of plans of defensive operations but also their preparation in full, including the logistical and engineering aspects, in order for them to be assimilated by the commanders and staffs. An important part in holding on to the lines which were occupied and draining the assault groupings of the advancing enemy was played by the skillful concentration of forces and resources in the decisive sectors of the defenses of the fronts and armies. Application of this principle at the start of the Great Patriotic War was in practice lacking in the majority of instances (9).

The idea of the indispensable transference of the war at the very start thereof to enemy territory (an idea, furthermore, substantiated neither scientifically, neither by an analysis of the strategic situation nor by operational calculations) so carried away certain leading political and military figures that the possibility of conducting operations on their own territory was practically ruled out. This had a very negative effect on the preparation not only of the defenses but also the military theaters

deep in their own territory. "The underestimation of defense and the not entirely correct evaluation of the changed nature of the initial period of the war had more serious consequences than is usually portrayed in military literature," Col Gen M.A. Gareyev rightly observes (10).

Yet due attention had been paid to questions of strategic defense by a number of important theorists in Soviet military thought of an earlier period. They were elaborated comprehensively, in particular, in the fundamental works of A.A. Svechin, A.I. Verkhovskiy (11) and others.

So the idea of premeditated defense was accepted not without hesitation. But when it had been consented to in General Headquarters (this happened at the meeting on 12 April 1943, almost 3 months prior to the start of the battle), the task of guaranteeing the strength of the defenses and their insuperability was made paramount. Eight defensive zones and lines of a total depth of up to 300 km were fitted out for this comparatively quickly in the Kursk bulge area.

Each army of the first echelon built three zones. They were all occupied by troops in the likely directions of the enemy's main thrusts. In addition, the Central and Voronezh fronts, which were defending the Kursk arc, erected three front-line defensive lines. East of the bulge General Headquarters placed its strategic reserve—the Steppe Front—which prepared its own line along the Rossosnoye—Kolodez line. The official line of defense was constructed along the east bank of the River Don.

Engineer preparation of the defenses took almost 3 months—a luxury which the army had obtained only once throughout the war. The troops prepared a developed system of trenches and full-section communication trenches. There were an average of up to 170 km of trenches per division.

The defenses were prepared primarily as antitank defenses. The basis thereof were antitank strong points and areas, which in the tank-threat directions were constructed the entire depth of the armies' defenses. The maneuvering of artillery-antitank reserves and mobile obstacle-building detachments was provided for also. The density of the antitank artillery constituted up to 23 guns per 1 km of the front. A solid zone of obstacles of all types: ditches, dragons' teeth, minefields and dams for flooding the terrain were created in the tank-threat directions before the forward edge. Troops of the Central Front, for example, had installed in the period April-June up to 400,000 mortar shells and land mines.

Never before in the history of wars and defensive constructions had antitank mines performed such a role and been so effective as in the defensive operation at Kursk. A well-conceived system of minefields linked with a system of antitank fire and maneuver had been created. German military specialists have observed that in the

very first hours of the engagement the Wehrmacht sustained significant tank losses, particularly owing to mines. The minefields, deep wire entanglements, flank defenses and antitank obstacles made movement extraordinarily difficult and led to great holdups. Well-manned points of resistance deep in the operational zone, strong reserves and rigid defense of each meter of ground inflicted heavy losses on the attackers. Infantry was efficiently supported by the concentrated fire of the artillery formations and field rocket launchers. Special tank-destroyer artillery brigades of the 3-regiment Supreme Command reserve, whose formation began in April 1943 (it was armed with 60, and subsequently 72, 45(57)-mm and 76(100)-mm guns [12]), gave a good account of itself.

In a word, this was classical position defense, prepared, what is more, in good time and in accordance with all the rules of military-engineering art. The battle confirmed the full guarantee of its invincibility. The enemy was incapable of effecting a breakthrough deeper than the first army defensive line. In the zone of the Central Front the breakthrough stalled at a depth of 12 km, of the Voronezh Front, 35 km.

Bitter fighting developed between the Luftwaffe and Red Army Air Force. The latest Soviet La-5 FN fighters, which had such advantages over the Focke-Wulf-190 as a superiority in level speed of 40-50 km together with greater rate of climb, gave an excellent account of themselves in the struggle for domination the air. For the first time the Il-2 ground-attack fighters used special antitank hollow-charge bombs (weighing only 1.5-2.5 kg), which went right through the army of the Tigers and Panzers. Soviet air attacks made a substantial contribution to the wiping out of the Wehrmacht's armored groupings.

The biggest armored meeting engagement in history (on the south face of the Kursk arc, near Prokhorovka), in which up to 1,200 tanks and self-propelled guns on both sides took part, took place on 12 July 1943. An appreciable part was played by the commitment to the engagement of the 5th Guards Tank Army commanded by Gen P.A. Rotmistrov, which in conjunction with the 5th Guards Army of A.S. Zhadov finally halted the enemy grouping of roughly equal strength (the 4th Tank Army Corps), whose morale had been broken in preceding fighting.

The Soviet troops defending at the Kursk bulge displayed mass heroism, steadfastness and high skill. The understanding by the men and the commanders of the wisdom of the command's plan and the training of the personnel for premeditated defense at well prepared lines with a thoroughly conceived system of engineering support were factors of considerable importance here.

A great deal has changed since the time of the battle of Kursk. Weapons are different. But the dialectical interconnection between means of attack and defense and an

offensive and defenses has remained and should still, evidently, attract the attention of people engaged in a study of problems of war and peace and a search for ways to achieve agreements on a reduction in armed forces and conventional arms and a strengthening of strategic stability.

History provides us with no ready prescriptions in this respect, but it can teach us a good deal and be a source of inspiration for new quest and reflection.

There can be no direct analogies between the battle of Kursk and nonprovocative defense on both sides of the line separating today the Warsaw Pact and NATO. Defenses at that time were created in the course of a war and had entirely different motives from a nonoffensive structure of armed forces and their strategy based on a mutual understanding in peacetime and susceptible to various measures of verification, including on-site inspection. However, the battle of Kursk dispels the doubts as to whether a thoroughly prepared position defense is capable of holding out in the face of the powerful onslaught of offensive means effective under other conditions.

Despite the fact that WWII as a whole was fought under the sign of the superiority of means of offense to means of defense, the battle of Kursk was convincing testimony to the possibility of skillful resistance to an offensive on condition of the availability of diverse and sufficient forces and resources of antitank defense, its sound organization and timely conscious renunciation of an offensive.

As at the end of WWI the fire of heavy machineguns led to the triumph of positional forms of troop formation and the ossification of the fronts, so antitank weapons in the middle of WWII limited the potential of mobility and the breaching of defenses by tanks.

This trend has made itself felt from time to time in the postwar years also. The development of offensive weapons has on each occasion come up against the counteraction of defensive weapons. This, specifically, was characteristic of the start of the 1970's, when means of combating aircraft (anti-aircraft guided missiles) and tanks (antitank guided missiles) proved highly efficient, and numerous voices began to be heard speaking about the decline of tactical aviation and tanks. And, indeed, in the 1973 Arab-Israeli war over 50 percent of the losses of aircraft and up to 70 percent of tanks were the result of the use of anti-aircraft and antitank guided missiles.

In the last war the development of armor-piercing composite shot and mines decided the outcome of the competition between mobile armor and antitank weapons in favor of the latter. The same may occur with conventional means of offense and defense in ground theaters under current conditions. Such thoughts are induced by the upgrading of antitank weapons, specifically, the prospects of the remote mining of the

approaches to defenses with the aid of aircraft and missiles. With regard for these trends in the development of equipment a number of prominent political and military figures, scientists and the public in the West has in recent years been putting forward a variety of concepts of "nonprovocative defense". From the viewpoint of ensuring mutual security and enhancing the stability of the military-strategic balance this is, as A.F. Dobrynin, secretary of the CPSU Central Committee, observed, "a search in a prudent direction" (13).

In the course of implementation of the significant reductions in armed forces and conventional arms proposed by the Warsaw Pact states conditions could be created whereby the possibilities of the defense of each side were obviously superior to those of the conduct of offensive operations. This would serve to strengthen strategic stability and graphically demonstrate the possibility of ensuring security without reliance on nuclear weapons.

### Footnotes

1. See "Meeting of the Warsaw Pact Political Consultative Committee. Budapest, 10-11 June 1986," Moscow, 1986, pp 28-29.

2. PRAVDA, 30 May 1987.

3. Ibid.

4. KOMMUNIST No 3, 1985, p 62.

5. 80-100-mm front armor, 75-mm cannon and 75-100-mm front armor and 76-mm cannon respectively.

6. 15-52-mm for the T-34.

7. K. von Clausewitz, specifically, wrote as follows: "What is the point of defense? Holding. It is easier to hold than to acquire; it follows from this that defense, assuming identical weapons, is easier than offense. To what does the greater ease of holding compared to acquiring amount? To the fact that all the time which goes by unused is to the benefit of the defender. The latter will reap where he has not sown. Each omission of the attacker, whether as a consequence of a mistaken assessment, fear or sluggishness, is to the advantage of the defender." K. von Clausewitz, "On War," vol 2, Moscow, 1937, pp 6-7.

8. Victory in the battle of Kursk was secured to a considerable extent by the outstanding results of the work of military and political intelligence. It is important also that they were perceived correctly by the top command, primarily I.V. Stalin. This was appreciably different from his attitude toward the most serious intelligence on the eve of the war. As A.M. Vasilevskiy, chief of the General Staff at that time, wrote, our intelligence had managed to determine not only the overall intention of the enemy for the summer period of 1943, the direction of the assaults and the composition

of the assault groupings and reserves but also in establishing the time of the start of the fascist offensive. See A.M. Vasilevskiy, "Life's Cause," Moscow, 1974, p 316.

9. See A.I. Bazhenov, "Ways To Enhance the Stability of Operational Defense" (VOYENNO-ISTORICHESKIY ZHURNAL No 5, 1987, p 17).

10. M.A. Gareyev, "M.V. Frunze—Military Theorist," Moscow, 1985, pp 230, 231.

11. See A.A. Svechin, "Strategy," Moscow, 1927; A.A. Svechin, "History of Military Art," Moscow, 1922, pp 31, 46, 61-62; A.I. Verkhovskiy, "Fire. Maneuver. Concealment," Moscow, 1928.

12. Originally antitank artillery brigades of the Supreme Command reserve of 112 guns each had begun to be formed in April 1941. Since the start of the war these brigades had fought effectively against enemy tanks. However, owing to the shortage of armaments, they were disbanded. In their place 72 antitank artillery regiments (16-20 guns each) were formed in the summer and fall of 1941. See V. Budur, "Development of Antitank Artillery in the Great Patriotic War" (VOYENNO-ISTORICHESKIY ZHURNAL No 6, 1973).

13. PRAVDA, 5 May 1987.

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### **Role of Palestine Resistance Movement, Middle East Conference**

18160012h Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 54-67

[Article by Ye. Dmitriyev: "The Palestine Resistance Movement at New Frontiers"]

[Text] The aspiration of the forces of imperialism, Zionism and reaction to belittle the significance of the Palestine factor in the set of problems constituting the essence of the Near East conflict has been particularly pronounced recently. Certain mass media of the Western powers, primarily of the United States, have been playing up increasingly actively the proposition that whereas in the recent past a solution of the Palestine problem meant a cardinal shift in the direction of an improvement in the situation in the region, now this problem has lost its seriousness and pivotal nature for a Near East settlement and for this reason cannot be seen as its most important aspect.

Attempts are being made to shift the attention of the world and Arab public to other aspects of the situation in the Near East, specifically, to the new twists of the

internecine struggle in Lebanon. And, furthermore, a sufficiently open implication of many publications of Western authors amounts to the idea of the desirability of the final elimination of the "Palestinian presence" as an indispensable condition of a normalization of the situation in Lebanon.

Disagreements in the Palestine Resistance Movement are once again being brought to the forefront, and events of the recent past are being exaggerated. All this is being done for the sake of one thing—proving that the PRM has lost its vanguard role in the Arab world and that questions of joint anti-imperialist struggle no longer interest Arab leaders and, consequently, that the Arabs are losing, if have not already lost, interest in a just conclusion of the Palestinians' struggle for the restoration of their flouted national rights.

Let us also, dear reader, recall recent history in all the tragedy of many of its events to better understand present-day realities and give a substantiated answer to the question of whether the Palestine problem will remain the core of a Near East settlement.\*

## **I**

It cannot be denied that the 1982 Israeli aggression in Lebanon exerted a direct influence on the PRM and sharply intensified the polarization of forces within its ranks. The withdrawal therefrom of armed Palestinian formations, the deployment of their men in other Arab countries and Y. Arafat's political maneuvers around the "Reagan Plan" created conditions for the appearance of groupings within the PRM not in agreement with the policy of the PLO Executive Committee chairman. A "rebellion" flared up, as the Western press had it, within Fatah. Those unhappy with Y. Arafat's policy grouped around Col Said Musa (Abu Musa) and Nimr Salih (Abu Saleh). Their political platform, which was described by many observers as "revolutionary romanticism," incorporated together with sharply anti-Israel clauses (the "three no's"—to recognition of Israel, reconciliation with Israel and negotiations with it) a number of propositions dictated by life itself. These demands for long-urgent internal reforms in the PLO (strengthening of collective leadership, the need for the formulation of a precise policy line of the PRM under the changed conditions and others) reflected the opinion of the majority of ordinary Palestinians. They were also received positively by the leadership of many influential organizations which are a part of the PLO—the Democratic Front for the Liberation of Palestine (DFLP), the Popular Front for the Liberation of Palestine (PFLP) and also the communist parties of Palestine and Jordan.

The action of Abu Musa and his supporters met with the support of Damascus. The "Committee of 18" from the ranks of Fatah members supporting Abu Musa was formed with the aid of Syria and also Libya. The supporters of the "Committee of 18" and members of

such organizations as the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), Al-Saiqa and the Popular Palestinian Struggle Front (PPSF) united, in turn, to create a "countweight" to Arafat within the framework of the PLO in the so-called "Patriotic Bloc". There emerged together with it one further association of a number of organizations (the PFLP, DFLP, the Palestine Communist Party and the Palestine Liberation Front—PLF), which came to be called the "Democratic Bloc". From the very outset the latter regarded as its main task restoration of the disrupted unity of the Palestinian ranks. In parallel within the PLO framework and also on Israeli-occupied territory there remained very authoritative forces which continued to consider Y. Arafat the leader of the organization.

The said events can hardly be seen as the result of some surprise "explosion" of accumulated passions and emotions. The severance of relations between individual Palestinian organizations and attempts to resolve by the armed path disagreements which existed prior to and which emerged after the Israeli aggression in Lebanon reflected the class heterogeneousness of the PRM.

At the height of the crisis of the PRM imperialist and Zionist propaganda hostile toward it intensified. Its goals, perfectly definite and in no way concealed, were to weaken and undermine the PRM as much as possible in a most difficult period of its history, counterpose and embroil individual factions and groupings of the movement and wrest it away from its allies in the Arab world and from the forces which could contribute to the surmounting of intra-Palestinian differences.

Indicative in this respect was a statement of the U.S. secretary of state at a press conference in April 1983. G. Shultz said that, in particular, at that time that it was time for the Arab countries to jettison the decisions of the 1974 Rabat summit, at which their heads of state and government had recognized the PLO as the sole legitimate representative of the Arab people of Palestine. A clear endeavor to discredit the PLO as a force aspiring to a political settlement in the region on the principles of justice for all showed through in other statements of official U.S. spokesmen. The American press plainly suggested to the administration that "the United States should concentrate efforts on taking advantage of yet another period of discord in the Near East to promote the bogged-down Reagan initiative" (1).

At that same time there was a marked revitalization of the activity of Jordanian diplomacy. King Hussein, who proposed negotiations for the purpose of formulating a "formula for the cooperation" of Jordan and the PLO, proceeded from the fact that such a formula could absorb "all that is useful from the Reagan Plan and other international initiatives concurring with the Fez Plan" (2). In other words, the idea that the "Fez Initiative" and the "Reagan Plan" had sufficient "points of contact" was pursued. This proposition was incorrect if only

because the "Reagan Plan" completely denies to Palestinians the right to create an independent state and contains absolutely no mention of the PLO. Yet, as is known, the "Fez Initiative" proceeds from the all-Arab position which considers the PLO the sole legitimate representative of the Arab people of Palestine and, naturally, recognizes the Arab people of Palestine's right to their statehood.

Amman's diplomatic activity was perfectly explicable—no Arab state is connected to the Palestinian problem to the extent that Jordan is. Palestinians constitute half this country's population. The West Bank of the River Jordan, which Tel Aviv calls Judea and Samaria, laying claim to this territory as part of some mythical "Land of Israel"—Eretz Israel—was under its administrative control following the 1948-1949 Arab-Israeli war right until the summer of 1967. Amman has made it understood repeatedly that it considers the West Bank Jordanian territory. This postulate was the basis for the King Hussein plan advanced in 1972 concerning the creation of a "United Arab Kingdom" composed of two autonomous areas—Palestinian and Jordanian. While agreeing with the decisions of top-level Arab conferences, which have recognized the PLO as the sole legitimate representative of the Arab people of Palestine, the Jordanian state at the same time proceeds from the fact that on the Palestinian issue Jordan has its own, specific interests and that for this reason has a right to sometimes speak on behalf of the Palestinians. "Palestine is Jordan, and Jordan is Palestine"—such approximately is the leitmotiv of official Jordanian propaganda on this issue.

In the course of contacts with the PLO King Hussein intended obtaining from the Palestinians a kind of mandate for negotiations with Washington and Tel Aviv on Near East matters. An understanding was reached concerning the establishment of a special joint committee to formulate general political strategy and study in detail the question of the possibility of the formation of a Jordanian-Palestinian federation following liberation of the occupied territories. The king was unsuccessful, however, in obtaining from the United States consent to the association of Palestinian representatives with the negotiations as a part of a joint Jordanian-Palestinian delegation. In the discussions with him the Americans insisted that Jordan represent the Palestinians at the negotiations and that the Jordanian delegation include only persons unconnected with the PLO.

Jordan refused to negotiate in such a version, which was recorded in the communique on the results of Arafat's negotiations with King Hussein in April 1983. Amman condemned Washington's inflexible, pro-Israel position. "We did not find in the United States," the king said, "a capacity for confirmation in practice of the undertakings it had given. It has forfeited trust as a mediator in a Near East settlement." Such candid statements, which are just in themselves, should, however, be seen primarily as a kind of pressure on Washington inasmuch as Amman

has not lost hope of the United States changing its position on the question of the Palestinians' participation in possible negotiations.

The point being that, as King Hussein subsequently acknowledged, in that period, following the restoration of diplomatic relations with Egypt (September 1984), Jordan proposed to the Palestinians that they seek a Near East settlement based on compliance with UN Security Council Resolution 242 of 22 November 1967 (which, as is known, interprets the Palestinian question solely as a refugee problem) and form a united delegation for participation in a possible Near East conference, making this offer conditional upon the PLO's prior consent to the formation in the future of a Jordanian-Palestinian federation. The struggle in the Palestinian leadership over these proposals was conducted against the background of the preparations for the Palestine National Council [PNC] Session. The session was held in November 1984 in Amman, which was seen by many Palestinian organizations as evidence of the success of Jordanian pressure. This assessment proved correct, as a whole. Shortly after the session and the latest round of Jordanian-Palestinian negotiations, Arafat consented to the conclusion of an agreement on self-determination for the Palestinians within the framework of a confederation with Jordan. This agreement—"Framework of Joint Activity"—was signed in Amman on 11 February 1985 (3).

Progressive Arab regimes and also the majority of Palestinian organizations assessed the Amman Agreement unequivocally negatively as a continuation of the separate accords policy and an attempt to "relegate" the PLO to the background in the search for a settlement and pass over in silence, as it were, the fact that only a solution which provides for realization of the right of the Arab people of Palestine to self-determination as far as the formation of an independent state could suit the Palestinians.

Conservative Arab regimes greeted the Amman Agreement with approval, and President Reagan, according to him, had "the impression that certain progress has been made." The conservative Arab regimes were perfectly suited by the so-called "Mubarak Initiative" which the Egyptian president presented at the end of February 1985. It provided for Near East peace negotiations in three stages—dialogue between a joint Jordanian-Palestinian delegation and the United States at the first, enlarged dialogue with the inclusion of other parties involved in the conflict at the second and, finally, the convening of an international conference with the participation of all interested parties and the permanent members of the UN Security Council at the third, final, stage.

The international conference was thus assigned the role of screen for separate negotiations to be conducted under its cover. Nonetheless, both the United States and Israel

rejected in this period, as before, the idea of the convening of a Near East international peace conference, considering the best method of settlement of the conflict situation in the region direct Arab-Israeli negotiations, primarily between Jordan and Israel.

Such diplomatic actions disregarded the Palestine factor, as it were. Some Western politicians manifestly wished to ignore it. But the enemies and ill-wishers of the PRM miscalculated once again. The problems and difficulties which the Palestinians encountered shortly after the 1982 Israeli aggression in Lebanon did not break their militant spirit. The gravitation toward a restoration of unity increased in the PRM ranks from day to day.

## II

It is well known that the Palestine issue, owing to its specific features, reflects the entire spectrum of difficulties and contradictions of the Arab world. Of course, this issue has also been used repeatedly as a kind of "safety valve," through which it has been possible to easily let off the "steam of discontent" of the people's masses with this specific aspect or the other of the domestic policy situation in certain Arab countries.

It is also indisputable that the Palestinian people's struggle for the realization of their national rights has always contained a significant anti-imperialist charge. Making extensive use in the struggle against the PRM of means of military-power pressure, imperialism and Zionism are endeavoring to weaken and emasculate the anti-imperialist content of this struggle as much as possible. They realize that reducing the significance of the Palestine factor to nothing means simultaneously a weakening of the Arab national liberation movement, a strengthening of the presence of the West, primarily the United States, in the Near and Middle East, and the undermining in this region of the positions of the Soviet Union and other socialist community countries. This is why Washington's much-vaunted "peacemaking efforts" deliberately ignore the rights of the Arab people of Palestine, whereas many decisions of the United Nations, for example, unambiguously proceed from the fact that there cannot be any kind of lengthy and reliable peace in the Near East without the establishment and guaranteeing of the legitimate national rights of the Palestinian Arabs.

The main conclusion drawn by progressive national-patriotic forces of the Arab world from the situation in which the cause of the Palestinian struggle had found itself was unequivocal.

The real way to overcome the crisis in the PLO and the PRM as a whole, ward off the attacks of imperialism, Zionism and local reaction and extricate the Palestinian fighters from the mire of mutual, frequently unduly emotional, recrimination and a sure method of avoiding the mood of apathy and hopelessness which threatened to engulf the least politically steadfast section of the

movement were seen by all Palestinian patriots as honest, constructive efforts on the paths of "national dialogue". By this term Palestinians and their friends throughout the world implied actions by as large a number of Palestinian organizations as possible of the most diverse political orientations pertaining to the joint formulation of a common realistic approach to the present Near East situation and mutually acceptable terms of a solution of the Palestine problem. An indispensable prerequisite of the practicability of such a solution is its organic connection with the efforts of the world community pertaining to the establishment of a just, lasting and guaranteed peace in the Near East.

Of course, the way to this is not easy. It presupposes serious mutual concessions, the creation of an atmosphere of trust in relations between different organizations and their leaders, the abandonment of inordinate ambitions and mutual insults and a considered approach to the choice of allies. The main thing here are the national interests of the Arab people of Palestine and their right to self-determination. These interests are higher than the personal likes or dislikes of individual leaders of certain Arab countries or of the PRM itself.

Historians will in time certainly put a high value on the fact that it was these criteria which guided the majority of Palestinian organizations when the question of to be or not to be for the PRM and of how to consolidate the significance of the Palestine factor in the complex system of inter-Arab relations arose.

A series of meetings was held in the period 1984-start of 1987 between leaders of various Palestinian organizations at which active attempts were made to formulate a compromise suitable for all.

At a meeting of representatives of Fatah, the PFLP, the DFLP and the Palestine CP (Algiers, April 1984) a proposal was put forward concerning a "national dialogue" to be conducted by all Palestinian groupings for the purpose of overcoming the difficulties encountered by the PRM. Naturally, the question of the mutual relations of the PLO and Syria was also discussed in the course of this meeting. The participants in the meeting approved "political, organizational, patriotic and national" principles, which, they believed, were to serve as an adequate and dependable basis for a process of the normalization and improvement of Syrian-Palestinian relations. The main point on which they concentrated attention in this connection was a call for the joint actions of the Syrians and Palestinians in the struggle against the designs of imperialism and Zionism and for the liberation of the occupied Arab territory and realization of the Palestinians' legitimate right to return to their native parts, self-determination and the creation of their own independent state under the leadership of the PLO as the sole legitimate representative of the Arab people of Palestine.

The Algiers meeting also drew the attention of the Arab public to the fact that decisions of top-level pan-Arab meetings on the question of the foundations on which a just solution of the Palestine problem should be built hold good and need to be realized. Such foundations should guarantee the national interests of the Arab people of Palestine within the framework of the safeguarding of the interests of the "whole Arab nation". The participants in the meeting paid particular attention to the importance of implementation of the decisions of the Baghdad (1978) Arab summit aimed at a boycott of the Camp David agreements.

There was a meeting of representatives of Fatah, the PFLP, the DFLP, the Palestine CP and the PLF in Aden in June 1984. In the final communique the participants in the Aden meeting called for a national dialogue. The meeting discussed in detail questions directly related to the prospects of the Palestinians' struggle like the situation on the occupied territories, the possible nature of Palestinian-Egyptian relations in the context of the condemnation of Arafat's visit to the Egyptian capital unsanctioned by the PLO leadership, the need for the rejection of the "Jordanian version" of a settlement and the situation in Lebanon. The communique confirmed the principles of the Algiers document as a basis for a normalization of Palestinian-Syrian relations. The meeting recommended a strengthening of the collective nature of leadership in the PLO, the restoration of the unity of the mass Palestinian organizations and a revision of the composition of the executive bodies of some of them in order that all groupings be represented on them on an equal basis. The participants in the Aden meeting proposed introduction of the office of deputy chairman of the PLO Executive Committee. They also advocated the creation of a new body—a general secretariat of the organization—a kind of collective working body in the period between sessions of its executive committee.

An important role in the preparation of the conditions for Palestinian national dialogue was performed by the Prague meeting of representatives of Fatah, the DFLP and the Palestine CP at the start of September 1986. In the summary statement they recorded the principles on whose basis the unity of the Palestinian ranks could be achieved. This document also pointed out that the restoration of the fighting efficiency of the PRM would be a reality when there was strict compliance with the political program of the PLO and the decisions of PNC sessions. The Prague meeting confirmed that the PRM should abandon attempts at a separate or ambivalent settlement, Camp David-type projects and the "Reagan Plan" inasmuch as they all fail to correspond to Palestinians' national interests. The decisions of the Prague meeting reflected Palestinians' negative attitude toward the well-known Security Council resolution of 22 November 1967, which remains silent about the need for a solution of the Palestine problem and focuses attention merely on the importance of "a just solution of the refugee problem". The meeting emphasized the

importance of the convening of an international Near East conference, in which the PLO would participate on an equal basis, given its recognition as the sole legitimate representative of the Palestinian people. It was noted that the well-known decisions of UN General Assembly sessions providing for realization of Palestinians' national rights and a just settlement of the Near East conflict situation as a whole should be made the basis of the conference's decisions on the Palestine issue.

The idea of the need for cancellation of the 11 February 1985 Amman Agreement was expressed for the first time at the Prague meeting. Practically 18 months after the signing of the agreement Fatah, which had earlier advocated the need for the structuring of Jordanian-Palestinian relations by way, specifically, of "delegating" to King Hussein the right to represent the Palestinians, declared at this meeting that this agreement would henceforward no longer be valid. Fatah agreed with the position of the final document of the meeting on the future nature of Jordanian-Palestinian relations, which, as was emphasized, should be built on the basis of the decisions of the pan-Arab meeting in Rabat in 1974 which recognized the PLO as the sole legitimate representative of the Arab people of Palestine.

The emphasis which the Prague meeting put on the need for a strengthening of the PLO's ties to the Arab national liberation movement, a consolidation of international solidarity, the maintenance of fraternal relations with Syria in a spirit of mutual respect and also a strengthening of relations "with progressive forces of the whole world, primarily with the USSR and the socialist community countries," with the nonaligned movement, Islamic countries and African states was important from the viewpoint of an evaluation of the prospects of the Palestinians' struggle. Finally, the attention of all Palestinian organizations was called to the task of strengthening the positions of the PLO and its executive bodies, and it was emphasized that the organization's policy should be determined by all Palestinian groupings on the basis of the propositions of the Algiers and Aden accords.

Less than a month before the start of the national Palestinian dialogue, from 13 through 19 March of this year, a meeting was held in Tripoli of representatives of Fatah, Fatah-Revolutionary Council (the Abu Nidal group), the PLF, the DFLP, the PFLP and the PFLP-GC. The participants in the meeting recommended certain changes in the leading Palestinian authorities (a broadening of the membership of certain Palestinian organizations of the PNC, the inclusion thereon of representatives of all the leading organizations, the granting to the PLO Central Council of the right of decision-making, the creation of a general secretariat of the PLO Executive Committee and others). The fundamental principles for Palestinian national dialogue and restoration of the unity of the PLO "on an anti-Zionist, anti-imperialist and anticapitalist platform" were coordinated and submitted for study by the Palestinian organizations.

The Tripoli declaration observed that within the framework of the Palestinian movement all organizations should adhere to the provisions of the Palestine National Charter of 1964 and the decisions of sessions of the PNC, except for the 17th (Amman). It called for continued allegiance to the PLO as the sole legitimate representative of the Palestinians, continuation of the struggle against Israel and Zionism and a rejection of American-Israeli plans aimed at lessening the significance of the Palestine problem and excluding it from the factors exerting a direct influence on the development of the Near East situation and also the search for ways to settle the Arab-Israeli conflict.

The document proposed the "public and official" tearing up of the Amman Agreement of 11 February 1985. The relevance of the decisions of pan-Arab summits, particularly of the Rabat 1974 and Baghdad 1978 summits, was pointed out, and the question of the Palestinian movement's nonrecognition of Security Council resolutions 242 of 1967 and 338 of 1973, which reduce the Palestine issue to a problem of refugees, was raised once again. The need for a suspension of political relations with Egypt until such time as its leadership renounces the Camp David agreements was emphasized.

The Tripoli Declaration highlighted among pan-Arab problems questions of support for the pan-Arab struggle against Zionism and to thwart imperialist plans and capitulationist decisions and a strengthening of Syrian-Palestinian union and the maintenance of fraternal relations between the PLO and Syria "on the basis of joint struggle against Zionist-imperialist plans and capitulationist decisions". It was emphasized that the PLO's relations with Arab states should be built on the basis of mutual respect and observance of the principle of noninterference in one another's internal affairs.

The section of the document devoted to the movement's tasks on the international scene cited as a principal one the development and strengthening of cooperation with the socialist countries, primarily the Soviet Union. The participants in the Tripoli meeting supported the idea of the convening of an international conference on the Near East with the participation of the PLO on an independent and equal basis. It was pointed out at the meeting that the conference should not adopt partial and capitulationist solutions and that it should be conducted on the basis of the Soviet proposals pertaining to a Near East settlement of 29 July 1984. The document noted the importance for the Palestinian cause of cooperation with the nonaligned states, the OAU and the Islamic Conference Organization and emphasized the need for PRM efforts to strengthen the anti-imperialist, anti-Zionist and antiracist trends in Asia, Africa and Latin America. The Tripoli Declaration spoke of the importance of the mass political struggle of the Palestinians and the Arab peoples for the purpose of the "maximum enlistment of the sympathies of the international community and the winning of greater support by the world's states for the

right of the Palestinian people to return, self-determination and the creation of an independent state" and also the right of the PLO to remain the sole and independent representative of the Arab people of Palestine and the growth of international recognition thereof in this capacity.

The Tripoli Declaration was greeted with satisfaction by the broad Arab community as an entirely suitable basis for the work of the PNC 18th Session. Observers evaluated the positive attitude of Syria, in particular, toward the positive changes in the activity of the PRM and the PLO, enshrined in the declaration, as an auspicious symptom of a possible restoration of close Palestinian-Syrian relations. There were also positive changes in the position of the leading Palestinian organization—Fatah—and its leader Y. Arafat on a number of fundamental issues, primarily the question of renunciation of the Amman Agreement.

The meeting held on the eve of the opening of the Palestinian national dialogue of leaders of Fatah, the DFLP and the Palestine CP in Tunis (location of PLO Headquarters) discussed in detail these organizations' policy line both in the course of the impending dialogue and at the PNC session. It was established, specifically, that the unity of Palestinian ranks remains a most important imperative of the entire movement and that abandonment of the Amman Agreement should contribute to a strengthening of this unity. The majority of the Fatah leadership supported the idea of renunciation of the Amman Agreement, although voices were heard (from the "right flank" of the organization) concerning the possibility of negative consequences of such a step, particularly in the PLO's relations with Egypt and Jordan, arising.

The Tunis document was of importance in the sense of a clarification of Fatah's line of conduct at Palestinian forums inasmuch as many detachments of the Palestinian movement had attentively followed the evolution of the leadership of this organization's approach to a whole number of aspects of the Palestinian struggle and were awaiting the corresponding recording of the changes which had been outlined and which had already occurred in fundamental documents of Fatah, which has always been and remains the most important Palestinian organization.

### III

Thus auspicious conditions were created for Palestinian national dialogue. The prospects of the convening of the PNC 18th Session and, what is most important, the real possibility of the session's adoption of anti-imperialist, anticapitulationist decisions to which exceptional importance would be attached from the viewpoint of both the immediate and long-term prospects of the Palestinians' struggle were sufficiently clear. Many observers were also linking with the possible success of the PNC 18th Session the question of the convening of a

new Arab summit meeting which would draw up a constructive and realistic pan-Arab program of the solution of questions of a Near East settlement, the Palestine problem primarily.

The said positive changes in the position of the PLO attesting that it remains a real anti-imperialist force really worried the circles in the Arab world and in the West, primarily in the United States, which considered the Palestine movement conclusively weakened, and the Palestine factor deprived of any role in the process of a Near East settlement no greater than a pretext for a demonstration of eloquence by individual Arab leaders. Of course, there have been and will continue to be such politicians or, more precisely, intriguers in the Arab world. But it is not they who today determine its fate. This was confirmed by the course and content of the Palestinian national dialogue, which lasted for the week prior to the opening of the PNC 18th Session, and the results of the session.

Such features of American policy on the Palestine issue as Washington's open hostility toward the PRM and the PLO, as, equally, the utter impotence of the United States' Near East policy and its unwillingness (and, frequently, inability) to proceed from existing realities of the Near East situation, were manifested graphically at that time. It soon became known that U.S. diplomatic representatives in Arab countries were manifesting surprised "concern" at the search for ways to solve the Palestine problem. Evidently, in accordance with a circular from Washington they had begun with one voice to have people believe that the cancellation of the Amman Agreement would be an "irreparable mistake" and that such a step would throw back the cause of a settlement. Just imagine, what touching concern! Yet when the Camp David deals were concluded or the fettering Lebanese-Israeli Treaty, subsequently angrily rejected by the people of Lebanon, was concluded, under the threat of American invasion, Washington gave no thought to the fact that these "agreements" and "peace treaties" would really create obstructions and obstacles in the way of the achievement of a genuine settlement.

In their discussions with representatives of Arab countries the American diplomats attempted to intimidate even some "moderate," in American parlance, Arabs with the prospect of the accession to leadership of the PLO of "pro-Soviet radicals". Official spokesmen of Egypt and Jordan, who also "warned" of the "dramatic consequences" of the abrogation of the Amman Agreement, did their bit in attempts to direct the activity of the Palestinian forums into a certain channel. Al-Baz, personal adviser of the Egyptian president, set off urgently for Amman "for consultations," the purpose of which was to attempt to come to an arrangement with the Jordanian leadership on joint steps in the unfolding situation.

Despite a whole number of complicating circumstances, the Palestinian national dialogue began on 13 April of this year. Its positive, anti-imperialist tone was set from

the very outset. The statement of Y. Arafat, chairman of the PLO Executive Committee, on abrogation of the Amman Agreement served as a kind of tuning fork. The abrogation was confirmed at the Fatah Central Committee session on 20 April, literally on the eve of the opening of the PNC 18th Session. It was noted that the agreement had played a positive part at a certain stage, but subsequently "owing to the position adopted by the U.S. Administration and King Hussein," had ceased to correspond to the interests of the Palestinian cause.

The abrogation of the Amman Agreement exerted a highly positive influence on the general mood of the Palestinian forums, despite the heated debate. An acute problem was discussion of the future nature of Palestinian-Egyptian relations inasmuch as earlier the majority of Palestinian organizations had deemed an indispensable condition of the establishment of normal relations with Egypt the renunciation by the Arab Republic of Egypt of the Camp David "shackles" tying Cairo's foreign policy activity hand and foot. A compromise formula was reached which was confirmed in the decisions of the PNC 18th Session and according to which the PRM's relations with Egypt are to be based on the decisions of the preceding PNC sessions (aside from the 17th, about which even its former propagandists and supporters are now trying to forget) and the decisions of inter-Arab summit meetings which condemned the separate policy of former President Sadat in questions of a Near East settlement.

Unanimous support for the Soviet proposal concerning the convening of an international conference on the Near East with equal Palestinian participation, at which ways of solving all aspects of the Near East situation could be worked out, was heard in the course of the Palestinian dialogue and at the session.

Following Y. Arafat's opening remarks, the political report at the session was delivered by F. Qaddumi, member of the PLO Executive Committee. He acknowledged that the disagreements in the Arab world and the difficulties which it is experiencing had exerted a considerable negative influence on the PRM. The demand of the times was the restoration of the broken unity of Palestinian ranks, and only such unity could secure the future of the Arab people of Palestine.

The report clearly propounded the idea that the PRM was profoundly interested in a restoration of friendly relations with Syria. The "strategic importance" of the PLO's maintenance of close ties to the socialist countries was noted, and a high evaluation was made of the position of the Soviet Union both concerning ways to solve the Palestine problem and questions of a Near East settlement as a whole. It was emphasized that the Palestinian side consistently supports the convening of an international conference on the Near East with the participation of the five permanent members of the UN Security Council and also all parties to the conflict, including the PLO. F. Kaddoumi focused the attention

of the participants in the session and guests here on the fact that an international Near East conference should have powers of arbitration, that is, its function would include balanced, concerted rulings and not the creation of a kind of "umbrella" covering separate deals arrived at outside of the conference at backstage meetings.

The general tone of the discussions in the course of the national dialogue, as also of the sittings of the PNC 18th Session, was restrained, constructive and free of temper and unduly emotional indictments. This corresponded best of all to the purpose of the Palestinian forums—the achievement of intra-Palestinian reconciliation and revival of the former role of the Palestine factor in the set of problems of a Near East settlement. "Unity and solidarity"—this spirit permeated both the session and the decisions adopted thereat.

The PNC 18th Session elected a new PLO Executive Committee, Y. Arafat once again becoming its chairman. He emphasized at a subsequent press conference that the session, which had led to the consolidation of Palestinian ranks, would contribute to the convening of an inter-Arab summit. Arafat made special mention of the fact that the Palestinian-Syrian disagreements were disagreements between brothers and that the PLO was extending to Syria the hand of friendship.

The political resolution approved by the 18th session notes the resolve of the PRM and the PNC to continue the struggle against the Zionist enslavers and the American-Israeli alliance on an anti-imperialist, anticolonial basis. It emphasizes the PNC's renunciation of all plans for a capitulationist, separate settlement aimed at liquidation of the Palestinian cause. It declares the PNC's loyalty to the decisions of inter-Arab summits on the Palestine problem, specifically the 1974 Rabat conference, and the 1982 Fez peace plan as the basis for a search for a just Near East settlement. The session supported the convening of an international Near East conference under the aegis of the United Nations with the participation of the permanent members of the Security Council and all interested parties, including the PLO, and the immediate formation of a committee to prepare such a conference.

The political resolution calls for a strengthening of inter-Arab solidarity and the development of Palestinian-Syrian relations on the basis of mutual respect and equality and an anti-imperialist platform, in the spirit of the Rabat and Fez decisions, and emphasizes the special relationship of the PRM and Jordan and the need for its consolidation in the interests of both peoples and the Arab nation. The resolution supports the constructive initiatives of the USSR in the sphere of disarmament and the deliverance of mankind from the threat of nuclear war. It speaks of the PRM's intention to exert efforts to make the Mediterranean a nuclear-free zone.

The entire course of the work and decisions of the PNC 18th Session confirmed that the PRM remains a serious and highly influential anti-imperialist force in the Near East and that the Palestine factor is, as before, playing an important and at times determining role in the solution of various problems of the region.

Some people in the West, and in the Arab world also, are still wondering, possibly, whether the recent PRM session was "a manifest achievement of the Palestinian people and a personal triumph for Arafat" or whether the unity of the Palestinian movement was achieved thereat at a "dear price," which the London MIDDLE EAST INTERNATIONAL journal, for example, considers "concessions" to the demands of the "radical," that is, to call things by their proper name, the genuinely patriotic, circles of the PRM (4). Many political observers note that the question of an improvement in Palestinian-Syrian relations is the order of the day and that an international Near East conference, which has for so long been the "fruit of fantasy" and support for the idea of the convening of which was expressed by the Palestinian movement, is acquiring the real features of an important forum of states interested in a solution of the conflict situation in the region. All this together, the journal writes, testifies to a strengthening of the positions of the PRM in the Near East. "Lack of faith in the American willingness to offer the Palestinians anything and the Soviet Union's active support for the complete withdrawal of Israeli forces from all occupied Arab territory and the creation of an independent Palestinian state," it concludes, "contributed to the unification of the main Palestinian factions on the basis of a common political platform" (5). It is important to note in this connection that the unity of Palestinian ranks which has been achieved dooms to failure the attempts of certain Arab regimes to somehow resuscitate the "Near East peace-making process" based on American approaches and proposals.

The results of the 18th session were given a distinctive interpretation by the American press. In the wake of the Israeli press such a reputable magazine as U.S. NEWS AND WORLD REPORT intimidates the man in the street with "the inevitable growth of Palestinian terrorism" (6). THE WASHINGTON POST wrote that the results of the session should please... Israeli Prime Minister Shamir inasmuch as he "has grounds" for maintaining that these results block new international peace negotiations on a Near East settlement. True, a kind of "grain of reason" can be discerned in the admission of THE WASHINGTON POST. The newspaper essentially agrees that the Israeli leadership is powerless to overcome the cliches rooted both in Tel Aviv's policy and propaganda concerning the "unwillingness" of the Palestinians to move toward peace with Israel. In other words, the Israeli leadership is once again refusing to participate in a constructive search for a solution of the Palestine problem. But why, then, does Tel Aviv not candidly acknowledge that peace in the Near East is not and never has been part of the calculations of Israeli politicians? It would be more honest....

The session showed that it is the PRM and other anti-imperialist forces of the Arab world which are capable of raising and carrying forward the banner of the national liberation struggle of the Arab peoples and rallying in the name of the success of this struggle the sound forces of the Arab nation. The slogan of Arab unity, which has unjustifiably been relegated to the background recently and which progressive, anti-imperialist forces of the Arab world are capable of advancing, could evidently serve as an important factor of this cohesion. The PRM has rightly for a long time now been in the front ranks of these forces, which was reconfirmed as forcefully as could be at the PNC 18th Session, which concluded on 26 April of this year.

The decisions of the PNC 18th Session are of exceptional significance not only for the Palestine but also for the entire Arab national liberation movement. These decisions and the practical steps of the PRM which have been taken recently are an unambiguous indication of the continuing positive evolution of the ideological postulates of the Palestine movement and the clear growth of realistic trends in its strategy and tactics. This was confirmed, specifically, in the course of the negotiations in Moscow of a PLO Executive Committee delegation headed by F. Kaddoumi, leader of the PLO Political Department. The final Soviet-Palestinian communique paid special attention to the need for a "political settlement of regional conflicts, which are being used by imperialist forces to manipulate the level of tension and confrontation in various parts of the world and to undermine the national gains of the emergent countries and peoples."

Attention has been paid practically everywhere to the propositions of the joint communique which speak of the existence of favorable opportunities for a break with the dangerous course of events in the Near East, and the key to this, furthermore, should be "collective search for an honest and just peace based on the principles of equality and equal security in accordance with the UN Charter and decisions and the rules of international law."

Objective political observers in the West noted with satisfaction the propositions of the Soviet-Palestinian communique that "terrorism, state terrorism particularly, represents a serious threat to the cause of peace, security and cooperation between peoples" and that the Soviet Union and the PLO "emphatically condemn terrorist activity carried out by individuals, groupings or states and support a stimulation of international cooperation to eradicate manifestations of terrorism by legal means." These propositions exposed yet again the inventions of imperialist and Zionist propaganda concerning the Palestinians as "irresponsible terrorists". Yet official Israeli propaganda, and not only propaganda but also practical policy on the Palestinian issue, is still based on this, if you will excuse the expression, proposition. Washington also is actively playing up this invention.

The negotiations in Moscow this June with the PLO delegation confirmed once again the depth and strength of Soviet-Palestinian relations. The Soviet side once again expressed full support for the just struggle of the Arab people of Palestine. It is anticipated in Palestinian circles that the impending visit to Moscow of PLO Executive Committee Chairman Y. Arafat and his discussions with the Soviet leadership will be an important new stage in the development of Soviet-Palestinian relations.

The PRM has as a result of the efforts of the vast majority of its detachments reached new frontiers. The strengthening of relations with all anti-imperialist forces, restoration of the militant alliance with Syria, a most effective ally of the Palestinians, the expansion of relations with the USSR and other socialist community countries consistently supporting realization of the right of the Arab people of Palestine to self-determination as far as the creation of an independent state—this is the clear and realistic path of the Palestine movement. The new frontiers which the PRM is now approaching will permit both the Palestinians and their friends throughout the world to look ahead with justified historical optimism.

#### Footnotes

\* Our information.

The decision to create the PLO was made at the Cairo (January 1964) meeting of Arab heads of state. A Palestine national congress was held in May 1964 in the Arab part of Jerusalem which announced the convening of the PNC—a kind of Palestinian parliament in exile. The PLO was formed and the Palestine National Charter was adopted at the PNC First Session. The PLO incorporates several Palestinian organizations, which frequently preserve their organizational, political, financial and even ideological independence.

The main, most important Palestinian organization is Fatah ("Movement for the Liberation of Palestine"). The year of its founding is considered to be 1957, when, following graduation from Cairo University and participation in anti-British operations on the Suez Canal, Yasir Arafat arrived in Kuwait and together with his Palestinian friends began the creation of a secret Palestinian organization. The first Fatah publications date back to 1959.

The Popular Front for the Liberation of Palestine (PFLP) emerged in October 1967 as a result of the merger of two organizations—the "Young Avengers" and the Palestine Liberation Front.

The Popular Democratic Front for the Liberation of Palestine, which in 1975 came to be called the Democratic Front for the Liberation of Palestine (DFLP), separated off from the PFLP in February 1969.

The Popular Front for the Liberation of Palestine—General Command (PFLP—GC) separated off from the PFLP in September 1968.

The Vanguard of National-Revolutionary Struggle, which emerged following the 1967 Israeli aggression, united around itself several smaller Palestinian organizations oriented toward Syria and in December 1968 became the nucleus of the bigger al-Saiqa (Thunderbolt) organization.

The Arab Liberation Front grouping is oriented toward the Iraqi leadership.

The Palestine National Front was formed in 1973 on the West Bank of the River Jordan.

The Popular Palestinian Struggle Front and the Palestine Liberation Front are other Palestinian organizations also.

Standing apart are Fatah organizations which are not a part of the PLO—the Revolutionary Council (an extremist organization headed by Abu Nidal) and Palestinian groupings following the anti-Arafat "rebellion" of Abu Musa and his supporters.

The executive body of the PLO is the 15-man executive committee elected by the highest body of the PLO—the PNC. Yasir Arafat, who simultaneously heads Fatah, was reelected PLO Executive Committee chairman at the PNC 18th Session—editors.

1. INTERNATIONAL HERALD TRIBUNE, 25-26 June 1983.

2. The program of a Near East settlement adopted at the pan-Arab summit in September 1982, the basis of which was a plan of the Saudi King Fahd put forward in August 1981. This plan (the "Fahd Plan") consisted of 8 points, which its author described as the "eight principles of the Saudi peace plan":

— 1. Israel's evacuation from all Arab territory, including the Arab part of Jerusalem, which it occupied in 1967;

— 2. Removal of the settlements erected by Israel on Arab territory since 1967;

— 3. Guarantee of freedom of belief and worship for all religions;

— 4. Confirmation of the Palestinian people's right to return and the right to compensation for those who do not wish to return;

— 5. Placement of the West Bank (of the River Jordan) and the Gaza Strip under UN control for a transitional period of several months;

— 6. Creation of an independent Palestinian state with its capital of al-Quds (East Jerusalem—Ye.D.);

— 7. Confirmation of the rights of states of the region to live in peace;

— 8. The United Nations or some UN members to be the guarantors of the fulfillment of these principles" (see collection of speeches of King Fahd published by the Jordanian "Al-Ray" publishers in October 1981).

The "Fahd Plan" was not supported by the participants in the top-level Arab meeting in Fez (Morocco) in November 1981 insofar as it in fact proposed that the Arab countries "tacitly" recognize Israel, in addition, it made no mention of the role of the PLO. The second "round" of the Fez summit (September 1982) adopted a pan-Arab plan, known as the "Fez Initiative," whose provisions were formulated as follows: "Departure of Israel from all Arab territory occupied in 1967, including the Arab part of Jerusalem; removal of the Israeli settlements created on occupied Arab territory since 1967; guarantees of religious worship for representatives of all faiths in the "holy places"; confirmation of the Palestinian people's right to self-determination and exercise of their inalienable national rights under the leadership of the PLO—their sole legitimate representative; payment of compensation to the Palestinians who do not wish to return; establishment for the West Bank of the River Jordan and the Gaza Strip of a transitional period under the observation of the United Nations, the duration of which would not exceed several months; the creation of an independent Palestinian state with its capital in East Jerusalem; Security Council guaranteeing of peace between all states of the region, including a Palestinian state; UN Security Council guaranteeing of the realization of these principles" (see "International Yearbook. Politics and Economics," Moscow, 1983, p 219).

3. The Amman Agreement was based on the following premises: land in exchange for peace, as provided for in UN decisions, including Security Council resolutions; right of the Palestinian people to self-determination when Jordanians and Palestinians could attain this within the framework of an Arab confederal alliance which it was intended concluding between Jordan and Palestine after a Palestinian state had been formed; solution of the Palestinian refugee problem in accordance with UN decisions; solution of the Palestine problem in all its aspects; peace negotiations within the framework of an international conference with the participation of the permanent members of the UN Security Council and all parties to the conflict, including the PLO as part of a joint Jordanian-Palestinian organization.

4. MIDDLE EAST INTERNATIONAL, 1 May 1987, p 2.

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**Recent Changes in Brazilian, Argentinian Society**  
18160012i Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 8, Aug 87 (signed to press 17 Jul 87) pp 68-77

[Interview with IMEMO associates I. N. Zorina and V. L. Sheynis: "Brazil and Argentina in Today's World"]

[Text] From the editors: One of our readers, Ye. N. Grekov (Moscow), asks: is it not time to attribute Brazil and Argentina to the developed capitalist countries category? The editorial office asked I.N. Zorina and V.L. Sheynis, well-known Soviet specialists in problems of economics and politics of developing countries and fellows of the USSR Academy of Sciences IMEMO, to answer this question. We recorded their conversation, which we offer our readers.

I.Z.: The reader raises an interesting question, once again calling attention to a problem which has long and with variable success, so to speak, been discussed in scientific circles. I myself several years ago, shortly after the 1982 Falklands (Malvinas) crisis, wrote an article entitled "To Which 'World' Does Argentina Belong?" The article was not, it is true, published in its original form since the formulation of the question as a subject for debate did not arouse enthusiasm among many Latin America specialists (1).

But this question is now, as then, being asked by many Argentines—politicians, scholars and ordinary citizens of the country. As, equally, for Brazil, its business and political circles and ordinary Brazilians, the problem of determining their country's place in the modern interconnected and rapidly changing world is very acute. Will Brazil by the end of our century have become a "great power," as its president promises? Will it be able to repeat, in its own way, of course, the Japanese phenomenon of a breakthrough to the foremost frontiers of S&T progress? Do Argentina and Brazil still belong to the developing world, occupying the upper stories there, or are they—Brazil developing more dynamically than Argentina—dashing further ahead, "treading on the heels" of the rearguard group of industrially developed countries? Are there generally insurmountable "barriers" in the way of development preventing them pulling themselves up to the group of industrially developed capitalist states which are significantly ahead of them and joining in time the "rich nations' club"? Or will their lot forever remain backwardness and dependency?

There are, as we can see, many questions, and they may be answered variously. It is probably necessary to take a look first of all at the world capitalist economy and the world community and evaluate how the place therein of the countries with which we are dealing has changed and turn to specific statistical computations making it possible to judge the degree of development of the productive forces and the economy as a whole, social relations and

political culture and ascertain the general dynamics of the changes in terms of all these parameters. With what shall we begin, Viktor Leonidovich?

V.Sh.: I would like preliminarily to make a few observations of a general nature, which will make it possible to determine the subject and coordinates of our discussion.

It is time, first of all, it seems to me, to desist from unduly rigid, contrasting outlines breaking down the modern, very complex and diverse world dichotomously: black and white, dependent and independent, developed and developing countries. No analytical work is needed to note in the world capitalist economy—and it is this about which we are speaking today—two main groups or, more precisely, perhaps, two types of countries: developed and developing. In the first approximation such a division is absolutely essential: without it the general picture of the nonsocialist world would appear as a boundless mosaic. But to stop at this would mean not noticing the extreme heterogeneousness of both the developed and, particularly, the developing subsystems of the world economy and also—let us emphasize this from the very outset—the conditional nature of the boundaries drawn between them.

About 10 years ago the Soviet scholars L. Gordon, V. Tyagunenko, L. Fridman and their mathematician colleagues showed convincingly that groups of typologically close countries appear as distinctive “nuclei” and their surrounding “loops,” which merge with one another in the border zone (2). Making an absolute of the border between them is the same as looking for the grid of geographical parallels and meridians not only on a globe but on the ground. With the same right as that with which our reader asks about Brazil and Argentina we may ask the question: should we attribute Ireland, Portugal and Malta to the developed countries, yet this is usually done without a second thought.

But a border, although it may be drawn variously, is at least a useful working instrument. The “underdevelopment barrier” which you mentioned, a concept circulated, it would seem to me, by the radical left, defended by some of our scholars and with a perfectly particular content load, is another matter. When the developed and developing countries are divided by a barrier, the border is seen as being, if not “sealed,” as we liked to say in our country half a century ago, then almost insurmountable, in the course of evolutionary development, in any event. I simply cannot agree with this.

The question, incidentally, pertains not only to Argentina and Brazil. It could with no less reason pertain to Mexico and a number of small and medium-sized countries of Latin America and East Asia. At least 20-30 states usually attributed to the developing world are located in an intermediate zone, although occupying

different positions therein. They account, according to my calculations, for approximately one-half of the gross domestic product and one-sixth of the population of this world.

But let us return to the two countries with which we are dealing, the more so in that they are perfectly representative of the intermediate zone and occupy, which is also of considerable importance, a significant place in the nonsocialist world as a whole thanks to the absolute dimensions of their economic potential. It is sufficient to say that in terms of size of gross domestic product Brazil is the eighth state in this world, directly following the leading “seven” of main capitalist states. By 1990 it will possibly have overtaken Italy and Canada.

However, what has been said far from exhausts the question of the development level. Indeed, what are the criteria for ascribing countries to the developed and developing categories? After all, they also change with time. From the economic viewpoint the developed countries in the first half of our century were industrial, the undeveloped countries, agrarian. The establishment of capitalism as the predominant production mode on the scale of the entire economy was seen as most important evidence of “development”. The set of social indicators was homologous. Today, in the era of the S&T revolution, when a scientific-industrial system of the productive forces is taking shape and capitalist relations are spreading rapidly in the majority of “third world” countries, the standards of “development” have risen. It is from these positions, evidently, that we should view Argentina and Brazil and their historical path and contemporary status.

I.Z.: I entirely share this approach. I would like merely to impart to it a certain political coloration. In the postwar years the international structure seemed to many people bipolar: two “superpowers,” each of which heading its military-political bloc of allies, and a vast and seemingly inactive “third world”—the battlefield of capitalism and socialism. These ideas, which were oversimplified even for their time, have been overturned by a more complex and richer reality. In the capitalist world the unconditional leadership of the United States has been called in question: new centers thereof, economic and political—uniting West Europe and Japan—have been defined. The assertiveness of the neutral and nonaligned European states has been stepped up, and the foreign policy of Canada, Australia and New Zealand has become increasingly autonomous.

The world as a whole and the developing world in particular have become far more complex and interdependent, and at the same time there is increased polycentrism not only in the economy but also in policy. There has been a manifold strengthening of the role of India and China in international affairs. Differentiation processes in the “third world” have been rapid, which has led to the formation of various regional and inter-country associations, and particular, regional centers of

political activity have come to light. I would like to emphasize particularly that together with the factor of power and the possession of strategic weapons there has been an increase, particularly in recent years, in the moral and political strength factor; the authority of the nonaligned movement in international politics has increased significantly.

What place in this complex present-day world, in which, I agree, it is difficult (and evidently pointless) establishing insurmountable "barriers" between the constantly changing development conditions of different countries, is occupied by Brazil and Argentina? Political literature ascribes both Argentina and, particularly often, Brazil to the "rising powers of the developing world" and distinguishes them as new regional power centers and economic leaders of the developing countries, primarily the Group of 77.

Do you agree, Viktor Leonidovich, with this classification? After all, you have dealt a great deal with questions of differentiation of "third world" countries and their typology.

V.Sh.: Argentina may, like Brazil, evidently, be ascribed to the intermediate zone of the world capitalist economy. In this zone they occupy the leading positions in terms of a number of most important economic and social indicators, outpacing not only many Latin American but also certain South European states. Although both countries share a number of salient characteristics with the majority of states of the "third world" (I do not dispute this in the least), they are considerably distant not only from its "lower story"—the least developed countries—but also from the main block, which includes India, Indonesia, Egypt, Nigeria and many others. In the debates of the 1970's I was asked: so you put Argentina on the same footing as the United States? No, I do not, but if we are operating with "footings," the Argentine "footing" is, in my view, far closer to the West European than to the Nigerian or Pakistani, say.

I.Z.: I believe that Argentina and Brazil are themselves far from similar in all respects. To call Argentina a "new industrial state" would be inaccurate, first, because it was an industrial-agrarian state at the start of the 20th century, that is, considerably earlier than the emergence on the world markets of the present "new industrial states". Second, it is quite significant that the profiling sector of its economy remains strong agrarian exports based on a system of the highly concentrated land ownership and the political power of the "pampas bourgeoisie"—the stockbreeder-landowning oligarchy....

V.Sh.: You are absolutely right, Irina Nikolayevna, but let us not understate the level of Argentina's industrial development here. Agriculture's share of the gross domestic product of both countries in the first half of the 1980's was approximately identical: of the order of 10-13 percent. But in terms of the share of the industrial

sectors, of manufacturing industry particularly, Argentina was considerably ahead of Brazil: by 5-10 percent points. But in terms of technological level and sectoral structure of industry and value and competitiveness of industrial exports Brazil stands, of course, far higher. In 1973 both countries were exporting producer goods in an approximately identical amount, in 1982, Brazil more than Argentina by a factor of 5.5 (3).

I.Z.: ...Finally, I would like to mention particularly the pronounced economic and political role of Argentina both in the Latin America and in the world, which was established at the end of the 19th century even—it was with good reason that V.I. Lenin distinguished Argentina as a transitional type of state of his contemporary world and a model of countries which were "politically formally independent, but in practice entangled in the nets of financial and diplomatic dependence" (4).

V.Sh.: Argentina was or, more precisely, was becoming a developed country by the standards of the time 100 years ago even. According to the calculations of the well-known British economist A. Maddison, in 1870 the per capita gross product in 1965 comparative prices constituted \$412 here, whereas in Mexico at approximately the same time, \$120, Japan, \$209, Italy, \$379, Russia, \$226, the United States, \$503, and so forth. In terms of this indicator Argentina was at that time roughly at the level of France and Germany (5). It was not fortuitous that a colossal stream of European emigration headed there as of the mid-19th century. The riches of the pampas, the conditions of the world market, which afforded Argentina exceptional export opportunities—all this was so, but even more important was the socio-ethnic component from which the Argentine nation took shape at that time, when the country had ceased to be a poor and underpopulated outlying area of South America. The first wave of immigrants, constituting the European component in the majority of Latin American nations, incorporated predominantly people from the knightly milieu, the absolutist bureaucracy, the medieval clergy and the lumpen products of the decomposition of the feudal system in the Pyrenean countries. In the 19th-20th centuries, when a second, ethnically more diverse wave poured into Argentina, and Brazil also, it was socioeconomically active elements which were bourgeois or oriented toward bourgeois values which were preponderant. According to the data of W. Rostow, over 6.4 million persons resettled in Argentina from Europe in the period 1856-1932, more than 4.4 million in Brazil in the period 1821-1932 (in Canada in the same period, 5.2 million, in the United States, 34.2 million) (6).

Having analyzed the economic history of 41 developing countries, an American author ascribes the "turning point" in Argentina's economic development to 1860, in Brazil's, to 1880 (with the reservation, true, that this turning point was confined mainly to the Sao Paulo zone) (7). The difference, however, is not so much Brazil's later transition to modern economic growth, which is connected with the extensive and not enclave

hdevelopment of capitalism, as what occurred in subsequent decades. Having approached the foot of the economic Olympus, Argentina, for reasons which would require a special discussion, began to "eat through" its wealth. While Brazil, with brief intermissions, continually stepped up the rate of economic growth. Before the war even, during it and in the first postwar decade (in the period 1928-1955) Brazil had detached itself considerably from Argentina in terms of per capita increase in gross domestic product: 2.5 percent per year on average compared with 0.5 percent, and in the period 1950-1980 the corresponding indicators constituted 4 and 1.4 percent (8). In general, it may be said that Argentina is a country with a slowly, and Brazil, with a relatively rapidly, developing economy, which has led to the rapprochement of their levels.

I.Z.: Yes, Argentina, although it has developed and been modernized in some respects, is an instructive example not only for the developing world of how a country can gradually lose its past advantages. The wealth accumulated in the "years of prosperity" and the resources which came into the country were used unproductively and were to a considerable extent simply plundered by foreign capital, the local ruling groups and their unbelievably vast social clients. As far as Brazil is concerned, you surely know that in the opinion of the well-known

Japanese economist S. Okita this country began its economic modernization around 1950, being at that time roughly at the level of the Japan of 1900 (9).

V.Sh.: S. Okita was very optimistic in his assessment of Brazil's economic prospects. To what extent he is right, time will tell. Let us, however, see how the situation has evolved up to now. Let us turn first to the most unitized and synthetic indicator of the economic development level—per capita gross domestic product. To make the picture more graphic let us relate the corresponding indicators of Argentina and Brazil to the average level of the developing and developed capitalist countries in each of the years indicated below. The calculation was made in two versions: inasmuch as conversion of the national currencies into American dollars is attended by serious defects, we shall also adduce alternative calculations based on the purchasing power of the currencies using the methodology of the research group of (I. Krevis), R. Summers and their colleagues. Nor is this method incontestable, but it is being employed increasingly extensively in UN publications and, in my view, in this case gives a more accurate reflection of the actual dynamics. So we suggest that our readers take a look at the following table—the result of a recent calculation of mine:

Table 1. Production of Per Capita Gross Domestic Product (%)

|                                      | Based on official exchange rates |       |       |       |       | Based on currency purchasing power parities |      |      |      |
|--------------------------------------|----------------------------------|-------|-------|-------|-------|---------------------------------------------|------|------|------|
|                                      | 1950                             | 1960  | 1970  | 1980  | 1985  | 1950                                        | 1960 | 1970 | 1980 |
| Developing countries = 100           |                                  |       |       |       |       |                                             |      |      |      |
| Argentina                            | 518                              | 437   | 436   | 571   | 507   | 376                                         | 324  | 327  | 277  |
| Brazil                               | 167                              | 182   | 208   | 211   | 218   | 129                                         | 144  | 151  | 202  |
| Developed capitalist countries       | 1,058                            | 1,088 | 1,315 | 1,018 | 1,166 | 509                                         | 528  | 599  | 563  |
| Developed capitalist countries = 100 |                                  |       |       |       |       |                                             |      |      |      |
| Argentina                            | 49                               | 40    | 33    | 56    | 43    | 74                                          | 61   | 55   | 49   |
| Brazil                               | 16                               | 17    | 16    | 21    | 19    | 25                                          | 27   | 25   | 36   |

Calculation made by the author on the basis of international and national statistics.

These data permit at least three observations. First, both countries tower noticeably above the average level of the developing countries (not to mention the vast majority of them). Second, the gap between Argentina and the developed capitalist states has stabilized or is increasing, between Brazil and the latter, is declining over the years, but remains very significant. Third, the historical advantage which Argentina held over Brazil as of the middle of the century even is constantly being forfeited.

I.Z.: I also participated in the debates of the 1970's and recall that our opponents responded to such computations with the counterargument that socially the Latin

American countries are far closer to Afro-Asian countries than West European and North American countries. What is important, they said, is quality, and not quantitative indicators....

V.Sh.: Well, if we are comparing countries in terms of levels of economic and social development and place in the world economy, a discussion without indicators is a blind discussion in which nobody can prove anything to anybody. In this case I join with the mathematicians who maintain that quality is an unknown quantity....

I.Z.: I recall what Leonardo da Vinci said: "No human study can be called real knowledge unless it has been

mathematically proven." This was certainly an exaggeration and the entirely understandable reaction of a titan of the Renaissance to the literary scholasticism of the Middle Ages, but in this case is true.

V.Sh.: Precisely. And as far as social development proper is concerned, here also Brazil has in the wake of Argentina advanced relatively rapidly from backwardness to more developed forms of social life. Both countries—and they are distinct in this respect also from the majority of "third world" states—have already changed

from agrarian-industrial countries into countries with the leading role of industrial and service activity in the structure of employment (and not only gross domestic product) also, from societies with the predominance of traditional socioeconomic structures into bourgeois-type societies and from rural into urban societies. The level of education of the population has grown also.

I have once again to burden our readers with numerical data: organized into a table, they provide a more graphic idea of the social situation in 1980 (or the year closest to this) (see Table 2).

|                                                                                           | Argentina | Table 2<br>Brazil | Developing countries | Developed capitalist countries |
|-------------------------------------------------------------------------------------------|-----------|-------------------|----------------------|--------------------------------|
| <b>Social Development Indicators</b>                                                      |           |                   |                      |                                |
| <b>Demographic</b>                                                                        |           |                   |                      |                                |
| Life expectancy (years)                                                                   | 65        | 55                | 44                   | 70                             |
| Infant mortality (per 1,000 births)                                                       | 45        | 77                | 94                   | 11                             |
| Time frame of doubling of population<br>(given 1980-1983 growth rate, number<br>of years) | 45        | 31                | 29                   | 112                            |
| <b>Social structure</b>                                                                   |           |                   |                      |                                |
| Proportion of persons employed (%):                                                       |           |                   |                      |                                |
| in agriculture                                                                            | 13        | 31                | 59                   | 7                              |
| in industrial sectors                                                                     | 39        | 30                | 19                   | 43                             |
| in services                                                                               | 48        | 39                | 22                   | 50                             |
| Proportion of wage workers (%):                                                           |           |                   |                      |                                |
| throughout the economy                                                                    | 71        | 65                | 37                   | 82                             |
| in industrial sectors                                                                     | 75        | 84                | 65                   | —                              |
| <b>Urbanization</b>                                                                       |           |                   |                      |                                |
| Proportion of urban population (%)                                                        | 82        | 68                | 33                   | 76                             |
| <b>Education</b>                                                                          |           |                   |                      |                                |
| Number of literate persons among<br>population 15 and older (%)                           | 93        | 76                | 55                   | 99                             |
| Proportion of corresponding age con-<br>tingents involved in tuition (%):                 |           |                   |                      |                                |
| elementary school*                                                                        | 107       | 99                | 88                   | 109                            |
| high school                                                                               | 57        | 34                | 31                   | 79                             |
| higher school                                                                             | 23        | 12                | 7                    | 30                             |
| <b>Development of means of communica-<br/>tions (units per 1,000 inhabitants)</b>         |           |                   |                      |                                |
| automobiles                                                                               | 72        | 50                | 14                   | 357                            |
| televisions                                                                               | 185       | 123               | 28                   | 450                            |
| radio receivers                                                                           | 379       | 169113            | 1,086                |                                |
| Daily newspapers                                                                          | 95        | 45                | 32                   | 331                            |
| <b>Health care and diet</b>                                                               |           |                   |                      |                                |
| Number of children per doctor                                                             | 521       | 1,700             | 5,706                | 554                            |
| Calories per capita (% of requirements)                                                   | 125       | 109               | 102                  | 134                            |
| Protein per capita (per day)                                                              | 108       | 61                | 59                   | 99                             |

\* Indicators in excess of 100 percent reflect a situation where the number of persons being taught in elementary school includes students belonging to the senior age groups.

Sources: "World Bank. World Tables, 1984," Washington, 1985, vol II, pp 5, 13, 148, 149; "World Population Data Sheets," Washington, 1984; "Handbook of International Trade and Development Statistics, 1984," UNCTAD, New York, pp 466-470; "Statistical Yearbook, 1985," UNESCO, Paris, 1985, pt III.

As we can see, in terms of the totality of representative social indicators both Brazil and, particularly, Argentina

considerably outpace the majority of developing countries. Some benefits of modern civilization have become

quite widespread. But, nonetheless, both countries lag considerably behind the majority of developed capitalist states.

I.Z.: This lag becomes particularly impressive if we recall virtually the most acute problem of the said countries, which is particularly characteristic of Brazil—the social disintegration of society: substantial masses of the marginal population are not included (or included very slightly) in the process of consumption of modern goods and services or in all modern life—economic, social and political.

The socially polarizing development model practiced in the time of rule of military-authoritarian regimes and even earlier in both Brazil and Argentina held back the expansion of the domestic market and fragmented it. The consumer demand not only of the dangerously increased masses of marginals but also of significant strata of the working people was limited. The problem of the discrepancy in the development levels of individual areas intensified. According to the authoritative testimony of J. Sarney, the present president of Brazil, the country is outpacing many developing countries in terms of the spread of hunger and poverty. And figures of the French LE MONDE show that 40 percent of Brazilians are unable to satisfy their dietary needs, a further 25 percent are incapable of acquiring anything other than foodstuffs.... (10).

V.Sh.: All this is, of course, very serious. Only let us not forget that in almost every country of sub-Saharan Africa these indicators are probably higher.... In addition, the statistical average 109 percent of the calorie norm per Brazilian and 125 percent per Argentine cannot be obtained only thanks to the well-known trick of adding a horse and a grouse. From what products these calories are accumulated and how this influences the nation's health is a different matter. Nonetheless, I always recall in such instances K. Marx's well-known primer observation: "Hunger is hunger, however, a hunger which is satisfied by cooked meat eaten with a knife and fork is a different hunger from that whereby raw meat is devoured with one's hands, nails and teeth" (11). Incidentally, the statistical average Argentine "eats" more than 100 kg of meat a year (the per capita average for the developing countries is less than 13 kg).

I.Z.: But the Brazilian pauper does not compare his situation with that of the African!

V.Sh.: No, more with that of the European and North American. The mass media have seen to this. We would note, incidentally, that Latin America knows better how a European consumes, much less well how he works.

I.Z.: Even more important are the striking contrasts within Latin American countries: brazen, parasitical opulence exists alongside the most wretched poverty. I have been glancing at a recent World Bank publication. In none of the more than 40 developed capitalist and

developing countries for which data are adduced is there such a sharp discrepancy in income as in Brazil: in the mid-1970's the poorest 20 percent of the population accounted for only 2 percent of total income, whereas the upper 10 percent concentrated more than 50 percent. Things are somewhat better in Argentina, but nonetheless distribution here also is more uneven than in the developed countries (12). In Mexico in 1985 I saw with my own eyes how the capital's Eastern Coach Station daily disgorged into the city hundreds of distraught, desperate people prepared for any, the dirtiest and most casual work or semblance of work providing at least some earnings. Pictures horrifying in their habitualness could be seen on the city's streets. A red stop light had only to interrupt the multilane flow of vehicles, appearing at times like a real parade of modern technology, and there immediately grew up before it, as if out of the ground, dancers dolled up in feathers and Indian dress or, far more often, "fire-eater" boys making their living by this health-endangering trade....

V.Sh.: Undoubtedly, Irina Nikolayevna, it is the profundity of the social contrasts and the existence of huge masses of people who have been displaced and made destitute which mark the most pronounced divide between European and Latin American countries, although not all, probably: I believe that Buenos Aires appears somewhat different. Incidentally, economic growth and social modernization have never proceeded evenly and never encompassed society at once and as a whole. Particularly where they have developed rapidly. The very complex social and political problem of the forced coexistence in a single country of a "consumer society" and a "society of poverty" arises. This has been discussed repeatedly by R. Prebisch, the very prominent Argentine scholar. This problem has been solved differently in the history of different countries.

I.Z.: Unfortunately, the possibilities of pursuing a wide-ranging social policy, specifically, of income redistribution in the interests not only of the middle class but also of some of the working people, skilled workers primarily, not to mention material support for the marginals converging on the cities, and reducing the polarization of income are limited. This is, after all, a problem of securing a stronger social base for the new regimes which replaced the military regimes. Even in Brazil, where the economic boom at the start of the 1970's enabled the bourgeoisie to expand somewhat the framework of social policy, announce a policy of "national integration" and embark on the enlistment of workers in "profit-sharing" by way of making some stock available to them, the possibilities for social maneuvering were constricted at the start of the 1980's, under the crisis conditions. True, the position has subsequently begun to change. But, after all, the foreign debt problem, for which there is no swift solution and which is revealing the steady dependence of both Argentina and Brazil on centers of the world capitalist economy, will exacerbate the solution of social problems, will it not?

V.Sh.: Generally, all this is, of course, so. But I would not dramatize the debt situation. Brazil (over \$100 billion in debt) occupies first, and Argentina (more than \$50 billion), one of the first places, on the list of debtors. Many anxious voices are being heard in this connection in both countries and beyond. However, the situation is determined not only by the absolute amount of the debt. First, it is important on what the loans were spent and whether they have helped augment production potential. In Brazil, it would seem, this has been done with greater efficiency than in Argentina.

Second, debt payments are always a burden, but they do not necessarily fetter the economy. Following a prolonged crisis, an upturn began in Brazil as of the latter half of 1984. The growth of the gross domestic product in 1984 constituted 4.4 percent, 8.3 percent in 1985 and of the order of 7 percent in 1986. What is no less important, the set of financial-economic measures known as the "crusado plan" (the new monetary unit), has made it possible to beat down inflation. The balance of payments has improved.

Third, both governments, relying on the real, albeit asymmetrical, interdependence of debtors and creditors, have pursued quite a flexible policy and have not at all been defenseless in the face of outside pressure. Brazil and Argentina have repeatedly sought deferments, a revision of the terms and refinancing of the debt and, furthermore, have by no means consented to the IMF demands which they considered unacceptable. The J. Sarney government, in particular, rejected transition to "zero economic growth," limited debt payments to 2-2.5 percent of the country's gross domestic product—an amount leaving a necessary reserve for internal capital investments—and this February announced a temporary suspension of interest payments on all loans obtained from private foreign banks. True, the economic situation, although having improved markedly, remains not entirely stable. In the estimation of A.P. Karavayev, the authoritative Soviet specialist on Brazil, the main driving force of the 1984-1986 economic reform was the growth of consumption, and not capital investments.

Things are not going as well in Argentina. After all, the economic growth which began here after 1982 was considerably weaker and by 1985 even had been replaced by a new recession. In 1985 Argentina's gross domestic product remained at the 1975 level at best, and in per capita terms, was less than in 1970 (13).

I.Z.: Argentina is in a different position to Brazil. What is required here is not simply a way out of the crisis but a break with the long-term historical trend of economic and social stagnation, the elevation to the modern technological level of the stagnating sectors of the economy and a more flexible economy capable of responding rapidly to the demands of the S&T revolution and the world market. How difficult this is is known not only from the Argentine experience. All this will probably take a considerable amount of time.

As far as Brazil is concerned, the economic growth of recent years has already produced certain social returns here and served as the basis for even more far-reaching plans. A program of the "eradication of absolute poverty" has been proclaimed. Social spending in the budget has increased: on education and health care, the subsidizing of the production and imports of certain types of foods and on irrigation and the development of urban mass transit. The social sections of the program of economic development for 1986-1989 contemplate the creation of 6.6 million new jobs (the total workforce in 1980 was approximately 43 million, the officially registered unemployed, 900,000) (14), the occupational training of 18.2 million workers and employees and the introduction of the regular free distribution of milk to children from the poorest families. It is contemplated allocating for realization of the plan altogether \$100 million, approximately half of which for combating poverty (15).

V.Sh.: Time will tell to what extent this plan is implemented. I would like to hope that the main recommendation of the authors of the "Brazil 2000" report, which was prepared at the government's behest: seeking the more just distribution of national wealth and smoothing out and not intensifying social contrasts will be considered. Otherwise the democratic political structures which are being restored and the reviving, not yet firmly established institutions of civil society could be destroyed.... And it is not that important by whom—forces of the extreme right aspiring to the restoration of authoritarian regimes or leftwing extremists provoking such a development of events. How do you, a political scientist, see this?

I.Z.: Yes, the new civil regimes of both countries are at the present time confronted by an exceptionally difficult task: not only accomplishing in Argentina and consolidating in Brazil the transition to stable economic development and adapting to the structural rebuilding which is under way in the developed capitalist states. They have simultaneously to advance social modernization and the integration of society. Only by having accomplished this entire set of tasks can Brazil and Argentina resemble in full the industrially developed countries.

The most difficult problem, perhaps, is the formation of a developed political system of modern society. Under the specific conditions of Argentina and Brazil it would secure the development of the democratic process, on the basis of social compromise included, experience of which both the bourgeoisie and the organized working people are learning from the example of counterposed classes in the developed capitalist countries. Only stabilization of a democratic political system, given the broadening participation of the masses, can guarantee development and social progress within the framework of the party-parliamentary mechanism, given the severance and isolation of extremist forces.

Many countries proceeding in the late echelons of capitalist development undergo a more or less protracted historical period of rule of authoritarian regimes. This does not mean, however, that there is a rigid connection between the level of economic development and the political system. We would note that in the majority of West European states the developed institutions of civil society and party-parliamentary systems (under the conditions of restrictive suffrage, it is true) took shape in the 19th century at a considerably lower level of development of the capitalist economy than in present-day Argentina and Brazil. Both countries are slowly, agonizingly and with constant recoils and relapses sometimes into military, sometimes into populistically embellished dictatorships making their way forward on the democratic highways of world-historical progress.

Let us be cautious: under the conditions of social instability, which, evidently, continue and could at some stages grow even, the temptation could arise again and again in these countries both among the ruling classes and among the opposition to resort in the process of structural rebuilding of the economy and overall modernization, given an absence of developed democratic structures and historically settled mechanisms which would ensure development on the basis of the consensus of all politically active forces attached to democratic procedure, to forcible methods of government and struggle. For this reason the period of authoritarianism may prove not to have been fully completed in the contemporary history of these countries. Quite powerful antidemocratic, oligarchical forces, which in the years of unchecked power partook of the "sweetness" of substantial material privileges and high social status, remain in Argentina. The recent acute struggle concerning the law on national defense showed that there are influential forces which aspire to a return to the times of the military dictatorship.

Several dramatic days in April 1987, when certain military units were involved in an open rebellion against the democratic regime and its policy of "settling with the past," testified to this also. The rebellion was not successful, but nor was the government able to achieve the unconditional surrender, arrest and immediate trial of the conspirators. "The military can no longer do what it wants, but nor is democracy strong enough yet," was how C. Gabetta, editor of the Argentine weekly PERIODISTA, evaluated the situation.

In Brazil the dismantling of the authoritarian power structure was initiated by way of "reform from above" and proceeded for some time in accordance with the timetable drawn up by moderate figures of the former regime, and it was only at the final stage that the opposition, to whose side some of the latter's former supporters had switched, wrested the political initiative and came to power with a program of extensive reforms. Here, however, there was not that disparagement of the rule of the military which had been the result of the lawlessness that had been revealed and the failure of the

military action of the Argentine junta on the Falklands. The machinery of state, particularly the army, the police and the security authorities, has remained in terms of composition as before, in the main. The leaders of the new government were forced to abandon the idea of retribution for the lawless actions perpetrated in the first years of the military regime. The army, which has preserved many levers of unofficial interference in political life, reacts painfully to all attempts to make the military's crimes against its own people the subject of open investigation.

The government's attempts to conduct, finally, agrarian reform are giving rise to the bitter resistance of the latifundists. This is a reef against which the process of democratization has been shattered in more than one country. "The agrarian problem is spilling Brazil's blood," Tancredo Neves, who was elected president of the country in 1985, but who did not take up office owing to his premature death, said. "It has engendered a real war in the forests and on the savannah. Many areas have become like the American Wild West."

Nonetheless, I would like to end on a more optimistic note. In Argentina the R. Alfonsín government has had its "Nuremberg"—the public trial of former rulers who had besmirched themselves with bloody repression and who were guilty of the "disappearance" of 12,000 people (according to official figures, 30,000 according to unofficial figures), torture and the suppression of democratic liberties. For virtually the first time in the history of Latin American countries the recent "saviors of the nation" went not on a generous pension to write their memoirs but behind bars. This was a lesson not only of the political but also moral cleansing of society, and not just for Argentina, certainly.

Today the struggle for settlement in full with the authoritarian past and Argentina's democratic future have been concentrated around the recently enacted law on "forced obedience," which absolves of criminal liability many military figures (with at the time of the dictatorship the rank of lieutenant colonel and below). It is a compromise between the constitutional government and the military caste and numerous supporters of the departed regime. The unbroken power of the reactionary military and the continuing conflict between the armed forces and civil institutions remain as a live delayed-action bomb beneath the foundations of the edifice of democratic structures, which is being built at a price of tremendous efforts. In Argentina and countries like it a most complex problem is the formation of a developed democratic political system and the molding of a civilian society under the conditions of social instability, which evidently continues and at some stages could grow in the process of the structural rebuilding of the economy and general modernization. "Democracy has ceased to be a timid desire and has now become action," R. Alfonsín said recently in the congress. "Argentine society is aware of its strength and knows that the government relies on it."

The democratic process is also strengthening in Brazil, which at the time of the military dictatorship did not experience such bloody terror as Argentina. The transition to the "New Republic" will culminate this year in the adoption of a new constitution, and it will most likely record measures aimed at an improvement in the position of the poorest strata, the right to strike, a sovereign foreign policy and so forth.

V.Sh.: I fully share, Irina Nikolayevna, both your apprehensions and your hopes. It would be naive, of course, to expect that the social antagonisms which have manifested themselves repeatedly in Brazil and Argentina will develop without periodic exacerbation. But under current conditions, when highly efficient weapons of destruction may easily be used and any internal conflict could pass beyond a national framework, it is particularly important to keep this exacerbation within the bounds of civilized social behavior.

The main danger of social disintegration is that many of the contending forces, each of which defends its own interests (and, in the majority of cases, its own version of modernization and not preservation of social structures), are periodically tempted to commission reserves of support and pressure which can easily get out of all control, paralyze economic life and the functioning of as yet fragile democratic institutions, supply terrorist cadres, prompt bloody violence and pogroms and provoke the installation of more or less strict dictatorships, for which a tired and demoralized society pays a monstrous price, forfeiting democratic and independent institutions in exchange for the restoration of "order".

Brazil's communists justifiably emphasize that "social protest under the conditions of a society with weak traditions of political organization and class struggle also creates the prerequisites for manifestations of reactionary political trends.... The main thing," they say, "is to ensure that the constitution guarantee political democracy" for "up to the present time political crises in Brazil have always been solved by force." This is a common problem for the "third world," but I would like to think that both Argentina and Brazil have already experienced in full measure the consequences of such a course of events and will not return to the past.

I.Z.: Viktor Leonidovich, I hear the voice of our opponents here: you yourselves are admitting that the party-parliamentary system in Brazil and Argentina has not become firmly established and that a return to authoritarian forms of government is not precluded; it is this which unites them with other "third world" countries....

V.Sh.: Well, first, we have not maintained that in terms of the nature of political culture the Latin American countries have become a part of the developed world (which is also, to put it mildly, far from unimpeachable in this respect). We have touched upon merely the positive changes of recent years which are largely similar to the processes which began a little earlier in South

European countries which are moving increasingly far away from rightwing authoritarian toward democratic regimes. Second, and this is the main point, a considerably more advanced line separates the most developed Latin American states from the majority (although not all) of Afro-Asian and certain Latin American states. And it is not only a question of this attribute of democracy or the other, which, enjoying a more or less prolonged period of historical consolidation, ceases to be an empty formality. After all, the basis of all this is the level of civic assertiveness and sense of justice and ideas concerning the value of each human life and the sovereignty of the individual in society.

I.Z.: Yes, comparing the level of sense of justice in different countries is difficult, but is possible, nonetheless, and Latin American countries, although violence in their societies is a long-standing tradition, still prove to be ahead of many oriental states. It is worth reflecting on how Argentine society had reeled from the lawlessness of the military. The trial of the junta became a public event and a kind of catharsis and not an episode accompanying a "changing of the guard," of which history has known many. Waves of horrifying terror have in the recent and more distant past rolled through many Asian and African countries and tens and hundreds of thousands of people died, but there are few people who remember these tragic events today. Even in present-day Turkey there is an endeavor to conceal the truth concerning the genocide of the Armenian people in 1915-1916.... Which countries' political culture includes a true settlement with the past?

V.Sh.: You know, I am reminded of an ironic observation in one of F. Iskander's latest stories: "Progress is when people still kill, but no longer cut off the ears." The Central African Republic has convicted the cannibal, former "Emperor" Bokassa I, who permitted himself to be regaled—in the literal meaning of the world—with his political opponents....

To be serious, however, the settlement with the past which you have mentioned, if it is really accomplished, is undoubtedly an indicator of the transition of a country which has undergone a period authoritarianism to a higher level of political culture. It is not enough to condemn the organizers and perpetrators of tyranny, after all, the severity of the retribution may simply satisfy the ambitions of the conquerors, and violence begins to spiral once again. It is far more important that all of society and all its vital forces recognize their responsibility for what happened in order that they be imbued with the resolve to prevent a "recurrence". This is a long and arduous path. The word "repentance" is now to be heard everywhere, and it is not of religious but profound moral and political meaning. I believe that a critical analysis of the past is an inalienable component of the new political thinking which is becoming a part of the modern world.

I.Z.: Certainly, a discussion of the place of Argentina and Brazil in the world would be incomplete without an indication of their growing role in international relations and their foreign policy activity. Both countries are leaders in the Group of 77 and frequently speak on behalf not only of Latin American but also all developing states in the struggle for a new international economic order, the democratization of international relations and a just solution of the debt problem and in support of the "disarmament—development" process. Since 1973 Argentina has been an equal member of the nonaligned movement, Brazil prefers observer status therein. The assertiveness of both countries, Argentina particularly, has increased sharply, which was manifested noticeably at the Eighth Congress of Heads of State and Government of Nonaligned Countries in Harare (September 1986). Both countries participate in the Contadora process "support group" and advocate a peaceful, political solution of the Central America crisis. As a member of the "Delhi Six," Argentina participates in important initiatives aimed at the prevention of a thermonuclear catastrophe, disarmament and the survival of mankind.

V.Sh.: Add to this the trend toward the economic integration of Brazil and Argentina which has come to light, the agreement signed in 1986, whose purpose was proclaimed the formation of a commercial and customs union, joint investment projects.... All this could be the economic basis for a new power center appearing in the world.

Do you think we need some kind of summation?

I.Z.: Hardly. We have not, it would seem, in expounding our common position dodged sharp corners and contentious formulations. The debate, which did not begin yesterday, will, of course, continue. But the processes which we have discussed can in terms of their very essence only have interim results. Clearly, development will continue and will pose new problems and new questions.

V.Sh.: There is a certain result. You have outlined an optimistic prospect in at least one respect: we will have something to continue discussing several years hence.

#### Footnotes

1. The result of the reflections and debate of that time was our joint article "Argentina at a Historic Turning Point" (MEMO No 5, 1984).
2. See "A Typology of the Nonsocialist Countries," Moscow, 1976.
3. COMERCIO EXTERIOR No 5, 1986, p 432.
4. See V.I. Lenin, "Complete Works," vol 27, p 383.
5. See A. Maddison, "Economic Progress and Policy in Developing Countries," London, 1970, p 18.

6. W.W. Rostow, "The World Economy. History and Prospect," London, 1978, p 19.

7. See L.G. Reynolds, "Economic Growth in the Third World. 1850-1980," New Haven, 1985, pp 10, 32, 85-98.

8. Data for 1928-1955. L.G. Reynolds, Op. cit., p 90, for 1950-1980, our calculations per the data of national and international statistics.

9. S. Okita, "Japan in the World Economy," Tokyo, 1972, p 182.

10. LE MONDE, 18 April 1986.

11. K. Marx and F. Engels, "Works," vol 12, p 718.

12. See "World Development Report. 1986," World Bank, New York, 1986, pp 226-227.

13. Estimated from "Yearbook of National Accounts Statistics, 1981," New York, vol 1, pt 1, p 20; MONTHLY BULLETIN OF STATISTICS, January 1987, p 325; INDUSTRIE ET DEVELOPPEMENT INTERNATIONAL No 394, 1986, pp 523-524.

14. "Yearbook of Labor Statistics, 1984," Geneva, 1984, pp 54-55.

15. INDUSTRIE ET DEVELOPPEMENT INTERNATIONAL, No 392, Paris, 1986, pp 408-412.

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#### Capitalism's Sociopolitical Problems

18160012j Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 84-91

[M. Belyayev, Yu. Krashenninnikov, I. Filatochev report: "Current Features of the General Crisis of Capitalism"\*)]

[Text] The panel discussed the main propositions of the papers delivered at the plenary session. The speakers concentrated attention on the particular features and specific manifestations of the general crisis of capitalism in the economic and social spheres and the specifics of its manifestation in certain main capitalist countries.

#### The 'Economic and Sociopolitical Problems of Present-Day Capitalism' Panel

Yu. Osipov (USSR Academy of Sciences IMEMO) believes that today's capitalism is experiencing a particular crisis situation. The period of the accelerated and relatively balanced growth of the first postwar decades

has been replaced by years of an abrupt slowing of economic development and imbalances in various spheres. The 1974-1975 cyclical crisis may be considered the turning point.

All-embracing protracted crises are typical of the capitalist mode of production. Also characteristic is the fact that capitalism emerges from them qualitatively renewed and transformed. Thus the crisis of the 19th century led to the growth of free-competition capitalism into monopoly capitalism. The crisis of the 1930's transformed capitalism into state-monopoly capitalism.

A profound restructuring of the productive forces within the framework of the new wave of the S&T revolution is now under way, which is creating the prerequisites for an upturn. However, in the sphere of production relations, the speaker said, the possibilities of capitalism's adaptation are to a considerable extent exhausted. It is for this reason hardly legitimate to speak of radical changes, we may rather expect the emergence of certain subforms with the framework of state-monopoly capitalism. The formation of international state-monopoly capitalism cannot be ruled out in the future, the speaker believes, as a consequence of the high degree of socialization of production on a world scale.

S. Ivanov (Leningrad State University) dwelt in detail on problems of the growth rate of the economy. Economic growth is a multifactor process. At the same time fundamental significance for an analysis thereof is attached to the law discovered by K. Marx of the tendency of the profit norm to decline, which leads to a reduction in the norm of accumulation and the growth rate of social production.

At the present time this dependence is intensifying owing to the weakening of the effect of a number of factors both counteracting the decline in the profit norm and stimulating accumulation. Among them we may put the formation of a mass of fixed capital which has not yet had time to be depreciated and which has delayed a reduction in the capital-output ratio. Significant amounts of obsolescent equipment are reducing the growth of productivity and, consequently, holding back a reduction in the cost of commodities and services necessary for reproduction of the work force. This, in turn, is causing a decline in the norm of surplus value.

S. Ivanov emphasized that the decline in the profit norm in the developed capitalist countries was not the consequence of a reduction in the social production growth rate. On the contrary, the trend toward a decline in the profit norm has had a negative impact on the expanded reproduction of fixed capital, weakened the growth of investments and served as a decisive factor of a long-term fall in the gross domestic product growth rate.

Inasmuch as in the mid-1980's, the speaker summed up, there have been no pronounced changes in the nature of the movement of the profit norm, it may be anticipated

that the period when a downward trend in the norm of the production accumulation of capital and the social production growth rate predominated in the capitalist world is not over.

A combination of mutually contradictory principles—monopoly and competition—is material at the imperialist stage of capitalism. Whence, V. Stepanenko (Ukrainian SSR Academy of Sciences Institute of the Socioeconomic Problems of Western Countries) observed, the interweaving of the trends toward decay and stagnation on the one hand and development on the other.

Currently, under the impact of the S&T revolution, which has intensified competition, capitalism is demonstrating flexibility, maneuverability, tenacity and an ability to adapt to the new situation. In this connection, the speaker emphasized, considering the existence of confrontational principles and trends, it is necessary to avoid a one-sided illustration of the problems of its general crisis.

It is essential to have done with old cliches in study of the problems of the general crisis of capitalism, Ya. Pevzner (MEMO) stated.

The intensification of the general crisis of capitalism is inseparable from the exacerbation of the struggle between socialism and capitalism.

Capitalism has undergone changes of a qualitative nature with an objectively antimonopoly content, for example, the scale of social policy in capitalist countries based on the state's increased share of the distribution of the gross domestic product has increased. But the bourgeoisie has consented to this by no means out of good will but merely under the pressure of the working class.

The expansion of the economic functions of the bourgeois state is an irreversible process. V.I. Lenin saw the huge growth of the role of the state, the speaker emphasized, as a characteristic of imperialism. In our time it is no longer simply a question of the merger of the monopolies and the state but of the fact that the extensive participation of the state in the reproduction process has become an inalienable feature of monopoly capitalism, and one of the most important, what is more. Without regard for this change an interpretation of the five basic characteristics of imperialism is impossible. At the same time mechanically formulating one more—a sixth—is hardly justified.

Ya. Pevzner dwelt on a number of theoretical problems awaiting solution. It is primarily a question of the correlation of monopoly and competition, which has not been eliminated but exists alongside a monopoly. Oligopoly as a basis and form of monopoly competition should be recognized as a real fact.

The speaker called attention to the appreciable changes in the sphere of ownership and the centralization of capital and the description of the current features of finance capital and the financial oligarchy. Typical currently is the merger not so much of banks and industrial companies as private financial institutions and the state. There is reason to consider capitalist countries' banking system semi-public.

V. Shenayev (IMEMO) supported the opinion of the preceding speaker concerning the need for an extended study of the basic categories and characteristics of imperialism with reference to current conditions and the specific situation. The main indications of imperialism are monopoly and the formation of finance capital.

Specific forms of the organization of the latter now are finance groups. It is now possible to speak of the formation of state-monopoly finance groups and state-monopoly capital. It is represented in the form of a number of complexes, the appearance of which is a new step forward in the concentration, centralization and merger of capital.

State-monopoly complexes are conceived primarily in spheres which encompass many sectors, management of which requires movement beyond the framework of national economies (the ecological-industrial, science-production, aerospace and certain other complexes, for example). Their appearance, accelerated by the processes of socialization on a national, regional and international scale, is speeding up the formation of the material prerequisites of socialism.

As a result transnational monopoly capital is appearing. The merger of industrial and banking monopolies is leading to the formation of international finance capital. At the same time, V. Shenayev emphasized, this by no means testifies to the formation of supranational state-monopoly capitalism. Inasmuch as a supranational political superstructure is lacking, if only on a regional scale, there are no grounds for speaking of this.

A number of qualitatively new phenomena which emerged under the influence of the S&T revolution is observed in the economic life of present-day capitalism. Among them, S. Aukutsionek (IMEMO) believes, we should also put structural overaccumulation, which is not being removed in the course of the customary cyclical crisis.

This phenomenon has been brought about by the existence of a large mass of obsolete fixed capital. A kind of structural-technological discrepancy between fixed capital and the new conditions of production is taking shape. Structural overaccumulation is holding back cyclical upturns, and cyclical crises are making the solution of the problems of structural overaccumulation more difficult.

S&T progress is being accompanied by an intensification of competition and the appearance of a large number of new firms. In this connection, M. Preczinski (Poland) observed, it is essential to study in greater depth the problem of the concentration of capital. The new stage of the S&T revolution is changing the technology of production, and the form of its organization is becoming different accordingly. At the same time, however, the monopoly is not disappearing.

It is not legitimate, M. Preczinski continued, to speak of the de-industrialization of the developed capitalist countries. The high efficiency of the most rapidly developing industrial processes affords an opportunity for (and in many cases requiring) the relocation of the persons employed in the service sphere.

The speaker noted the trend toward the increasingly great detachment of the "fictitious," "symbolic" economy expressed by the movement of securities and money flows from the processes occurring in material production. This is fraught with an explosion of new contradictions.

An explosive charge is also contained in the following contradiction: on the one hand the S&T revolution is leading to a sharp growth of the indicators of certain sectors, on the other, there is a lessening of the growth rate on the scale of the entire capitalist economy and an unprecedented growth of unemployment.

A number of speeches was devoted to the problem of the crisis of state-monopoly regulation and the processes linked therewith.

Up to a certain time, N. Raskov (Leningrad State University) observed, government finances served to a certain extent as a shock absorber of the contradictions of capitalist reproduction. A kind of pattern took shape: the more acute the contradictions, the higher the capitalist nationalization of the national income. However, in the 1970's this process reached its limit. A further growth of taxes would be contrary to the requirements of private capitalist accumulation and reproduction of the work force. The system of state-monopoly regulation relying on the financial mechanism requires changes, but no successful solutions are as yet in sight.

Government finances are built into the modern reproduction process. The attempts to reduce social and economic spending to cater for the requirements of military production have merely intensified the crisis situation.

S. Kodinov (Bulgaria) and M. Rumler (CSSR) dwelt on questions of the restructuring of government regulation in the West and the attempts to stabilize the development of present-day capitalism.

In the 1970's, S. Kodinov said, a situation took shape wherein state-monopoly regulation was unable to resolve the intensified contradictions of the capitalist economy. In addition, many of them had been created by the actions of the state.

At the same time capitalism had no interest in elimination of the system of state-monopoly regulation since this would have harmed private capital itself. The changes in the economic role of the state in the 1980's reflect a search for the optimum correlation at this stage of regulation and deregulation.

Privatization is inevitably attended by an exacerbation of social tension. For this reason it is highly doubtful that the utmost encouragement of private capital will lead in the immediate future to the adaptation of present-day capitalism to the changed conditions.

From the technological viewpoint, M. Rumler observed, capitalism has scored certain successes. However, achievements at the "microlevel" are now insufficient. Under the conditions of the "openness" of the capitalist economies state-monopoly intervention based on the Keynesian model is gradually losing its efficacy. The neoconservative concept reflects an exaggeration of the possibilities and tasks of regulation under the conditions of intensifying internationalization.

Present-day capitalism, Yu. Pashkus (Leningrad State University) observed, is characterized by a number of pivotal trends. In the international sphere there has been an abrupt change in the dynamics of currency rates and prices. Pivotal trends have affected government ownership and financial policy. Under the influence of S&T progress a number of essential changes is occurring in the production sphere.

There is a qualitative change in the material-technical base of industry; a special field of social labor—the industrial assimilation of the achievements of science or new technology—is taking shape; technological innovations are becoming a specific type of social consumer value.

S. Mochernyy (Kiev State University) emphasized the need for a detailed analysis of the outgrowing by the productive forces of the framework of production relations with regard for the existence of the different forms of ownership under capitalism, taking into consideration the specifics of each component of the productive forces—manpower, the means and subjects of labor, information and science. For example, the development of basic science is the prerogative of the state, experimental design is performed, for the most part, by big companies and medium-sized and small firms are moving up to the role of experimenters.

The new stage of the S&T revolution connected with the development of microelectronics and information science has brought about not only a growth of the productive forces but also a qualitative change therein, I. Ivanov (IMEMO) said.

Modern technology possesses tremendous opportunities for the manufacture of products. But despite marketing problems, the cyclical crises of overproduction have not reached the seriousness of the "Great Depression".

The speaker sees as the reason the evolution of the production relations of capitalism adapting to the new production conditions. The reaction of production to the changing structure of demand is being perfected primarily, and a product's quality specifications are being improved.

The new forms of exploitation and "polarization" of occupations are leading to the increased differentiation of income. The more solvent are becoming the "upper strata". The enlistment in the labor market of women and the youth is expanding demand. Capitalist credit is operating in this direction also.

Present-day capitalism is capable to a certain extent of alleviating crises of overproduction, (M. Shiman) (Hungary) observed. In particular, the social tension caused by unemployment is being lowered to a certain extent by official social policy. However, it should not be forgotten, the speaker emphasized, that the working class has achieved this as a result of persevering struggle for its rights.

L. Maier (GDR) devoted his speech to the internationalization of economic processes connected with the expansion of the TNC.

A qualitatively new situation has arisen in the world capitalist economy. The phenomenon of the interdependence and interweaving of the economies of the leading capitalist countries has been clearly manifested. The increased flows of foreign trade and overseas direct investments, the migration of capital in different forms and the expansion of the international capital markets testify to this.

The gap between the interests of the TNC and the governments of Western countries is widening. The difficulties of the economy are now to a large extent international, but attempts are being made to combat them at the national level. The attempts to coordinate actions are ending in failure. As a result the contradictions between the leading imperialist powers are intensifying.

At the same time, however, the speaker expressed the opinion that the abrupt counterposing of the "national state-monopoly capitalisms" and "transnational state-monopoly capitalism" concepts is not legitimate. In

reality a complex, dialectical process of tendencies of the rapprochement and interweaving and interlocking and repulsion of the first and the second is taking place.

Questions of the disorderly state of the sphere of international currency-finance relations testifying to an intensification of the general crisis of capitalism were analyzed in the speech of D. Smyslov (IMEMO). This interconnection, the speaker stressed, is of a complex nature. It is necessary to desist from oversimplified traditional interpretations here. It is necessary primarily to take into consideration the evolution of the general crisis of capitalism and the shift in the stages thereof. Furthermore, crisis explosions in the currency sphere are the result of contradictions in the payments mechanism itself. The notorious "permanent" currency crisis represents in real life a chain of consecutive failures and births of currency systems replacing one another and their adaptation to the changing situation.

The present mechanism of payments relations, whose functioning is distinguished by extraordinarily abrupt fluctuations in exchange rates, is bringing about a new set of contradictions. The risk of currency losses is growing, international comparisons of production efficiency are becoming more complicated, currency speculation is swelling immeasurably and currency competition has been revived. To a certain extent this is hampering the internationalization and extension of the international division of labor and having a negative effect on the state of the national economies and the position of the working people. On the other hand, the basic conditions of the functioning of national currencies (currently the dollar) in the role of world currencies are being undermined.

In other words, the fundamental contradiction of the contemporary currency mechanism—between the international nature of economic relations and the national nature of the currencies serving them—is constantly reproduced.

The speech of L. Lyubimov (IMEMO) was devoted to the changes in the correlation of forces of the main centers of imperialist rivalry. The United States' loss of a number of important positions has been accompanied by a strengthening of the role and influence of the two other power centers. The American side has adopted a policy of restoring its positions. The R. Reagan administration has succeeded in suppressing inflation and has begun the re-industrialization of a number of sectors and so forth. However, the temporary stabilization of the American center has been achieved at a costly price. Unprecedented militarization and record levels of unemployment, the budget deficit and the foreign debt—such is the result of neoconservative economic policy.

Does this mean that the American center is on the threshold of further destabilization? A difficult question, although the conclusion concerning a period of economic instability, exacerbation of the struggle on world

markets and an intensification of the contradictions between the three power centers of imperialism which has set in is obvious.

A strengthening of the positions of Japan is clearly visible against the background of the undermined power of the United States. However, evaluating the country's position only from the viewpoint of economic indicators would be an oversimplification, M. Udo (Japan) declared. The program of the Japanese Communist Party points out that although Japan is a highly developed capitalist country, it is in fact a dependent country half-occupied by American imperialism.

Taking advantage of Japan's military dependence, American imperialism has reorganized Japan's monopoly capital and bound it in the sphere of foreign policy, finances, engineering and technology.

Much is now being said about Japanese-American economic contradictions and trade wars between the two countries. However, they all, as a rule, end in concessions on the part of Japan, as a result of which the working people of the country are suffering, the speaker emphasized.

V. Rosin (IMEMO), who devoted his speech to problems of the militarization of the capitalist economy, expressed an opinion concerning the invalidity of the selection of this process as a characteristic immanent to imperialism.

Analyzing the situation in Japan, the speaker showed that military production has perfectly definite economic limits. Thus the increased cost of manufacture of the military product and the increase in the time taken to assimilate the production thereof lead to increased risk, which not every major corporation, even with a prospect of a growth of profits, agrees to take.

In addition, the rapid development in the country of, for example, civil electronics providing for relatively rapid sales reduces to a certain extent the "advantages" of military orders connected with the assured nature of sale.

A number of papers presented for panel discussion was devoted to an analysis of the new phenomena in the sociopolitical development of capitalism in the 1980's. Evaluating the situation which has taken shape in the developed capitalist countries, the participants in the discussion expressed the common opinion that compared with the 1960's-1970's period it is characterized by shifts unfavorable to the working class. In many Western states there has been a marked shifting of the axis of political life to the right, and conservative circles have succeeded in significantly strengthening their positions. Taking advantage of the changed correlation of forces, the ruling class has switched to the active pursuit of a new sociopolitical strategy aimed at disuniting the working people, counterposing different detachments

thereof to one another and ultimately weakening the workers and trade union movement. And this strategy has not been without success.

As shown in the speeches of V. Lyubimova (IMEMO) and R. Levine (Belgium), the offensive against the socio-economic gains of the working people and the workers and trade union movement unleashed by the conservatives who have come to power is not encountering due resistance on the part of the former. The very low level of the strike struggle may serve as an indicator of this. With the rare exception (the 1985-1986 British miners' strike, the French rail strike in 1986) the working people's class protests have not been distinguished by the scale and perseverance characteristic of them in the recent past. In many cases they end in defeat.

In the atmosphere of a recession in the workers movement the unions are adopting defensive positions and have been forced to agree to collective bargaining on unfavorable terms. Their membership is declining, and their influence falling.

In the estimation of K. Kholodkovskiy (USSR Academy of Sciences World Workers Movement Institute), the present situation appears as follows: the monopoly bourgeoisie has gained temporary supremacy over its class enemy—not strategically inasmuch as the workers movement is continuing to put pressure on it but tactically, in the sense of greater freedom of maneuver and is endeavoring to use this situation to its maximum advantage.

What are the factors pertaining to the success of the strategy being pursued by the conservatives? In the opinion of the participants in the discussion, it is explained primarily by the changes which have occurred recently in the sphere of economic relations. Attempting to adapt to the changing situation, capital is making extensive use of the achievements of the current stage of the S&T revolution, agreeing to the constant technological updating of production and its rationalization and introducing new forms and methods of exploitation of the work force. These processes are frequently having a negative impact on the position of the working people.

First, they are leading to a growth of unemployment, which has assumed a general nature, and an exacerbation of the employment problem, which is being used by the employers to exert permanent pressure on the working class. Fear of losing their job and uncertainty as to their position are a factor of the reduced level of the working people's class protests.

Second, unemployment has affected to the greatest extent the detachments of the working class which have traditionally constituted the nucleus thereof: miners, railmen, shipbuilders and a number of others. The reduction in the numbers and relative significance of this most active and organized part of the proletariat also cannot fail to have been reflected in the militancy of the workers movement.

Third, the disconnectedness of the working class is increasing. Thus a rapidly expanding stratum of working people enveloped by various forms of temporary and partial employment has appeared therein. Aside from all else, this is also connected with the spread in the developed capitalist countries of the so-called "underground economy" and the formation of a "labor black market," which is characterized by the working people's total lack of rights.

The spread of the new forms of employment, the speeches of V. Lyubimova and J. Sandoval (Spain) observed, undoubtedly corresponds to the logic of capital, which is endeavoring to undermine the organized workers movement, disunite it, isolate individual detachments of the working people and create an atmosphere of competition between them. The bourgeoisie has partially succeeded in achieving its aims. Groups which are counterposed to one another, as, equally, different labor markets, have appeared among the working class: skilled workmen, unskilled workers and people used temporarily.

The new sociopolitical strategy, the speeches of S. Peregudov (IMEMO) and K. Kholodkovskiy observed, does not mean the ruling class' abandonment of the policy of social maneuvering. But it has undergone appreciable changes compared with the recent past.

Whereas earlier, as S. Peregudov showed in his speech, the main conduit of the policy of maneuvering was the bourgeois state, now it is being "privatized" and "descending" to enterprise and corporation level. The changes occurring here are by no means confined to the introduction of new forms of the organization of labor designed to replace or modify the Taylor "sweat-shop" system and imparting a "human" character to production relations. It is a question of attempts, not unsuccessful at times, to implant unions divided by company per the Japanese model, encourage various versions of the personnel's "participation" or "involvement" in the management of the enterprise and "coownership" thereof and create "quality groups". Although such activity outwardly appears in "depoliticized" form inasmuch as it is confined to the framework of an enterprise or company, which are not linked in their activity with "big politics," its main effect is primarily political: the increased aspiration of the masses to participate in deciding social matters is channeled into a direction favorable to the ruling class.

Yet, the speaker continued, the idea of the corporation as a purely production entity is current among the majority of Soviet social scientists. Such an idea took shape as a result of the dogmatic counterposing of the Marxist "basis" and "superstructure" concepts. In practice it leads to study of an important aspect of the activity of the corporation being underestimated or ignored.

In the opinion of S. Peregudov, the efforts being made by the bourgeoisie to create and expand channels of political interaction between the "upper strata" and "lower classes" of capitalist society (as, equally, the attempts to strengthen the institutions of power and the orientation toward the "strong state") should be seen in the context of the serious changes in the sociopolitical sphere which have occurred throughout the 1970's-1980's. In what are these changes expressed?

First, in the disturbance of the consensus which had evolved in the postwar period between the bourgeois and social democratic parties which replaced one another at the helm of power, the basis of which was acceptance by both of Keynesian methods of regulation in the socioeconomic sphere. Second, in the growing fragmentation of the political forces, which is connected with the intensification of sociopolitical differentiation within bourgeois society itself and in all its main classes and groupings, including the monopoly bourgeoisie. Disturbance of the relatively stable balance between ruling and opposition parties and the weakness and insufficient political authority of the opposition are also a serious destabilizing feature. Although at first sight this should have strengthened the positions of governments and regimes as a whole, in reality the lack of an influential and dependable "insurance" force is weakening their stability and confronting the ruling class with difficult problems. The main one is the creation of a new ruling bloc in the event of loss of confidence in or the discrediting of the parties in power.

Finally, a trend toward a general weakening of the authority and efficiency of the traditional party-political mechanism and such institutions thereof as parties, parliaments and the judicial-legal system is being observed. All this, the speaker observed, is testimony to the growth of the political instability of capitalism causing a "defensive reaction" on the part of the ruling class.

Issue was taken with certain propositions contained in the speech of S. Peregudov. Thus K. Kholodkovskiy expressed the opinion that the proposition concerning the increased sociopolitical instability of bourgeois society applicable to the 1970's is hardly legitimate today.

Particular attention in the course of the discussion was paid to the question of urgent tasks of the worker and democratic movement at the current stage. As the speeches emphasized, the main one is overcoming the disconnection between individual detachments of the working people or, as J. Sandoval put it, the "reunification of the working class". Only thus can the working class cope with the present difficulties. The new situation in which the proletariat has to operate also dictates the need for a different approach than previously to the problem of class alliances.

In connection with the problem of potential allies of the working class the speech of V. Peschanskiy (MEMO) stirred considerable interest. He concentrated attention

on changes in the position and consciousness of the so-called new middle strata, that is, the wage workers who belong neither to the bourgeoisie nor the proletariat. The importance of a study of these strata, he observed, is conditioned by the fact that as a result of the technical-economic changes occurring under the impact of the S&T revolution they are growing rapidly, and this trend will continue. The role of the new middle strata will increase accordingly.

Specifically, V. Peschanskiy dwelt on the changes in the position of two categories of the new middle strata (coincident to a small extent): the bulk of the professionals working for wages and also mid- and low-level managers constituting the majority of managerial personnel. It is managers, the speaker observed, who have been out of luck in our works. Some authors deny the existence of this independent component of the new middle strata altogether.

What distinguishes the consciousness of the new middle strata? Primarily a duality and contradictoriness brought about by their "intermediate" position. An appreciable influence is also exerted by factors specific for each category.

For the professionals, for example, these are, aside from all else, features of their consciousness determining a greater responsiveness and sensitivity compared with other groups to events occurring outside of the sphere of personal and group interests.

A great influence is exerted on the consciousness of the middle managerial personnel, on the other hand, by such a factor as involvement in the decision-making process and the realization of power in organizations (at enterprises, in establishments).

Of considerable significance for both groups is where they work—in the private or public sector—and also the possibility of preferment.

In line with the numerical growth of the new middle strata as a whole and each of the groups in question (they are both growing by a factor roughly of 1.5 in a decade and now constitute: mid-level managerial personnel, 5-7 percent of the economically active population, the professionals, 5-10 percent) there is a change in their position also. It is partially losing the features of privilege (this applies to income, nature of the work and social prestige) largely predetermining their support for existing practices. Their exploitation is intensifying.

Both are contributing to a recognition by the representatives of the new middle strata of the contrast—or, at least, nonconcurrence—of their interests and the interests of the employer (the state or the corporation) and the formulation in this environment of an economist trade-union consciousness. As wage workers, the representatives of the new middle strata are increasingly concerned with problems of employment, work conditions and

independence at work. Whence the process observed throughout the 1960's-1970's of syndicalization of the professionals and managerial personnel. In principle, V. Peschanskiy emphasized, the trade union movement represents a most important sphere, in which interaction between the working class and the new middle strata is taking shape (or could take shape). Another such sphere are the mass democratic movements (peace, ecology and others). Whereas in the trade union movement the leading role belongs to the proletariat, here it belongs to the progressive professionals.

The results of the discussion were summed up by I. Guryev, deputy director of the USSR Academy of Sciences IMEMO. Those who spoke, he observed, had developed the basic issues raised at the plenary session.

Specifically, the question of the national and transnational forms of the development of state-monopoly capitalism had been clarified: it was emphasized that both are characteristic of present-day capitalism.

It is necessary to study many questions connected with the revitalization of small business. The proposition that this revitalization is not identical to a deconcentration of capital which was advanced in the course of the discussion is important here.

The viewpoint concerning the inexpediency of the very concept of the general crisis of capitalism was not supported. It was observed that the general crisis of capitalism is a historical process, the analysis of which cannot be narrowed down to the level of individual phenomena. Nor should it be identified with a revolutionary situation—when the “lower classes” cannot live in the old way, and the “upper strata” cannot administer in the old way. In the era of the general crisis of capitalism both the “upper strata” administer in the old way and the “lower classes” are as a whole forced to consent to live in the old way.

The current state of the capitalist economy may be defined as one of “unsteady stabilization”. There has been somewhat of an easing of a number of crisis processes. Specifically, the rate of inflation has declined; the problem of the growth rate is different today; and there has been a change in the energy situation.

At the same time these positive features should not be absolutized. The factors which engendered the inflationary processes in the 1970's have not been removed. New problems connected, for example, with manipulations in the financial sphere or the chaotic movement of currency rates have arisen also. All this makes the prospects of the further development of capitalism uncertain.

The participants in the discussion noted that the existing objective trend toward a search for a way out of the current situation on the paths of state regulation of the economy in accordance with conservative prescriptions is not leading to the anticipated changes in macroeconomic indicators.

It was noted that the search for a way out could lead to very considerable changes in the character of capitalism. An outline of the development of capitalism from free-competition capitalism to monopoly capitalism, further, to state-monopoly and, finally, to supracapitalism was conjectured. However, no convincing substantiation of such an approach was provided.

The participants in the discussion also studied particular features of the current situation in the social sphere. The viewpoint according to which the bourgeoisie had succeeded, employing social shock absorbers, in lessening the seriousness of conflicts somewhat was expressed. But this was not the general opinion. It was observed that, for example, unemployment remains a serious social problem, which cannot be underestimated. Its scale in West Europe is comparable to the level of the 1930's, and it is continuing to grow even under the conditions of a favorable marketplace.

The general crisis is a historically conditioned process, at the basis of which are ineradicable contradictions of capitalism.

But nor should the opportunities for adaptation at the disposal of the bourgeoisie be disregarded. They are partially rooted in the changes in the social structure of capitalist society. The speeches discussed the petty bourgeoisie and the middle strata and changes within the working class. All this also is reflected in singularities of the general crisis of capitalism.

Economists and sociologists are confronted with serious tasks connected with the need for a more extended analysis of the processes occurring in the modern capitalist world.

### Footnote

\* Continuation. For the start see Nos 6, 7, 1987.

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### Interview With Leader of French Left Radical Movement

18160012k Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 92-93

[O. Kuchkin interview with Francois Doubin]

[Text] The Soviet Union was recently visited by a delegation of the French Left Radical Movement (MRG) headed by its chairman Francois Doubin. Since the time it was founded at the start of the 1970's the MRG has been closely connected with the French Socialist Party. MRG representatives were part of the P. Mauroy and L.

Fabius socialist governments. But following the special party congress in January 1985 its leadership has adopted a policy of greater independence of the PSF. Political scientists believe that the left radicals are attempting to revive the center, which has practically disappeared today as an independent current from France's political scene, and if successful, to head it.

The party's new chairman, F. Doubin, also has become a spokesman of this policy. He is now 54 years of age. He worked at the Renault nationalized automobile manufacturing firm, where he held executive positions, but since January 1985, following his election as chairman of the MRG, he has devoted himself fully to political activity.

During the MRG delegation's visit to our country F. Doubin met with O. Kuchkin, an associate of the journal, and agreed to answer a number of questions.

[Question] The MRG was created by former members of France's oldest political party—the Republican Party of Radicals and Radical Socialists. At the sources of radicalism were figures of the 1848 revolution, Louis Blanc and A. (Ledryu-Rollen), and among its leaders subsequently were such striking, although contradictory, figures as Leon Gambetta, Georges Clemenceaux, Edouard (Errio) and Pierre Mendes-France. To what extent do today's left radicals perceive themselves to be the inheritors of the radical tradition of French political life?

[Answer] Of course, in what, in our view, may be called characteristic features of radicalism continuity is preserved. I would mention, first, the breadth of thinking permitting us, without forfeiting our own character, to conduct a dialogue with other parties, including those which are of a different political persuasion. We make no secret of the fact that the MRG is now an opposition party which supports President Mitterrand. However, this does not prevent us conducting a dialogue—so-called “republican dialogue”—with representatives of the present parliamentary majority. This position, as, equally, our endeavor rise above all ideological disagreements, is a fundamental characteristic of radicalism. In addition, I believe that no other party attaches such great significance to policy as such. We have always believed that in France policy should have pride of place. We do not remain aloof, of course, from problems of economics and social development but it is policy, we believe, which plays the determining part. Such, in my opinion, are the two most important features of radicalism to which we maintain allegiance.

[Question] Your party was formed by the left wing of the radicals, which in 1972 supported the joint government program of the Communist and Socialist parties. As of the 1973 parliamentary elections the MRG has formed an election bloc with the socialists and has a joint faction with them in the National Assembly. What is the role of

the MRG in this alliance today? What are the prospects, in your view, of the cooperation of the socialists and left radicals and the cooperation of forces of the left as a whole?

[Answer] I believe that it is necessary to distinguish two different stages in the current cooperation of the forces of the left in France: the period up to 1981 and since. In the first period this cooperation was exercised within the framework of the union of forces of the left, which included the communists, socialists and left radicals. They had united for the purpose of winning the elections, and the joint efforts of the three parties secured the election in 1981 of a socialist president. Our party made its contribution to this victory, a considerable contribution, I believe, particularly if it is considered that in France a presidential candidate wins, as a rule, with a very small majority. We do not exaggerate our role in the creation of the presidential majority, but it should be mentioned that even at that time we were the party most open to dialogue with other forces. We are trying to preserve this quality today also, an example of which is the “republican dialogue” with certain center organizations, which I have already mentioned. Our purpose is to make French political life less “bipolar” and also to help a president of the left obtain the necessary majority.

As far as the union of forces of the left is concerned, I believe that since 1981 its time has passed. This question is not now on the agenda. Today our life is determined more by the need for the broadest cohesion possible of all the French around such important problems as the modernization and development of the country. It is necessary to think about prospects for the future and not to emphasize internal disagreements and contradictions. France is now experiencing a new phase of “bipolarization” of political life and a concentration of forces around two main poles. Our task under these conditions is to stimulate all forces of progress and modernization and enlist them in social activity. We are profoundly convinced that France now lacks political ideas far more than political struggle.

[Question] Following the 1986 parliamentary elections, a majority of the right took shape in the National Assembly, and a government of the bloc of parties of the right headed by J. Chirac took office. A socialist president, F. Mitterrand, continues to hold office here. Such a situation is unprecedented for contemporary France. What problems do you see in the “cohabitation” of a president of the left and a government of the right? How, in your opinion, might this influence the outcome of the impending presidential election in 1988?

[Answer] In accordance with the constitution, there is a division of duties between the president and the premier. The premier directs the activity of the government; this is day-to-day activity, whose purpose is the solution of current problems as they arise. They may be economic, social, any. But there are also problems of a different plane, which have to be pondered constantly, whatever

the vicissitudes of the political struggle. It is question of the highest interests of the country and its long-term tasks, particularly those such as military-political strategy, general directions of social policy, development policy, personnel training and so forth. All this is the province of the president of the republic. We believe that in France today both the president and the premier are coping with their duties excellently. This is very important for balance, to which we aspire. The point being that in the course of election campaigns parties struggle on the basis of patently artificial programs, wishing to emphasize as much as possible their differences from their political rivals. This is unnatural and abnormal. It is absolutely necessary that after such election battles someone restore the unity of the country and the integrity of its prospects for the future.

To speak of the future, however, we seriously hope that a representative of parties of the left will once again be elected president of the republic. I would like him to be the present president, F. Mitterrand. There are several reasons for such a preference. First of all, Mitterrand has a unique capacity for bringing people together: he is in this, I believe, without equal among contemporary French politicians. In addition, he knows the art of coexistence with his political opponents, having demonstrated this for more than a year now—and this is no easy matter. I believe that it is these qualities which are very important for the country in the future.

[Question] What can you say about the role of direct contacts between parties in developing an atmosphere of trust and cooperation in Europe?

[Answer] They are undoubtedly important. The MRG leadership has already paid a visit to the USSR. For us new party leaders this was the first visit to your country, and we would like it to be followed by numerous visits at all levels. As far as I know, the Young Left Radicals Movement is preparing to send a delegation to the Soviet Union. And we will be very pleased to receive our Soviet friends in France.

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**Chinese Foreign Relations Professor Interviewed**  
*181600121 Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 94-95*

[Interview given by Pu Shang, director, Institute of World Economy and Politics of the PRC Academy of Social Sciences, to V. Avakov, MEMO staff member]

[Text] Professor Pu Shang, a prominent Chinese specialist in the sphere of the world economy and foreign politics, was in Moscow recently as a guest of the USSR

Academy of Sciences. He heads the Institute of World Economy and Politics of the PRC Academy of Social Sciences, which was established in 1981. This major (more than 200 staff members) research center, which is the leading subdivision of the PRC Academy of Social Sciences dealing with international problems (among them are a number of institutes studying individual regions—North America, Japan, Western Europe, South Asia and others). Together with the Institute of International Studies of the PRC Foreign Ministry, the Institute of Contemporary International Relations (of the State Council) and other organizations it plays an important role in studying the economies, policies and ideology of foreign countries.

Following is an interview given by the guest from China to V. Avakov, a staff member of our journal.

[Question] The Soviet Union is following very closely the processes taking place in China. Various opinions, assessments and forecasts are being expressed. But, of course, of particular interest is the "view from within". How do you assess the current phase of Chinese society's internal political development?

[Answer] You probably know that the political situation in China became strained recently in connection with the student unrest. From our viewpoint, the scale of the demonstrations was not that large. But we nonetheless regard what occurred seriously. We feel that the unrest reflected the process of "bourgeois liberalization". The protesters, in our opinion, came out against the socialist system and for capitalism. This testifies to an insufficiently high level of ideological work. In connection with these events General Secretary Hu Yaobang admitted his mistakes in this sphere and resigned from his post.

We now intend to begin really effective work to educate youth. We are following very closely the political aspect of the matter and our intention is to campaign to combat "bourgeois liberalization" not retard the process of economic reform. One side of the matter is "bourgeois liberalization" being the result of shortcomings in ideological work, the other is the consequences of the reactionary events of the time of the "Great Cultural Revolution".

The advantages of the socialist system are being openly demonstrated in the conditions of our present structure. In order to combat manifestations of "bourgeois liberalization" more successfully it is necessary to reveal these advantages more fully.

Our goal is to build a socialist society that takes into account the specific Chinese character. Proceeding on the basis of conditions that actually exist in the economic sphere, we must create a mobile and active economic structure, and in the political sphere build a developed socialist democracy with specific Chinese features based

on the development of the economic, political and social spheres. Therefore, economic and political reform is indissolubly linked with combating "bourgeois liberalization".

[Question] At the last session of the National People's Congress Zhao Ziyang, acting general secretary of the CCP Central Committee and premier of the State Council, noted that China was interested in a "peaceful environment". We understand this interest. It is pleasing to note that the USSR and China have the same or similar positions on many international problems.

How, in your opinion, should one proceed toward solving problems of general security?

[Answer] In order to build socialism with a specific Chinese character it is necessary to have a favorable, peaceful international situation. It seems to us that the following five principles should be the norm of international life: mutual respect for territorial integrity, sovereignty, noninterference in internal affairs, equality and peaceful coexistence. We shall continue to adhere to them in the practical implementation of our policy. From our viewpoint, this is a decisive factor in achieving general security. Proceeding on the basis of concrete conditions, we advocate disarmament and reducing the danger of war.

[Question] The main task facing mankind is preventing a nuclear catastrophe. The Soviet Union has repeatedly noted the fact that China has publicly undertaken an obligation not to be the first to use nuclear weapons. Your country's position regarding the need to put up a barrier on the path to transferring the arms race to outer space is also well known to us. At the same time Beijing recently expressed the viewpoint that nuclear weapons are "necessary to maintain peace". How do you regard the idea of a nuclear-free world and a nuclear-free Europe as a kind of "laboratory" of such a world?

[Answer] In speaking about nuclear disarmament questions I would note that in 1964 China openly advocated a general ban on and the destruction of nuclear weapons and stated that under no circumstances would it be the first to use nuclear weapons. We sincerely hope that the United States and the USSR begin a significant reduction of their nuclear arms. As regards medium-range missiles, we voice the hope that their reduction will be carried out not only in Europe but also concurrently in Asia.

[Question] As is known, Chinese scientists are devoting much attention to problems of "North-South" relations. What ways of solving the problems of this package of contradictions do Chinese specialists see?

[Answer] We feel that the two main problems of today are peace and development. These problems are closely interconnected. In order to preserve peace it is necessary

to devote all attention to development and to the problems of developing states. Therefore we regard seriously the existing contradictions in the "North-South" sphere. Although Chinese scientists do not have a single viewpoint on this question, the majority believes that the problems of developing countries are associated with the need to refine the international economic order. It is necessary, without delay, to seek a solution to problems such as, for instance, the debt of developing states, the low prices on primary processed products, protectionism and a number of others. These questions must be resolved above all. In recent years the dialogue between "North" and "South" has been practically broken off. The proposal concerning global dialogue put forward by the developing countries is virtually not mentioned. We think that a timely solution of a number of the aforesaid problems would make it possible to eliminate the package of "North-South" contradictions.

[Question] A change for the better has recently taken shape in Soviet-Chinese relations. It has affected various spheres of interstate relations. What do you think, are there reserves for raising the level of our relations in the near future? In your opinion, what on the whole are the prospects for Soviet-Chinese relations?

[Answer] We consider that Chinese-Soviet relations have reserves and opportunities for development.

In recent years progress has been made in the sphere of trade, culture and the exchange of specialists. At the same time, speaking frankly, obstacles still exist on the path of developing our relations, particularly in the political sphere. The Cambodian problem is associated not only with the existence of a "hot spot" in this region but also affects the sphere of Soviet-Chinese relations because the USSR supports Vietnam, while we support the democratic forces in Cambodia (this term denotes the Khmer opposition groups opposing the legitimate government of the People's Republic of Kampuchea—editor's note) fighting against Vietnam. This situation is dangerous. We need to think out measures for a most rapid solution to the question of "extinguishing" this hotbed of tension. Nonregulation of the Cambodian problem will hamper the development of Soviet-Chinese relations, even if there is an improvement in other spheres. We hope very sincerely that this problem will be solved quickly. All Chinese scientists desire an improvement in Soviet-Chinese relations.

[Question] The principle "one country—two systems" has become the key to solving the problems of Xianggang (Hong Kong) and Aomen (Macao). Is a solution to the Taiwan problem on this basis possible?

[Answer] We believe that this principle reveals the only real prospect for a just solution of the Taiwan problem. As regards Hong Kong and Macao, it means that after PRC sovereignty is extended to these territories their current socioeconomic structures will be retained for a relatively long time. We think that this should continue

for about 50 years. A more flexible application of the "one country—two systems" principle, which would take into account the specific character of the situation, is envisaged as regards Taiwan. It is possible that this would apply both to the time parameters and to questions of essence. In particular, we assume that even after PRC sovereignty is extended to the island, Taiwan's armed forces (as distinct from Hong Kong and Macao) will remain under Kuomintang control. This example is only one illustration of Beijing's readiness to display the maximum flexibility in this complicated question.

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### Party Configuration, Prospects in Italy

18160012m Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 96-104

[Article by N. Kisovskaya: "Italy in the Search for a Formula of Political Stability"]

[Text] The latest government crisis, which erupted in the Apennines this spring, and the early parliamentary elections which followed—the fifth in the past 15 years—once again confirmed Italy's established reputation as a country distinguished by the "stable instability" of the domestic political situation. However paradoxical at first sight, both characteristics reflect, in their way, the

actual situation. On the one hand no Western state has experienced as frequent a change of government as Italy (the average timeframe of a cabinet's existence since the war has not exceeded 10 months). On the other, Italy is virtually the sole developed capitalist country in which in several decades the composition of the ruling majority and the executive stratum in general has not undergone any profound changes.

The reasons for this "peculiarity" are connected with singularities of the country's party-political system reflecting the distinctiveness of the alignment of social and class forces. One such is the existence of a large number of parties. At the national level alone there are more than 10 of them. True, if the situation is seen from the viewpoint of the actual influence of this party or the other, the picture is simplified considerably.

The role of leading political force of the country is performed by the Christian Democratic Party (DC), which has been in office for more than four decades. In terms of their influence the Christian democrats are far superior to the other bourgeois and reformist parties together (see table).

Results of Elections to Parliament's Chamber of Deputies (%)

|                                                                      | 1968  | 1972 | 1976 | 1979 | 1983 | 1987 |
|----------------------------------------------------------------------|-------|------|------|------|------|------|
| Christian Democrats                                                  | 39.1  | 38.7 | 38.8 | 38.3 | 32.9 | 34.3 |
| Italian Communist Party (PCI)                                        | 27    | 27.2 | 34.4 | 30.4 | 29.9 | 26.6 |
| Italian Socialist Party (PSI)-Italian Social Democratic Party (PSDI) | 14.5* | 9.6  | 9.7  | 9.8  | 11.4 | 14.3 |
| Italian Republican Party (PRI)                                       | 2     | 2.7  | 3.1  | 3    | 5.1  | 3.7  |
| Italian Liberal Party (PLI)                                          | 5.8   | 3.9  | 1.3  | 1.9  | 2.9  | 2.1  |
| Italian Social Movement (MSI)-National Right (DN)                    | 4.5   | 8.7  | 6.1  | 5.3  | 6.8  | 5.9  |
| Green Party                                                          | —     | —    | —    | —    | 1.4  | 2.5  |

\* At the 1968 election the PSI and the PSDI operated as a single party—the United Italian Socialist Party (their merger had taken place in 1966). Shortly after the elections the socialists and social democrats returned once again to organizational independence.

The second party in terms of political authority was and remains the PCI—the biggest in the capitalist world. At elections since the war it has obtained from one-fourth to one-third of the vote. Thus one further singularity of Italy's party-political system is the fact that it is not the social democrats, as in the majority of West European states, but the communists who are the main opposition force here.

The opposite side of the political spectrum is occupied by the neofascist MSI-DN, which has quite a substantial social base: in the last two decades from 5 to 9 percent of the electorate has voted for the neofascists.

Inasmuch as an "unwritten rule" of the political game since the end of the 1940's has been the principle of the exclusion from government combinations of "extreme"

forces—the communists and neofascists—the CD has been “condemned,” as it were, to office, and the PCI, to “eternal opposition”. Describing the current system, the well-known Italian political scientist G. Galli employs in relation thereto the term “imperfect two-party system”.

## I

Lacking an absolute majority in parliament, the Christian democrats have been able to run the country only in a coalition with other parties, in which until recently they performed the predominant role. Several government coalition formulas have been tried in Italy since the war. The first republican governments were formed on the basis of a broad alliance of antifascist parties—communists, socialists and Christian democrats. Following the shunting aside from office of the forces of the left, the ruling class gambled on a center version: the coalitions formed in the period 1947-1963 united bourgeois and right-reformist parties—Christian democrats, republicans, liberals and social democrats. This makeup of alliance participants ensured the greatest homogeneity of the ruling majority under Italy's conditions.

However, the narrowing of the electoral base of the moderate parties which had come to light at the frontier of the 1950's-1960's forced them to agree to a broadening of the composition of the coalition thanks to the inclusion therein of the PSI, which had moved to the right. But even the transition to the center-left formula failed to strengthen the positions of the coalition governments formed in the 1960's-1970's. On the contrary, the already shaky balance was undermined by the increased heterogeneity of the forces represented therein. Dissatisfied with the role of extra, the Socialist Party became an unreliable partner. Its intention to quit the government coalition and switch to the opposition confronted the ruling bloc in the middle of the last decade with the threat of the loss of a parliamentary majority.

This prospect acquired increasingly real outline as the crisis phenomena within the CD grew. The first symptoms of this process had been manifested in the mid-1970's. One of them was the decline in the party's numbers: in the period 1974-1982 the CD lost approximately 500,000 members. Shifts inauspicious for the Christian democrats came to light in the mass base also. At the 1976 parliamentary elections, Italian specialists estimate, from 1.5 to 2 million persons who had traditionally voted for the CD gave preference to parties of the left. The Christian democrats maintained their positions only thanks to the fact that they were able to attract to their side part of the electorate of their alliance partners—social democrats, republicans and liberals. Shortly before this at the 1975 municipal elections the Christian democrats had incurred absolute losses. The unprecedented increase in the votes cast for the communists in 1975-1976 led to the gap in the vote between the CD and the PCI, which had constituted 18-20 percent in the 1950's, being reduced to approximately 3-4 percent.

In 1978 the Christian democrat G. Leone, accused of having participated in illegal machinations, was forced to resign as president of the republic, and in 1981 the CD was for the first time deprived of the position of chairman of the Council of Ministers.

What were the reasons for the crisis in the CD? They were partly connected with the fact that the Christian democrats, which had headed the governments unchanged, failed the “test of power”: a continuous chain of scandals, whose principal characters were prominent party leaders, flourishing corruption, nepotism and abuses of power undermined confidence in it.

However, granted all the importance of this fact, the main reason for the crisis of the CD should be sought in the profound socioeconomic changes and the socio-psychological shifts connected therewith which occurred in the country throughout the 1960's-1970's and which brought about an erosion of the party's mass base.

A basic component thereof had traditionally been the peasantry. As a result of the fundamental reorganization of the economic structure the proportion of the rural population in the overall composition of the gainfully employed population declined absolutely and relatively. Another inauspicious factor for the CD was the extensive enlistment in production of women, who, according to the data of a number of polls, accounted at the start of the 1970's for approximately 50 percent of the party's electorate. The changes in their situation were also reflected in the political orientations of this part of the electorate: among working women there was a lesser proportion of those who vote for the Christian democrats than among housewives.

Just as ambivalent now is the electoral behavior of the urban middle strata, the bulk of which in the past had given preference to the CD. Whereas the traditional, property-owning, part of these strata remains, as before, loyal to the Christian democrats, the new middle strata basically give preference to the socialists and small secular parties.

An appreciable part in the erosion of the CD's mass base is played by the process of secularization of the consciousness, which has encompassed quite broad strata of the population, as a result of which the influence of the Catholic Church, which has always served as a most important channel of ideological influence on the electorate, is declining.

Altogether the said changes gradually led to the conversion of the CD into a “provincial party” enjoying the support mainly of the social groups which are declining both relatively and absolutely. Today the majority of its electorate are the old middle and semi-lumpen strata of small cities and also semi- and unskilled workers. It is not surprising that the proportion of elderly and semi-literate persons among the CD's supporters is far higher than in the electoral body of other parties (1). And, on

the contrary, such rapidly growing categories of the new middle strata as office workers, managers, technicians and specialists are "underrepresented" in the electorate of the Christian democrats. Regionally the party enjoys the greatest influence in the least developed areas of the country.

Ultimately it is this discrepancy between the CD's status as the leading bourgeois party and its social base, in which the "backward" strata of the population are preponderant, which is at the basis of the crisis being experienced by the Christian democrats.

The already difficult situation in which the CD had found itself was intensified by the growing strain in its relations with influential groupings of employers. Even comparatively recently this would have been hard to imagine. After all, it is a question of the party which for several decades had played the part of chief spokesman for the interests of the bourgeoisie, the party on which the ruling class had relied in the first postwar years, when it had become clear that its traditional support—the liberals and republicans—were incapable of restoring their positions.

The first cracks in relations between the employers and the CD appeared at the start of the 1970's. It was at that time that the most dynamic strata of the industrial bourgeoisie opposed certain aspects of the policy being pursued by the CD. The point being that by virtue of their practically monopoly position in key spheres of management the Christian democrats had right up to the start of the 1980's had an opportunity to dispose of state resources virtually unchecked and "fatten up" certain social groups for the purpose of preserving their mass base. Various paths were used for this: the payment of disability pensions, which in areas of the backward South were a concealed form of unemployment benefit, jobs in the civil service and also at enterprises of the public sector, the issuance of credit, subsidies and so forth. From the viewpoint of influential circles of the employers' association, the tremendous expenditure connected with "servicing" the CD's clients was nothing other than a manifestation of mismanagement and extravagance.

In time the strain in relations between the CD and some of the bourgeoisie grew even more. Prominent representatives of the business world did not conceal their unhappiness with the activity of the governments and their incapacity for handling terrorism, the protracted political crisis and economic instability. "The political class is subject to sclerosis...", "power is the sole aim of our leaders, and the country's interests are a matter of secondary importance" (2)—these and similar utterances became customary in business circles. The most dynamic groups of the industrial bourgeoisie regarded the situation that had taken shape as a serious obstacle in the way of the country's modernization and the implementation of structural reorganization, seeing as the way

out of the situation political "renewal" and the establishment of a "strong," "stable" and "competent" government capable "bringing order to bear" and "action" (3).

According to the press, circles of the business world even began to give thought to the creation of a "reserve" political force for defense of the employers' interests. Such foresight could have been apropos: at some point the "crisis of confidence" in the CD assumed such impressive proportions that many observers were not sparing in the gloomiest forecasts concerning its future, predicting virtually the party's disappearance from the political scene.

Whatever, the serious situation in which the CD had found itself by the mid-1970's objectively required of the party leadership a reappraisal of the former policy course and adjustments thereto. The need for this was graphically confirmed by the 1976 elections, which, as mentioned, were marked by a pronounced shift to the left: having garnered 34.4 percent of the vote (7.2 percent more than at the preceding elections), the PCI had drawn very close to the Christian democrats. A perfectly realistic prospect of their being "outflanked" by the PCI arose (4).

Under these conditions the CD leadership resolved to agree to enlist the PCI in indirect participation in running the country. The position of the Socialist Party, which made a condition of its support for Christian democratic governments introduction of the communists to power in some form or other, played a part in the adoption of this decision.

As is known, the limited cooperation of the communists and Christian democrats was exercised at parliamentary majority level within the framework of the so-called national (or democratic) unity coalition. Its "limitedness" consisted of the fact that the PCI together with other parties—socialists, social democrats, republicans and liberals—supported one-party CD governments from outside, that is, not voting no-confidence in them. In June 1977 the communists signed a program agreement, also drawn up in conjunction with other parties, on the policy of the new government and in February 1978 joined the parliamentary majority.

The compromise reached between the leading bourgeois party and the capitalist world's biggest communist party in itself testified that the former system of political alliances, which had catered for the domination of the bourgeoisie, was no longer capable of coping with this task. Reflecting the new alignment of political forces in the country, the PCI's indirect participation in government responsibility also meant a radical shift in the party-political system. Three decades on a government had once again been formed in Italy which relied on such a broad parliamentary foundation that it could quickly implement urgent measures to combat the economic crisis and curb terrorism.

However, cooperation between the two leading parties, which had become possible owing to the extraordinary circumstances brought about by the offensive of terrorism and the threat of destabilization, was built on an even more fragile basis than that which had supported preceding government coalitions. The distance between the ideological-theoretical tenets of the CD and the PCI was too great. In addition, the Christian democrats endeavored to take advantage of the breathing-space which they had gained as a result of the PCI's participation in the parliamentary majority to overcome its internal crisis and restore its dominant position in the political arena. For this reason the CD attempted in every possible way to limit the scale of cooperation and rejected the PCI's demand for the creation of a government of democratic unity with the direct participation therein of all parties of the working class.

The new government formula proposed by the Christian democrats contemplated the extremely uneven position of the two leading parties, which predetermined the short-lived nature of the national unity government. Having carried out the priority tasks, it disintegrated. Unhappy with the results of indirect participation in administration, at the start of 1979 the PCI returned to the opposition. For its part, the CD also declared in 1980 the impossibility of cooperation with the communists at the government level.

The CD's turnabout was not unexpected. The policy of cooperation with the PCI, which official propaganda had throughout the postwar period termed enemy No 1, had encountered the opposition of considerable numbers of party functionaries. The assassination by terrorists in May 1978 of A. Moro, the main inspiration and initiator of the dialogue with the communists and prominent statesman and leader of the leftwing groupings in the party, undermined the positions of his supporters. A considerable part in the suspension of cooperation with the PCI was also played by the constant pressure on the CD of the U.S. Administration, which made it clearly understood that any form of introduction of the communists to power was "unacceptable" to Washington. The ruling parties were once again confronted with the problem of the creation of a strong majority in parliament.

## II

At the early parliamentary elections of 1979 the CD retained its positions, in the main. The Communist Party, on the other hand, sustained perceptible losses, collecting 4 percent less of the vote than in 1976. Under the conditions of the general shift to the right which had come to light in the capitalist world the ruling circles succeeded in creating a five-party coalition (the so-called "pentapartito"), having persuaded the PCI leadership to return to government in 1980. Besides the parties which had participated in the center-left blocs of the 1960's, the ruling coalition included the bourgeois-right Liberal Party.

Representing approximately 57 percent of the electorate, the "pentapartito," purely arithmetically at least, also secured a majority in parliament. The new coalition, however, was built on the same contradictory basis as the center-left governments: it united highly heterogeneous forces—from the bourgeois right through the reformist left. This primordial contradiction was, as in the recent past also, the source of an incessant struggle between the coalition partners.

Following the 1981 conflict, the Christian democrats were forced to yield the position of chairman of the Council of Ministers to the leader of the small, but relatively influential Republican Party. However, such alternation in office of the leaders of the coalition parties could not have strengthened the government's positions. The contradictions between the alliance partners led to chronic government crises and increased political instability. The average lifespan of the cabinets replacing one another in the period 1979-1983 declined even compared with the preceding period. The increased "ungovernability" of the country served as a serious impediment in the way of the surmounting of the crisis phenomena in the economy and the reorganization of its structure in accordance with the requirements of the S&T revolution.

Aside from the very considerable differences on various questions of socioeconomic strategy, which gave rise to constant conflicts between the coalition partners (5), the persistent attempts of each party to strengthen its position at the expense of its partners served as an additional source of tension within its ranks. Particular activity in this respect was exhibited by the Christian democrats, republicans and liberals: the success of forces of the right in the United States and a number of West European countries was manifestly stoking their political ambitions. The hope was, having achieved a significant increase in the vote at the next elections, to exclude the socialists from the government coalition and restore the center formula which had existed in the 1950's-1960's.

Gambling on a convincing victory, which would secure for them greater freedom of maneuver, the Christian democrats concentrated their efforts on a change in the party's image. The CD's traditional pretensions to "interclass character" and the appeal to "common interests" and religious values disappeared for a time from the speeches of its leaders. The party's propaganda line acquired an emphatically secular nature.

In addition, endeavoring to overcome the current idea of the CD as a party "affected by sclerosis," "wallowing in corruption and scandals," indifferent to the needs of the country and defending the interests of "parasitical," "unproductive" strata, the leadership of the Christian democrats took a number of steps pertaining to the organizational renewal of the party. Their initiator was C. DeMita, a representative of the "50-year-old generation," who had been elected political secretary of the CD in 1982.

The reorganization carried out under his leadership contributed to a certain extent to the rejuvenation of the CD machinery and also to a lessening of the factionalism which had in the past repeatedly doomed the Christian democrats to inactivity. However, the renewal of the party affected mainly its upper and, partly, middle component. As far as the local level was concerned, particularly the party organizations in the south of the country, here it was in fact blocked as a result of the stubborn resistance of the local leadership.

Also highly contradictory in practice was the CD's policy in the socioeconomic sphere: while urging the establishment of conditions of "austerity" it at the same time endeavored to preserve untouched the system of "fattening up" the southerners constituting a notable part of its electorate.

As a result the vaunted renewal of the CD failed to produce the desired results. More precisely, they proved to be directly opposite to those which the party leadership had expected. At the 1983 parliamentary elections the Christian democrats sustained a defeat—one of the biggest in the history of their existence: compared with the preceding elections they lost 5 percent of the vote (6).

This outcome of the elections canceled, at least temporarily, the hopes of the country's conservative forces for the creation of a center-right coalition, on the basis of which it might have been possible to embark in Italy on modernization per the model of the United States or Great Britain. The unsuccessful turn to the right made a return to previous government formulas impossible. The question of the creation of a stable government majority capable of providing for the "governability" of the country was on the agenda once again.

The absence of a "reserve" political force of comparable electoral authority with the Christian democrats revived the hopes which flared up from time to time of the small parties and also the socialists for the creation of a "secular political bloc" as a possible replacement for the CD. However, such ambitions had an extremely shaky foundation. Of the three small parties (republicans, liberals and social democrats), only the first had been able to recover from the defeat which these parties had sustained in 1976 (7) and broaden its influence somewhat. Having operated under the banner of a return to the market economy, the republicans adopted a policy of conversion into a modern party representing the interests of the most dynamic circles of the ruling class. This strategy proved quite fruitful: for the first time since the war the PRI crossed the 5-percent threshold at the 1983 elections. The increase in the vote had been secured mainly thanks to support on the part of the employers, top managerial personnel and middle strata disenchanted with the CD. As far as the liberals and social democrats were concerned, they did not succeed in appreciably broadening their influence. Under these conditions there was a sharp rise in the stock of the socialists.

No Italian political party, perhaps, has in the time of existence undergone such a profound metamorphosis as the PSI. While in the past the most left of West Europe's socialist parties, it gradually evolved toward the right, and to such an extent, what is more, that it proved acceptable as a participant in a center-left coalition government headed by the CD. However, in time the role of junior partner ceased to satisfy the PSI, and it left the government. A sharp turnabout once again occurred in party policy. Advancing the proposition that center-leftism had become outmoded, the leadership of the socialists declared its intention to struggle for a "left alternative".

The constant "zigzags" in the party's policy line were not without effect for it. By the mid-1970's the PSI was in a state of profound crisis. Its authority had declined sharply, and disenchantment with it on the part of ordinary members and the electorate had grown.

Another shift to the right in PSI policy occurred in the latter half of the last decade. It was connected with the accession to party leadership of a new generation of pragmatic leaders headed by B. Craxi who were opposed to cooperation with the communists. The basis of such a position were fears that a policy of unity of action with the PCI would condemn the socialists to the position of "eternally second" force of the bloc of the left without any opportunity to shake the "hegemony" therein of the communists.

Joining the government in 1980, the PSI attempted to use its position to achieve a highly ambitious goal—rectifying a "mistake of history" and creating in Italy a strong reformist social democratic-type party which would have the support of approximately 20 percent of the electorate. As the leadership intended, this would enable the socialists to squeeze the Christian democrats from the helm of administration, which, in turn, would lead to a fundamental restructuring of the country's evolved party-political system.

Implementation of the strategy chosen by the PSI presupposed the attraction to it of part of the electoral body of the PCI and the CD. But particular significance was attached to winning the broad support of the middle strata. The efforts which were made produced certain results. The strengthening of the mass base of the PSI which has been discerned in the 1980's has occurred largely thanks to the growth of its influence in the middle strata. The proportion of their representatives in the party itself—from 25 to 38 percent (1973-1983) increased also. In the same period, on the other hand, the worker stratum declined (from 32 to 26 percent) (8).

Pronounced changes also occurred in the character of the PSI. From a mass party with a constant membership and ramified system of local organizations it started to become a club-party with an amorphous structure. In order to attract as much attention as possible the PSI

adopted methods of political theater borrowed from the arsenal of American parties: clamorous gatherings and processions, speeches by leaders surrounded by stars of the stage and so forth.

A process of renewal of the party's ideological-theoretical baggage went in parallel with the change in its character. Under the conditions of the stimulation of conservative forces at the start of the 1980's PSI ideologists embarked on elaboration of the concept of "new" or "humanitarian" reformism designed to provide an answer "from the left" to the arguments of the right. The basis of this concept was made the proposition that the development of the S&T revolution, having radically transformed capitalist society, had devalued many of the theoretical propositions adhered to by forces of the left and confronted them with the need for the "value reorientation" of the entire movement. In the opinion of the PSI ideologists, the main principle of progressivist policy under the new conditions should be a combination of the "values of socialism and liberalism" (9).

The Socialist Party has proven highly receptive to the liberal criticism of statism, and not only as far as a broadening of the rights of the individual or the struggle against bureaucracy are concerned, what is more. From standpoints very close to neoconservatism it criticizes the principle of "equality," calling for it to be replaced by the principle of "fairness," which, as a PSI leader observed, "not concerning itself with the equality of end results, is conducive to the maximum possible equality of initial conditions for the greatest number of citizens" (10).

As a whole, the ideological and organizational restructuring of the PSI and also the energetic activity of its leader B. Craxi enhanced the socialists' political authority. They gained a reputation as one of the most dynamic forces in the Apennines. Following the defeat of the CD at the 1983 elections, the party felt even more confident. Its leadership saw in the current situation the possibility of achieving a special position in the ruling camp and laying claim to the role of equal partner of the Christian democrats.

Proceeding from this evaluation of the situation, the socialists demanded and obtained—for the first time since the war—the position of head of government. It was occupied by B. Craxi, who formed a government on the previous five-party basis. The long hegemony of the Christian democrats was undermined and a step on the way to the modernization of the country's political system was taken.

### III

The coalition headed by the socialists has set a kind of "longevity record," having remained in office for approximately 4 years (the first B. Craxi cabinet existed for almost 3 years). Such an unusual phenomenon for the

Apennines is undoubtedly partly explained by the weakness of the positions of the CD, which was for a long time unable to recover from the blow it received in 1983, and also the favorable economic conditions. The country's economic development in 1985-1986 accelerated markedly, and in terms of industrial production growth rate it overtook a number of West European states. As a result Italy had in 1986 reached fifth place in the capitalist world in terms of certain economic indicators (having overtaken Great Britain), which caused euphoria in the Apennines.

An important part in the relative stabilization of the political situation was also played by the subjective factor and the personal attributes of the head of the cabinet himself—his dynamism, political talent and ability to find compromises between conflicting interests and to balance unpopular measures in the sphere of domestic policy with quite bold steps in the foreign policy sphere aimed at strengthening the country's sovereignty, primarily in relations with Washington. In his term as head of the government B. Craxi has acquired great authority not only in Italy but abroad also.

However, as a whole, the results of the activity of his cabinet have been highly contradictory. The socialist premier has by no means endeavored to introduce anything "specifically socialist" to his government's policy. The program of the country's modernization which he has proposed has been of a moderate-reformist nature. In time government policy in the socioeconomic sphere has acquired a relatively strong neoconservative coloration: a reduction in social spending and partial reprivatization of enterprises of the public sector. Accommodating capital's demands for limitation of the sliding wage scale (11), the B. Craxi cabinet drew up a decree providing for reduced payments in accordance with this system of compensation and won its approval.

Thus under the slogans "Pact in the Name of Development" and "Democratization and Modernization of Capitalism" the government headed by socialists has been exercising a function which in other states has been assumed by bourgeois parties. Having imparted certain impetus to the country's capitalist modernization, it has not solved nor could it have solved the majority of socioeconomic problems which had built up over decades, which ultimately predetermined the brevity of the period of comparatively "peaceful" development of the political situation.

The contradictions which had been latently maturing in the ranks of the coalition intensified sharply and rivalry between the PSI and the CD increased in the last 2 years. In the fall of 1985 the B. Craxi cabinet encountered its first serious crisis, which was brought about by the resignation of the defense secretary, the republican G. Spadolini. Inasmuch as none of the partners was at that time interested in the collapse of the coalition it was possible to settle the conflict quite quickly. Nonetheless, what had happened showed unequivocally that even a

five-party cabinet under the aegis of the socialists is by no means a magic formula guaranteeing stability. Like its predecessors, it has gradually assumed the nature of a "forced marriage" which has lasted merely owing to the absence of a real political alternative.

Under the conditions of growing strain in the ranks of the coalition the PSI's policy has become even more inconsistent than hitherto and somewhat ambivalent even. On the one hand the socialists, as the ruling party, have made increasingly active use of neoconservative prescriptions of the "recovery" of the economy at the expense of the working people borrowed from the arsenal of "Reaganism" and "Thatcherism". On the other, opportunities to confirm their reputation as a force of the left have, as before, not been let slip. Criticism of big capital as far as charges of an unwillingness to lend the country "a helping hand" (12) have been heard increasingly often recently in the speeches of leaders of the PSI, including B. Craxi.

Despite the emphatically anticommunist positions of the PSI leadership, circles of leftwing socialists have been discussing relatively active conditions of cooperation with the PCI. Nor have the party leaders' themselves ruled out the possibility of a restoration in the future of the unity of forces of the left in this form or the other. They were evidently counting on considerably driving back the communists here and achieving hegemony in the left camp. At this stage, however, the main goal of the PSI leadership has been to preserve the status which it has achieved, for the sake of which it has played its main trump card—the role of partner without which neither the moderate forces nor forces of the left can operate. In order to strengthen their positions in this political game the leaders of the socialists gambled on an alliance with the social democrats—as far as the future organizational merger of the two parties.

This policy could not have failed to have given rise to growing distrust of the PSI on the part of its partners, primarily the CD. In time the Christian democrats succeeded not only in recovering from the 1983 defeat but also in strengthening their positions. In 1985 they got back the office of president of the republic which had been "taken away" from them by the socialists in 1978 and they achieved a certain success at the administrative elections, regaining—not without the PSI's assistance—control of the authorities in a number of large cities. The party's creditworthiness in business circles grew. The trend toward a reduction in its ranks was halted, and the CD's numbers even grew somewhat (by 83,500 in the period 1982-1985) and passed 1.4 million.

Nonetheless, the party's internal crisis was by no means surmounted completely. Its reorganization and renewal encountered, as before, resistance on the part of leaders of numerous currents. In order to break it down the management of a number of party sections was entrusted to special commissars sent from Rome. As before, the leaders of the CD failed to draw up a long-term strategy

for the party and define its place in the political system under the conditions of the socialists' increased competition for positions in the center. The party's past, the political orientations of the basic contingent of its electorate, the CD's objective role as spokesman for the interests of the ruling class as a whole—all this, it might have seemed, should naturally have prompted the Christian democrats toward a further shift to the right. But this "option" encountered, as before, the resistance of the left wing connected with the mass organizations and was attended by a danger of the loss of some party supporters. Incapable of solving this contradiction, the CD leadership attempted to smooth over it with the aid of political maneuvers.

Thus the idea of the need for continuation of the dialogue with the Communist Party was heard distinctly in the speech of party leader C. DeMita at the Christian democrats' congress in May 1986 (13). The pronouncements of the political secretary of the CD concerning the possible basis of the formation of a future government were largely consonant with the communists' proposal concerning a "program government". But, as repeatedly in the past, recognition of the PCI's right to participate in the running of the country was "balanced" by anti-communists attacks. In this context the CD's position could not be seen other than as a means of blackmail in respect of the socialists. In hinting at the possibility of cooperation with the communists the CD was attempting thereby on the one hand to tie its partner-rival more firmly to the five-party coalition and prevent, given some turn of events, a rapprochement between the socialists and the communists and, on the other, to strengthen its own positions in the struggle for the dominating role in the alliance. Leading circles of the CD did not conceal their intention to seek the return to it of the position of head of government. It was expressed in distinct form at the above-mentioned party congress.

The CD was close to its goal in June 1986. Having failed to obtain a majority in the vote on a government bill, the B. Craxi cabinet tendered its resignation. However, the Christian democrats were unable to avail themselves of the opportunity which had been afforded them to realize their pretensions to the office of premier. CD representative G. Andreotti was unable to form a government. As a result the Christian democrats had to cede the mandate for the formation of a cabinet to the socialists.

Compared with the first, the second B. Craxi cabinet had the even more strikingly expressed nature of a forced alliance, dictated by circumstances, of heterogeneous forces living from day to day. Its activity was essentially paralyzed by disagreements between the coalition partners and the intensified rivalry between the PSI and the CD caused to a considerable extent by the clash of personal ambitions of the leaders of the two parties. The growing strain in the ranks of the ruling coalition in March-April 1987 developed into the latest government crisis. The Christian democrats once again acquired an opportunity to form a government. However, the

attempts of G. Andreotti and subsequently O. Scalfaro, who had been given a mandate to form one, to overcome the differences between the partners were unsuccessful. Only a special parliamentary election could in that situation have been the way out of the impasse.

#### IV

It was held 14-15 June following a short, but extremely intensive election campaign conducted in an atmosphere of acute rivalry between the main political forces, primarily the partner-rivals—the CD and the PSI. The outcome of the election produced no particular surprises.

The sole party which could rightly consider itself to have been successful was the Socialist Party: 14.3 percent of the electorate voted for it—approximately 3 percent more than at the preceding elections. Undoubtedly, the main reason for the party's success was the fact that it was able to take advantage in its interests of the personal prestige of B. Craxi and also the factor of the relative political and economic stabilization which the party had achieved during the period in office of the five-party coalition.

Nonetheless, the socialists have not achieved all their set goals, primarily the weakening of their main rival—the CD. The latter has maintained and even consolidated its positions somewhat, obtaining 34.3 percent of the vote (1.4 percent more than in 1983). In the opinion of political observers, an appreciable part in the advancement of the CD was played not only by the updating of the lists of party candidates and other “cosmetic” measures but also the use by the Christian democratic leadership of the traditional levers of mobilization of the conservative and moderate electorate. Specifically, in the course of the election campaign a certain part of the church hierarchy, violating the principle of noninterference in political life which had become firmly established in the last 25 years, openly called for a vote for the CD.

In the course of the campaign the Christian democrats gambled on inciting anticommunist hysteria. Speculating on the data of a number of polls predicting a certain strengthening of the positions of the PCI, they endeavored to create the impression that a threat of the “envelopment” of the CD on the part of the communists with all the “dangerous” consequences for the country ensuing therefrom had arisen.

Judging by the results of the voting, the intimidation of the electorate with the communist “threat” had to some extent the desired effect. The PCI sustained palpable losses at the elections, obtaining 3.3 percent of the vote less than in 1983. The party leadership assessed this outcome as a defeat and called for a thorough analysis of the reasons for it.

Despite the setback, the Communist Party remains the biggest opposition force. The left has retained its positions as a whole. The neofascists, on the other hand, and also the small center parties lost votes (the first approximately 1 percent, the second 3.3 percent). The failure of the center was also a blow to the plans of the socialists, who were counting on strengthening the “secular-socialist” bloc, which they regarded as a condition of the successful continuation of the political game on two fronts—against the Christian democrats and the communists. Altogether the former partners in the five-party coalition obtained only 1 percent more of the vote than 4 years ago (over 57 percent).

Commenting on the outcome of the elections, the Italian press observed with rare unanimity that it had in no way increased the possibilities of the formation of a stable government. Given the current alignment of forces, the sole possible—from the viewpoint of parliamentary arithmetic—formula for the ruling majority remains the same center-left formula. It is merely a question of the composition of the new cabinet (that is, whether it will be formed on the previous five-party or a less broad basis) and who will occupy the position of premier—a socialist or Christian democrat. Both parties—the PSI and the CD—are laying claim to heading the government. The Christian democrats are basing their claims here not only on the fact that they are the party with a relative majority. They are attempting to turn against the socialists the latter's own weapon—the principle of “alternation” in office, on which the PSI insisted several years ago. The socialists, however, are, in turn, citing the success at the elections.

Ultimately both the last government crisis and the early parliamentary elections confirmed that a principal reason for instability in the Apennines is rooted in the growing discrepancy between the party-political system and the requirements of the country's development at the current stage—in such defects primordially characteristic thereof as inflexibility and the incapacity for responding adequately to changes in the alignment of sociopolitical forces. The attempts to overcome these defects to some extent by way of the transition to the practice of “alternation in office Italian-style,” when it is merely the party membership of the head of a cabinet which is permanent in terms of the composition of the parties therein, although having afforded the ruling circles a temporary breathing-space, cannot remove from the agenda the problem of political modernization.

It is not fortuitous that an increasingly large number of specialists and politicians are speaking of the need for institutional reform in the country, primarily a change in the electoral system. Specifically, the introduction of certain elements of a majority system of elections and the establishment of a 5-percent “threshold,” which would deprive parties obtaining at elections a lesser proportion of the vote of the right to representation in parliament, are being proposed. In the opinion of the

supporters of such innovations, they will make it possible to simplify the alignment of political forces in the country and impart greater stability to the situation. But plans are plans, and as yet Italy continues to live under the conditions of a "difficult democracy," as the Italians themselves call the situation in the Apennines.

#### Footnotes

1. See PANORAMA, 20 April 1983, p 52.
2. See IL MONDO, 28 January 1985, p 22.
3. For more detail on the mutual relations of the CD and the employers see "Italiya," Moscow, 1983, chapter IX.
4. Which is what happened later—at the elections to the European Parliament in 1984.
5. Specifically, although all members of the "pentapartito" proceeded from the need for the establishment of conditions of austerity for the purpose of economic "recovery," the socialists and social democrats at the same time advocated the preservation of the foundations of the "social state" and opposed the complete dismantling of social programs.
6. In order to better imagine the scale of the defeat we would observe that in the preceding 20 years the share of the vote obtained by the CD had fluctuated within a 1-percent range.
7. Altogether the three small parties obtained at that time less than 8 percent of the vote.
8. See "Il partito socialista. Struttura e organizzazione," Venice, 1975, p 33; AVANTI!, 11 May 1984.
9. See AVANTI!, 23 February 1985.
10. MOND OPERAIO, April 1984, p 8.
11. This is the name of the system of measures providing for the automatic alignment of wages and the inflation rate.
12. See L'ESPRESSO, 16 March 1986, p 12.
13. It should be mentioned that back in the 1970's C. DeMita had spoken about the "anomaly" of the country's political system and advocated a transition to the practice of the alternation in office of the two parties which were the most popular and had the strongest roots in society—the CD and the PCI—seeing this as a way toward "complete democracy".

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#### Financing of Arms Industry in FRG

18160012n Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 121-128

[Article by I. Borisov: "The FRG's Military-Industrial Complex"]

[Text] Lenin's proposition concerning the fundamental interconnection of militarism and imperialism (1) and the aggressive essence of alliances of the "dynamite" trusts and high-ranking military and political figures (2) is particularly pertinent in our day.

The main generator of the arms race today are the military-industrial complexes (MIC). As the new version of the CPSU Program adopted at the 27th congress emphasizes, "the arms-manufacturing monopolies, the generals, government bureaucracy, the ideological machinery and militarized science, having merged in a military-industrial complex, have become the most fervent proponents and organizers of a policy of recklessness and aggression. The ominous alliance of the death merchants and imperialist state power is the bulwark of extreme reaction, a constant and growing source of military danger and a convincing confirmation of the political and socio-moral bankruptcy of the capitalist system."

What are the composition and structure of the West German MIC and what new features characterize its development in the 1980's?

The material basis of the power of any MIC is the armaments industry. The Defense Ministry White Paper for 1985 speaks plainly of the importance of national military industry for government policy in the sphere of security, the economy and employment. "Military industry proper," this document emphasizes, "provides an opportunity for active participation and affords the right to a decisive say in the affairs of the alliance" (NATO) (3).

The military sector of the FRG economy has specific features. As distinct from other major West European countries like France, Britain and Italy, where considerable numbers of military enterprises belong to the state, West Germany is characterized in this sphere by a preponderance of private capital. A particular feature also is the fact that the proportion of arms in the total volume of the manufactured product of the majority of these concerns is small: of the 27 leading military suppliers, in only 16 does the manufacture of armaments account for over half their total turnover, while in seven companies this indicator does not exceed 10 percent even.

The example of the FRG confirms convincingly that the MIC includes not only concerns engaged mainly in the manufacture of weapons but also military affiliates of monopolies specializing mainly in civil production. In

the struggle to obtain military orders they take advantage of the power of influence of this company, which does everything to increase the number of such orders to the maximum extent.

The militarization process has encompassed not only the monopolies but also a significant number of medium-sized and small firms specializing in individual types of military product. According to official data, more than 1,000 firms were engaged directly in supplying the Bundeswehr at the start of the 1980's. However, the list of suppliers is not confined to them. It is known that the federal Military Engineering Office, which undertakes arms purchases, maintains contact with 20,000 firms. In 1985 it signed contracts for the development, production and servicing of weapons and military equipment to a total of DM17.3 billion. Currently the Bundeswehr's requirements are catered for by West German industry to the extent of 85 percent.

According to the most modest calculations, approximately 250,000 persons are employed directly in FRG military industry. However, according to other figures, 300,000 or 400,000 jobs altogether are dependent on military business.

West German experts have concluded that determining the true dimensions of the military sector of the FRG economy is extraordinarily difficult since the country "lacks elementary statistics on the interrelationship of armaments and the economy" (4). Nor, specifically, is official information on the allocation of military orders and arms production by sector published. There are no open statistics of contractors and subcontractors, a survey of the regional location of defense industry and so forth. At the same time, on the other hand, the data of the firms themselves on the proportion of such products in their total production are appreciably understated. In the reports of major companies such sections as "arms manufacture" or "defense equipment" frequently do not figure at all or are laconically entitled "special production".

According to official data, the relative significance of the FRG's military industry in creation of GNP (it amounted to DM1.951 trillion in 1986) is not more than 2 percent, and its share of the total industrial volume, 3.4 percent. However, these relatively modest indicators conceal the very high rate of development of West German military industry in recent years. Thus whereas in the period 1980-1983 the increase in production as a whole in the FRG constituted 7.8 percent, in the defense sector of the economy, 29.8 percent. In this same period the military-oriented sectors accounted for more than one-tenth of the proportion of the industrial increase, and their share of the manufacture of industrial products grew more than 0.5 percent.

Despite the fact that there are virtually no firms in the FRG working exclusively "for war," West German military industry has quite a definite structure. Approximately three-tenths of concerns garner from year to year

the lion's share of orders, as a result of which their power and, consequently, influence on the policy of the state are growing constantly. The vast majority of other firms manufacturing military products belongs to these monopolies or is controlled by them.

Currently of the 27 main arms manufacturers, 10 are direct members of the 100 leading industrial companies of the FRG, and a further 9 are controlled fully or to a significant extent by monopolies of this group. Thus their influence and power extend much farther than can be judged by the 3-4 percent of total industrial production for which weapons manufacture accounts.

The overwhelming majority of military firms of the FRG grew out of individual or purely family enterprises, and family-dynastic clans figure, as before, on the list of the biggest weapons manufacturers—([Kvandt], Diehl, Rechling, Dornier) and so forth. However, now, as an analysis of the FRG MIC shows, practically all the weapons concerns are controlled by one or several finance-monopoly groups. Thus the most powerful of them—the Deutsche Bank group—incorporates such concerns as Siemens, Daimler-Benz and Dynamit Nobel. The Krauss-Maffei tank engineering firm is controlled by the Deutsche Bank, Dresdner Bank and Bayrische Vereinsbank groupings. And the MAN company, which belongs to the Gutehoffnungshuette concern, is linked with the FRG's third biggest financial group—Kommmerzbank.

A most important component of the MIC in the era of the S&T revolution are enterprises of the newest sectors—rocketry, electronics and engineering. In the FRG they account for approximately two-thirds of the manufactured military product. Aerospace industry is the most militarized here: over 50 percent of its capacity is loaded by Bundeswehr orders. Enterprises of this sector have essentially become the backbone of the West German MIC.

It is significant that H. Kohl, delivering his first statement as head of the Bonn cabinet, highlighted precisely this sector, promising that his government "will ensure the ongoing development of German aerospace industry for reasons of both a general economic and defense nature" (5).

Second place among the sectors of the economy most dependent on military orders is occupied by shipbuilding. Warships now account for more than one-third of the turnover of West Germany's shipyards. Large-scale supplies of equipment for the Bundeswehr are also made by radioelectronics and electrical engineering industry. There is practically no firm of this profile in the FRG which does not manufacture "electronic fillings" for the Bundeswehr's weapons systems.

The growth of the significance of the modern science-intensive sectors has led to a shift of the center of the FRG's military economy from the Ruhr area southward—to Bavaria and Baden-Wuerttemberg. Today Bavaria and Baden-Wuerttemberg, where approximately one-third of the FRG population lives and approximately the same proportion of GNP is created, produce over 60 percent of the total military product. The enterprises located here obtain more than half the Bundeswehr's orders and two-thirds of the resources allocated by the state for military R&D. An important part in the creation of the powerful Bavaria-Wuerttemberg military-industrial region was also played, of course, by the first 20-year term in office in Bonn of the CDU/CSU bloc.

The following areas of concentration of arms production in the FRG may be distinguished now. In Bavaria, Munich-Augsburg (enterprises of the MBB, Siemens, Krauss-Maffei, MTU and Rohde und Schwarz concerns are located here) and Nuremberg (Diehl, Faun). In Baden-Wuerttemberg, Friedrichshaven (Dornier), MTU), Stuttgart (Daimler-Benz) and Karlsruhe (IVECO). The country's third largest military-industrial center is Bremen. This is followed by Kassel, Kiel, Hamburg, Emden and Duesseldorf.

As a consequence of the sharp increase in the cost of modern means of warfare, under the influence of international competition and given the active stimulating role of the state an intensive process is now under way in the military sectors of the FRG economy of the concentration of production and capital. It is characterized by the consolidation of leading concerns by way of an extension of production cooperation and the creation of joint companies and then final mergers and takeovers.

Firms' cooperation has been clearly manifested, in particular, in tank industry. The Krauss-Maffei firm, which heads a consortium of West German monopolies created for the production of Leopard tanks, confines its tasks to the functions of general contractor, dealing mainly with the assembly of the tanks and calibrating tests of the finished vehicles. The engines are supplied by the Daimler-Benz firm, the guns, by Rheinmetall, the frame, by Blohm und Voss and so forth. Electronics and electrical engineering industry accounts for a considerable portion of the subsupplies. A similar situation is observed in shipbuilding also, in which the "122"-design guided-missile frigate is being assembled by the Blohm und Voss, Bremer Vulkan and Howaldswerke-Deutsche Werft (HDW) shipyards consortium.

The MTU firm, which was founded by the MAN and Daimler-Benz firms on a parity basis for the assembly of engines, specifically for the Tornado aircraft, may be adduced as an example of the creation of a joint company. This company has become the predominant producer in the FRG and one of the biggest in the capitalist world of large-capacity diesel engines.

Concentration is also being prompted to a certain extent by the demands of the FRG's military production, which aspires to deal with a lesser number of firms. The terms of the majority of deals are coordinated with one or two companies, and the Defense Ministry, furthermore, almost never gives out orders until the firms concerned have united in an appropriate consortium.

According to FRG Defense Ministry figures, three-fourths of all orders given out by the federal Military Engineering Office (and, in terms of value, up to 90 percent of tank orders) are allocated among firms directly. An acute behind-the-scenes struggle develops between military-industrial concerns here for profitable deals, which sometimes becomes more intense even than in the course of open bargaining. With respect to one-fourth of all contracts (up to one-third in terms of value) negotiations are conducted from the very outset merely with some one specific firm "specializing in the manufacture of the given military product, possessing the appropriate capacity and maintaining regular contacts with the Military Engineering Office" (6). In cost terms 87 percent of all deals are concluded by the Defense Ministry with large enterprises.

The process of monopolization has been manifested particularly noticeably in the field of aviation-rocket industry. The diminution in the number of independent West German aviation firms testifies to this. Whereas at the start of the 1960's the FRG had 8 aircraft manufacturing companies, in 1971 their number had declined to 3, while in 1980 there remained just 2—Dornier and MBB, which had swallowed up the Vereinigte Flugtechnische Werke (VFW) firm and, thanks to this, had joined the 80 biggest (in turnover) West German monopolies. The new superconcern has become a leader in the sphere of aircraft manufacturing in West Europe.

The unification of MBB and the VFW occurred at the initiative and as a result of pressure on the part of the FRG Government (70). Bonn even went as far as to temporarily freeze financial subsidies to these firms (totaling approximately DM300 million) in order to speed up their unification, which was to have increased the competitiveness of West Germany's aviation-rocket industry and afforded it an opportunity to not only squeeze its West European rivals but also seriously challenge the U.S. aerospace monopolies.

The newspaper HANDELSBLATT, organ of the FRG's financial-industrial circles, called the merger of MBB and the VFW "an important landmark" for West German military industry. And GENERAL-ANZEIGER, which is close to the government, emphasized that in the next few years consideration will have to be given to the intensification of competitive struggle on the world aircraft manufacturing market. "Ever increasing significance for this sector of industry will be attached to the

saying 'strength in unity,' the paper wrote, "for internationally it will soon only be he who has sufficient potential for an audience who will be able to have his say" (8).

The controlling impact of the West German state on the course and direction of the concentration of military-industrial capital extends to other spheres also. There has not in recent years been any in any way large-scale merger of military-industrial firms which has not been preceded by assertive actions on the part of the federal and land authorities.

An important stage of this process under the CDU/CSU-FDP government was the actual transfer of the Krauss-Maffei tank manufacturing firm, which had belonged to Flick, to the ownership of the MBB firm. Negotiations on this were conducted as of the summer 1984 with the active participation of influential political forces of the FRG, primarily Bavarian Premier F.-J. Strauss. In urging MBB to take over Krauss-Maffei Strauss, as the West German press reported, had gained the consent of Chancellor H. Kohl and Defense Minister M. Woerner. The deal was also vigorously assisted by leading finance-monopoly groupings of the FRG, whose participation in the conglomerate which was being cobbled together was guaranteed by the MBB management.

The MBB-Krauss-Maffei combination with 40,000 employees and a turnover of approximately DM8 billion signified the creation of a military-industrial center of unprecedented scale for the FRG, which has begun to supply the Bundeswehr with an extensive set of weapons for the army, air force and navy. Concentrating the majority of large-scale military programs for the coming years—from aircraft and missiles through minesweepers and armored equipment, MBB has occupied the dominating position on the FRG arms market.

The concern could not have achieved its present positions without the decisive support of government bodies, primarily the CSU government in Bavaria, which accounts for almost 25 percent of the stock of MBB. All that goes to benefit the concern and affords it new prospects in the field of military business is seen in Munich as being good for Bavaria. "MBB," SÜD-DEUTSCHE ZEITUNG wrote, "is to an increasingly great extent becoming a Bavarian state enterprise" (9).

Thus the example of the MBB concern shows how finance-monopoly capital is merging with the machinery of state on the basis of military production.

A feature of the current stage of monopolization of the FRG's military-industrial capital is the active introduction of the biggest concerns in the most progressive, science-intensive sectors of the economy. This process may be illustrated by the activity of the Daimler-Benz company. Having completely taken over the MTU firm at the start of 1985, several months later Daimler "adopted" Dornier and then acquired a controlling

block of shares of the country's second biggest electronics monopoly—AEG. The latter merger—the biggest in the history of the FRG—enabled the Stuttgart concern to head the list of West German industrial corporations and become a leading monopoly of the Western world. With regard for the above-mentioned acquisitions the sum total of Daimler's turnover for which the military product is responsible grew sharply and exceeded analogous indicators even of such a recognized leader in this sphere as MBB (10). There is hardly a weapons system to be found in the FRG now in whose production one of the four firms of the new conglomerate does not participate.

The transfer of the AEG, Dornier and MTU companies to the Daimler-Benz empire was a consequence of the purposeful structural policy pursued by the Daimler management in order, as E. Breitschwerdt, chairman of the board of the concern, declared, to extend participation "in such promising spheres as electronics, information technology and space and also the development of new technology and the creation of new materials" (11). Nor could these deals have come to fruition without the help of the state and financial oligarchy. An active part in understanding being reached on the purchase of Dornier was played by the Baden-Wuerttemberg Land Government headed by L. (Shpet), deputy chairman of the CDU. And Deutsche Bank, the Dresdner Bank and Westdeutsche Landesbank, which "yielded" to the Stuttgart people their share of AEG's joint-stock capital, had the decisive say in the organization of the "marriage of elephants," as the association of AEG and Daimler-Benz was aptly christened in the FRG.

As a result by 1986 two monopolies—Daimler-Benz and MBB—concentrated approximately one-third of all FRG Defense Ministry orders (for comparison: in 1980 the 10 biggest suppliers of weapons accounted for 37 percent of military orders).

The concentration of military-industrial capital and the regrouping of forces in the FRG MIC signal that this country's military monopolies are preparing to join actively in the global competitive struggle in the sphere of modern military technology.

As a military industry lobbyist, B. Friedman, member of the Bundestag from the CDU, observed with satisfaction, the unification of Daimler and AEG, MTU and Dornier and also the strengthening of the positions of the MBB make it possible to embark on the manufacture of military products which the FRG has not previously produced. In other words, substantial prerequisites are being created for West German firms' participation "on an equal basis" in the American "star wars" program, which, as is known, is persistently being sought by the representatives of these firms and the politicians F.-J. Strauss, M. Woerner and others connected with them.

The creation in the south of the FRG of a strong nucleus of the MIC has caused justified concern in the West German public. As B. (Koepl), well-known expert in

military economics, emphasized, the purchase of Krauss-Maffei by the MBB concern has led to the creation of a monopoly which can now "to an even greater extent than before dictate its prices to the Defense Ministry" (12). And U. (Yens), member of the Bundestag from the SPD, warns that the transfer of Krauss-Maffei to MBB control and of the AEG, Dornier and MTU companies to Daimler-Benz ownership represents a "highly dubious" step from the political viewpoint also since the significant growth of the economic power of these military-industrial giants will entail their increased influence on the legislative and executives authorities (13).

It should be emphasized that the process of monopolization in the FRG's military industry in 1984-1985 has by no means ended. The year of 1986 was one of big changes in military shipbuilding. The leading firms of this profile—the Bremen Vulkan, Hamburg's Blohm und Voss and the Kiel HDW—have completely captured the FRG's domestic market, having incorporated in their orbit the majority of the remaining independent West German shipyards. The accelerated centralization and concentration in shipbuilding has, as in other sectors, been carried out under the aegis of the state and has provided for the continued winding down of civil production against the background of the subsidising of the manufacture of military products.

The present wave of mergers and takeovers which has engulfed the FRG economy threatens serious social and political consequences—this was the conclusion reached by the West German Monopolies Commission. The concentration of economic power, which has assumed unprecedented proportions, could, according to the commission's findings, be used for the purpose of influencing political decision-making. O. Schlecht, secretary of state in the FRG Economics Ministry, according to whom the new conglomerates are becoming a kind of state within a state, also called attention to the danger of this development.

An inalienable feature of the current MIC is the increased degree of militarization of science and its direct incorporation in the process of the creation of the most sophisticated means of warfare.

Since the start of the 1980's a rapid growth of appropriations for military research and experimental design and their increased share of federal spending on R&D have been observed in the FRG. Currently up to one-third of the FRG's "science budget" is spent on military purposes, which is double the amount of government outlays on scientific research in the sphere of health care, environmental protection, food industry and education.

The long-term program of the development of the Bundeswehr adopted in October 1984 provides for a further expansion of research for the needs of the armed forces. The Defense Ministry White Paper for 1985 speaks of the need for increased efforts in the sphere of military

R&D inasmuch, it says, only in such a way is it possible to ensure the Bundeswehr's provision with its own modern arms and maintain in the future the international competitiveness of West Germany's defense industry.

In accordance with this intention, DM2.5 billion or 30 percent more than in 1984 were earmarked for this purpose in 1985 along Defense Ministry lines alone, DM2.6 billion in 1986 (a 6-percent increase) and DM2.9 billion in 1987 (a 10-percent increase). The increase in direct military spending in these years amounted to 3.1, 1.2 and 2 percent respectively. A substantial portion of the resources for military research goes through per FRG Ministry of Research and Technology and Ministry of Economics estimates. Thus, certain West German scholars believe, actual government spending on military R&D is frequently 100 percent more than the officially published figures.

"The large amount of government financing of military R&D," the West German expert on the MIC F. Schmid observed, "allows the military-industrial concerns to begin at their initiative, that is, without having obtained special orders, the development of new intricate weapons systems, offer them to the government and, thanks to this, accelerate the arms race" (14).

Having stepped up the creation in the 1960's-1970's of its own military research base, the FRG is now in fourth place among the leading imperialist powers (after the United States, Britain and France) in terms of the amount of government appropriations for R&D of a "defense" nature. "Military-technical research encompasses almost all the natural and engineering sciences in order to ascertain in good time the possibility of the potential application of its results in the defense sphere" (15).

The contingent of scientists and engineers working for the MIC now constitutes in the FRG 35,000-40,000 persons. Military R&D is performed by 60 large-scale design offices within the framework of industry and 120 higher educational institutions and 70 other research institutes which are not a part of the higher school system. And, furthermore, given the preservation of the dominating position of the private sector, there has in recent years been an appreciable growth in this sphere in the role of government establishments, distinguished among which are the German Aerospace Engineering Experimental Research Center, the Fraunhofer Society, the Applied Natural Sciences Research Society and the Industrial Installations Testing Society (IABG).

The active participation of the research centers in the process of military production and their increased influence on the direction and pace of the arms race make it possible to consider them an important component of the FRG's MIC.

The state components of the MIC are personified primarily by the military command and also part of the civilian bureaucratic elite (certain subdivisions of the ministries of economics, research and technology and foreign affairs and also the intelligence service and so forth). The increased power of the Bundeswehr has led to the increased political authority of the West German officer corps, representatives of which have won a number of key positions in NATO, have gained an opportunity on the one hand to uphold the interests of the FRG in the headquarters of the North Atlantic bloc and, on the other, to propound the concerted NATO policy in respect of the FRG itself.

The interrelationship between NATO doctrines and military industry was indicated, for example, by W. Altenburg, former Bundeswehr inspector general and now chairman of NATO's Military Committee. Writing in the journal *WEHRTECHNIK*, he emphasized that "only close dialogue between consumers in the military sphere at the time of the formation of new concepts and military industry at the time of the development of new technology guarantees the necessary success" (16). An idea consonant with this is championed by S. Mann, leader of the Federal Union of German Industry and in the past secretary of state at the FRG Defense Ministry, who calls for the "timely inclusion of representatives of military enterprises in the elaboration of medium- and long-term plans of the development of the armed forces" (17).

An important part in cooperation between the army and industry is played by the above-mentioned federal Military Engineering Office, which has 19,000 employees, and also the FRG Defense Ministry Arms, Combat Equipment and Military Industry Agency, whose task is the planning and coordination of military production.

At the same time study of the relations of the military concerns and the FRG machinery of state shows that together with features common to the MIC of all Western countries the interdependence of the military-bureaucratic and military-industrial elites also has in this country a number of singularities. Thus important levers of the concerns' influence on the shaping of government policy are the employers' unions, which have nowhere acquired such power as in the FRG. The Soviet scholar R. Federov observed that in the shape of these unions the West German monopoly bourgeoisie "has created a new political mechanism, which operates within the old forms of parliamentary democracy and through them" (18).

In the FRG the interaction and mutual penetration of the machinery of the employers' unions and the machinery of state have become a more developed and efficient form of the merger of the industrial-finance oligarchy and the top echelon of the bureaucracy than personal union. This is confirmed by the example of the Federal Union of German Industry (FUGI)—the head organization of the FRG's monopoly capital.

The FUGI has a developed structure duplicating certain government departments, including those which deal directly with military-economic and military-political issues. It has departments of international relations, defense economics, air defense industrial products and so forth, and the FUGI General Secretariat incorporates special "defense consultants". Essentially it is in these bodies that the general economic and political platform of the concerns producing military products is formulated.

Actively invading the prerogatives of the state, the employers' unions, defending the interests of the military-industrial companies, seek from the legislative and executive authorities the maximum satisfaction of their demands.

An exceptionally big place in the system of the merger of the military-state bureaucracy and the management of the monopolies belongs also to various arms production committees. In fact the Military Economics Working Group, which was formed in 1970 under the auspices of the Defense Ministry and whose activity has been stepped up noticeably since the assumption of office of the CDU/CSU-FDP government, has become the main organizational center of the West German MIC.

Currently the "working group" incorporates from industrial circles 27 persons, including the chairmen of the boards of the Krauss-Maffei, MAN, Dynamit Nobel, Bremer Vulkan, Rheinmetall, Mannesmann, MTU, KHD and August-Thyssen-Huette concerns, members of the boards and directors of the Daimler-Benz, AEG, Carl Zeiss, MBB, Rohde und Schwarz, Dornier, Diehl and other companies and also representatives of the FUGI, the Central German Crafts Union and the German Military Engineering Society. From the Defense Ministry the secretary of state and the heads of the agencies dealing with arms questions and also the Bundeswehr inspector general and representatives of other departments, depending on the topic discussed, participate, besides the minister, in the work group. Executives of the chancellor's office and the FRG Ministry of Economics are invited to the group's sessions.

The existence of this body enables the monopolies on the one hand to bring direct pressure to bear on the programming of the development of new weapons systems and thereby on the formation of military strategy as a whole and, on the other, to get their hands on the bulk of government orders.

The so-called "planning societies," which, while remaining monopoly associations, essentially perform government functions, are also designed to serve the cooperation of the military and industrialists. The greatest assertiveness is exhibited here by such societies as:

the Hamburg society "for naval engineering development planning," which incorporates the Siemens, AEG, SEL, Krupp Atlas-Elektronik, Blohm und Voss, HDW, Luersen-Werft and Bremer Vulkan concerns;

the Munich "electronics systems development planning society," whose members are AEG, Siemens, SEL and Rohde und Schwarz;

the Cologne "management systems planning society," behind which are primarily Siemens and AEG.

The FRG press has noted with unease that having concentrated practically the entire planning of weapons systems for the air force and navy, these private monopoly groupings are manipulating Bundeswehr requirements for selfish ends.

"The compact of the military and industrialists," the weekly DIE STERN wrote, "long since abolished all the rules of democracy for it is not the independent representatives of the people but a powerful secret alliance of industrial magnates and the military which makes the decision on arms production. It is not in government bodies but on the director's floors of large firms that the interests of the security of the state are determined. It is not a genuine threat but the interests of marketing which lend impetus to the development of new weapons systems" (19).

An important form of the strengthening of the relations of the military concerns and the FRG machinery of state is the enlistment of former servicemen in lobbying offices and onto the boards of companies specializing in the manufacture of armaments.

The names of top Bundeswehr officers who have switched to executive positions in military industry periodically filter into the West German press. A typical such example was the invitation to Gen H.-G. Kanne-gieser (ret'd), who had been in charge of armament issues on the Air Force General Staff, to join the management of the International Aerospace Consulting company. It is significant that the owner of this firm, J. Baumeister, was not that long ago head of the Federal German Aerospace Industry Union and thereby of the association of military-industrial firms which is now headed by O. (Greve), who was in the past president of the federal Military Engineering Office.

The militarist lobby has firmly inserted itself in the FRG's sociopolitical landscape, and, furthermore, whereas in the period 1967-1979 some 610 generals and officers switched from the armed forces to the monopoly managerial staff, in the next 7 years approximately 1,200 officers and over 860 civilian officials who had worked in the military department joined the military business sphere. We would note that it is question here merely of persons who are direct intermediaries between the army and industry since only they have to be compulsorily registered. The total number of former servicemen

employed in the sphere of the military economy, on the other hand, is unknown. However, the FRG Defense Ministry assumes that every 10th regular soldier receives extra financial resources following retirement in the "economic field".

Of course, like the military-industrial monopolies of other Western countries, the concerns of the FRG actively influence government policy by more "direct" channels also, sending their representatives to the Bundeswehr and government establishments and maintaining a corrupt section of party figures and government officials.

The system of the fusion of the interests of the arms business and the parties of big capital may be traced most distinctly in the example of the relationships of the CSU. Thus F.-J. Strauss, the chairman of this party and prime minister of Bavaria, maintains close relations with the managers of the biggest West German industrial-finance groups: Flick, (Kvandt), Siemens and Springer. K. Diehl is an active member and financier of the CSU. Strauss himself has for a number of years held the position of chairman of the watchdog council of MBB's daughter company Deutsche Aerobus. The head of MBB's watchdog council, on the other hand, is another prominent CSU figure, M. Streibl, minister of finance of Bavaria. O. (Shedl), minister of economics of this land, has close links with the Dornier firm. And R. Stuecklen, deputy president of the Bundestag (1982-1983), was for many years the head of a department in the AEG concern.

However, it is not only a question of such manifestations of the integration of the economic and military leadership and the administrative-political elite. In terms of its essence, goals and tasks, which its leaders advance, the CSU is the most direct spokesman for the interests of the MIC, primarily its most powerful southern flank, on the FRG political scene.

The fact that certain trade union leaders of military enterprises have recently been quite noticeable among the numerous fellow travelers of the MIC calls attention to itself. And this is no accident. V.I. Lenin even observed that in bourgeois society the working class also exhibits together with a tendency in its political and economic activity to head the revolutionary struggle of all working people another tendency—"to settle down comfortably and tolerably under capitalism," which, as V.I. Lenin emphasized, "is practicable only for the small upper stratum of the proletariat" (20).

Making skillful use of the high level of unemployment, which increased particularly in the latter half of the 1970's-first half of the 1980's, military-industrial circles are prompting the trade union upper stratum of their enterprises to present demands alien to the interests of the working class.

The creation in 1975 of the "Defense Industry Enterprises Wage Workers Working Group" may serve as an example. The members of the work councils of firms specializing in the manufacture of military products, who founded it, demanded of the government official assurances of the preservation of jobs dependent on arms production.

Three years later the Metalworkers Union dissolved the "Working Group," condemning its activity as incompatible with the union's decisions on questions of a policy of peace and disarmament. However, the problem of the lobbying activity of trade union functionaries was by no means removed from the agenda thus. In 1985 union leaders of MBB plants in the city of Augsburg presented, for example, demands for the prevention of a reduction in employment at enterprises manufacturing the Tornado fighter-bomber upon completion of the series production of this aircraft. Citing this "instruction" of its work councils, the management of the concern is now persistently seeking a government decision on the creation of the "combat aircraft of the 1990s," although, many West German military specialists believe, the Bundeswehr has no need for this machine.

F. Steinkueller, chairman of the FRG Metalworkers Union, has sharply criticized members of the work councils of a number of military industry enterprises. These figures, F. Steinkueller emphasized, are spending far more time in the Defense Ministry than in the central board of their union and insisting on a change in the federal government's position on the question of arms exports, pointing to the fact that otherwise jobs at their enterprises will be in jeopardy (21).

The general picture of the FRG MIC would be incomplete were mention not to be made of the fact that various revanchist and militarist leagues and associations and also some of the mass media are closely linked and interact with it. The print run of just the 40 main publications of the military department is now in excess of 1.5 million copies. This entire huge ideological machinery is geared to active indoctrination of the population in a spirit of militarism and anticommunism and is employed extensively for the daily intimidation of the man in the street with the invented "Soviet threat" and the advertising of the military power of the West.

Thus a military-industrial complex with its national "singularities" and having a pronounced impact on the FRG's domestic and foreign policy is being developed actively in the country. Having essentially become the main support of NATO in Europe, the FRG MIC is now a principal generator of the arms race and exponent of the most dangerous features of West German imperialism.

#### Footnotes

1. See V.I. Lenin, "Complete Works," vol 30, pp 155-156; vol 37, p 248.

2. See V.I. Lenin, "Complete Works," vol 23, pp 175-176, 253-254.

3. See "Der Bundesminister der Verteidigung. Weissbuch 1985. Zur Lage und Entwicklung der Bundeswehr," Bonn, 1985, p 368.

4. S. Bielfeld, "Ruestungsausgaben und Staatsinterventionismus," Frankfurt am Main, 1977, p 34.

5. "Deutscher Bundestag. Stenographischer Bericht," Plenarprotokoll 9/121, p 7217.

6. "Deutscher Bundestag. Stenographischer Bericht," Plenarprotokoll 8/219, p 17693.

7. Both these firms are also obliged for their emergence at the end of the 1960's to the direct intervention of the West German authorities insisting on the merger of several smaller firms.

8. GENERAL-ANZEIGER, 13 November 1980.

9. SUEDEDEUTSCHE ZEITUNG, 31 January 1985.

10. From the estimate for 1983, DM3.699 trillion and DM3.29 trillion respectively (DER SPIEGEL, 21 October 1985, p 144).

11. DIE WELT, 22 May 1985.

12. SUEDEDEUTSCHE ZEITUNG, 31 January 1985.

13. SUEDEDEUTSCHE ZEITUNG, 17 October 1985; GENERAL-ANZEIGER, 25 July 1984.

14. F. Schmid, "The FRG Military-Industrial Complex," Moscow, 1974, p 83.

15. "Bundesbericht Forschung VI," Bonn, 1979, p 68 (quoted from MEMO No 5, 1982, p 119).

16. WEHRTECHNIK, pamphlet 7, 1984.

17. WELT-REPORT, 29 October 1985, p 28.

18. MEMO No 12, 1967, p 67.

19. DER STERN, 26 November 1981, p 90.

20. V.I. Lenin, "Complete Works," vol 36, p 161.

21. FRANKFURTER RUNDSCHAU, 14 August 1980.

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**Purpose of European Defense Initiative Explained**  
*18160012o Moscow MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA in Russian  
No 8, Aug 87 (signed to press 17 Jul 87) pp 129-131*

[Article by A. Zhakov, A. Mitropolskiy: "European Defense Initiative": Purposes, Means, Consequences"]

[Text] History teacher N.B. Zabusova (Moscow) asks us to describe what the "European Defense Initiative" represents.

On both sides of the Atlantic recently there has been extensive discussion of the so-called "European Defense Initiative" (EDI). It is a question of the creation in West Europe of an ABM system capable of destroying operational-tactical missiles and medium-range missiles (INF).

The EDI plan emerged at the start of the 1980's, at the time of the preparations for the deployment in West Europe of the American cruise missiles and Pershing 2's. It was anticipated that the creation of a "tactical ABM system" (TABM) could serve to lessen their vulnerability. Political, military and industrial circles of the United States began little-by-little to encourage their allies in the development of a continental ABM system. As earlier (on the question of NATO's "retroarmament"), the initiator was the FRG. At the end of 1982 its Defense Ministry put forward the idea of the creation of a "new defense system". As if in response, a Pentagon study group under F. Hoffman engaged in the elaboration of a plan for realization of an ABM program for U.S. territory, pointed to the need for and desirability of the creation of an antimissile system in Europe.

Advancement in the United States of the SDI program lent new impetus to the idea of a TABM for Europe. Advantage was taken here of Europeans' fears in connection with a "window of vulnerability" opening as a result of realization of the SDI. The conclusion was that in order for West Europe not to become a "reduced-security zone" it was essential that it create its own antimissile system. However, from the very outset military figures of NATO countries had in mind merely defense "of the most important facilities in the European theater" (per the Hoffman Commission classification), and the Americans, what is more, were looking primarily to cover their offensive nuclear potential deployed in Europe. For the purpose of associating the allies of Bonn and Washington in realization of the plan the question of an EDI was discussed at the initiative of FRG Defense Minister M. Woerner in December 1985 at the NATO Eurogroup session.

Each country supporting this program sees the specific conditions and paths of its realization differently.

United States. For Washington the optimum version would be the creation of a TABM by the Europeans themselves and with their resources. The developed

ABM system here should become the "property" of NATO. However, nor does the Pentagon preclude the possibility of a general "NATO" version of work on the system. By July 1986, according to B. Rogers, who at that time held the position of supreme commander of NATO joint armed forces Europe, the bloc's military command had already mapped out the basic principles of leadership of the research and development of a "potential defense system". A number of studies had already been conducted by this time. Rogers proposed the allocation for this purpose of some of the funds appropriated for the SDI program in the United States.

Canvassing the TABM for West Europe, Washington is offering to make available the original information obtained both as a result of special research and at the time of studies conducted within the SDI framework and to organize the joint research of West European and American scientists. Thus the intended system would be to a certain extent an "appendage" of the American program. All this would afford the United States an opportunity to keep it under its control.

In addition, such a system, in the American thinking, could be created and deployed far more quickly than broad-based ABM defenses with space-based components. And the first stage, furthermore, practicable, the United States, believes, in a very short time, could be the modernization of the American Patriot air defense complexes already deployed in West Europe for the purpose of their use together with the latest radar stations and computers against INF and operational-tactical missiles.

FRG. West German military industry is very assertive in supporting European technology and realization of the TABM by itself. The biggest concerns would like to take control of realization of the EDI and "play the lead" in implementation of this program.

Government circles (particularly representatives of the CDU/CSU bloc) and the Bundeswehr are demonstrating their interest in cooperation with their "senior partner"—the United States—in realization of the TABM, agreeing that an essential component thereof should be the modified Patriot air defense system.

Simultaneously the Defense Ministry has already drawn up its own program of the further development of the TABM "thanks to expansion of the air defense system". The ministry budget for 1987 provides for appropriations for research into the creation of ABM systems. At the same time individual Bundeswehr representatives are even now speaking of the desirability of the transfer subsequently of individual components of the TABM system to space and the use in its technology of "nuclear potential".

France. Interest in the EDI accords with the concept adopted by Paris of the inevitability of the militarization of space. The appeal of President F. Mitterrand to West Europe to intensify the orientation toward a military

presence in near-Earth space in order not to lag behind the "superpowers" back at the start of 1984 was heard precisely in this context. Paris has repeatedly expressed official approval of the idea of the development of a TABM system with "quasi-strategic potential"; the actual path of realization of the idea, however, is conceived of as being completely West European, without any participation on the part of the United States.

Considerable emphasis is being put on the tandem of the two West European states more interested in this military program—France and the FRG. In June 1985 the question of the creation of a TABM system was discussed by the Franco-German Security Commission with the participation of representatives of the defense and foreign ministries. At the meeting of F. Mitterrand and H. Kohl at the end of the same year it was decided to set up a joint commission on cooperation in the sphere of aircraft construction and the conquest of outer space, which, specifically, was entrusted with elaborating the project of a TABM for West Europe.

Franco-West German relations in this sphere are complicated primarily by the endeavor of each country to perform the leading role in implementation of the TABM plans. And France, furthermore, advocating a completely European version of the program, does not want the United States associated with it, fearing that, given the support of Washington, the FRG would facilitate for itself access to modern technology and strengthen its positions in West Europe, possibly to the detriment of Paris. The close relationship which exists between the FRG and the United States puts limits on its military cooperation with France.

In the opinion of certain (primarily military) circles in France, Eureka, a program aimed at coordination of the West Europeans' scientific research, could contribute to realization of the EDI to a considerable extent.

The fact that a number of firms and concerns which are simultaneously involved in research pertaining to the SDI program—Siemens and MBB (the FRG), Thomson (France), General Electric (Britain) and others—are participating in Eureka could contribute to the use of civil research for military purposes. In addition, many West German firms participating in Eureka are at the same time interested in research work connected with a TABM.

Italy. The political leadership of the country and the military have repeatedly expressed approval of the program in principle, giving as the reason for this primarily the need to have a European "means of deterrence" independent of the United States. However, the Italians are clearly not suited by the charted prospect of a Franco-German condominium, in which connection they are making their participation conditional upon "sponsorship" of the EDI on the part of the Western European Union.

Italy is suited here by a version which would be based to a greater extent on the S&T potential of the United States than on the West Europeans' own efforts: the state's financial difficulties on the one hand and skepticism in respect of Eureka on the other are reflected here.

The ruling circles of the remaining West European countries are adopting a wait-and-see position. London has on several occasions commented favorably on this idea; on a number of occasions representatives of military circles of Spain and Portugal have made a positive assessment.

The disagreements and different interpretations which exist in connection with possible ways of realization of the EDI and the lack of some definite attitude toward it in certain NATO and Western European Union countries largely explain the fact that the idea has not as yet acquired a multilateral organizational structure.

Versions of the design of the TABM are, meanwhile, already appearing in interested circles of West European countries. A number of military experts is proposing the deployment of certain components thereof in space. The creation of a rapid-fire "railgun," which would be able to scatter metal bodies, guiding them toward missiles in flight, is planned. The use of a high-energy laser capable of piercing and thus destroying missiles is being discussed. The deployment of ABM interceptors (of the modernized Patriot system, possibly) is envisaged. All these ground-based weapons it is contemplated guiding with an air- and space-based detection, tracking and guidance system.

Specific research in the said areas, in which considerable resources are being invested, is already being performed by a number of major West European concerns and firms. They include MBB, AEG-Telefunken, Siemens, Lorenz and Diehl (FRG), Thomson and Aerospatiale (France) and Philips (Netherlands).

The fact that components of a TABM system are already being developed will undoubtedly facilitate the adoption of a decision on its deployment, if things get this far—within the framework of NATO and the Western European Union or a multilateral military agreement. Understanding this, interested circles in the United States and West Europe are encouraging the military-industrial concerns in their studies.

The dangerous nature of the venture concerning an EDI is not in doubt. It is one further NATO attempt to disrupt the existing "Eurostrategic" and global balance of forces and alter it in favor of the North Atlantic bloc. A system covering first-strike weapons is aimed not at consolidating security but ensuring impunity—and is directly analogous to the American SDI here. The "European Defense Initiative" and the "star wars" program are also linked in the fact that a gamble is being made in both instances on the creation of weapons systems based on supermodern technology. Thus there is the danger of

the emergence of an additional new channel of the arms race. Furthermore, the technology of the "defensive system" could have a multitude of individual applications in the conventional arms sphere. Implementation of this plan would complicate the solution of questions of a military nature within the framework of the Helsinki process.

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**Review of McNamara Book on Nuclear Age**  
*18160012p Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 134-137*

[A. Gorelova review "Commensense Against Prejudice" of book by Robert McNamara: "Blundering Into Disaster. Surviving the First Century of The Nuclear Age"]

[Text] The military-political course of the present U.S. Administration is being subjected to an increasingly great extent to serious criticism not only outside the country but within it also. The need for new approaches to international relations under the conditions of the nuclear age is, naturally, recognized by commonsensical people. At the end of 1986 the MEMO journal published a paper by Robert McNamara, former U.S. defense secretary, which he had delivered at a seminar in Osaka (Japan) (1). Like a number of preceding publications and speeches in the 1980's of this well-known politician, the paper reflects a profound, manifest evolution of his views on many problems of international relations, particularly in the military-political sphere. In the author's own admission, the reason for this is a rethinking of the situation which has come about at the current stage between East and West and the results of an analysis of the historical aspects of American-Soviet relations in the postwar years and also the military-political line to which the leaders of the United States and NATO have adhered throughout this period right up to the present day.

R. McNamara set forth his viewpoint in more detail than in the said paper in a comprehensive study which appeared the same year. It is of interest, specifically, as an example of the shift that has been discerned in the consciousness of representatives of the moderate-liberal section of the American "establishment" concerned at the persistent reluctance of the present administration to occupy a more constructive and realistic position on a number of most important international problems, primarily concerning East-West and USSR-United States relations.

The book's title—"Blundering Into Disaster"—reflects primarily the author's attitude toward the exceptionally dangerous situation in which mankind, which has lived

through the first half of the nuclear century (1940-1990 per R. McNamara's chronology), has found itself. In addition, it contains a warning against the second half being a repetition of the first and the "blunders" really leading to catastrophe.

The nuclear chronology—mankind has to reconcile itself to it as yet—is changing and has already changed fundamentally many of the ideas on which international relations had been built up to the onset of the nuclear era. Recognition of the threats and negative consequences of S&T progress distinguished at the present time by its particularly rapid pace is a most important and essential condition of the peaceful coexistence of the peoples and their prosperity.

The best minds of mankind have warned about the danger of the growing lag of consciousness behind being, about which R. McNamara reminds the reader yet again. It is extraordinarily important that this prerequisite in the nuclear age guide primarily the people adopting most important political decisions. Despite the fact that this approach is generally recognized, it is far from generally accepted. In fact a big role in international relations is performed, as before, by outdated concepts and prejudices, bias, one-sided, wrong opinions, assessments and principles and so forth. The author calls them "myths," false ideas and misperception.

One of the latest "striking" pieces of evidence of such cliched thinking and behavior, namely, Washington's unrealistic endeavor to impose its "rules of the game" in the military confrontation of the United States and the USSR and achieve space dimensions of its military power and, correspondingly, global influence, was the "strategic defense initiative" (SDI) announced by R. Reagan in March 1983. This U.S. Administration decision, it would seem, performed far from the least role among the motives prompting R. McNamara to publish such a significant work, which shows the need for a revision of the military-political strategy of the United States and NATO in connection with the urgent realities and demands of the modern world and exposes the disastrous nature of the cliched views and tenets, which are no longer "working" in the nuclear age, being stubbornly followed by the present U.S. Administration. A most important moment, when only reason, prudence, correct deductions and a correct philosophy may be counterposed to prejudice, has arrived. The author is persistent in his conviction here, analyzing the evolution of military-political thought in general and American and NATO strategy in particular.

The expert opposes primarily the "belief that the United States must develop its military forces and plans for the purpose of fighting a war and defeating enemy forces," which continues today also (p 19). In his opinion, there is no "plan which could provide reasoned confirmation that nuclear arms could be used for successful NATO defense. However, NATO strategy continues to rely on the threat of first use of nuclear weapons" (p 35). Such

intentions are meaningless under conditions where the unleashing of nuclear war means suicide. "Considering the existing balance of forces and the current state of nuclear technology, neither East nor West can achieve a significant preponderance if the other side is vigilant" (p 44). For this reason R. McNamara believes that the aim of both the United States and the USSR should be the achievement of mutual security based on "crisis stability," observance of nuclear parity within limits of "sufficiency," a halt to the arms race spurred by the "action-counteraction" process and renunciation of the pointless aspiration to technological breakthrough and cultivation of correct perceptions of the sides' intentions. This essential multilayer foundation, far from complete, is being undermined to a considerable extent by the American plans for realization of the SDI program.

The author sees the latter as an additional factor in the American arsenal of offensive and defensive weapons. He is obviously convinced that the SDI is performing a negative role in arms control. "Even when it is a question of large-scale offensive arms, whose specifications are roughly clear, establishing control over them is difficult enough," we read. "Reaching an understanding concerning space-based defenses, whose efficiency remains a profound mystery even to its creators, will be far more difficult" (p 105).

R. McNamara substantiates just as logically one further conclusion of considerable importance: no expert is in a position "to conceive of how it is possible to simultaneously reduce offensive arms and permit the deployment of defensive arms, finding the corresponding certitude of achievement of the highest goal—the consolidation of effective nuclear deterrence in the case of a nuclear attack" (p 106). Arguing convincingly the viewpoint according to which the SDI ultimately does not contribute to a strengthening of U.S. security, he concludes that it is necessary to confine this work to the research labs and to strengthen the ABM Treaty (pp 142-143).

As far as the difficult problem of control and verification is concerned, it is, the author believes, perfectly soluble. The argument he puts forward here is quite interesting: "Space-based observation and data processing, which constitute the bulk of the SDI program, illustrate that technology could contribute to methods of verifying compliance with agreements" (p 144).

In our view, this conclusion merits particular attention for it largely throws light on the question of the degree of risk with which two possible versions are fraught: arms control on the one hand or the achievement of stability by way of regulation of the balance of forces, constantly growing, what is more, on the other. Improvement of the technology of control facilities should, to all appearances, be preferable to improvement of the means of warfare since it reduces the level of military confrontation to a great extent and provides safeguards against accidents. The expert recalls that a mechanism geared to the

achievement of this goal already exists—in 1972 the USSR and the United States created the Standing Consultative Commission, whose jurisdiction includes the solution of contentious questions concerning violation of arms control agreements.

Posing the question of trust in principle, R. McNamara believes that ultimately "the arms control process does not require that we trust the Russians.... For did it not correspond to the interests of both sides, there would be no need for it" (p 68). That the establishment of control over arms corresponds to the interests of both sides is not in doubt. Consequently, the author rightly believes, it is essential to formulate confidence-building measures and take practical steps simultaneously inasmuch as these are two parts of a single process. He also proposes a specific action program: reconsidering the principles on which U.S. and NATO strategy is built; sharply reducing strategic arms; freeing Europe from medium-range missiles; sharply reducing other nuclear weapons in the Old World; adopting measures to balance conventional arms; confining SDI to laboratory research; strengthening the ABM Treaty.

As a whole, R. McNamara's study, despite the contentious nature of certain propositions and conclusions, is of considerable interest. It graphically demonstrates that the uncertainty and defective nature of theoretical computations are fraught with dangerous practical results and that in the modern world simply recognizing the danger of the nuclear threat is insufficient. It is essential to counteract it in practice, and it is necessary to start, what is more, with a change in thinking.

The book, which has been written entirely loyally in respect of the present U.S. Administration, which the author does not suspect of "dark designs," of such an authoritative figure and specialist in military-political problems raises the following question: will there be influential forces in the United States capable of changing the outmoded thinking? The work gives no answer. R. McNamara himself adduces a considerable number of pronouncements of specialists and politicians in support of a change in the American and NATO military-political course and foreign policy thinking in accordance with the realities of the nuclear age. In addition, he points to the existence of doubts about their being right even among the supporters of the "hard line" of the R. Reagan administration (pp 94, 104, 105). Nonetheless, common-sense is not gaining the ascendancy in the political thinking of Western leaders. It would seem that at the present stage the forces which are at the helm in many Western capitals are suffering from a manifest ossification and dogmatism of political thinking.

The supporters of disarmament are accused in the West of a lack of realism and utopian thinking. However, the "realism" of the devotees of the traditional approaches and the old thinking "ignores reality," and "utopia is a goal and not a policy" and could as such contribute to the formulation of a far more realistic policy than those

which are being proposed by the so-called "realists". This conclusion, inter alia, is contained in a report of former statesmen of Western countries and prominent specialists in the field of international relations (which included R. McNamara also) who made under the aegis of the Aspen Institute for Humanistic Studies an analysis of the current state of relations along East-West lines (2). The book in question describes the work of this group, and the new political approaches for which the members of the Aspen group call also should, furthermore, the author believes, become more prevalent.

In reality the reactionary part of the West's ruling circles has sufficient levers and means of influence to resist this. Its arsenal contains deliberate manipulation of information, the kindling of chauvinist sentiments, speculation with so-called "Western values," the spurring of an atmosphere of fear and the use of other methods of preserving the compromised clichés of thinking. The interests of the military-industrial complex and reactionary political forces passed off as the interests of whole peoples, widespread psychological sluggishness, when the existing order of things is stubbornly preferred to any changes, the class solidarity of rightwing conservative forces and, finally, the dangerous intrigues of individual personalities with power—all this is a far from full list of the factors explaining why the U.S. leadership cannot tear itself away from the grip of the old thinking. Nonetheless, the appearance of such realistic, serious studies as R. McNamara's book reinforces the hope of the victory of the new thinking over the old, outmoded thinking.

#### Footnotes

1. See MEMO No 12, 1986, pp 75-94.

2. "Managing East-West Conflict. A Framework for Sustained Engagement," Statement of the Aspen International Group, Aspen Institute for Humanistic Studies, New York, 1984, p 27.

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#### Review of Books on East-West Cooperation

18160012q Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8 Aug 87 (signed to press 17 Jul 87) pp 137-140

[V. Chistov review "For East-West Cooperation" of books "United States-West Europe and the Problem of Detente", Exec. ed. Prof Yu.P. Davydov, doctor of historical sciences, Moscow, "Nauka", 1986, pp 254; and "Osthandel als Problem der Atlantischen Allianz. Erfahrungen aus dem Erdgas-Roehren-Geschaeft mit der UdSSR", Claudia Woermann, Forschungsinstitut der Deutschen Gesellschaft fuer Auswaertige Politik e. V. Arbeitspapiere zur Internationalen Politik, Bonn, Europa Union Verlag, 1986, pp 243]

[Text] Both the books in question are on the same subject: what is the content and understanding of the East-West problem from the viewpoint of Washington on the one hand and the United States' allies on the other and what are the prospects of detente in this light.

The group work of Soviet scholars, which was prepared in the USSR Academy of Sciences United States and Canada Institute, encompasses the range of the said questions in its entire complex: political, military-political, economic and ideological aspects. Dr Claudia Woermann, the international affairs specialist, has set herself a more limited task. She endeavors in her study "Trade With the East as a Problem of the Atlantic Alliance," which was published in the FRG, primarily to show on the specific basis of supplies to the West European countries from the USSR of natural gas and the "return" sale thereto of pipes and equipment the specific approach of the United States on the one hand and its transatlantic partners on the other to East-West economic relations and their views on the fate and prospects of detente.

It makes sense studying these books together, mainly because in both cases the assessments of the U.S. Administration's approach to the highly material problems reflecting the concern common to both East and West Europe at the prospects of the further development of relations between the opposite social systems are quite similar.

The cardinal, key question of the present day is the removal of the threat engendered by imperialism of an all-extminating nuclear catastrophe. The sole path to this is a consistent deliverance from nuclear weapons, the halting and turning back of the arms race and the prevention of a new, truly fatal spiraling thereof—its spread to space. New thinking and new approaches based on the sole correct postulate that peace and the interests of man's survival are the highest value are needed for this.

The Soviet scholars have shown clearly that all the problems studied in their monograph are focused, as it were, in the main issue of our time. The material of the book leads to the conclusion that the entire complexity of the present situation is directly linked with the fact that for socialism the new thinking ensues from its essence, whereas imperialism in itself by no means leads toward it. Employing Balzac's formula, it may be said that, on the contrary, imperialism can now prepare "an equation all of whose terms cancel one another out". Nonetheless, under the influence of the imperatives of actual reality and the threat to mankind's very existence shoots of the new thinking are blazing a trail even in America, where the counteraction to the disastrous policy of the ruling circles is increasing.

All aspects of the interrelationships of such most important capitalist "power centers" as the United States and West Europe merit increased attention in this light. Two

trends are ascertained distinctly here today—centripetal and centrifugal. Both—and an underestimation of either could do serious damage—are analyzed in detail by the Soviet specialists. It would seem, however, that it should have been shown more distinctly how at individual stages now one, now the other comes to the fore. The Reagan administration is attempting to make the maximum use of the preservation and, at times, strengthening of the trend toward unity. As the authors rightly note, “Washington’s priority steps included the establishment of reliable control over the West European states’ measures to develop relations with the East” (I, p 150).

The material adduced in both works testifies convincingly that the forms of rivalry of the imperialist “power centers” should be seen as the latest and highly important manifestation of the general crisis of capitalism. Its most important contradictions expressed in political confrontations and power pressure, trade and currency “wars,” the struggle for technological superiority and the undermining of the partners’ competitiveness, a redivision of markets and spheres of influence and so forth are now reaching their apogee and being exposed at the macrolevel precisely in their confrontation. More precise analysis and conclusions on this score, as also increased attention to the current singularities of the effect of the law of the unevenness of the development of capitalism, might have been expected of the Soviet authors’ monograph.

In the military plane the gap in favor of the United States has grown and continues to grow, and it is precisely because of this, as the work emphasizes, that “the West European ‘power center’ has not been in a position in the recent period to make its pronounced mark on the course of world events” (I, p 18).

The correlation of economic forces is a more complex matter. Up to the mid-1970’s West Europe had in a number of indicators not only caught up with but also overtaken America. Relying on the possibilities of the S&T revolution, the United States exerted the maximum effort to take revenge and scored manifest successes, particularly in the sphere of the latest technology. Now the Old World has been forced to concern itself with eliminating the technology gap and dependence on its transatlantic rival. All this is making its mark not only on relations between them but also on the approaches to detente and the East-West problem.

Granted all the particularities of the positions of individual states, West Europe is considerably more prepared than America for a transition to the new thinking: fear in the face of actual new twists of the arms race spiral here exceeds apprehensions connected with the far-fetched “Soviet threat”. The difference in approach is manifested in respect of the majority of directions and parameters, which is shown convincingly in both books. Such chapters of the work of the Soviet scholars as “Detente and the North Atlantic Bloc” and “Military Strategy of the United States and NATO and East-West

Relations” analyze the factors of the intensifying crisis of the aggressive alliance. At the same time, however, the power methods being imposed by Washington to overcome it are unacceptable to its allies. In the journal *VORWAERTS* (FRG) the well-known social democratic figure E. Bahr observes: “Unilateral actions of the United States are poison to the alliance and a challenge to all of detente,” whereas “Europeans on both sides (my emphasis—V.Ch.) have shown their interest in and capacity for preserving the results of detente” and proceeding further along this path (I).

The contradictions between the United States and West Europe are being manifested very graphically in the approach to economic relations with the socialist countries. In reducing its trade with them to the minimum Washington is proceeding from the premise that this low level could complicate the development of the socialist states and is attempting to persuade its allies of the “danger” of an expansion of these relations (I, p 114). Both works attentively trace Washington’s measures pertaining to the shaping, with the assistance of the annual top-level meetings of the “seven” included, of a common “Eastern trade policy”. However, the attempts at diktat are encountering growing resistance in the Old World. C. Woermann observes that “the constant changes in American trade policy with the East are introducing a substantial element of uncertainty to all efforts to shape common trade-policy decisions” of the capitalist powers in this respect (II, p 4). Her book sets forth the history of the failures of embargoes and restrictions, enumerates the United States’ latest attempts to disrupt “Eastern trade” and ban the exchange of advanced technology and, as in the other monograph in question, shows convincingly why this is not succeeding. At the same time, however, the positions of West European countries have been and remain inconsistent; under the flag of dogmatically interpreted “Atlantic solidarity” Washington frequently succeeds in having the CoCom (the coordinating committee for controlling exports to the socialist countries) restricted lists extend to so-called “dual-purpose commodities” and products demonstrated at exhibitions and in organizing a “Co-Com marathon” for a continuous revision of the lists.

We should put among the strong aspects of the Soviet specialists’ work the fact that the chapters on East-West economic relations have shown “the boundaries beyond which the ruling circles of West European states objectively cannot accommodate the demands of the United States without forgoing fundamental economic and political interests” (I, p 128). In C. Woermann’s book these questions are interpreted vaguely and accompanied by relatively naive appeals to Washington “to consider the interests of Europe”.

In both studies the reader will find evidence that the “stick” seemingly intended by the United States for the socialist states is hitting with the other end, and very palpably, the West European countries, including the neutral countries (I, pp 128-129; II, pp 179-181 and elsewhere).

The well-known energy project—the running of the gas pipeline and the supply of gas from the USSR—became a notable test of positions and “trial of strength”. Significance going far beyond commercial deals is attached to the first truly all-European project, in which 16 states participated in one way or another.

In this light the conclusions and assessments contained in C. Woermann’s work are of undoubted interest. The conflict between the United States and West Europe in connection with realization of the project cannot, as the author emphasizes, be considered surprising; it was determined by the fundamentally different attitude toward “Eastern trade” which had been manifested earlier also. Nor has the potential for new clashes of interests in this sphere diminished at all (II, pp 4-6, 171). Moreover, the “gas project” reflected positive shifts in Europe (it is noted that the FRG, for example, had in 1962 participated in the embargo on supplies of pipes to the USSR, but has now become an active supporter of the said project), prompted a polarization of the supporters and opponents of economic relations with the socialist countries in America itself, intensified the trend toward West Europe’s technological independence of the United States and thereby lent impetus to such projects as Eureka, Esprit and others (II, p 204). Finally, proceeding from evaluations of the International Energy Agency (IEA) and numerous discussions with specialists, C. Woermann concludes that the West European countries’ need for gas imports will have doubled by the year 2000. Despite the rapid growth of production in Norway and Holland, it is perfectly possible to expect in the 1990’s a new proposal addressed to the USSR for an increase in gas supplies and the building for this of a further gas pipeline (II, p 174).

Both books were written prior to the meeting in Reykjavik, which threw light both on unprecedented opportunities for nuclear disarmament and international security and the tremendous difficulties of this process connected with the ossification of the policy of Washington, and some of its allies also. The solution of the questions raised in the Icelandic capital would open the way to the creation of a system of collective security, including economic security also, and the establishment of a new order in world economic relations corresponding to contemporary demands.

The opportunities for the development of economic contacts between West and East Europe are considerable. Such objective prerequisites as territorial proximity, similar level of economic development, complementarity, the synchronism of the process of structural and technological rebuilding and the considerable experience of mutual relations are particularly strong here.

The aspiration of the Eastern and Western partners to closer economic cooperation, including measures to overcome, in H.-D. Genscher’s words, the technical division of Europe, came to light distinctly, particularly, at the Vienna meeting of representatives of participants

in the Conference on Security and Cooperation in Europe. As far as new forms of cooperation are concerned, a great deal of work still has to be done here on both sides on designing models thereof. To how inadequately these questions have been elaborated in our country from the scientific and practical aspects and to how much the traditional approaches are still predominant the “New Forms of East-West Economic Relations” chapter in the book prepared by the United States and Canada Institute testifies. Specifically, the certain skepticism manifested here concerning the creation of joint enterprises with capitalist firms is puzzling. The reference to “differences in the socioeconomic systems of the cooperation partners” cannot in this case serve as an argument (I, p 134).

The diverse cooperation of CEMA and the EC, also manifestly inadequately reflected in the said monograph, which is being held back on the part of the West as yet, could be a considerable component of the all-European process. The “catalogue of opportunities” of such cooperation presented in the European Parliament by Seeler (FRG), which incorporates, in particular, a mutual exchange of economic information, the harmonization of statistical methods and the elaboration of common standards in industry and the environmental protection sphere, joint activity in the sphere of the transport and energy infrastructure and even “the inclusion of Eastern partners in West European technological cooperation within the Eureka project framework” (2), attracts attention.

As a whole, both books confirm convincingly how important and objective a demand of our time is the positive development of East-West relations, an extension of the all-European process, a revival of detente and a strengthening of peace and all-around cooperation.

#### Footnotes

1. VORWAERTS, 28 June 1986.

2. HANDELSBLATT, 26 September 1986.

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#### Book on Warsaw Pact Policy Reviewed

18160012r Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 140-141

[A. Borisov review “Guarantor of International Stability” of book “Vneshnyaya politika stran Varshavskogo Dogovora. Pervaya polovina 80-x godov” [Warsaw Pact Foreign Policy. First Half of the 1980’s]. Ex. ed. Professor I. I. Orlik, doctor of historical sciences, Moscow, “Nauka”, 1986, pp 319]

[Text] The role of the foreign policy of the alliance of socialist states which united voluntarily more than three decades ago in the interests of the defense of peace and

socialism is exceptionally great in the development of contemporary international relations. Study of various aspects of the foreign policy activity of the Warsaw Pact (WP) is inseparably connected with questions of the formation of the new type of international relations and the development of socialism as a world system and the problem of man's survival in the nuclear age.

The group work of Soviet scholars in question\* makes a thorough attempt to examine the main direction of the foreign policy of the Warsaw Pact states in the first half of the 1980's, when there was a sharp increase in the aggressiveness of imperialism and mankind was confronted in all seriousness with the question of self-preservation. It is not fortuitous that the scholars' main attention is concentrated on an analysis of the foreign policy activity of the allied states as a most important factor of the stability of the entire system of international relations of the end of the 20th century. "The main thing on which the USSR and the fraternal socialist countries are now concentrating their efforts," the introduction emphasizes, "is removal of the threat of a world nuclear catastrophe and a halt to the arms race" (p 5).

The endeavor of a number of Western politicians to link the question of a strengthening of international stability, for example, with the SDI program, which allegedly promises mankind "lasting peace," the doctrine of "nuclear deterrence," NATO activity or the formation of an alliance of the main centers of imperialism—the United States, West Europe and Japan—is well known. Upon examination all this amounts merely to new attempts to isolate socialism, exacerbate the confrontation of the states of the two systems and deepen the division of mankind. The authors of such plans are incapable of rising to a recognition of general interests imperatively demanding the establishment between countries with different social systems of correct businesslike relations and the conclusion of a kind of "historic compromise," whose framework is accurately defined by the policy of peaceful coexistence.

This is the "categorical imperative" of the modern world filled with lethal weapons—a world which is contradictory and which reflects the confrontation of different class forces, but at the same time is interdependent and integral. The new political thinking, which the allied fraternal states have adopted, takes fully into consideration the realities of our time and serves as a constructive ideological basis determining the purposefulness and consistency of their collective peace-loving efforts on the international scene.

Of course, this idea also is propounded distinctly in the work in question, and the efficacy and efficiency of the concerted actions of the Warsaw Pact participants to ensure international peace and security are directly dependent on the degree of their unity and cohesion, the acceleration of economic and S&T cooperation, an

extension of socialist economic integration and, of course, successes in economic building of both individual countries and the socialist community as a whole.

It is sufficient to say that in three decades of the existence of this defensive alliance (from 1955 through 1984) the aggregate national income of the participants increased by a factor of 5.4. The share of the Warsaw Pact states, in which approximately 8 percent of the world's population lives, in world industrial production has grown from one-fifth at the start of the 1950's to approximately one-third at the present time (pp 68-70).

The comprehensive restructuring based on an acceleration of S&T progress which has begun in the USSR and the improvement of the economic mechanism in the fraternal socialist countries are making it possible to augment the power and authority of the WP even more and are having a salutary effect on the state of international affairs as a whole.

The results of the political interaction of the allied states, which are linked by community of goals and interests, are manifested most perceptibly on the European continent, where the main frontier of the direct confrontation of the two world systems and their military-political groupings runs. As a result of the persistent enterprising efforts of the WP members and also the realism displayed by ruling circles of the West an intricate mechanism of multilateral all-European cooperation representing a practical alternative to the division of the continent has been commissioned and an effective "model" of the mutual relations of class-opposite states of significance not only for Europe but also all other regions, the Asia-Pacific region particularly, has been created. As the authors emphasize, the strengthening relations between the two parts of the continent "are molding in the peoples of Europe a feeling of common responsibility for its fate" (p 29).

Striking confirmation of the consistent peace-loving policy of the fraternal countries were the results of the latest (Berlin, May 1987) meeting of the Warsaw Pact Political Consultative Committee, at which a document on these countries' military doctrine was adopted. It clearly expresses the defensive nature of the military strategy of socialism and serves to develop dialogue between the WP and NATO and to build confidence in Europe.

An undoubted merit of the book is the comprehensive envelopment of the problems broached and the scientific analysis of both the collective initiatives put forward at Political Consultative Committee Foreign Ministers Committee sessions and of the foreign policy activity of each of the seven allied states. The group of authors has succeeded in showing that the general and the nationally particular are organically interwoven in the WP's international activity, expressing the trend toward the unification of the countries of the socialist community's efforts in the struggle for peace and the survival of mankind and the close cooperation and unity of action,

given strict consideration of the specific interests of its individual members, their geographical position, historical experience and so forth, a trend inherent in their relations and manifested as a regularity.

Particular significance within the framework of the organization's activity is attached to the foreign policy activity of the Soviet Union, which is making a substantial contribution to the collective peace-making and defensive efforts and which enjoys the deserved support of its allies and friends. As distinct from imperialist blocs, the North Atlantic bloc primarily, where relations between the partners take shape "by force," the relations of the WP states are characterized by genuine democratism and equality, an absence of anyone's "special rights and privileges" and patient work on the coordination of collective positions in a spirit of international solidarity and comradely mutual assistance.

It has to be mentioned that the authors should have undertaken a really in-depth scientific analysis of how specifically the process of the formulation of concerted decisions is realized, disagreements are overcome and opinions which do not always and in all things concur are brought together. After all, the Warsaw Pact, this alliance of truly equal socialist states united by a resolve to defend peace in the world, has accumulated unique historical experience of the coordination of foreign policy activity and the pursuit of a concerted line in international affairs.

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**Book on U.S. Southeast Asian Policy Reviewed**

18160012s Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 142-143

[E. Grebenshchikov review "On the Paths of 'Neoglobalism'" of book by V. S. Rudnev, "Politika SShA v Yugo-Vostochnoy Azii" [U.S. Policy in Southeast Asia], Moscow, "Nauka", 1986, pp 191]

[Text] The book in question is valuable primarily for the fact that the factual material contained therein makes it possible to trace Washington's policy in Southeast Asia both under the Democrats and the Republicans in the period since the Americans' forced departure from Vietnam. The author shows that the United States' relations with the Indochina states and the ASEAN countries are based on different premises and principles. In the first case an openly hostile policy presupposing not only a rejection of the normalization of American-Vietnamese relations but also attempts to "organize against Vietnam and Cambodia a political-diplomatic blockade" (p 111) has been pursued and continues to be pursued even now. "The White House's entire Indochina policy has been

constructed primarily on use of the ASEAN grouping in the struggle against the Indochina countries" here (p 116). American hegemonism, albeit in a softened, "cultured" version, has also permeated the complex of United States-ASEAN relations.

Burma (pertaining, undoubtedly, to Southeast Asia, but standing somewhat apart there) and Papua New Guinea (belonging, strictly speaking, to the South Pacific) are incorporated in the context of the study. Only a few lines, the main import of which is that the United States "has sought increasingly persistently to expand its political positions" in this country (p 80), have been devoted to the latter, it is true. There is also extremely cursory mention of Burma, and there is virtually no mention of it in chapters two and five, what is more, although it figures in the titles.

As of the end of the 1970's the region—largely through the efforts of the American neoglobalists—has in fact been divided. On one side of the "barricade" are the ASEAN countries, on the other, Vietnam, Laos and Cambodia. The author attentively traces the political struggle and the clashes of opinions in the United States on the problems of Indochina. He notes that "the argument concerning the expediency of a stimulation of subversive operations in Vietnam and other countries of this region which has flared up in American ruling circles, including Congress, has concerned not so much the moral aspect of such a venture as its efficiency. This argument has merged with the general debate concerning methods of interference in the affairs of countries which have opted for a progressive development path" (p 112).

As the book shows, the struggle within U.S. ruling circles concerning the "Vietnam legacy" has in recent years been concentrated on the problem of military support for the Cambodian counterrevolutionary groupings ensconced on Thai territory. In 1985 the U.S. Congress approved for the first time the allocation to them of \$5 million in addition to the resources dispatched along secret channels (pp 127-128).

The imperial pretensions of the present administration extend to the ASEAN countries also. Partner-type relations in their class essence (and in the case of Thailand and the Philippines, allied even) with the United States are not sparing the states of this group pressure, quite high-handed at times, on the part of the trans-Pacific power, which is serving as a source of serious disagreements.

"The prophets of American neocolonialism," V. Rudnev writes, "had difficulty acknowledging its (ASEAN's—E.G.) economico-political soundness and at times openly predicted the inevitable collapse of its economic ventures, as they had also done in respect of other economico-political regional associations of the developing countries" (p 100). U.S. interference in the internal affairs of the countries of the association is revealed by the author in a multitude of examples. However, the

important question of the extent to which the United States influences these states' international activity and domestic political events in the nonsocialist part of the region nonetheless remains unclear. The impression that is created is sometimes that American penetration of the ASEAN countries is boundless and that Washington "monitors" all questions pertaining to the "six". The said grouping is unequivocally presented to the reader as a firm American springboard, the completely passive side and a simple object of manipulation (see pp 11, 29, 58, 61, 62, 66-71, 146, 150).

Take, for example, the assertion concerning the United States' encouragement of the activity in Indonesia of Christian missionaries, "who succeeded in persuading even certain prominent Indonesian figures and members of their families to adopt Christianity" (p 65). It is common knowledge, however, that Christianity has long been prevalent in this country and that the population here, what is more, is distinguished, in the main, by great religious tolerance. The author writes here, incidentally, about the strengthening of the United States' relations with Muslim circles of Indonesia and Washington's attempts to portray it as a "model country of Islam".

While describing in detail the Pentagon's efforts to pull the countries of the association into the channel of its military-strategic preparations V. Rudnev nonetheless nowhere records, for example, the fact of key significance that Southeast Asia's biggest country—Indonesia—advocates the removal of foreign military bases in this area and has never allowed of the possibility of their location on its own territory. It has also been ascertained recently that the United States and some countries of the grouping adhere to opposite viewpoints on the question of the proclamation of Southeast Asia as a nuclear-free zone. Only in the final part of the work is there for the reader information on the fact that far from all ASEAN countries are prepared to follow the trans-Pacific power and on some problems are displaying considerable independence of judgment.

Speaking of the intensification of anti-Americanism in Indonesia, Malaysia and the Philippines, the author unexpectedly for the reader, who has been prepared by the entire course of the exposition for a different conclusion, states the absence in the United States of "effective means for changing this mood" and the emergence of "panic assessments" allowing of the "collapse" of America's positions even (pp 151-152).

The scholar rightly notes that the R. Reagan "team" has operated in the spirit of the "Nixon doctrine," urging the allies "to build up their own military efforts for the achievement of America's military-political goals" (p 138). There is, however, reason to believe that at the present time preference is nonetheless given the use of nonmilitary means and the sharply increased economic possibilities of Japan and other highly developed capitalist states (Washington's diplomacy has had considerable success here, incidentally). The finding formulated

in conclusion concerning the "sharp increase in the military-strategic role of Southeast Asia" and, again, "the sharp growth of the economic significance" of the region for the United States (p 169) seems for this reason unduly categorical. There are many such judgments in the book. Thus on page 53 it is a question of the "unswerving growth" of Washington's interest in ASEAN, on page 3, of "the sharp increase in American economic expansion". Imperialism's activity in the Southeast Asian countries is constantly maintained at a relatively high level, but even here ebbs and flows, recessions and upturns are observed. It is not a question, I believe, of some rectilinear but, rather, a zigzag-like process, which, incidentally, is also confirmed by data adduced by the author himself.

With the enlistment of reputable sources V. Rudnev reveals the particularities of the activity in the region of the American TNC and the United States' attempts to use in its selfish interests the technology factor and encourage the development here of private ownership relations. It is revealed here that in view of the inauspicious conditions and owing to conflicts with local government monopolies the United States sometimes has to retreat also, winding down operations in the ASEAN zone (pp 164-168).

The activity of American business (the author aptly terms it "clumsy") is encountering, furthermore, broadening Japanese expansion. Interimperialist partnership and rivalry, the multilateral diplomacy of imperialism in Southeast Asia—these are, of course, subjects for separate study. Currently Washington is having its way, operating not only via bilateral channels but also via various strengthening Pacific organizations and forums.

The times of the Pax Americana in Southeast Asia have definitely passed. The peoples inhabiting it aspire to greater independence and are spurning the American diktat. And voices of authoritative figures in support of a policy which takes into consideration the actual situation in the region are being heard increasingly insistently in the United States itself. The well-known American orientalist B. Gordon, in particular, calls in FOREIGN AFFAIRS for a reconsideration of the policy of confrontation and an expansion of business contacts with Vietnam and Cambodia. He, in particular, considers it necessary to lift the embargo on the United States' trade with Vietnam and Cambodia and abandon its action against the granting of Japanese economic assistance to Vietnam.

Some of the assessments of the author of the monograph in question may, of course, be disputed, nor can we agree with all his conclusions. But one thing, we believe, is indisputable: a book has been published which definitely merits the attention of all who are interested in U.S. policy in Southeast Asia.

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### New Book Notices

18160012t Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 87 (signed to press 17 Jul 87) pp 146-149

[Excerpts] The book by Sergey Losev and Vitaliy Petrusenko, "Zapadnya na Potomake. Podyem i padeniye Richarda M. Niksona" [Trap on the Potomac. The Rise and Fall of Richard M. Nixon] (Moscow, Izdatelstvo APN, 1987, pp 544) is devoted to an episode from the secret activity of the FBI-CIA "Siamese twins". The well-known Soviet international affairs journalists (for V. Petrusenko, who died in 1986, this was his last book) describe in their documentary tale the life story of the 37th president of the United States. His political career was broken off owing to the events of 1972-1974, which came to be called the "Watergate Affair," "Watergate Scandal" or simply "Watergate". We recall that this is the name of the building on a bank of the Potomac which houses restaurants, a hotel, a swimming pool, offices, stores and condominium apartments (some of which costing hundreds of thousands of dollars) and much else. On the night of 16 June 1972 a group of people broke into the premises of the Democratic Party's National Committee located here during the campaign for the reelection of R. Nixon as president from the Republican Party to install bugging devices. The break-in was unsuccessful, and the criminals were arrested.

It should be said that the strictest judges acknowledged subsequently that the former president was not personally party to this crime. But he did participate in attempts to cover up the scandal. It was this that led to his early departure from the White House in 1974.

Many years have elapsed, but there is still no answer to key questions of this "affair". Who gave the order for the Democratic Party National Committee's premises to be broken into? What was the true aim of the burglars?

From the very start of his political career R. Nixon had shown himself to be a reactionary to the core. But it was he who resolved in 1972 to consent to the signing of the SALT I Agreement and the ABM Treaty: the fierce anticommunist had become a supporter of detente policy. As the authors of the book believe, it was the latter which was the real reason for "Watergate". The tracks, they believe, lead to Langley, where CIA Headquarters are located.

Studying and, even more, forecasting the policy of various states and the situations taking shape in this region or the other is a highly complex business. If only owing to the complexity of the subject of study itself—the system

of present-day international relations, in which approximately 160 countries, large and small, interact. As distinct from all preceding historical eras, this system is today of a global, truly worldwide nature. In addition, there has been a considerable complication of the forms and content of international relations. Finally, the process of interaction in our time is unfolding under conditions of nuclear confrontation and the hitherto unprecedented threat of the annihilation of all mankind.

The difficulties of the study and forecasting of contemporary international relations is brought about, however, by another factor also—the lack of methods of research and forecasting adequate to the very subject of study. The following book of R.N. Dolnykov is of interest in this connection: "Methodology and Procedure of the Forecasting of the Foreign Policy of Nonsocialist States. Experience of a Systemic Organization of Concepts" (Moscow, Glavnaya redaktsiya vostochnoy literatury izdatelstva "Nauka", 1986, pp 254). The purpose of the work, as the author himself writes, is to "attempt to develop a methodological description of the mechanism of the action of foreign policy processes and also to suggest a possible version of a procedure of forecasting the development of foreign policy events" (p 11). Whether this task has been accomplished, the reader will judge. We would add that the appendix provides a very detailed and systematized "list of factors" characterizing the internal condition of nonsocialist states and their position in the international arena; as the author emphasizes, it is of a general, reference nature. The procedural recommendations for an analysis and forecasting of an international conflict appended to the work are of definite interest also. Although, we would note, the main text of the book contains practically no mention of this complex and little-studied subject.

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#### Publication Data

18160012u Moscow *MIROVAYA EKONOMIKA I  
MEZHDUNARODNYYE OTNOSHENIYA* in Russian  
No 8, Aug 87

English title: WORLD ECONOMY AND INTERNA-  
TIONAL RELATIONS No 8

Russian title: MIROVAYA EKONOMIKA I MEZHDU-  
NARODNYYE OTNOSHENIYA

Editor: Ya.S. Khavinson

Publishing House: Izdatelstvo TsK KPSS "Pravda"

Place of publication: Moscow

Date of publication: August 1987

Signed to press: 17 July 1987

Copies: 26,000

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rovaya ekonomika i mezhdunarodnyye otnosheniya",  
1987

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