

234083

JPRS-UWE-85-007

28 June 1985

USSR Report

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No. 3, March 1985

Reproduced From
Best Available Copy

DTIC QUALITY INSPECTED 4

19991008 103

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

3
138
A07

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

28 June 1985

USSR REPORT

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 3, March 1985

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language monthly journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA published in Moscow by the Institute of World Economy and International Relations, USSR Academy of Sciences.

CONTENTS

English Summaries of Major Articles (pp 158-159).....	1
Yakovlev on Roots, Methods of U.S. 'Militarism' Under Reagan (pp 3-17) (A. Yakovlev).....	5
U.S. Stand on Disarmament at 1984 UN General Assembly Hit (pp 18-28) (Yu. Tomilin).....	23
Evolution of CEMA Joint Economic Planning Detailed (pp 29-39) (A. Nikol'skiy).....	36
U.S. Military Space Programs Surveyed (pp 40-50) (G. Khozin).....	47
The Developing Countries and the International Debt Crisis (pp 51-62) (S. Solodovnikov) (not translated)	
The Capitalist Economy in 1984 (pp 63-82) (not translated)	
FORTIETH ANNIVERSARY OF THE GREAT VICTORY	
Stalin, Molotov, Gromyko Roles in U.S.-USSR WWII Cooperation (pp 83-90) (V. Avakov).....	54

DISCUSSION

Polemics Over Idea of Single 'Worldwide Economy' Described (pp 91-102) (A. Shapiro).....	67
---	----

EXCHANGE OF OPINIONS

Discussion of Significance of Reagan Election Victory (pp 103-114).....	87
---	----

PLATFORM OF THE ECONOMIST AND INTERNATIONAL AFFAIRS EXPERT

Scholars Discuss IMEMO Book on Third World Economic Development (pp 103-114).....	105
Editorial Introduction	105
'Catch-Up Development', by N. Shmelev	105
Economic Interdependence With West, by N. Simoniya	120

SURVEYS, INFORMATION

Interstate Raw Material Exporter Associations and Market Regulation (pp 134-142) (Yu. Levin) (not translated)	
---	--

BOOK, AUTHORS

E. Obminskiy Review of "New Thinking in the Nuclear Age" (pp 143-144) (A. Gromyko, Vl. Lomeyko) (not translated)	
V. Davydov Review of "No Fire, No Thunder. The Threat of Biological and Chemical Weapons" (pp 145-146) (S. Murphy, A. Hay, et al.) (not translated)	
O. Gamova Review of David Simpson's "The Political Economy of Growth. Classical Political Economy and the Modern World" (pp 147-148) (not translated)	
Review of L.I. Solov'yeva's "Problems of Social Security in the EEC Countries" (pp 148-149) (Yu. Borko) (not translated)	
Review of R.A. Faramazyan's "The Military Economic of American Imperialism" (pp 150-152) (P. Sokolov, D. Kharitonov) (not translated)	
Review of Horst van der Meer's "Politische Rolle und Funktion der Monopolverbaende in der BRD" (pp 152-154) (T. Smirnitskaya) (not translated)	
Review of Brojendra Nath Banerjee's "Cancun to New Delhi. South-South Cooperation" (pp 154-156) (I. Karpov) (not translated)	
Eightieth Birthday of A.M. Rumyantsev (p 157) (not translated)	

PUBLICATION DATA

English title : WORLD ECONOMY AND INTERNATIONAL
RELATIONS No 3, March 1985

Russian title : MIROVAYA EKONOMIKA I MEZHDUNARODNYYE
OTNOSHENIYA

Author (s) :

Editor (s) : Ya.S. Khavinson

Publishing House : Izdatel'stvo TsK KPSS "Pravda"

Place of Publication : Moscow

Date of Publication : March 1985

Signed to press : 13 February 1985

Copies : 27,000

COPYRIGHT : Izdatel'stvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya", 1985

ENGLISH SUMMARIES OF MAJOR ARTICLES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 158-159

[Text] A. Yakovlev in the article "The Sources of Threat and Public Opinion" examines the reasons for the display of reaction in the imperialist policy and identifies the main of them to be the considerable weakening of U.S. relative positions in the world towards the end of the 20th century practically in all fields: economic-scientific, technical, social, political, ideological etc. The U.S. ruling circles are doing their best to maintain, wherever possible, the control over world events, continue to use in their own interests the aggregate economic and military power of the imperialist countries, particularly through NATO and EEC. The article focuses on the fundamental reasons of their growing anti-communism orientation on militarism, revanchism and class aggression up to and including nuclear adventurism. It is pointed out that the militarism of the 1980's has become the practice, policy and ideology, i.e. basis of U.S. interventionist strategy. The author notices that domination of the extreme right is nothing but the institutionalization of the Washington's long-term program of confrontation with the Soviet Union, the whole socialist community and of the legalization of the nuclear war course. In the present extremely dangerous situation, the article points out, one must not miss a single chance to improve and normalize international relations. The author comes to a conclusion that the world is not doomed to confrontation which is an anomaly in international affairs. The USSR has always come out in favor of serious, constructive negotiations with the aim of strengthening peace, limitation of the armaments race and normalization of the international situation.

The reality of our epoch is such that the nuclear threat is menacing not only states, directly involved in the nuclear-missile confrontation but all countries and peoples without exception, human civilization itself, says Yu. Tomilin in his article "Aversion of Nuclear Danger as an Urgent Task". The Soviet Union as a nuclear power is fully aware of its responsibility of the fate of the world and acts correspondingly the author goes on. Proceeding from this the USSR has put forward a package of concrete proposals at the 39th UN General Assembly Session including a code of behavior for nuclear powers, disarmament, non-militarization of outer space, protection of the rights of all nations to determine their own destiny and banning of policy of state terrorism and other issues. The militarization of outer space would mean not

only a grave danger to humanity but another obstacle to limiting the arms race in other fields. The USSR proposed ban and liquidate a whole class of weapons: space strike means, including antisatellite, antimissile space-based systems as well as any weapons based on land, air and sea intended for hitting targets in space. The USSR is against turning outer space into an arena of deploying mass annihilation weapons which could in the future upset the strategic stability. Some other important points were raised, such as the setting up of nuclear-free zones in various parts of the world, prohibition of chemical weapons etc. The article shows the negative stand of the USA at the Session and stresses that general mood of the overwhelming majority in the UN fully corresponded with the new initiatives proposed at the General Assembly by the USSR and other socialist countries.

A. Nikol'skiy in the article "The Basis of Socialist Economic Integration" considers the planned nature of socialist economic cooperation, its main stages and trends. Such activities within the framework of the Council for Mutual Economic Assistance are being continually improved and are becoming the principal method of collective guidance of the international process. The adoption of the Comprehensive Programme for the Further Deepening and Perfection of Cooperation and Promotion of Socialist Economic Integration has been followed up by a considerable expansion of planning and coordinative activities on a multilateral basis. In the seventies the CEMA countries adopted a policy of long-term planning for the key branches of the national economy. One of the most important features of the long-term multilateral and bilateral programs of cooperation is their direct link with the development of economic-scientific and technical cooperation for raising the living standards of their people. The adoption of such programs is a qualitatively new step for enhancing planning in international economic cooperation and socialist economic integration. The cooperation acquires a comprehensive character aiming at the direct consolidation of forces and means. The broad long-term programs have become one of the most important factors in determining the ways and means for the solution of the key problems of socio-economic development of the CEMA countries for the period of 1981-1985 and up to 1990.

G. Khozin's article "Space Exploration and Social Consciousness in the USA" speaks about the close attention of American public opinion, of its aspirations and doubts concerning the future of our civilization. The progress of space exploration has brought the entire system of natural, technical and social sciences to a qualitatively new "space" stage of development. The author points out that the USSR regards its achievements in space exploration as those of entire humanity being placed not at the service of war but of peace and security of all people. But quite different are the aims pursued by the USA. Adequate material on American space exploration has been accumulated of late to trace the evolution of the social consciousness of the Americans relating to space, as well as the political, economic, military, ideological and other tasks set by the USA to obtain unilateral advantages in space. The article considers the most important aspects of the interconnection between U.S. space exploration and social consciousness. The article exposes U.S. attempts to turn the activity of states engaged in space exploration and employment of space into an arena of fierce political and military rivalry. The article points out that many American scientists realize that the successes

in space exploration are neither able to deliver capitalism from its inherent contradictions nor prevent the further aggravation of major problems which the capitalist mode of production brings to humanity. Ever wider sections of American society are arriving at the conclusion that the solution of the global problems of space exploration is possible only through the reconstruction of the system of international relations. They demand peace and limitation of arms race. Instead of the militarist "star wars" plans and armed expansion in outer space and on Earth today the majority of Americans prefer scientific, economically effective joint plans that would serve the interests of entire humanity.

The article "The Developing Countries and the Crisis of International Indebtedness" by S. Solodovnikov concentrates on the factors, which causes and aggravate nowadays the indebtedness situation. He criticizes the existing perceptions of the Western experts, who account for the present-day indebtedness of the developing countries, emphasizing their economic backwardness. The author's conclusion is that the debt crisis is the result of two sets of factors. A variety of internal factors, namely the backwardness of the developing countries economies, their low-level economic potentialities and structural disproportions, feeding the permanent demand for the financial aid from abroad, is responsive for the current debt situation. The second group of factors encompasses the external conditions, stemming from the inadequate position of the developing countries in the capitalist system of division of labor. These conditions are typified by the neocolonial strategy of the monopoly capital, striving to find new ways in order to keep the developing countries in the orbit of the capitalist exploitation. The author points out that the combination of these factors is very diversified for this or that particular developing country, and thus raising the requirements for the special approach to tackle orderly the debt problem, observing the national interests of economic independence. The final issue under study is the role of the private commercial banks which are on the other side of the debt barricade, so to say, facing today the soaring indebtedness of the developing countries. The latter were entrapped by the transnational banking network guaranteed by the central banks of the industrial states. The growth of the debt reflects the financing of the transnational expansion that helped the OECD countries to smooth the contradictions of the industrial restructuring, shifting the negative implications of the new economic realities to the periphery of the world capitalist economy.

According to the periodical review, presented in this issue, the state of "The Capitalist Economy in 1984" was characterized by gradual recovery after the crisis of 1980-1982. The rates of growth of GNP and industrial production through quite variable from country to country, give evidence to the certain economic advance. The unevenness of the economic development of the imperialist states can be attributed to the differences of business cycles stages in various capitalist countries. The resources of the economic expansion in the USA are likely to have been exhausted, resulting in the reduction of the housing activity and the slow-down in the industrial output in late 1984. Japan has spurred its economic development by the export expansion, especially to the American markets where the overrated dollar promised relative advantages. The capitalist accumulation process in 1984 was marked by serious financial

difficulties, connected with high interest rates and affected by the prolonged overproduction crisis. In the EEC region the negative consequences of the 1980-1982 crisis have not been overcome. Idle capacities remained to be the obstacle for the retooling of the production apparatus. The inflation was still the source of considerable concern. The implications of the industrial restructuring have aggravated the unemployment situation when the reserve labor army did not disappear even during the boom times. In order to cope with these persistent problems the majority of the imperialist states pursued the austerity policies, affecting primarily the social spendings and involving the drastic curtailment of the government entrepreneurship and the diminishing of the aid to the local establishments. Alongside the military expenditures were again favored, bringing about huge budget deficits. The Neoconservative prescriptions being in vogue in the most imperialist states, were not helpful in offsetting the mounting state debts. During the previous year the international capitalist trade has been concentrated within the OECD area with subsequent disadvantages for the developing countries. The review also comprises the well substantiated by statistical tables study of the economic trends, observed in 1984 in the USA, Japan, West Germany, United Kingdom, France, Italy and Canada.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

CSO: 1812/196-E

YAKOVLEV ON ROOTS, METHODS OF U.S. 'MILITARISM' UNDER REAGAN

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 85, (signed to press 13 Feb 85) pp 3-17

[A. Yakovlev article: "Sources of the Threat and Public Opinion"]

[Text] The generation living at the end of the 20th century has a unique opportunity to perceive contemporary world reality by applying the criteria of the long historical process that has spanned an entire century—a stormy, complex, and socially crucial century.

If one looks at the development of the history of the present century in its real dimensions, it is an indisputable fact that the Great October Socialist Revolution has had a decisive influence on this development. Throughout the postrevolutionary period there has been no major, important event that has not been affected by the changes connected with the splitting of the world into two opposite social structures. This grandiose historical change will also henceforward determine the course of civilization and the conflict between the living, healthy beginning in the development of mankind and the social system which has had its day and is seized by a general crisis.

In addition to changes of a progressive, positive nature, which contribute to the further progress of the whole of mankind, events of a negative nature are also taking place in the world. Some of them are not of a current, but rather of a long-term nature and are capable of qualitatively and for many years hence influencing international relations as a whole or certain of their aspects. Immeasurably diverse are today's complex dialectics of real international life and of all the processes of world development.

This primarily applies to the complex of problems connected with war and peace, the arms race, and disarmament.

During the past few years the most important components of detente, which have been of principled significance in overcoming the heavy burden of the "cold war" and in establishing the principles of peaceful coexistence in international relations, have been eroded through the fault of the imperialist powers, and primarily the United States. Confrontation within the general complex of mutual relations between the states belonging to two opposite systems has clearly intensified. Soviet-American relations have been at the

lowest level. In a number of regions of the globe--from the Middle East to Central America--potentially explosive material continue to build up due to unresolved conflict situations and imperialism's desire to place these conflict situations at the service of its own strictly mercenary interests. The scale of military preparations is expanding, the quantitative build-up and the qualitative perfection of mass destruction weapons and of the conventional means of waging war continues, and fundamentally new types of weapons and weapons systems are being developed, including for the purpose of militarizing outer space.

It is precisely now that the problem of preserving civilization and ensuring mankind's very survival tangibly and seriously faces mankind. And this is by no means a rhetorically threatening phrase, but reality itself, a reality which has been formed by the policies of the ruling forces of imperialism, which more and more nervously sets obstacles in the way of the onslaught of time and the inexorable course of history and life itself.

In this context world public opinion's understanding of the real causes of the increasing threat of nuclear war, its real sources, acquires particularly vital significance. Long and purposeful struggle and realism in one's appraisal of the problems facing all the detachments of the antiwar movement and the seriousness and scale of these problems are essential in order to completely eliminate this threat. It is precisely on this basis that it is possible to isolate the forces of war and aggression and fulfill the ideals of peace and cooperation on earth.

I

It would be wrong to explain the United States' departure from the policy of detente and its turn toward fresh confrontation with the world of socialism simply as the result of subjective causes. Of course, such causes are indisputable, they have also played their role here. But the main causes of the latest and most dangerous flare-up of reaction in imperialist policy--in all its aspects, and not only in relations with us--are of a different nature. They have their roots both in the changes in the correlation and distribution of class and political forces in the international arena, and in the real changes in the U.S. position in the world as a whole and within the capitalist system in particular.

The most important factor in changes of the first kind is the general consolidation of the positions of the USSR and the socialist community within the system of international relations over a number of decades, this consolidation having become particularly perceptible during the seventies and beginning of the eighties. Naturally, the consolidation of the positions of socialism, the growth of its foreign policy potentials, and the increase in the authority and attractive force of socialism as a social system cannot help but cause profound alarm in imperialism and the desire to seek and utilize ways and means of counteracting this process more strongly than before. It is also natural that the extremely right-wing, most reactionary section of the ruling class in the West has demonstrated the most hysterical reaction in this connection to the changes taking place and is prepared to resort to any means in its attempts to halt and reverse the course of history.

Analysis of these and a number of other trends in world development in recent decades makes it possible to conclude that there exists a definite objective basis for the socio-class and political alarm which ruling circles in Washington have felt and expressed to an increasing extent during the last 10-15 years. The nervousness of the American plutocracy, despite the demagogic nature of its political-ideological appearance, has real sources. Far from all the problems which today concern the American elite are far-fetched or are recited by it in order to maintain "historical cheerfulness" and a spirit of optimism. (sentence as published) The real historical progress which is gathering pace is gradually narrowing imperialism's opportunities and potential for maneuvering.

Of course, the relative decline in U.S. imperialism's world role, significant at the end of the 20th century, has developed and become tangible from decade to decade. This has affected virtually all its positions--economic, scientific-technical, social, political, ideological, military-strategic-moral, and psychological.

This process has developed around the main pivotal axis--within the sphere of the historical competition with the socio-economic system of socialism, but not only here. Relations with developing countries, with the two other "centers of power" of imperialism, and with individual capitalist countries have also been subjected to change. The world is changing before our very eyes--and for the worse as far as Washington is concerned.

The United States has been deprived of the practical possibility of expecting to be able to attempt to resolve the historical competition between the two systems by military means with impunity. It suffered an obvious military defeat in Vietnam. At the end of the sixties equilibrium was established on a global scale between the military-strategic forces of the two systems. Nothing worthwhile has come of Washington's attempts to utilize economic levers against the socialist countries for political purposes. The United States has been unable to turn the North-South problem into an effective weapon for bringing pressure to bear on the developing countries. The exacerbation of interimperialist contradictions has threatened to weaken U.S. control not only over the economy, but also over the policies and military affairs of the other capitalist countries.

Of course, far from all the changes in the U.S. position have been of an equally irreversible and dramatic nature. One cannot, for example, compare certain passing changes in U.S. economic indexes with the establishment of equilibrium between the military-strategic forces of the two systems. Although the method of direct diktat has lost many of its former possibilities, American imperialism in the seventies and particularly in the eighties is by no means inclined to give up any of its positions in its relations with the socialist, developing, or capitalist countries without putting up a fight. U.S. ruling circles are full of zeal to retain, where possible, their ebbing control over events in those regions where the United States has felt itself master until now.

Within this context Washington has also had to activate to the maximum its offensive imperialist strategy in all spheres of world development--be it the economy or technology, politics or ideology, armaments or military strategy, moral or psychological pressure on other peoples and states. U.S. ruling

circles are not only obsessed with the idea of a "crusade" against socialism, but also with "preventive counterrevolution" against developing countries of socialist orientation, and they maintain a course under the slogan of "unity" aimed at tightening control over their allies.

But something else is also indisputable: The United States is still the strongest country of contemporary capitalism. It retains an appreciable advantage over the other capitalist countries in a number of the chief aspects of economic and scientific-technical development, and also military might. The United States continues to utilize the combined economic and military might of the imperialist countries to serve its own interests, in particular through the mechanism of NATO and the EEC. The operation in Lebanon was also conducted under cover of the smoke screen of "unity" which, incidentally, the United States needs now no less than its allies. Grenada--this interventionist signal of the United States' "born-again might" and its "determination" to use military force was not only intended for the socialist and developing countries, but also for its capitalist partners.

The noticeable slowing down of the rates of capitalism's economic growth since the beginning of the seventies and the three economic crises that have occurred during the last fifteen years have fundamentally trimmed the objective possibilities for ruling classes in the West to pursue a social-reformist policy of flirting with the masses and bribing sufficiently broad strata of the population with the aim of preserving and strengthening the power of monopolistic capital. The policy of increasing pressure on the working people and relying more heavily on "the whip" has come to predominate among the ruling elite--and not only in the United States, but also in all the leading capitalist countries.

In this lie the sources of the political "swing to the right" of ruling forces in the West and the reasons for the assumption of power by highly conservative, if not openly reactionary figures. Hence also the growing anticommunism and the orientation toward militarism, revanchism, and class aggressiveness right up to nuclear adventurism, which are becoming increasingly blatant and are demonstratively included in practical foreign policy and also, it is important to emphasize, in domestic policy.

If one takes the United States alone, appropriations for social needs have been sharply curtailed and a course is being pursued to further redistribute the national income in favor of "big business" and primarily the military-industrial complex. Property inequality is growing in the country. During the first 4 years of the Reagan administration's being in power, the incomes of 20 percent of the poorest families dropped by 8 percent, while the incomes of 20 percent of the richest families rose by 9 percent. The number of homeless people in New York alone has risen to 20,000.

This entire process is a general offensive launched on a broad front by the most reactionary, chauvinist, and militarist forces which are moreover in a state of self-hypnosis, as if history is presenting them with a "unique opportunity" to reverse its course.

This is primarily manifest in U.S. policy. Precisely because people have seen a great deal in this century, what is happening in the country today seems at first glance to be a monotonous repetition of the past, a banal political state of affairs so customary to American life. And indeed, the routine of

American elections is no more than a rather tired spectacle for little-informed and undemanding philistines. As history has shown, the change of command in the White House has no serious political significance, gives rise to no long-term political consequences, and has no fundamental effect on the foreign policy course of successive administrations.

But the 1980 elections introduced something new into the characteristics of party changes. They did not simply signify a Republican return to power. The elections were noteworthy from the point of view that they brought a right-wing conservative group to power which is openly oriented toward militarism and chauvinism, toward force as the main means of policy, and toward a significant and demonstrative revival of the idea of this country's Messianic destiny.

The intensification of imperialism's reactionary nature is a totally natural phenomenon--there is nothing unexpected in this. But to ignore the present change of direction would be tantamount to failing to see the new perspective in which the problem of war and peace appears as a result of the economic and political development of the citadel, the metropolis of imperialism during the seventies and eighties. In other words, the 1980 and 1984 elections sufficiently clearly revealed the political turnabout and all the factors giving rise to it, which, having linked up with the mechanism of power and government, has entered the flesh and blood of the country's general development. This all represents a special danger both from the point of view of the United States' internal evolution and from the point of view of its effect on U.S. foreign policy and on concrete U.S. positions in international affairs.

The course that has won sway is rather deeply rooted in the social soil and consequently has an increased fund of political strength and entails long-term consequences not only for American imperialism, but also for imperialism as a whole, because the current process is characteristic of the entire contemporary stage of capitalism's general crisis.

And as a result, militarism in the eighties more than ever before has become the ideology and practice of U.S. interventionist strategy. On a structural plane, militarism has never before reached such a level and assumed such an all-embracing nature in the United States. And not only the military-industrial complex and the military establishments are its carriers. The clan of ruling politicians, the dominant intellectual elite, and large strata of the "middle class" have become infected with militarism. American militarism is closely connected with antisocialism and anti-Sovietism, but, at the same time, is also directed at others within the capitalist world itself.

Of course, the aggressiveness of American foreign policy is not a new phenomenon. The various stages and modifications of its forms have been recorded by history ever since the United States began the era of imperialist wars in 1898. But, perhaps, there has never before been such a degree of escalation of foreign policy as has marked the activities of the present administration during its first term in office. It has inherited and brought to a state of hysteria an invariable component of American foreign policy, its vector of anti-Sovietism.

The domination of the extreme right-wing in the United States means the consolidation of the basis of antisocialism, militarism, and aggressiveness, and also the qualitative and quantitative stepping-up of the arms race. It is the institutionalizing of Washington's policy of confrontation with the Soviet Union and the entire socialist community, and also a course aimed at legalizing the instruments of nuclear war and "star wars" as its new hypostasis.

Another question is to what degree imperialism will succeed in carrying out its intentions and to what degree the realities of life will drive back chimeras and reckless outbursts of panic fear of history. Adaptation to world development--not artificially modelled development, but real development--is inevitable, and it is a historical imperative for capitalist society. But this can happen only if the forces of socialism, democracy, and progress also henceforward resolutely oppose the bellicosity of this system, which still possesses considerable reserves for economic and political maneuvering and development and is capable of embarking on any adventures in order to preserve the wealth and power of the ruling forces.

II

The end of 1984 and beginning of 1985 have been marked in the American press by a large number of diverse suppositions as to the nature of the second term of the Reagan presidency and his administration. Obviously, as far as the Republican administration's policies with regard to the Soviet Union and the socialist community as a whole are concerned, there are no real grounds as yet for supposing that White House policy in the forthcoming period will in any way vitally differ from the policy of the preceding 4 years. The White House's approach to building relations with our country will be characterized as before by the maintenance of a rather high level of confrontation. This assumption is based on the noticeably enhanced role of militarism that we have noted in American policy as a whole; the inertia of the vast number of new military programs, the developed modernization of the military machine, and the introduction into armaments of new weapons systems, the decisions on which were confirmed by NATO immediately after the U.S. elections. There also exist considerable economic and scientific-technological incentives for the United States' continuation of an intensive arms race in the pursuit of military advantages.

Strategic concepts of direct conflict with the Warsaw Pact member-countries continue to be developed and translated into measures of a military-political and strictly military nature. The imperialist states' gamble on economically exhausting the socialist countries by means of the arms race has undergone no change. Not one postulate of the administration's foreign policy doctrine has been subjected to revision--on the contrary, the fundamental ideas of this doctrine have been confirmed in the Republican Party Platform adopted at the 1984 convention, and in NATO documents of recent months. It is impossible not to see that the idea of "American superpower" and the policy "from a position of strength" enjoy considerable support within the U.S. ruling class and other strata of American society, and also on the part of ruling circles in other NATO member-countries. One can also speak of a relative consolidation in recent years of a centripetal trend as regards the formation of imperialism's combined military might.

There also exist, of course, factors of a different kind--those factors whose effect is objectively aimed at limiting U.S. militarist policies to a certain extent and also limiting, if not U.S. militarist ambitions, then at least the practical opportunities in this sphere. To underestimate the effect of factors of this kind would be just as wrong as overestimating the reasons pushing Washington toward the danger line. What is more, the effect of factors which act as a brake on militarist tendencies could increase with time.

Among the factors capable of exerting a restraining influence on the White House's militarist course one must primarily mention the effect of "limiting factors" of a domestic, primarily economic and socioeconomic nature: the gigantic military budget, preserved over a long period of time, is in itself capable of engendering serious economic disproportions. The latter can be intensified by economic recession, the growth of inflation, the difficulty, if not the impossibility, of further reducing social programs, the growth of budget deficits and the accompanying lack of confidence in the business world, and so forth. One must also note the phenomenon which is increasingly emphasized by specialists in the United States itself--the growing disparity between the scale of expenditure on building new military equipment and building up militarist "muscles," and the relatively narrowing possibilities of using this might for resolving political or socioeconomic problems facing American foreign policy and diplomacy.

Gambling on building up international tension, amassing weapons, and pursuing a policy of unrestrained confrontation with the world of socialism objectively cannot help but lead to the destabilization of the political and military-strategic situation, which in turn will also threaten the interests of the United States itself. As this process develops--and, given the current state of affairs, it cannot help but develop--the U.S. ruling class and ruling circles will begin to gradually realize the impossibility of fulfilling the task of constant confrontation with the USSR on the basis of pursuing military superiority.

The intensification of confrontation with the world of socialism, the far-reaching extent of this confrontation which Washington has unequivocally indicated, and its readiness to utilize any means in this confrontation--these aspects of U.S. foreign policy have recently met with growing concern on the part of the United States' West European allies. And although Washington succeeds at present in imposing its approach on them, the unceasing discussions on the crisis within the North Atlantic alliance are sufficiently indicative. The antiwar movement on both sides of the Atlantic has also demonstrated its strength and clearly shows no signs of fading away, which increasingly alarms ruling circles in the West.

The effect of both "militarist" and antimilitarist factors will most likely--as has already been observed on more than one occasion in the past--lead to numerous zigzags, tactical maneuvers, and turnabouts in U.S. foreign policy. It is another matter to what degree these turnabouts and tactical zigzags will be able to affect the long-term aims of American foreign policy. This will depend upon a multitude of factors of an economic, political, and moral nature both within the country and in the international arena, and also upon the growth rates of the material and political potential of antiwar forces.

The course of the 1984 election campaign required Reagan to include certain innovations in his rhetorical arsenal. Without rejecting his old, habitual militarized stock phrases of "force," he nevertheless introduced into his vocabulary small doses of the theme of peace and negotiations with the Soviet Union on the subject of nuclear weapons. At the end of 1984, as is well-known, the Reagan administration responded to the Soviet side's initiative and accepted the proposal to hold a meeting at the beginning of 1985 between the USSR Minister of Foreign Affairs A.A. Gromyko and the U.S. Secretary of State G. Shultz. As is well-known, at this meeting joint understanding was reached on the subject and aims of the talks beginning on 12 March 1985 in Geneva which have the task of reaching mutually acceptable agreements between the USSR and the United States on a whole complex of problems relating to nuclear and space weapons.

It is a legitimate question: Is a new Reagan appearing before us who has understood at least something, learned at least something, who does not now wish to rush ahead in international relations, stopping at nothing, and who aspires to lead his country along a less dangerous path than that followed after 1980? Are we moving toward a new period in the development of international relations--if not toward new detente, then at least toward a departure from the frontal confrontation imposed by the American side? Or is it a question of tactical steps being taken by the U.S. Administration which, of course, should be considered positively to a certain extent, but while always bearing in mind their possible transiency, duality, and ambiguity?

Obviously, any categorical reply to these questions would be premature at this point. But asking them, in light of the experience of the preceding 4 years, is completely legitimate and natural. While pondering on what is taking place, one cannot fail to see certain obvious causes of the evolution of the American side's verbal position.

First, even given the obstinacy of which Washington boasts much, it cannot fail to see that the "cavalry charge" in its foreign policy has not brought the expected results. Neither the saber rattling, nuclear threats, the "crusade," Lebanon, nor Grenada have added to Washington's authority. What is more, they have increased the United States' moral-political isolation, which was clearly obvious, for example, during and in the results of the most recent, 39th session of the UN General Assembly. The threat of war has added to tension in the world, but it has also clearly revealed and thrown light on the source of this threat. Difficulties have even arisen in relations with allies, who have been frightened by the increased bellicosity of Washington politicians.

Second, the present administration has already accelerated the flywheel of military programs to the degree where these preparations have gathered considerable momentum, and their "pushing" through Congress, and also through the NATO organs, does not require such a concentration of propagandist might as was needed at the initial stage. The reverse is more likely: The outwardly peace-loving rhetoric will not antagonize potential opposition to the administration's military plans and will thereby be conducive to the fulfillment of these plans, particularly in a period when concern is being increasingly voiced in the United States both on account of these plans themselves and in connection with the growth in budget deficits they cause.

Third, Reagan seized on the theme of peace and negotiations on the very threshold of the recent elections with the pragmatic aim of picking up the votes of those who, while sharing in principle the domestic policy views of the Reaganites, at the same time were clearly afraid of the bellicose nuclear course followed by the White House, wished to have a reasonable alternative in these matters, and gave increasing credence to arguments in favor of freezing nuclear arsenals.

Finally, Washington could not fail to understand that its attempts to intimidate the USSR by the very scale of the arms race and to wring concessions from the Soviet Union had not been successful. Our country responded to the new U.S. military preparations with the necessary adequate measures, of whose inevitability it had earlier warned. The balance in the military sphere was maintained.

That is why the necessity has arisen to try out a somewhat improved, less bellicose phraseology, a kind of "sedative system" of arguments on the questions of arms control.

One cannot fail to see something else. The rhetorical experiments of the administration have not affected the strategic course developed by extreme right-wing figures in recent years. It is even more correct to surmise something else--given the slightest "threat" that the peace-loving statements by the head of the administration could turn into something more material, something more significant than simply words, this very fact could act as a powerful incentive for fresh activation of the "neoconservatives." This has already happened in the past, and on more than one occasion. The political situation in the United States as yet provides no grounds for assuming either that the right wing will renounce its chosen course at its own initiative or that its activities will come up against purposeful and effective opposition in the near future.

A noticeable contradiction has already appeared in Reagan's postelection activities. The heating up of the situation leading to intervention in Nicaragua in no way ties in with the verbal campaign in favor of peace and negotiations. If this is a conscious "balance," some kind of "coordination" between "conciliatory" and tough courses, then the real meaning of the propagandized peacemaking and the appeals for lessening international tension is thereby revealed. If this is an inability to "restrain" oneself even at the moment of "peaceful initiative," then it becomes clear that not political sense but anticommunist instincts continue to guide the administration.

In that case does Reagan's present line in favor of peace and negotiations merit attention? There is no doubt: One must not miss a single chance in one's attempts to improve and normalize international reactions. Even the tactical steps taken by the American Administration which, if only partially, reduce the heat of hysteria in U.S. foreign policy can help to lower the level of hostility and thereby relatively improve the political climate in the world. What is more, one cannot exclude the possibility that the present tactics will lead not only to rhetorical maneuvering (although this element, of course, is present)--it could also reveal a real political basis. In this sense

the Soviet-American negotiations opening in Geneva are not only a practical opportunity for cardinally improving the situation in the world and improving mutual relations between the USSR and the United States, but also a serious test of Washington's real, long-term intentions.

III

The existing general strategic balance or parity between the USSR and the United States appreciably narrows the opportunity for ruling circles in Washington to pursue a policy of military blackmail not only in relation to the world of socialism, but also in connection with other problems of contemporary international relations.

Hence Washington's attempt to revive its former superiority on a strategic level. That is why stress is laid on carrying the arms race into outer space, creating new types of conventional weapons (comparable in their strike capacities to nuclear weapons), perfecting command, control, intelligence, and communications, and deploying first and foremost systems capable of carrying out a "first strike."

The inner logic of Washington's actions, having set itself the aim of gaining military superiority on new quantitative and qualitative levels once it has broken the existing parity, is understandable. It is dictated by the same hegemonist, messianic ideas oriented toward world supremacy. But have all the possible consequences been weighed up with due thoroughness?

The particularly dynamic and complex nature of contemporary international development not only constantly brings us face to face with new phenomena and rapid changes in the military-strategic sphere, but also frequently compels us to consider afresh, it would seem, customary ideas and approaches. Weapons, including nuclear weapons, are a historically changing quantity. The influence of a given type of weapon on a given era also changes historically, as F. Engels wrote.

We use the concept "nuclear age" while taking the significance of nuclear weapons as some kind of constant. They are indeed an important feature of the era. But nuclear weapons, both in themselves and in their correlation to conventional weapons, and also conventional weapons are constantly changing. The military-technical revolution will complete yet another twist in its spiral in the eighties, thereby creating a launching pad for a burst in the development of qualitatively new weapons. The space antimissile defense program announced by Reagan serves as a gloomy signal of these changes. Obviously the arsenal of future weapons, whose development in the eighties the U.S. Administration has urged, can also include a great deal more.

All this, according to Washington's plans, creates the prerequisites for departing from the existing balance of strategic forces and seizing positions of military superiority. In this lies the essence of the process which the American Administration is forcibly urging with the aim of implementing the military force variation during the confrontation between the two social systems.

The military-strategic balance or parity between the USSR and the United States on a worldwide scale and between the Warsaw Pact member-countries and NATO on a regional scale is essentially the basic factor in the contemporary international political situation. It hardly needs to be proven that this factor plays a determining role in such key issues of world politics as the possibility of preventing a war, curbing the arms race, and lessening international tension.

Purely speculative perception of this problem could lead to underestimation of very dangerous--both political and military--strategic--aspects of the process which is being forced upon mankind by contemporary imperialism, primarily AMERICAN imperialism. The forces standing behind the present U.S. Administration deliberately try to confuse the issue and the criteria of appraisal in the approach to this issue as much as possible. They strive to cast doubt on the very fact of the historically existing strategic balance, to refute its cardinal significance within the contemporary system of international relations, and to erode the soil for possible negotiations on arms limitation and reduction on the basis of this balance.

Today the military-industrial complex and militarist circles in the United States count on breaking the strategic parity and gaining military superiority primarily by means of a qualitative arms race, that is, by means of replacing existing types of strategic weapons with new nuclear missile weapons. As far as the distant future is concerned, the United States is gambling on fundamentally new technology in such spheres as antimissile and antisubmarine defense, space warfare means, and beam weapons.

A serious threat of destabilization of the strategic situation has arisen as a result of attempts by the American leadership to build an antimissile defense system with space-based elements. Washington tries to justify this course by declaring its intention to renounce "nuclear deterrence" based only on the threat of using strategic offensive weapons and to "supplement" this with a "strategic defense" system which it claims is a more reliable, more solvent, and very nearly more "moral" means of preventing a nuclear war. But surely it is obvious that a new sphere of military rivalry will thereby be created and that this will cancel out the 1972 Treaty on the Limitation of Antiballistic Missile Systems--one of the few effective agreements restraining the arms race.

Implementation of this supposedly defensive program will become a powerful incentive for further perfecting both truly defensive and offensive strategic weapons and will spawn a new category of weapons with the special purpose of striking the enemy's antimissile defense system. In this case the arms race will be carried into outer space with totally unpredictable consequences for the fate of the whole world.

Today Washington's striving to bypass strategic parity "from the flank," so to speak--by means of deploying intermediate-range ballistic and cruise missiles in close proximity to the territory of the Soviet Union, in Western Europe and the seas surrounding it, in the Far East, and in other regions--is highly dangerous.

In accordance with Pentagon programs and concepts, the new American weapons systems are intended for carrying out a synchronized surprise attack on the Soviet complex of command, control, and early warning systems, and also for striking, if possible, at the nuclear counterstrike weapons themselves. It is proposed to "wear out" the USSR in a "protracted" nuclear war with the maximum use of offensive weapons and also active and passive means of defending the United States and its allies.

Such a "scenario" is utopian through and through, but it is accepted by Washington as a working variation of an "acceptable" nuclear war.

Washington "explains" the arms race, including in outer space, by the necessity to safeguard the security of the United States which, incidentally, no one threatens. But surely it is clear that the Soviet Union also has the right to the same security, particularly recalling the real calculations of American militarists for a nuclear war. In these conditions only parity and equal security can be a sufficiently stable qualitative characteristic of mutual relations between the USSR and the United States, between the two largest military-political organizations in the international arena. Irrespective of how these relations develop in the future--along an ascending or descending line, within the framework of a new round of detente or a new phase in the exacerbation of tension, on the basis of agreements on given forms of limiting military rivalry or in the conditions of the continuing arms race--the United States will not be permitted to break the existing approximate parity. Precisely in this lies the guarantee of stability of the global military-political situation and, consequently, also of the preservation of peace.

It goes without saying that maintaining the equilibrium under the conditions when the West is developing a new round of the arms race at an accelerated pace demands of the USSR and its allies considerable efforts, financial expenditures, and a mobilization of their material and intellectual resources which the countries of socialism would prefer to direct to solving other, peaceable tasks. The initiators of militarist preparations in the United States and in some other countries that are allied with the United States put certain hopes also in this aspect of the arms race, calculating that it will place on the economies of the countries of socialism a burden that is beyond their strength.

However, other similar hopes have already failed in the past. The Soviet economy has managed to carry the load connected with the necessity of overcoming the lagging behind the United States in the sphere of strategic arms. But what is involved today is no longer a question of liquidating the gap but a question of not allowing the adversary to run ahead. The absence of realism in the appraisals by American geostrategists is obvious in this connection.

IV

Washington's efforts must be considered in direct relation to the qualitative and quantitative changes in the system of basing of the U.S. military power beyond the U.S. national borders.

The U.S. occupation military bases have created one of the most negative political and military-strategic characteristics of the postwar period and have made a dark imprint on the entire system of international relations. The U.S. ruling circles continue to count on the "effect of accustomation" of peoples of the world to these bases. In our opinion, toward the end of the seventies and at the beginning of the eighties, qualitatively new elements appeared in the American system of basing military installations which make the system even more menacing.

The number of U.S. military bases in the world is extraordinarily large: There are 1,500 bases on the territories of 32 different countries. Half a million American military servicemen are constantly stationed on these bases. The general destabilizing significance of these bases is in the fact that they represent an unprecedented concentration of U.S. military power, including nuclear-missile power, beyond the borders of American territory, and that they are directly geared for waging aggressive wars in any part of the globe, that is, in Europe, the Atlantic and Pacific Oceans, Central and South America, the Middle East, or northern and eastern Africa.

A majority of American military bases are located in the immediate proximity of USSR territory. For instance, in the FRG there are about 200 military bases and locations of placement of American weapons. The United States intends to set up points of permanent stationing of its troops in Western Europe at locations even closer to the borders of the Warsaw Pact member-states. The construction of new bases in Western Europe is also contemplated. In the Far East, the United States has at its disposal 350 military installations and, once again, they, too, are close to the Soviet borders.

Washington is hastily and purposefully building an infrastructure of its military presence in the Near and Middle East where zones of U.S. "vital interests," that is, essentially, of occupation interests have been proclaimed. This infrastructure, subordinated to a unified command, covers a vast region at the junction of the continents of Asia and Africa.

The completion of the formation of a virtually closed chain of basing military installations (strictly speaking, military bases, launching installations, "rapid deployment forces," and electronic intelligence centers and stations designed to solve the first-strike tasks) along the entire perimeter of the Soviet borders--from west to east and from north to south--represents an essentially new phenomenon.

The U.S. system of basing military installations is the tool of an aggressive foreign policy and military strategy, the instrument of American imperialism in its struggle against socialism and against the national liberation movement. These bases are not simply outposts that are located

far from one's own borders. Even under nonwar conditions (nevoynnaya obstanovka) they act as forces of military pressure and blackmail. One can imagine how much the world political and military-strategic situation would change for the worse if Washington turned near-earth space into an area of nuclear-missile basing.

The American system of basing military installations on land, in oceans, and in outer space, which is being forcibly built into the system of international relations, is deforming the latter by supplanting the potential of international cooperation and intensifying the potential of confrontation and increasing tension. This system is aimed at implementing a vicious plan, the plan of establishing American domination throughout the world. It is a hopeless anachronism, but it is a dangerous anachronism especially if viewed through the prism of the nuclear reality of our period.

The threat that the U.S. militarist preparations represent for the entire world noticeably increase under contemporary conditions also because the military presence of American militarism beyond its national borders in the form of occupation bases and troops, and the imperial proclamation of new "zones of vitally important interests" promote in practice the fanning of conflagrations wherever an opportunity for that offers itself, and the exploitation of existing and creation of new international conflicts. The number of regional and local conflicts that are directly provoked by the policy and strategy of imperialism or are exploited by it for its own interests and goals is indisputably growing even in comparison with such "fertile" years in this respect as the fifties and sixties. The conflicts in one part of the world more and more frequently cause reverberations in other parts of the world, are artificially "linked up" with the general policy of imperialism and, at times, are coupled and intertwined as, for instance, in the Near and Middle East where an entire "constellation" of conflicts is taking place. The threat to peace is thereby multiplied and made even more immediate not only at the regional and local levels but also on a global scale.

The system of international conflicts cannot be continued and spread without becoming a political and military-strategic carcinogen in the entire system of international relations toward the end of the 20th century. It is precisely for this reason that a most serious task is now urgent, the task of the struggle to stop conflicts if they have broken out and, even more, to prevent them, to not allow them, to limit their development at the political stages when they have not yet turned into armed struggles.

V

The ruling forces of imperialism continue--to a considerable extent with impunity--to spin the flywheel of militarism, arms race, and military preparations. The main reason for this "impunity" are the might and power of bourgeois state totalitarianism that ruthlessly suppresses all antimilitarist movements and feelings. Physical reprisals, police blackmail, moral persecution, and all forms of pressure on the individual have become especially widespread in recent decades and have turned into habitual everyday occurrences in the world which the bourgeois politicians and ideologues continue to studiously call "free."

The self-assured stride of militarism is ensured not only by the mechanism of omnipotence of monopolies but, to a certain extent, also by the fact that the mass information media in Western countries have now fully become a part of that mechanism. The monopolist bourgeoisie tenaciously holds the mass propaganda media in its own hands, considering them as a most important instrument for the realization and consolidation of its political power. Taking advantage of its virtual monopolist position in the information market of the nonsocialist world and arbitrarily controlling the interpretation of events, the bourgeoisie does not limit itself to simply spreading its own ideology but also actively shapes and manipulates mass awareness for its own purposes. By skillfully distorting reality, substituting versimilitudes for truth, and resorting to drastic methods of influence based on the exploitation of emotions and irrational elements of consciousness, the mass information media play an increasingly pernicious role in society and act as a powerful lever of real subjugation of labor to capital and of spiritual enslavement of the popular masses.

The propaganda machine stupefies the individual and strives to close his eyes to the absurdities and injustices of the society in which he lives. As regards the main questions, say, of foreign policy, the "big press" is in a position of vassal dependence in relation to the ruling monopolies and is called upon to serve their interests. The press is, first and foremost, only an auxiliary instrument of the ruling clique. Television, radio, newspapers, and books are methodically engaged in an effort to create as favorable attitude of public opinion as possible toward the arms race, war and violence, and export of counterrevolution, kneading together this entire criminal ideology with pharisaical arguments about "defense" of freedom, democracy, and the like. Essentially, it is the primitive stereotypes that are crammed into the awareness of people as much as possible: disarmament is utopia, economizing in defense is criminal, negotiations with the Soviet Union about peace are treason, and peaceful coexistence is only a prolonged truce.

Regular "brainwashings," systematic "hate campaigns," intensification of fear, assertion of the cult of violence, and the most shameless manipulation of the individual and mass consciousness are more and more deeply deforming the U.S. social structure, the spiritual peace of man, and his value orientations. That country is ruled more by deception and demagoguery than by conviction; more by force than by law; more by numbing traditions than by respect for and interest in what is new; and more by hatred, suspicion, and intolerance than by ability to recognize the possibility for a different way of life and view. Pliant obedience and willing consent to transfer the responsibility for the country's fate to the authorities, no matter what they may be, turn an appreciable part of the population into a blind tool of the forces that pursue only their own mercenary interests. It is by means of the political mythology in which that country has been steeped that the people have been trained to consider illusions as reality, chauvinism as patriotism, demagoguery as dignity, and the sale of sensations in the news market as freedom of information.

Something of this kind does not come about spontaneously, on its own. This atmosphere is created deliberately and purposefully, and it makes the people receptive to the ideas of "American exclusiveness" and "messianic duty."

It is precisely this complex of ideas in combination with the consistently cultivated cult of violence carefully formed by the United States that condition the acceptance of war as a method of annihilation of the "enemy" and of ensuring one's own survival.

"Psychological Warfare" has become a matter of state in the United States and has assumed the nature of an "equal part" of the general strategic policy of imperialism. If we analyze the orientation and the corrupt function of the monopolist mass information media, that is, the function that is corrupt in its character, then we are fully justified in including the expenditure for these media in the military budget because these media are carrying out a frank psychological preparation for war and sowing hostility and hatred among peoples.

Propaganda has become especially clamorous under the system of the incumbent administration. Scores of books are being published examining in various ways the prospects of and preparations for a nuclear war. They instill fear and suspicions in the consciousness of Americans and plunge people into an intellectual slavery by imposing on them cliché answers to any sort of question. The voices now calling for a "crusade" against communism are repugnantly shrill and loud. The bourgeois ideologues and politicians actively discuss the problem of suicide as a general problem of all mankind. Quite a few banal and irresponsible statements have been made in this connection. Bourgeois culture provides many pessimistic prophecies, but all this hides the nature of those who preach the end of the world and of man, preferring the ideas of destruction to the ideas of construction.

The myth of the "Soviet threat" serves as a propaganda basis for the militarist hysteria. The American leaders talk about this "threat" endlessly and with an irksome importunateness, understanding that, if they allow any slackening in propagandizing the thesis of the "Soviet threat," it will be increasingly difficult to collect from taxpayers the money for weapons and ensure high profits for the monopolies as well as to persuade the allies to support the American military adventures and their own leadership of the Western world.

The thesis of the "Soviet threat" also falls into the category of political mythology. It has no factual, historical, or logical basis, but the mass methods and obtrusiveness with which it is being spread make it possible for Western propaganda to keep afloat this groundless and malicious invention that is used as a means of criminal intimidation of people for the purpose of an intensified development of militarism and exacerbation of international tension.

Following the assumption of power by the Reagan administration, it was noticed that American propaganda aimed at foreign countries had sharply intensified the apologetic aspects of its contents and increased its advertising of the American way of life. An immediate reorganization of the propaganda apparatus was carried out in order to further intensify all foreign propaganda activity aimed at praising and ennobling the "American goals" and "ideals," the "achievements" of the system of "free enterprise," and the morals

of individualism and violence. The process of a steady material strengthening of the system of information imperialism continues to be intensified.

Imperialism is intensifying the course aimed at turning the sphere of ideology and propaganda into a bridgehead of diversionary-subversive activity against all revolutionary and progressive forces of the contemporary period. The U.S. reactionary circles and their West European trustees link certain hopes of theirs with an "ideological erosion" of socialist societies. "Psychological warfare" in relation to the states of the socialist community is--by its essence and forms--a distorted surrogate of the ideological struggle, a surrogate that is transformed in conformity with the subversive tasks of the foreign policy of imperialism. It is carried out with diversionary methods and the methods of interference in the internal affairs of sovereign states and makes extensive use of falsifications, juggling of facts, and disinformation of world public opinion.

In recent years, "psychological warfare" has been characterized by the striving of the U.S. ruling circles for a deeper and multilevel direct penetration into the economic and social structure of countries of the socialist community in order to destabilize their political position. This form of aggression is linked more directly than ever before with the plans for achieving U.S. military-strategic superiority, with actions for a practical realization of these plans, and with attempts to exert intensified political and economic pressure on the world of socialism.

The actions of imperialism are creating at the junction of two centuries a world that is fraught with extreme dangers for contemporary mankind. Contemporaries cannot but feel clearly concerned over the development of civilization.

Fortunately, mankind has at its disposal forces that are capable of resisting the extremely negative shifts in the fate of the earth. The principal of these forces is the policy of the Soviet Union and the entire socialist community which is consistently and purposefully intercepting the negative tendencies. The countries of socialism are fully aware of the acuteness of the existing situation in the world arena and take into account the consideration of how difficult it is under the present conditions to make a turn for the betterment of international relations. As has been already emphasized above, the fact should also be taken into consideration that, as a result of people being poorly informed and fooled on a mass scale, the people in many capitalist states do not have a proper and correct picture of international events and of the real threat coming from American imperialism.

And yet, the world is not condemned to confrontation. On the contrary, precisely confrontation is an anomaly in international relations at the same time as relaxation of tension can and should be the norm of international relations. Following the natural laws of the historical tendency of straightening out arbitrary zigzags, a new round of the relaxation of tension will sooner or later replace confrontation.

The Soviet Union has advocated and continues to advocate serious and truly constructive negotiations aimed at strengthening peace, limiting the arms race, and normalizing the international situation. In his answers to the WASHINGTON POST'S questions K.U. Chernenko, general secretary of the CPSU Central Committee and chairman of the Presidium of the USSR Supreme Soviet, emphasized that the Soviet Union is ready to achieve agreements on such highly important problems as preventing the militarization of outer space, freezing nuclear weapons, complete and general banning of nuclear weapons tests, and mutual renunciation of the first use of nuclear weapons. To reduce the threat of war and strengthen international security, it is also necessary to solve other issues, for instance, those that are connected with the reduction of armed forces and weapons in central Europe, the banning of chemical weapons, the expansion of confidence-building measures, the limitation of naval activities in regions of the world ocean, and the reduction of military budgets. Practical possibilities for this undoubtedly exist.

The international situation continues to be tense. The softer variations of the rhetoric of Western politicians can hardly deceive anyone because they are not backed by practical actions. Judging by all available evidence, the American militarist machine will continue its thunder in the future, but the U.S. rulers know and know it well that the Soviet Union and the socialist community have sufficient forces and potential at their disposal to reliably safeguard their security and to effectively oppose the plotting of the aggressive forces of imperialism. The great community of the countries of socialism acts in international affairs as the generator and defender of the sound principle oriented to the common ideals of all mankind, a peaceful present and a peaceful future.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

CSO: 1816-12a-F

U.S. STAND ON DISARMAMENT AT 1984 UN GENERAL ASSEMBLY HIT

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 18-28

[Article by Yu. Tomilin: "Averting the Nuclear Danger--Priority Task"]

[Text] The UN General Assembly 39th Session was conducted under conditions of continuing international tension, the transition of the arms race to increasingly high levels and the increased nuclear threat. True, as distinct from the preceding 3 years, Washington officials have changed the key of their declarations markedly: teeth-gnashing tirades have come to be replaced by words concerning the need for a "resumption of dialogue" and the solution of arms limitation questions. The words have changed, but the deeds remain the same.

The new MX and Midgetman intercontinental missiles, the nuclear submarine and missiles of the Trident system, the B-1B and Stealth new strategic bombers and air-, sea- and ground-based long-range cruise missiles are being built or are already being deployed. The United States' nuclear cellar is full to the brim. But this does not appear to be enough for the Pentagon. It is planned by 1990 to have increased the strategic potential to 20,000 nuclear warheads.

Modernization of the "forward-based" nuclear missiles is under way simultaneously. The so-called "Eurostrategic" nuclear arsenal, reducing the time of a surprise attack, is being created by way of the deployment of new missiles in Europe. Full-scale production of neutron weapons, which are intended bascially for Europe, has begun.

The qualitative specifications of the latest nuclear arms being deployed by the United States--accuracy, yield, reduced approach time and concealment of approach (and, consequently, the surprise nature of the strike) and rapidity of targeting and retargeting--all this testifies to preparations for a nuclear first strike. The same is indicated by the active work on creating a wide-ranging ABM system designed to put up an "impenetrable shield" and ensure for the United States the possibility for delivering such a strike with minimal losses from a retaliatory strike.

As can be seen from the plans announced in the United States, particularly from President R. Reagan's speech in April 1983, it is contemplated deploying in space antimissile weapons and a variety of antisatellite systems and supernew types of weapons intended for delivering strikes against targets on the ground,

in the air and at sea. Preparations are under way for the creation of the latest types of weapons for operations in space and from space in respect of the Earth--laser and beam weapons. A special space command has been formed. A joint space center for controlling military operations in space is being installed. A military astrodome for Shuttle-type multiple-use craft is being built.

A reality of our era is such that the nuclear danger threatens not only the states directly involved in nuclear confrontation but all countries and peoples without exception and human civilization itself. The existence of such a danger was emphasized particularly by UN Secretary General Perez de Cuellar in a special disarmament statement which he delivered at the session on 12 December 1984.

The overwhelming majority of delegations expressed serious concern for the fate of peace. Thus Mirdha, Indian minister of state for foreign affairs, declared: "The danger of the complete annihilation of mankind, more, of all life on our planet is so great and is growing so inexorably and rapidly that we cannot permit ourselves the luxury of a display of indifference or giving way to despair."*

It is perfectly understandable that it is essential for all countries, whatever the differences in their size, development conditions, geographical location and social system, to unite efforts to counteract the common threat. At the same time it is clear that the main role is performed here by the states which possess nuclear weapons. It was this that was pointed out by, for example, Finnish Foreign Minister P. Vayrynen, who declared at the session: "The international community has a right to expect that the nuclear states, which bear the main responsibility for disarmament, will engage in decisive actions to halt and turn back the nuclear arms buildup."**

The Soviet delegation emphasized at the session that the USSR, as a nuclear power, fully recognizes its responsibility for the fate of peace and acts accordingly. The possession of nuclear weapons cannot be regarded as some kind of privilege and a kind of ticket to a "club of the elite". It imposes merely a burden of responsibility for ensuring that mankind not stumble and not be cast into a nuclear abyss and makes it incumbent upon it to strive for the limitation and elimination of nuclear weapons.

Proceeding from this, the Soviet Union proposed that relations between the nuclear powers be subject to certain rules and that agreement be reached among them on the joint recognition of such rules and the imparting to them of an obligatory nature.

For its part, the USSR is making every effort to prevent nuclear war, limit arms and implement disarmament measures.

* "Protocols of UN General Assembly Sessions," Document A/39/PV, 10, p 77.

** Ibid., Document A/39/PV, 6, pp 28-30.

However, with the support of its closest allies the United States is operating in the opposite direction. This is the reason for the present complex situation in the world. From the platform of the 39th Session U.S. President R. Reagan declared the United States' readiness "for constructive negotiations with the Soviet Union." Commenting on these words in replies to questions put by THE WASHINGTON POST, K.U. Chernenko observed: "If what the President said concerning the readiness for negotiations is not simply a tactical move, I would like to state that the Soviet Union will not hold things up. We have always been ready for serious, businesslike negotiations and have declared this repeatedly."*

The news that the USSR and the United States had agreed to embark on new negotiations to achieve mutually acceptable accords on the entire set of questions concerning nuclear and space arms gave rise to widespread positive comment at the session.

At the center of attention of the session were questions connected with averting nuclear war. The initiative presented by the Soviet Union: on the use of space solely for peaceful purposes and the good of mankind and the impermissibility of a policy of state terrorism and any actions by states aimed at undermining the sociopolitical system in other sovereign states contributed to this to a large extent. Examination of the new Soviet proposals promoted the efforts of the majority of states in support of a restoration of trust and normalization of the international atmosphere and the creation of political-legal and material barriers in the way of the military threat.

It was not the first time that the Soviet Union had presented initiatives aimed at preventing the militarization of space. It had already drawn up two draft treaties on this score in 1981 and 1983. The new Soviet step is a continuation of the consistent policy of averting an arms race in space and eliminating the threat of nuclear war.

Understandably, the militarization of space, if we do not succeed in stopping it in good time, will swallow up vast material and intellectual resources and create insurmountable barriers to international cooperation in the peaceful exploration of space and use of the results of scientific-technical progress in this sphere for peaceful needs.

The USSR has proposed that the General Assembly proclaim as the historic responsibility of all states the guarantee that the exploration of space be undertaken solely for peaceful purposes, for the good of mankind and recommends the implementation of specific measures to achieve this goal.

It is now more important than ever that the exclusion of space from the sphere of the arms race be a strict rule of states' policy and a generally recognized international obligation and that all channels of the militarization of space without exception be reliably closed off. It is a question of ensuring that no kind of assault weapons--conventional, nuclear, laser, beam or any other--

* PRAVDA, 18 October 1984.

be put into space or deployed there, whether on manned or unmanned systems. The USSR delegation explained that in accordance with the Soviet proposal it is precisely assault space weapons which would be banned, while resources used for monitoring, navigation, communications and so forth purposes would not be affected.

Space weapons of all types of basing must not be created, tested or deployed for antimissile defense, as antisatellite weapons or for use against targets on the ground or in the air. Such weapons which have already been built must be destroyed. The use of force in space and from space in respect of the Earth and also from Earth in respect of facilities in space must be banned for all time. In other words, the USSR has proposed an accord on a radical solution of the question of preventing the militarization of space--the banning and liquidation of assault space arms and also all ground-, air- or sea-based weapons intended for hitting targets in space.

The draft resolution submitted by the Soviet Union proposes that the United Nations raise its voice in support of the speediest achievement by means of negotiations of the appropriate reliably verifiable agreements on a bilateral and multilateral basis.

The new Soviet initiative is aimed at a comprehensive solution of the problem of the guaranteed prevention of the militarization of space and the guaranteed opportunity on this basis for its peaceful exploration and use and also the unification of states' efforts in this sphere, including the creation in the future of a world organization for the use of space for people's benefit. Its realization would be of tremendous significance for the progress of mankind under conditions of lasting peace.

The Soviet initiative attracted the broad attention of the participants in the session. It contributed to the concentration of states' attention on the task of averting nuclear war and curbing the arms race and preventing its spread to space. The basic ideas of the Soviet proposal were commented upon extensively in the speeches of a large number of delegations of nonaligned and also certain Western states, which recognized the dangerous consequences which the militarization of space would have. In the course of the debate many countries, including India, Sri Lanka, Mali, Nigeria and Greece, criticized the American plans to build space-based ABM systems, seeing in them a danger of a destabilization of the strategic situation.

Delegations of nonaligned countries drew attention particularly to the fact that an arms race in space would swallow up tremendous resources and create obstacles to international cooperation in the peaceful exploration of space. They supported the USSR's proposals concerning the adoption of effective measures and negotiations to prevent such a race.

The United States and its closest allies endeavored to prevent the formulation of a decision providing for the adoption of specific steps in the said direction. However, in spite of their actions, the Assembly approved a resolution formulated by the nonaligned states with the active participation of the Soviet Union which reflected the basic propositions and essence of the Soviet initiative.

For the first time the UN decision enshrined the need for states to renounce the threat or the use of force in their space activity. It contains an appeal to the USSR and the United States and also the Disarmament Conference to begin negotiations for the purpose of concluding agreements on preventing an arms race in space. The interconnection of the tasks of preventing the militarization of space and ensuring its use for peaceful purposes is emphasized.

Ultimately the Western allies of the United States supported the resolution, thereby openly dissociating themselves from Washington's obstructionist line. Under these conditions the United States did not dare oppose the resolution as a whole and abstained during the voting, finding itself completely isolated. It demanded here a separate vote on the clause of the resolution according to which it is proposed that the Geneva Disarmament Committee embark on multilateral negotiations for averting an arms race in space and voted against this clause, again finding itself completely isolated.

Another major initiative of the USSR--concerning the impermissibility of a policy of state terrorism--was also approved at the session. The General Assembly resolution adopted at the Soviet Union's suggestion emphatically condemns the policy and practice of state terrorism in interstate relations. The United States and its allies did not support it, thereby actually demonstrating that state terrorism is a part of their foreign policy.

The American occupation of Grenada, the United States' undeclared war against Nicaragua and its interference in the affairs of other Central American countries were noted with condemnation during the examination at the session of situations in individual parts of the world--as manifestations of the policy and practice of state terrorism. A number of General Assembly decisions plainly characterizes the aggressive actions of the Israeli expansionists and Pretoria's racist regime as manifestations of state terrorism.

The majority of participants in the session welcomed both Soviet proposals, whose implementation would contribute to protecting the sovereignty and security of all states, regardless of their sociopolitical system and economic and scientific-technical development levels.

The session emphatically supported the realization of a whole set of measures aimed at preventing nuclear war.

The nuclear powers' assumption, as the Soviet Union has already done, of the commitment not to be the first to use nuclear weapons could be an important measure. The USSR believes that commitments on this score could be assumed unilaterally by each state possessing nuclear weapons. This would be the quickest way, not requiring special negotiations and agreements. At the same time the USSR delegation declared that the Soviet Union was also ready for the nuclear powers' commitments concerning no first use of nuclear weapons, as certain nonaligned countries proposed at the last General Assembly session, to be enshrined in a uniform document of an international-legal nature, for example, in a convention. The USSR also supported a proposal of the nonaligned countries concerning the conclusion of a convention with the participation of all the nuclear powers banning the use of nuclear weapons.

The majority of nonaligned countries acted from similar positions as a whole. Many of them noted the significance of the commitment assumed by the USSR not to be the first to use nuclear weapons and called on the other nuclear states to follow this example. The United States and its allies, which are propagandizing all kinds of doctrines and concepts of nuclear war, were sharply condemned by a number of developing countries. The nonaligned countries also criticized their position at the Disarmament Conference, where the United States and certain other NATO countries are impeding the start of negotiations on preventing nuclear war.

Although they attempted to conceal their lack of desire to tackle specific tasks in the sphere of preventing nuclear war with pseudo-peacemaking rhetoric, the United States and its partners simultaneously endeavored to foist on the Assembly their concepts of "security" and strategic doctrines based on nuclear deterrence and designed to legalize first use of nuclear weapons. These attempts were, however, rejected by the session.

A resolution was adopted on the initiative of the GDR and Cuba which characterizes the USSR's commitment not to be the first to use nuclear weapons as an important step on the way to lessening the danger of nuclear war and expresses the hope that the other nuclear states also will make similar declarations. In addition, it contains the recommendation that the Disarmament Conference examine the question of the elaboration of an international document of a legally binding nature which would formulate the commitment on no first use of nuclear weapons.

The concern of many states at the growth of the nuclear threat was also reflected in a resolution approved on India's initiative which contains recommendations that the Disarmament Committee embark on negotiations for the conclusion of a convention banning the use of nuclear weapons with the participation of all nuclear powers. The same concern also permeates the resolution on preventing nuclear war (adopted at the suggestion of Argentina), which recommends that the Disarmament Committee begin negotiations to achieve an agreement on the appropriate practical measures for the solution of this problem. The Soviet Union supported both resolutions.

The General Assembly discussed the question of a nuclear arms freeze (it had been put forward at the 38th Session at the USSR's initiative). The overwhelming majority of countries, which see a freeze as an important measure leading to a curbing of the race in nuclear arms and their reduction and ultimately complete liquidation, advocated the speediest settlement thereof.

A joint declaration of the heads of state and government of Argentina, Greece, India, Mexico, Tanzania and Sweden of 22 May 1984 addressed to all the nuclear powers was broadly supported at the session. The Soviet delegation confirmed the USSR's positive attitude toward this document, at the center of which is an appeal for a halt to the continued buildup of nuclear arms, a freezing of arsenals thereof and an immediate start on appreciable reductions therein. A quantitative and qualitative freeze of nuclear arms by all states which possess them would ensure a favorable atmosphere, having raised the level of trust between states.

Only the United States and its closest allies opposed the idea of a nuclear arms freeze. Their position was evaluated by the majority of UN members as evidence of Washington's intention of continuing the arms race. Three resolutions were adopted on the freeze issue. The resolution proposed by the socialist countries contains an appeal to all nuclear states to freeze their nuclear arms globally as of a certain date and given appropriate supervision. The two other resolutions move in this direction also. One of them, adopted on India's initiative, calls on all states possessing nuclear weapons to consent to a freeze thereof "which would provide, inter alia, for the simultaneous complete halt to any further production of nuclear weapons and a complete halt to the production of fissionable material for weapons purposes." In the other, the draft of which was prepared by Mexico and Sweden, the appeal for a nuclear arms freeze is addressed primarily to the USSR and the United States, as the two biggest nuclear states. The resolution emphasizes that the "existing conditions are the most favorable for such a freeze inasmuch as the USSR and the United States currently dispose of equal nuclear military power and, as would seem obvious, there is general approximate parity between them."

The Soviet Union supported all the freeze resolutions.

Recognizing that the threat of nuclear war exists at the present level of military confrontation also, the USSR does not, of course, consider a freeze and end in itself. However, having put a stop to the nuclear arms race, this step would decisively facilitate the achievement of subsequent accords on a reduction in such arms, as far as their complete liquidation.

The complete and general banning of nuclear weapon tests could be a highly palpable impediment to the nuclear arms race. Were there no tests, such weapons would not be perfected. A barrier would thereby be erected to the further polishing and creation of new types and systems of nuclear weapons and their varieties and their quantitative stockpiling and, consequently, to the continued growth of the nuclear threat. Back at the General Assembly 37th Session of the Soviet Union proposed a draft treaty which takes account of the degree of consent achieved in the course of discussion at the tripartite negotiations on this problem and also the considerations and desires expressed by many states, on questions of supervision included. For the purpose of creating more favorable conditions for its development the Soviet Union proposes that all states possessing nuclear weapons declare a moratorium on all nuclear explosions, as of a date agreed among them through the conclusion of the treaty. It supports a resumption of the tripartite negotiations between the USSR, the United States and Britain on a complete ban on nuclear weapon tests, which were unilaterally suspended by the United States in 1980.

The resolution adopted at the suggestion of the socialist states calls on the Disarmament Conference to immediately embark on negotiations for the formulation of a treaty banning nuclear weapon tests by all states and for this purpose for the creation of a special committee with a negotiating mandate. A similar appeal was also contained in the resolution adopted on the initiative of Mexico and Sweden (the USSR supported this resolution).

Australia, New Zealand and a number of other countries of the South Pacific condemned the nuclear weapons tests carried out by France in the said part of the world. However, a resolution prepared by these states in coauthorship with a number of Western countries contained nothing which would have facilitated a solution of the problem. On the contrary, the resolution leads in a direction away from negotiations which could lead to the conclusion of a treaty on the complete and general banning of nuclear weapons tests. At the same time, however, it proposes the creation of a mechanism for monitoring nuclear explosions divorced from the elaboration of a future agreement on banning nuclear weapons tests.

Understandably, the delegations of the USSR, other socialist states and a whole number of nonaligned countries (Mexico, Nigeria, Argentina, India and others) were unable to support this resolution. It is curious that it was not to the liking of the United States either, but for a directly opposite reason: it rejects everything which contains a hint at a halt to nuclear weapons tests (even in the most indeterminate form). The United States (together with Britain and France) abstained during the voting on this resolution.

A most important area of the struggle against the threat of nuclear war is preventing the proliferation of nuclear weapons. The spread of nuclear weapons over the planet and their appearance in areas of higher-than-usual military danger would lead to a sharp destabilization of the situation in the world, a growth of the nuclear threat and an intensification of the nuclear arms race. The nuclear aspirations of such countries as South Africa, Israel and Pakistan represent a serious danger in this respect. Importance is attached currently to the preparations for the third conference to examine the effect of the Nuclear Nonproliferation Treaty, which will take place in September 1985. A resolution on an IAEA report emphasized the role of the latter in ensuring nonproliferation, particularly in connection with the Nonproliferation Treaty.

The creation of nuclear-free zones would contribute to a strengthening of international security and a consolidation of the practice of nonproliferation. The USSR delegation confirmed that the USSR was and remains a consistent supporter of the creation of nuclear-free zones in various parts of the world, particularly in North Europe and the Balkans, the Near East and in Africa, and adopts a positive attitude toward Sweden's proposal for the creation in Europe of a zone free of battlefield nuclear weapons both sides of the line of contact of the Warsaw Pact and NATO states. The proposal that a nuclear-free zone be created, as some countries are suggesting, in the South Pacific, also merits positive treatment.

Of course, as long as there are nuclear weapons in the world the possibility of a nuclear catastrophe will persist. For this reason a policy of a reduction of nuclear arms as far as their elimination in all varieties should today even be a rule of behavior of states possessing such weapons.

Neutron weapons are one such variety. The question of the formulation of a convention banning the production, stockpiling, deployment and use thereof has for many years been raised at the Disarmament Conference by the Soviet Union

and other socialist countries. A special resolution adopted on the initiative of the GDR and other socialist states proposes that the conference finally embark on negotiations for the speediest solution of this question.

Of course, nor could the Assembly have overlooked the problem of the complete destruction of nuclear weapons. The path toward this lies through the formulation of a program of stage-by-stage nuclear disarmament which would provide for a gradual reduction in the stockpiles of nuclear arms as far as their complete liquidation and, within this framework, the achievement of accords on a halt to the development of new nuclear weapon systems and the production of fissionable material for the creation of various types thereof and a halt to the production of nuclear warheads and their delivery systems. A resolution adopted on the initiative of the socialist states proposes that the Disarmament Committee embark on negotiations for the elaboration of such a program. In the course of the discussion the Soviet delegation explained that when elaborating the nuclear disarmament measures it would be necessary to agree on the appropriate methods and forms of supervision which would satisfy the parties concerned and contribute to the effective realization of the agreements reached. The experience of the supervisory activity of the IAEA and its possibilities could, in particular, be used for monitoring nuclear disarmament measures.

At the suggestion of Argentina a resolution was adopted which recommended that the Disarmament Committee set about the elaboration of the "best possible ways of the start of multilateral negotiations" on nuclear disarmament. The USSR supported this resolution. The United States voted against both nuclear disarmament resolutions.

An important place in the Assembly's work was occupied by study of the question concerning the banning of chemical weapons. As a result of the persistent efforts of the USSR and other socialist states it has been possible at the negotiations conducted within the framework of the Disarmament Committee in recent years to achieve certain progress in the coordination of a number of major issues concerning the banning of chemical weapons, and the prospect of the conclusion of an appropriate international convention has been revealed. The Soviet Union has repeatedly presented constructive proposals aimed at the achievement of accords. The blame for the fact that the negotiations on the banning of chemical weapons have not yet led to the achievement of an accord lies with the United States. Gambling on a further buildup of chemical arsenals and the production of new types of such weapons, binary weapons in particular, the U.S. Administration is pursuing an obstructionist policy, creating increasingly new blockages in the way of a solution of the question. It is this unseemly aim which is pursued by the draft convention submitted by the United States to the Disarmament Committee in April 1984, it having been drawn up such as to render it knowingly unacceptable. This draft extricates from prohibition primarily the use for military purposes of herbicides and also irritants in armed and other conflicts, that is, precisely the toxic chemicals which the United States once employed extensively during the aggression in Vietnam.

Inspection based on a "standing invitation" is proposed as a "new word" in questions of supervision. Upon disclosure, however, of this euphonious formulation it turns out that countries would have to automatically grant

within 24 hours at first demand unimpeded access to inspectors to any enterprise and any facility, irrespective of whether it is related to the production of chemical weapons, indeed, to chemical industry in general, or not. From the viewpoint of the task of banning chemical weapons there is no need for such supervision. On the other hand there is a direct danger of the discovery of military and commercial secrets unconnected with questions of the production, stockpiling and storage of chemical weapons.

In proposing this absurd system of verification the United States by no means intends extending it to itself. In accordance with the American plan, such supervision would encompass merely the enterprises "belonging to governments or controlled by governments." In other words, in the Soviet Union and the socialist states and also in countries with partially nationalized industry, where all enterprises or the majority thereof are state-owned, practically all civilian and military facilities, even those unconnected with chemical production, would be subject to supervision, while in the United States private enterprises, including major chemical corporations capable of producing the corresponding weapons, would be excluded from the sphere of supervision.

Such an approach is all the more unacceptable if the possibility of the production at private enterprises of the components of binary weapons is considered. Incidentally, the American plan glosses over altogether the question of the banning of binary weapons. Extremely dangerous supertoxic lethal chemicals, regardless of the quantities produced, furthermore, also remain practically outside of supervision if they are formally intended for peaceful purposes and not for antichemical defense.

The delegations of the USSR and other socialist countries criticized the obstructionist policy of the United States.

The approved resolutions emphasize the need for the speediest conclusion of a convention banning chemical weapons, while a resolution adopted on the initiative of the socialist countries proposes in addition that countries refrain from the production and deployment of binary and other new types of chemical weapon and also from the deployment of such weapons on the territory of other states.

States, primarily those which possess nuclear weapons, are called on to play a particular part in removal of the nuclear threat and arms limitation. At the same time the public also must play its part, a significant one at that. Ensuring states' interaction with it in the interests of preventing nuclear war--such is the main goal of the World Disarmament Campaign, which began in 1982.

The UN General Assembly 39th Session examined the UN secretary general's report on the world campaign. Its successful conduct within the framework of a regional conference in Leningrad (June 1984) was noted, inter alia. The Soviet delegation advocated the continuation of such practice and proposed that a similar regional conference be held thanks to a USSR contribution to the fund of the world campaign on the territory of a Central Asian republic of the Soviet Union.

So the main direction of the activity of the United Nations, which was laid down at the time it was being founded--serving as an instrument of the preservation of international peace and security--has assumed even greater significance in our day. The interaction of the forces operating from antiwar, anticolonial positions and striving for the increased effectiveness of the United Nations, primarily in questions of strengthening peace, has broadened and strengthened. The time has long since passed when the United States and other Western powers could with the aid of an obedient voting machine foist on the organization decisions which suited them. As the 39th Session showed, the socialist community states and the nonaligned countries are united nations in the true sense of the word fully resolved to deliver mankind from the calamities of war.

And the Western countries? What part are they currently playing in the United Nations? Elements of political realism prompting them in a number of instances to associate themselves with constructive decisions are increasingly noticeable in the policy of many of them. This was the case, for example, at the time of adoption of the resolution on prevention of the militarization of space. The United States is operating from different standpoints. In 26 instances out of the 65 when at the 39th Session resolutions were adopted on questions of the prevention of nuclear war and arms limitation it voted against and in 12 instances abstained. On 10 occasions, furthermore, the United States found itself practically completely isolated, when even its closest allies failed to vote with it. This is not the first time that such a situation has arisen. On the one hand the growing isolation of the United States and, on the other, its disregard for the opinions of other states were noticeable at both the 38th and 37th sessions. The pressure on the United States for it to change such an approach increased at the 39th Session.

The United States opposed resolutions which outlined paths for the solution of such most important problems as preventing nuclear war, no first use of nuclear weapons, a nuclear arms freeze, the complete and general banning of nuclear weapons tests, a reduction in nuclear arms and the banning of neutron weapons and new types of weapons of mass destruction.

It can be seen just from this list that the reason for the lack of concord among the united nations on questions of strengthening peace is the United States' policy aimed at achieving military superiority, behind which is the aspiration to acquire the opportunity to dictate its will.

With the aid of some of its closest allies the United States attempted to gloss over this obvious truth. Thus a draft resolution which had been prepared by delegations of the FRG and other Western countries and which bore the demagogic title "Preventing War in the Nuclear Age" appeared at the 39th Session. This figleaf concealed in somewhat veiled form purely NATO stuffing--assertion of the right to the first use of nuclear weapons, the preaching of "nuclear deterrence" concepts, the demand for information on military activity to be made available, that is, the disclosure of military secrets, and so forth. The Western draft contained not a word about measures which could prevent nuclear war--a nuclear arms freeze, a halt to

tests of nuclear weapons and renunciation of the use thereof. The nonaligned countries proposed amendments to the draft, the purpose of which was to bring its content into line with its title. The Western countries then withdrew their draft from the vote.

Demagogic tricks are one method to which Western diplomacy resorted at the session to conceal the fact of the existence of fundamental differences between the United States and some of its closest allies on the one hand and the overwhelming majority of the united nations on the other. At the same time use was also made of such methods as backstage arm-twisting, political pressure and economic blackmail. But even despite the United States' "power diplomacy," the results of the voting at the session show that it absolutely certainly counterposed itself to the overwhelming majority of other UN members.

Obviously, the sole path toward unification of UN states' efforts in strengthening peace is, as the organization's charter demands, not verbal equilibristics and not the secret diplomacy of pressure and blackmail but a change in the basic policy whose purpose is to create for oneself military advantages and threaten the peoples of other countries with nuclear war.

As is known, UN General Assembly resolutions are not binding. Nonetheless, they contain the possibility of moral-political influence both on the situation in the world as a whole and on the policy of individual states which are attempting to poison the world situation with a spirit of mistrust and suspicion and fill it with the danger of a nuclear conflict.

Both the course of the discussion and the results of the voting showed emphatic condemnation on the part of the broadest range of UN members of the United States' policy of continued arms race. In a whole number of instances Washington's position was not supported even by its allies.

At the same time, on the other hand, the results of the study of questions of arms limitation at the 39th Session show extensive support in the world for the Soviet Union's consistent policy of removal of the threat of nuclear war and a curbing of the arms race. As a whole they provide a pretty sound basis for a continuation of efforts to reduce tension in the world and curb the arms race.

A.A. Gromyko spoke highly of the results of the 39th Session, declaring in conversation with political observers on 13 January 1985: "We evaluate the results of the past session very positively."

The 40th anniversary of the smashing of fascism and the creation of the United Nations (the 39th Session adopted a special decision in this connection) is commemorated this year. On the threshold of the splendid date it is particularly fitting to recall the principal lesson taught by World War II: states must fight against war together. "We peoples of the United Nations are fully resolved to deliver future generations from the calamities of war...."

The UN Charter begins with these words. They express the principal reason for its creation. And now--in the nuclear-space age--they call even more insistently on all states and all peoples to unite their forces for the preservation of peace. For whereas previously war was a great disaster, it now threatens the destruction of mankind.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

8850

CSO: 1816/12

EVOLUTION OF CEMA JOINT ECONOMIC PLANNING DETAILED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 85 (signed to press 13 Feb 85) pp 29-39

[Article by A. Nikol'skiy: "Most Important Basis of Socialist Economic Integration"]

[Excerpts] Little more than 36 years have elapsed since the time of the creation of the world's first economic organization of socialist states, within whose framework 10 sovereign European, Asian and Latin American countries--Bulgaria, Hungary, Vietnam, the GDR, Cuba, Mongolia, Poland, Romania, the Soviet Union and Czechoslovakia--are cooperating successfully, and 16 years since the CEMA countries adopted a firm policy of the further development and intensification of socialist economic integration.

The formation of the world socialist system, the creation of CEMA and the reorganization of interstate relations on socialist economic principles laid the objective foundation for the conscious, plan-oriented and scientifically substantiated control of trade-economic relations for the purpose of the efficient use of the advantages of the international socialist division of labor. The action of the law of plan-oriented (proportional) development goes beyond the framework of individual countries and is influencing the processes of the internationalization of economic life on a socialist community scale.

New impetus to a strengthening of the international nature of socialist planning was lent by the Comprehensive Program of Socialist Economic Integration, which was adopted by the CEMA countries in 1971. From this time joint activity acquired qualitatively new features, which were manifested graphically in the plans for 1976-1980. There was primarily a considerable expansion of plan-coordinating activity and an increase in scale, and coordination on a multilateral basis was extended. At the same time joint activity came to be characterized by the rational combination of bilateral and multilateral forms and methods of implementing concerted measures, the joint solution of the vitally important, large-scale problems of an intra- and intersectorial nature contained in the Comprehensive Program and their linkage with the development of the national economies.

Coordination was effected for the first time under the conditions of the introduction of new forms of cooperation ensuing from the Comprehensive Program. These included mutual consultation on basic questions of economic policy, the development of forecasts in the main sectors of the economy, science and technology, the coordination of development for the distant future and the joint planning by the countries concerned of the most important types of works and sectors of the national economy and the elaboration of concerted multilateral integration measures. All this not only supplemented but also enhanced the efficiency of coordination and ensured the closer linkage of integration measures with the 5-year national plans.

The center of gravity of cooperation is shifting even more to the sphere of material production, and its multilateral nature is increasing. Considerable attention is being paid to the international socialization and cooperation of production in engineering and the joint solution of the problem of fuel and raw material supply. Reciprocal commodity supplies ensue from the concerted program of industrial and scientific-technical cooperation. Thanks to this, in the mid-1970's there was a considerable intensification of the fraternal countries' economic interaction, the interconnection and mutual complementariness of their economies and economic integration.

The accumulated experience served as the basis for the practical realization of the objectively urgent need for a transition to joint planning on a multilateral basis inasmuch as only such a path ensures the concentration of the fraternal countries' efforts for the efficient solution of key national economic problems. As of 1976-1980, upon the elaboration of 5-year plans, bilateral coordination between central planning and industrial management authorities has been combined with multilateral coordination within the framework of the CEMA Committee for Cooperation in the Sphere of Planning Activity and other bodies of the community.* It is closely and efficiently tied in here with the progress of elaboration of the draft national plans, which enables the countries to take account of the results of both types of coordination. The coordination of capital investments, the joint installation of facilities, specialization and cooperation of production and scientific-technical and industrial cooperation have undergone considerable development.

In 1975 the fraternal countries approved the first Concerted Plan of Multilateral Integration Measures for 1976-1980, which occupies a special place in joint planning activity and was the basis for the realization of large-scale projects and testimony to the continued strengthening of the plan principles of multilateral cooperation. "The compilation of such a plan," a communique of the CEMA Committee for Cooperation in the Sphere of Planning Activity emphasized, "together with development of the existing forms of coordination of the CEMA countries' plans makes it possible to implement in more efficient and plan-oriented manner a number of major plans for the creation of production capacity in the most important sectors of the national economy and carry out the specialization and cooperation of production of a multilateral

* This CEMA committee was formed to enhance the efficiency of joint planning activity. CEMA committees for scientific-technical cooperation and in the sphere of material-technical supply and also a number of other international economic and economic-planning organizations were created also.

basis and other measures aimed at the development of socialist economic integration whose realization is connected with the need for unification of the CEMA countries' material, financial and labor resources."*

The Concerted Plan of Multilateral Integration Measures is formed at the final stage of coordination work. It is an important political and economic instrument and an entirely new phenomenon in the history of interstate cooperation. The concerted plan is the first collective document jointly developed by sovereign states which takes account of both national state goals and the common interests of the entire socialist community.

The plan was coordinated on a community scale and provided for the unification of efforts for the realization of 28 large-scale multilateral integration measures extending over a longer period. This made it possible to solve important national economic problems more efficiently and comprehensively. These included ensuring the countries' steady supply with fuel, electric power and raw material, the development of more profound and stable international specialization and cooperation of production in individual sectors of engineering, the chemical and other sectors and also a number of central scientific-technical problems.

Beginning 1976-1980, the Concerted Plan of Multilateral Integration Measures has recorded the volumes of the equipment, material and consumer commodity supplies, the currency resources which are made available and the amounts of the use of International Investment Bank credit. It also determines the partners' contribution to the installation of each facility and their share of the finished product and provides for the coordination and linkage of the sources of attracted material, financial and labor resources.

It is important to emphasize that the Concerted Plan is not supranational and does not substitute for individual national economic plans. At the same time the latter, in accordance with a unanimous decision of the CEMA countries' parties and governments, incorporate special sections in which each country envisages the material, financial and labor resources necessary for fulfillment of the adopted commitments pertaining to participation in multilateral measures. This appreciably distinguishes the Concerted Plan from other similar forms of the fraternal states' cooperation.

The successes of the working people of the CEMA countries in realization of multilateral integration measures were evaluated highly at the 26th CPSU Congress and the recent congresses of the fraternal states' communist and workers parties. Approximately 9 billion transfer rubles, including 6.5 billion on the territory of the USSR,** were invested in the installation of integration facilities in the preceding 5-year period.

A striking example of multilateral cooperation is the construction of the "Soyuz" transcontinental gas pipeline (2,750 kilometers long from the Orenburg gas-condensate deposit to the USSR's western border), thanks to which the biggest gas-chemical complex in Europe and a unique gas-shipment system have been created. A most important step was thereby taken in strengthening CEMA's energy complex, and great experience of the installation of a major

* PLANOVOYE KHOZYAYSTVO No 1, 1974, p 158.

** EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV No 3, 1975, p 3; No 3, 1976, p 25.

facility by a multithousand-strong international collective of the fraternal countries' construction workers was accumulated. Along the arteries of this gas pipeline the Soviet Union annually supplies the European CEMA countries with approximately 15.5 billion cubic meters of the most valuable energy carrier and chemical raw material. This is more than 1.5 times more than the 1975 level of supplies.

The commissioning of the 750-kilowatt intersystem power line from Vinnitsa (USSR) to Albertirsa (Hungary) is making it possible to increase power supplies to Hungary, the GDR and Czechoslovakia by 6.5 billion kilowatt-hours annually. It has united approximately 600 power stations of the European CEMA countries and secured for them a savings of resources corresponding in value to the installation of new power stations with an overall capacity of 2,500 megawatts.*

From the Ust-Ilim Pulp Plant the community countries annually receive 205,000 tons of pulp or 40 percent more than in 1975. The Kiyembayevskiy Asbestos Mining-Concentrating Works, the biggest in the world, provides annually for additional asbestos supplies in an amount of 180,000 tons a year, which is 1.8 times more than the 1975 level. Soviet supplies of ferruginous raw material (pellets and concentrate) from the Mikhaylovskiy, Dneprovskiy and Stoylenskiy mining-concentrating works and ferroalloys from the Nikopol and Yermakovskiy ferroalloys plants are growing considerably also.** The fruits of the specialization and cooperation of labor are being perceived in practically all spheres of the national economy, science and technology.

The successful fulfillment of the first Concerted Plan of Multilateral Integration Measures confirmed that the coordination of 5-year national economic plans on a bilateral and multilateral basis, having become the main method of the concerted development of the international socialist division of labor, is contributing to an acceleration of the economic growth of each country and the consolidation of the economy of the community as a whole. Since the mid-1970's concerted plans have become a firm part of the practice of the fraternal countries' interstate cooperation.

Under the conditions of the high level of development achieved by the CEMA states in the latter half of the 1970's and the scientific-technical revolution which is taking place in the world it became impossible to correctly and efficiently solve fundamental production and socioeconomic problems within the framework of a single 5-year plan. There was an urgent need for the elaboration and implementation of large-scale long-term comprehensive programs in the most important sectors of the economy, linking them closely among themselves and providing them with resources. The programs were to take account of the development trends not only of the world socialist system but also of the world as a whole, the achievements of world scientific-technical progress and the possibilities of the CEMA countries' cooperation for a period of a minimum of 10-15 years.

* B.N. Ladygin, V.I. Sedov, R.R. Ultanbayev, "Historical Experience of the CEMA Countries' Cooperation," Moscow, 1980, p 186.

** A.S. Nikol'skiy, "Internationalization of Economic Life Under Socialism and Socialist Economic Integration," Moscow, 1983, p 30.

The first attempts to coordinate cooperation for the distant future pertain to 1957. The fraternal countries agreed to exchange preliminary thoughts concerning the basic directions of the development of the national economies and the problems arising in the course of the compilation of forward plans. At the end of the 1950's proposals concerning the organization of intersystem relations and arterial power-transmission systems based on a term of 10-15 years were formulated within the framework of the CEMA Permanent Commission for Power Engineering.

Accumulating experience, the community countries gradually extended the list of problems for coordinated solution over a long period. Thus in accordance with the decisions of the CEMA 13th Session (July 1960), preliminary thoughts concerning the prospects of individual sectors of engineering and the need for their products were collated for coordination of the basic direction of its development. Together with this it was recommended that proposals be developed on the basic directions of development for the distant future of agriculture, agricultural engineering and the production of chemical plant-protection agents.

In the 1970's the CEMA countries effected a considerable turnabout in the direction of an intensification of the national economy and the growth of its efficiency and technical-economic indicators. A qualitatively new period in the coordination of plans for the distant future had arrived. The extension of the international socialist division of labor taking shape with regard for the long-term trends of the CEMA countries' economic and social development and the fuller use of the possibilities of socialist economic integration were most important factors of an increase in the efficiency of the national economy given the active use of intensive factors.

The CEMA countries are adopting a policy of the joint planning in the distant future of the most important sectors of the national economy. The collective elaboration of a long-term economic and scientific-technical strategy of the comprehensive solution of problems in the basic spheres of material production--long-term goal-oriented cooperation programs--was put forward as a most important task at the 25th CPSU Congress and the regular congresses of the communist and workers parties of the other CEMA countries. The CEMA 30th Session (July 1976) adopted a decision on the formulation of such programs in the course of 1976-1980. This decision, the communique of the session said, "reflects the firm readiness of the CEMA members to strengthen and develop in every possible way the processes of cooperation and socialist economic integration and to make use in national and common interests by way of cooperation and joint labor of their natural wealth and material and labor resources in accordance with the principles and goals envisaged by the Comprehensive Program."

Five interlinked comprehensive long-term goal-oriented cooperation programs for the period up to 1990 are being implemented currently. The first is in the sphere of energy, fuel and raw material and is designed to cater for the countries' economically substantiated requirements thanks to production of the corresponding resources in each country and reciprocal supplies. The second--in the sphere of agriculture and food industry--is geared to satisfaction of the population's rational food product requirements.*

* Supplementary to this program in 1983 the CEMA 37th Session approved comprehensive cooperation measures for an improvement in provision of the population of the CEMA countries with foodstuffs.

The third program--in the engineering sphere--is designed to effectively tackle the task of the furnishing and refurnishing of the key sectors of material production with technically progressive machinery and equipment by way of the introduction of modern production engineering processes, computers and automated control systems and a rise in the level of the mechanization and automation of production. The fourth is in the sphere of consumer goods production, realization of which is to contribute to the fuller satisfaction of the population's need for high-quality industrial consumer goods. The fifth--in the transport sphere--is linked with the development of all sectors of material production and determines long-term measures for the satisfaction of requirements in the transportation of freight and passengers.

A most characteristic feature of the long-term goal-oriented programs is their direct connection with the accomplishment of the main task of the economic strategy of the fraternal communist and workers parties--the development of economic and scientific-technical cooperation in the interests of an upsurge in the peoples' well-being. The adoption of the programs is a qualitatively new step toward a strengthening of the plan principles in international economic cooperation and socialist economic integration. Cooperation is assuming a comprehensive nature and is geared to direct amalgamation of forces and resources on a community scale and an extension of the division of labor and cooperation in the sphere of production, science and technology.

The long-term goal-oriented programs have become an important factor of the determination of the ways and means of the solution of key problems of the CEMA countries' socioeconomic development in 1981-1985 and the period up to 1990. Thus they link the current and next 5-year plans and contribute to the continuousness of planning. For this reason the Concerted Plan of Multilateral Integration Measures was elaborated in close interconnection and simultaneously with the elaboration of the long-term goal-oriented programs. The national and concerted multilateral plans incorporate the most important measures ensuing from the said programs. Consequently, countries approach the solution of the problems of the current 5-year plan with regard for the strategy of cooperation in the key sectors of material production for the distant future.

For the purpose of a further improvement of plan-coordination work the Plan of Multilateral Integration Measures for the current 5-year period incorporates a new section connected with the development and use of uniform standards. The Concerted Plan pays considerable attention to measures aimed at the accelerated development and increased efficiency of the national economic complexes of Vietnam, Cuba and Mongolia and the level of their development, which is drawing closer to the level of the other CEMA countries.

On the basis of an analysis of cooperation in the 1970's the CEMA countries' communist and workers parties set the task of turning the current decade into a period of intensive production and scientific-technical cooperation. It will make possible better use of production and scientific-technical potential for the realization of joint programs, the removal of parallelism in production, release from unwarranted imports from capitalist countries and technical-economic independence of the capitalist market.

Bilateral long-term programs of production specialization and cooperation based on the period up to 1990 are the specific practical embodiment of the policy of intensive production and scientific-technical cooperation. They outline the basic directions of production specialization and cooperation in the most important sectors of the national economy and determine the mechanism of the realization of concerted measures. The main purpose is contributing to the maximum to the effective accomplishment of the strategic tasks of building the developed socialist society, dynamic development and the growth of economic potential and to the extension of socialist economic integration.

Upon coordination for the current 5-year period the bilateral programs were tied in which the multilateral integration measures. The plans provide for the material, financial and labor resources necessary for their implementation. The program approach to joint planning activity has raised it to a new level, imparting to cooperation a more purposeful nature. It has become a basic direction of an improvement of this activity.

A tremendous amount of work was done in the process of the elaboration and realization of the long-term goal-oriented and long-term bilateral programs, contributing to the ascertainment, study and combination in specific agreements of a large number of new ideas and proposals. More than 210 large-scale multilateral agreements were prepared with respect to measures of the long-term goal-oriented program alone, of which 200 are being put into practice successfully.*

The functioning of the socialist community's economic complex, the biggest in the world, testifies that the plan-oriented running of the national economy and the improvement and extension of joint planning activity are playing an important part in the development of the fraternal countries' all-around cooperation. The logical consequence and practical embodiment of the mutual complementariness and closer interaction of the national economies and economic integration is, in particular, the creation of international production complexes in key sectors. These complexes ensure the more efficient and rational use of aggregate material, financial and human resources on the scale of the entire community.

There are many such examples. The CEMA countries' "Mir" complex of joint power systems is functioning successfully. This is a complex industrial organism characterized by the precise interconnection of the constituent elements (power stations, converter and distribution substations and power lines). It unites a large number of power facilities on the territory of the European CEMA countries and the European part of the USSR (the Lvov and joint power systems of the southern USSR). A Central Control Administration has been set up for their efficient use. By 1982 (20 years after its creation) the installed capacity of the power stations incorporated in the system and their generation of electric power had increased almost fivefold, while the volume of reciprocal power supplies between the participating countries had increased by a factor of 9.5.**

* MEZHDUNARODNAYA ZHIZN' No 6, 1984, p 43.

** A.S. Nikol'skiy, Op. cit., pp 17-18.

Another example is the international industrial complex incorporating the oil-producing industry of the USSR and the petroleum-refining and petrochemical industry of the European CEMA countries. They are linked by the world's biggest oil artery, which was built by the countries concerned-- "Druzhba"--which is more than 5,500 kilometers long. Supervisory control regulates the oil supplies and provides for the pursuit of a uniform technical policy.

The volumes of oil supplies are coordinated with the fraternal countries' requirements upon coordination of national economic plans. They are consolidated in bilateral long-term trade agreements and annual protocols. Annual supplies of Soviet oil to the countries which participated in the building of the oil pipeline had by the start of the 1980's even increased tenfold compared with the 1960's and essentially provide their petroleum-refining and petrochemical industry with raw material in full.

One further example is the formation of the complex for the production of computer facilities. The participating countries (Bulgaria, Hungary, the GDR, Cuba, Poland, Romania, the USSR and the CSSR), which signed an agreement on cooperation in this sphere in 1960, have formulated a uniform technical policy, are conducting concerted R&D and have created the uniform "Ryad" computer system and a minicomputer system.

The said states ensure the coordinated work of almost 30 scientific research institutes and design offices and 70 plants producing computers. The scale of the international complex may also be judged from the following fact. Some 50,000 scientists, designers, engineers and technicians and 300,000 workers participate in the joint research, designing and production. By the start of the 1980's the volume of the production of computer facilities had increased more than sixfold and reciprocal trade therein more than 18-fold compared with the end of the 1960's.

The policy adopted by the CEMA countries of the development and extension of socialist economic integration and the reliability and efficiency of the plan-based mechanism of cooperation has fully justified itself. "It may rightly be said today," K.U. Chernenko, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, emphasized, "that this policy has fully justified itself. Our community has strengthened and grown. CEMA's international authority has increased. Its positive influence on the economic life of each fraternal country has strengthened. Without extensive cooperation we could not, of course, have achieved the current results."

The socialist community has production forces and economic and scientific-technical potential of considerable scale. However, there is still big potential of considerable scale. However, there is still big potential for the development of the specialization and cooperation of production for the better satisfaction of requirements, particularly for modern machinery, equipment and instruments, an increase in output quality, a reduction in the material-, capital- and labor intensiveness of the manufactured product and so forth.

New efficient plan-based forms of the interaction of the economies are being established and improved increasingly often within the CEMA framework. Under

these conditions there was an urgent need for the coordination of fundamental questions of the further development of the economies, determination of the strategy of economic cooperation for the next 15-20 years and a strengthening of the plan-gearred bases of socialist economic integration by way of close interaction at central management body level, at the sectorial level and between economic-planning organizations.

The unanimously approved program documents of the top-level CEMA economic conference (June 1984, Moscow) set forth the common policy determining for the period up to the end of the present century the strategic directions of economic cooperation, the extension of socialist economic integration, the all-around rapprochement and consolidation of the fraternal countries and the consolidation and cohesion of their unity. Ways of the solution by joint efforts of most important national economic problems based on a further expansion of the scale and the increased efficiency of mutual economic and scientific-technical cooperation were also formulated collectively.

A major step forward was also taken in extending the coordination of economic policy. Its fundamental directions are the accelerated growth of labor productivity, a consistent reduction in the material- and energy-intensiveness of production, a rise in the technical level and quality of output and the mutual complementariness of national economic structures.

The economic conference enshrined the uniform approach to the solution of major problems of socialist building. The long-term directions of the CEMA countries' interaction in the key sectors of the national economy and in the sphere of scientific-technical cooperation were determined.

"All this should," K.U. Chernenko points out, "make it possible to make better use of the advantages of socialist integration for the good of our peoples and create the prerequisites for the more efficient accomplishment of the tasks of the intensification of production and the further equalization of the CEMA countries' development levels."

Proceeding from the fact that the leading element of economic strategy is acceleration of the introduction of the achievements of science and technology in production, the economic conference adopted an important decision. It was that the CEMA countries would jointly draw up a Comprehensive Program of Scientific-Technical Progress for 15-20 years. The program will make it possible to concentrate and coordinate resources and efforts in the decisive areas--electronics, production of means of automation and so forth.

All this will ensure a cardinal increase in labor productivity, the maximum savings of resources and an unswerving growth of product quality. The program will serve as the basis for the CEMA countries' pursuit of concerted scientific-technical policy and will be an important instrument of a further deepening and the increased efficiency of socialist economic integration. The Comprehensive Program of Scientific-Technical Progress, which will be developed into a system of production cooperation agreements, is aimed at a further division of labor and the extension of specialization and cooperation.

In the long-term strategy of the solution of raw material and fuel-energy problems adopted by the conference an important place is assigned the coordination of efforts for the economical and rational use of all types of resources. This will be achieved by way of the introduction of progressive techniques and modern machinery and equipment. Long-term programs of plan-oriented development and the extension of cooperation in the sphere of the agrarian-industrial complex and the production of industrial consumer goods have also been formulated. They mark a turn toward the fuller, scientifically substantiated satisfaction of the working people's requirements.

The step taken by the conference in coordinating economic policy is an important new stage of cooperation. Planning activity, particularly the coordination of national economic programs, will remain the main method of the extension of the international socialist division of labor and the CEMA countries' economic integration and is to enhance the efficiency of their interaction appreciably. The long-term directions of the CEMA countries' interaction in the material production sphere which were approved by the conference have been made the basis of the coordination of national economic plans for 1986-1990 and for the longer term.

Questions of a further extension of the CEMA countries' cooperation and the implementation of the specific measures for realization of the long-term goals and basic directions of interaction collectively formulated by the top-level economic conference were discussed at the CEMA 39th Session which was held at the end of 1984 in Havana.

The coordination of plans is, as this session emphasized, "becoming an effective instrument of the coordination and realization of our countries' economic policy and the unification of their efforts for the effective solution of national economic problems." Over 60 multilateral economic and scientific-technical cooperation agreements for 1986-1990 and a longer period have been prepared and signed, and the elaboration of the Comprehensive Program of Scientific-Technical Cooperation for 15-20 years has begun.

Long-term comprehensive measures for cooperation in the fuel-energy and raw material sectors have also been approved and, in particular, the installation by the efforts of the countries concerned of the Krivoy Rog Mining-Concentrating Works and the Yamburg--USSR western border main gas pipeline, the use of hard coal deposits in Poland, the creation of capacity for the mining and treatment of magnesite in Czechoslovakia and nickel-cobalt products on Cuba and the development of deposits of nonferrous metals in Mongolia, Vietnam and Cuba, bauxites in Vietnam and phosphorites in Mongolia are planned.

Particular attention is being paid to realization of the economic conference's directives concerning assistance to Vietnam, Cuba and Mongolia in the upsurge and efficient development of the economy and also in the broadening of their participation in the international socialist division of labor.

The coordination of plans for the coming 5-year period differs appreciably from what was effected earlier. It primarily undergoes two stages in the course of 2 years. At the first there are consultations on basic questions of

economic and scientific-technical relations and major sectorial problems. The place of countries in the division of labor within the CEMA region, the possible dynamics and commodity structure of reciprocal trade and the main trends of foreign economic relations will be determined on this basis.

At the second, final, stage the main tasks of cooperation will be finally agreed, the volumes of exports and imports of the most important commodities, supplies of fuel and raw material from the USSR and the corresponding products from the fraternal countries will be determined and so forth. The list of the said questions is lengthened and the problems subject to coordination are tied in more closely with national developments. There is also a strengthening of the interconnection of economic, production and scientific-technical cooperation for the purpose of the accelerated introduction in the national economy of the results of joint R&D.

Interaction in manufacturing industry is the basis of the development of the integration processes and commodity turnover in connection with the limited nature of raw material resources. It is aimed mainly at an extension of intrasectorial contacts, the development of the specialization and, particularly, cooperation of production, a rise in the technical level and quality of reciprocally supplied products, the provision of machinery and equipment with spares and the modernization and reconstruction of enterprises. It is for this reason that a particular role is assigned an expansion of direct relations between associations, works and individual enterprises and their enlistment in the development of production and scientific-technical interaction and realization of the agreements which have been reached.

Great attention is being paid to cooperation facilities which go beyond the framework of the impending 5-year period. Particular emphasis in the intersectorial measures is being put on the development of a number of problems. They include interaction in the assimilation of the manufacture of types of product which make it possible to free oneself of imports from capitalist countries; and an increase in the efficiency of the national economic complexes and the accelerated development of science and technology in Vietnam, Mongolia and the Republic of Cuba. Consultations are being conducted on the basic directions of economic and social development for the period after 1990 and so forth.

The CEMA countries have scored considerable successes in the sphere of mutual cooperation based on a broadening of joint planning activity, primarily the coordination thereof--the main method of socialist economic integration. These successes entirely refute the assertions of imperialist propaganda that socialist methods of managing the economy and the spread of "imperative centralized planning" are creating "insurmountable difficulties" in the way of integration. Life is demonstrating the further strengthening of the unity and cohesion of the fraternal parties and states, an expansion of mutual relations and a strengthening of the positions of world socialism.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

U.S. MILITARY SPACE PROGRAMS SURVEYED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 85 (signed to press 13 Feb 85) pp 40-50

[Article by G. Khozin: "The Exploration of Space and Social Consciousness in the United States"]

[Excerpts] In the United States the system of goals and the nature of the arguments in support of the progress of American astronautics reflect in full the specific features of the development of state-monopoly capitalism in the latter half of the 20th Century in its endeavor not only to strengthen, relying on military power, its positions in world politics and economics but also to impose on its own people and on as large a number of other states as possible the philosophical and ideological stereotypes at the basis of which is the idea of the United States' "exceptional role" in world history.

In the period of the development of American astronautics which has elapsed sufficient material has been accumulated for an analysis of the evolution of the United States' social consciousness in a comprehension of the principal goals in the name of which space should be explored and the vision of the political, economic, military, ideological and other tasks in states' day-to-day activity on planet Earth to whose accomplishment the exploration of space should be subordinated.

Such analysis is all the more important in that considerable changes occurred in American astronautics at the start of the 1980's in the direction of its further militarization and broader use in the interests of the United States' acquisition of one-sided military advantages. Not only official statements by the President, the defense secretary and other high-ranking figures but also actual practical measures testify to such intentions on the part of the administration: a steep increase in appropriations, the expansion of R&D and the creation at first of air force and navy space commands and subsequently of the Defense Department's Joint Space Command. All this activity is fraught with dangerous consequences not only for the United States but all mankind.

The "star wars" concept shatters the hopes of liberal and realistic circles of American society that the progress of astronautics will if only on a limited scale promote the development of the economy, contribute to the realization of social programs and stimulate thoughts as to a future of mankind which has room for constructive international cooperation, harmony with nature and humanist ideals.

Military Rivalry at the 'Space Frontier'

There are many instances in American astronautics testifying to attempts by influential political and military-industrial groupings to ensure the maximum possible degree under the actual conditions of militarization of the national space program. Such steps are being accompanied by an active propaganda racket spurring in Americans fear and a feeling of uncertainty in the face of the alleged insidious designs of the Soviet Union in space. We would recall that the first serious document on the prospects of the development of astronautics prepared by the Rand Corporation shortly after World War II (prior to the start of space launches) virtually represented a list of the military assignments which could be tackled by manned and unmanned space vehicles. A principal conclusion of this document proclaimed: the creation of military artificial Earth satellites could bring about changes in international relations comparable in nature with the explosion of the atomic bomb. When the first Soviet artificial satellite was launched, the thought began to be instilled in Americans that conquest of the "high frontier" of space would mean domination of the entire planet.

The "space element" was immediately incorporated in the calculations of the two powers' balance of nuclear forces, which had allegedly changed to the benefit of the USSR. Three work groups studied the reasons for the United States' lag in space research and submitted proposals to the government on measures to eliminate the gap. The (Geyter) Commission, the Senate Armed Services Committee Subcommittee for Combat Readiness, which was chaired by Sen L. Johnson, and a group of experts set up by the Rockefeller Foundation proceeded in their investigations along the traditional path of evaluating scientific-technical achievements and recommended: the speedier dispersal of the strategic aviation base, the start of the development of ABM systems, a strengthening of civil defense, the increased role of fundamental applied research and the strengthening of conventional armed forces intended for waging so-called limited wars.

In his documentary novel about the first stage of the manned spacecraft program in the United States the American journalist T. Wolfe quotes the following pronouncement by L. Johnson (at that time Senate majority leader): "The Roman Empire controlled the world because it knew how to build roads. The British Empire--with sea exploration--occupied the dominating position inasmuch as it had the ships at its disposal. In the aviation age we (the United States--G.Kh.) acquired power because we had the aircraft. Now the communists have occupied a beachhead in space."*

The aspiration from the very outset to turn states' activity in the exploration and use of space into an arena of the bitterest political and military rivalry is displayed unequivocally in statements of the U.S. political leadership, the leaders of the military department and corporations of the military-industrial complex and of a number of scientists even. Although some American experts claim that the social consciousness as a whole has not perceived such

* T. Wolfe, "The Right Stuff," New York, 1980, pp 57-58.

extremist purposes in respect of astronautics, they continue to be foisted on new generations of Americans. In the definite moral-political atmosphere which this administration or the other forms in the state, the mass media are once again beginning to operate with them, extolling the "wisdom and farsightedness" of the leaders and scientists of past decades.*

Back in the first years of the development of the space program, when attempts were made to inculcate in Americans' social consciousness a feeling of offended patriotism and fear in the face of a strong space power--the Soviet Union--military space projects were named the most important for the future of American astronautics. On the eve and at the outset of the 1960's realistic and semifantastic plans of offensive and defensive weapons systems designed for deployment in space rained down upon the heads of Americans as from a cornucopia. From orbital bombers to an asteroid which they wished to "catch" in space and, pushing it from its trajectory, direct toward enemy territory--such was the range of the sinister imagination of the militarists. The facts show that at that time it was possible to realize only some military-applied space projects. However, the attempts to impose on the public a stereotype--the perception of astronautics as a sphere of economic and scientific-technical activity working predominantly for military purposes--are incessant to this day, albeit experiencing periods of "surge and decline" depending on the political climate in the United States and in the international arena.

One such "surge" of militarist intoxication occurred at the end of the 1960's, when a debate developed in the United States concerning the need for the creation of a wide-ranging ABM system. The possibilities of "thin" and "compact" ABM systems which it was contemplated deploying on American territory were once again extolled in every way to public opinion. Sea, air and space frontiers of an ABM system--means of intercepting ballistic missiles in flight based correspondingly on ships, aircraft and on board space vehicles--were to have been their logical continuation. Americans were told the price which they were to have paid for the realization of these illusory plans--hundreds of billions of dollars. However, commonsense at that time prevailed. As a result of strategic arms limitation talks quantitative and qualitative ceilings for offensive systems were imposed, while the Soviet-American ABM Limitation Treaty and the protocol thereto determined the number of ABM facility areas to be created by the sides--one each.

* The majority of books on astronautics which appeared in the United States at the start of the 1980's aimed at a broad readership actively discuss questions of the military use of space. They thereby endeavor to create the impression that the R. Reagan administration's policy of the sharp militarization of the U.S. space program corresponds to the realities of the current international situation. In these works the authors frequently underpin their conclusions with data and estimates pertaining to the period of the inception and the first stages of the development of American astronautics. Among such books we may cite: H. Stine, "Confrontation in Space," Englewood Cliffs (N.J.), 1981; D. Baker, "The Shape of Wars to Come," New York, 1981; J. Canan, "War in Space," New York, 1982; D. Ritchie, "Space War," New York, 1982; T. Karas, "The New High Ground Strategies and Weapons of Space-Age War," New York, 1983; "Shoot the Moon: National Interests and Military Use of Space," edited by W. Durch, New York, 1984.

Under the conditions of the normalization of Soviet-American relations, when constructive political dialogue and various forms of scientific-technical cooperation were of benefit to their immediate participants and all mankind, the American military, ignoring the political realities of the mid-1970's, continued to campaign for a further spread of the arms race to space in circumvention of current international treaties. Gen J. Morgan advanced in a speech in 1976, for example, the following argument: "The space program was once criticized as a luxury which the state could not permit itself. In the next decade it will be one of the surest gambles which our country has ever made in ensuring its long-term defense."*

At the start of the 1980's the U.S. Republican Administration, taking advantage of the latest achievements of science and technology, endeavored unambiguously to expand the scale of the arms race and move it in qualitatively new areas. In arguments concerning the prospects for the development of American astronautics R. Reagan has surpassed all predecessors in presidential office. Taking cover behind the demagogic slogan concerning the need "to strengthen U.S. security," he announced the intention of preparing to wage war in space.

In July 1982 R. Reagan issued a special directive on new U.S. policy in the study and use of space in the 1980's and the more distant period. The wording of this official document corresponds to the letter and spirit of the most bellicose political declarations of the President and his immediate entourage. The text of the directive says, for example, that the United States "rejects any state's claims to sovereignty over space" and that it has embarked on the development of so-called antisatellites which are to serve as a "means of deterrence against threats to the space systems of the United States and its allies." While paying lipservice to its adherence to the use of space for peaceful purposes the Republican administration openly declares that this does not preclude but permits military activity in space. Political leaders and high-ranking Defense Department figures declare that "interference in the operation of their space systems will be regarded as an infringement of the sovereign right" of the American state.

The Pentagon budget provides for the allocation in the next few years of several billion dollars for the accomplishment of such tasks as the increased "survivability and protection" of space systems; the speediest commissioning of "antisatellite" systems; and the increased efficiency of space observation and early warning facilities. The Republican administration intends unilaterally establishing around its space apparatus a "cordon sanitaire," violation of which by satellites or spacecraft of other countries will afford the United States the "right" to use space weapons.

On 23 March 1983 R. Reagan informed Americans that he had given orders for the start of "all-embracing and intensive operations on the formation of a long-term program of R&D which would make it possible to approach elimination of the threat emanating from nuclear missiles." In his opinion, the level of technological development which has been reached affords an opportunity for the development of space-based means of intercepting ballistic missiles in flight.

* THE AIR FORCE MAGAZINE, January 1976, p 50.

In initiating extensive scientific R&D for the creation of qualitatively new weapons systems, space weapons included, and embarking on the production of new strategic missiles, bombers and other types of weapons and combat equipment the Republican administration is harming the normalization of international relations and the idea of disarmament. The most unconstructive trend of scientific-technical progress, which is profitable merely to comparatively small groupings of military-industrial corporations, is beginning to develop. Seeking a way out of the crisis economic and foreign policy difficulties on this path is, of course, futile.

Now, in the 1980's, man's space potential has grown appreciably and become more accomplished and diverse. With its assistance it is possible to tackle far-reaching socioeconomic tasks, facilitate an easing of the seriousness of the mineral-raw material and energy, demographic, ecological and other global problems, contribute to the struggle against starvation and disease and help formerly colonial countries overcome backwardness. But all this is feasible if space is peaceful. For this reason the calls of cosmonauts and astronauts, progressive scientists and engineers and the public of all continents for a struggle for peaceful space have a more pertinent ring now than ever before. The unification of the efforts of states, including those with different systems, in the noble cause of the peaceful exploration and use of space will be of benefit to all mankind and will help accelerate the pace of scientific-technical progress.

American Astronautics and the Future of Mankind

If we attempt to evaluate the main directions of ideological influence on America's population on the part of the administrations by whose efforts the national space program has been realized up to the present time and also of the leadership of the military department and the corporations of the military-industrial complex, we can see a persistent endeavor to foist on the mass consciousness of Americans a number of flawed stereotypes. These are primarily the identification of space with an arena of the competition of states with different social systems, and considerations of political prestige, military superiority and leadership are given pride of place, what is more. Such stereotypes are expressed in Americans' consciousness quite distinctly, but their perception of space as a promising sphere of the application of man's forces is very complex.

The attitude toward the exploration and use of space as the forward edge of scientific-technical progress served as the reason for many social groups in the United States, particularly the youth, coming to actively link this sphere of activity with the possibilities which are opening up to mankind as his production forces develop. Combined with the spirit of "frontierism," this perception has turned astronautics into a kind of key to the solution of the problems with which American society has been faced and which will continue to appear in the future. "If we were able to put a man on the Moon," Americans love to repeat, "any problem on Earth is within our capabilities."*

* It should be said in this connection that sometimes attempts are made to categorize the constant attention to astronautics as a reason for the exacerbation of many of the contradictions of American society, in the sphere of relations with nature included: "Man has reached the surface of the Moon, but the launching site was built amid debris and waste. It is now fashionable to speak of a removal of the debris at a cost of destruction of the launching site itself" (AVIATION WEEK AND SPACE TECHNOLOGY, 22 March 1971, p 62).

In his address to the U.S. National Engineering Academy Convention on 10 November 1975 J. Fletcher, then director of NASA, emphasized that "the United States' leap toward the stars" had been abruptly slowed by the realities of the 1970's. Pollution of the environment, an increase in the anthropogenic loads on the oceans and the atmosphere, the depletion of mineral-raw material and energy resources, the imperfection of means of communication, the deterioration in the state of the cities, numerous floods, earthquakes and interruptions in food supply and the threat of starvation and the "explosive" growth of population--all this made it "inevitable that our (U.S.--G.Kh.) technical potential, whose refinement stimulated space exploration, be geared to the solution of a billion terrestrial problems. Currently our space programs are to a considerable extent oriented toward their 'solution' and have already produced notable results."* Such constructive, in some aspects humanist, purposes in the perception of astronautics, which were also very typical of the U.S. social consciousness in connection with the memory of the success of the Soyuz-Apollo project, as a serious obstacle in the way of the designs for the unlimited militarization of space which have been presented by the R. Reagan administration.

Many American scientists advocate a balanced approach to the exploration and practical use of space. This attitude of the scientific community toward the "preferable" trends of the development of astronautics has been reflected in the documents of the authoritative commissions and groups of experts engaged in different periods in an analysis of the prospects of the development of astronautics.**

The American public's perception of the basic trends of the development of space technology and also the complex of political, socioeconomic and moral-ethical goals, at whose service Americans would like to put the potential of the national space program, manifestly fail to correspond to the views of conservative political groupings, Department of Defense representatives and the leaders of military business.

Increasingly broad circles of American society are inclining toward the thought that the solution of the problems of the peaceful conquest of space is possible only through a reorganization of the system of international relations and demands a strengthening of peace and a limitation of the arms race. "The fact that war has led man into space by no means signifies that a halt to military activity there will lessen the aspiration to continue the exploration and use of space," the American expert D. Deudney writes. "...Under current conditions, if mankind is able to take a further step and begin a 'race' in the name of the accomplishment of practical tasks, activity in space could be returned to the atmosphere of enthusiasm of the first years of the space age."***

* THE JOURNAL OF AEROSPACE EDUCATION, January 1976, p 2.

** See "A Forecast of Space Technology 1980-2000," NASA SP-387, Washington, 1976, pp 2-1.

*** D. Deudney, "Space: The High Frontier in Perspective," Worldwatch Paper 50, Washington, August 1982, p 55.

On the day that R. Reagan proclaimed the presidential directive on space S. Matsunaga, senator from the state of Hawaii, wrote: "The disarmament talks must necessarily continue, but the biggest opportunities are opening up not in cramped conference halls but in the expanses of space.... Tom Stafford declared that when opening the hatch of the Appolo craft and greeting his colleague Aleksey Leonov he believed the 'we had begun on Earth a new era in man's history'. We must give the Staffords and Leonovs of this planet one more chance."*

K.E. Tsiolkovskiy, founder of the theory of space flight, whose humanist ideas are being recognized increasingly in other countries, including the United States, connected the development of cosmonautics with the prospects of the true progress of civilization: "...life and man's wisdom and improvement are infinite. His progress is eternal."** As a most important component of scientific-technical progress, cosmonautics, the scientist believed, will not only contribute to the development of the system of knowledge of the outside world but will also make it possible to regulate natural processes more rationally and improve the social setup. Socialism and capitalism are the purveyors of opposite philosophical and sociopolitical views of the present and the future of mankind. And the progress of civilization as a whole and, consequently, the direction of human activity in space will depend to a large extent on which fundamental propositions of their philosophy, political slogans and goals and methods of economic planning are perceived by the majority of mankind as the basis for the application of his energy.

A.A. Gromyko, member of the CPSU Central Committee Politburo, first deputy chairman of the USSR Council of Ministers and USSR foreign minister, said in conversation with political commentators on 13 January 1985: "...in order for the threat of war to be removed, in a word, if there is an aspiration toward lasting peace, it is essential that an arms race not begin in space and be halted on Earth."

There is no force which can be counterposed to the peoples of the planet's aspiration to peace. The emissaries of mankind must continue flights into space in the name of peace and progress of civilization. Friendly handshakes in space of representatives of different countries and peoples are landmarks of man's infinite ascent to the stars.

* THE WASHINGTON POST, 4 June 1982.

** K.E. Tsiolkovskiy, "Raketa v kosmicheskoye prostranstvo" [Rocket Into Space], Moscow, 1963, p 97.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". "Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

8850

CSO: 1816/12

STALIN, MOLOTOV, GROMYKO ROLES IN U.S.-USSR WWII COOPERATION

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 85 (signed to press 13 Feb 85) pp 83-90

[Article by V. Avakov: "Relevance of the Lessons of the Past"]

[Text] Soviet-American relations play a particular, if not paramount, part in the business of the preservation of peace and the consolidation of security in the world. In the little over 50 years which have elapsed since the exchange of ambassadors between Moscow and Washington they have known both surges and slumps, and there have been both cold war and detente. A number of presidents has occupied the White House--from F.D. Roosevelt through R. Reagan. These two names today personify two opposite poles of the scale of the two powers' mutual relations.

It would be no exaggeration to say that the brightest pages in the history of Soviet-American relations are linked with the name of U.S. President Franklyn Delano Roosevelt. In the years of World War II the USSR and the United States, the two most powerful and influential participants in the anti-Hitler coalition, fought jointly against the common enemy of mankind--fascism--and inflicted on him a devastating defeat.

Some people in the United States are still attempting to rewrite the history of Soviet-American cooperation in World War II and distort it to please the current requirements of the circles which have proclaimed a "crusade" against the USSR. Bourgeois propaganda is being targeted toward not only a tendentious illustration of individual aspects of these relations in the war period but also toward a flagrant distortion of the very essence and content of the two countries' cooperation in these years. Certain circles in the United States are evidently not averse to altogether expunging from the American people's memory recollections of the Soviet Union's decisive contribution to the smashing of fascism and the Soviet people's heroic and selfless struggle. Not surprising therefore is the conclusion drawn by S. Cohen, professor at Princeton University: "It has to be acknowledged that there is a striking lack of elementary knowledge as regards almost everything concerning the Soviets, even among educated Americans. A former State Department expert, like President Reagan also, believes that the father and founder of the Soviets was 'Nikolay' Lenin. Too many college students have no idea on whose side the Soviet Union fought in World War II...."¹

The attempts to shuffle historical facts have a perfectly specific, class-conditioned purpose corresponding to the interests of the present frame of mind of U.S. ruling circles--to prove that constructive cooperation with Moscow is inconceivable and that it is only possible to talk to the Russians in the "language" of fists and muscle.

One may turn one's back on history and close one's eyes in order not to see it. But no person, be he statesman, scientist or simply a private individual, can in one way or another cope without history. He needs it for the present and the future. Facts are a stubborn thing, and given their unbiased, objective interpretation, they serve as an excellent guide through the labyrinths of history. Only facts can signpost the way to the sole correct exist--the truth. In this connection an important contribution to the illustration of the history of Soviet-American cooperation in World War II was the publication of a collection prepared by the USSR Foreign Ministry devoted to this important stage in the mutual relations of the USSR and the United States.²

I

"Eternal honor and glory are due the Red Army and the people of the Soviet Union. They have inscribed immortal pages in history in the struggle against tyranny and oppression. Their example of self-sacrifice inspires all forces united in the joint struggle for victory" (vol I, p 434). These words belong to Roosevelt, a man who did much to create the anti-Hitler coalition. The Soviet people remember this well. But nor do they forget what inconsistency sometimes distinguished American actions within the framework of the coalition itself and how certain practical steps taken by the Roosevelt administration were in sharp contrast with its proclaimed goals and were contrary to the corresponding Soviet-American agreements. Those who are today calling the tune in U.S. foreign policy had many prototypes in Roosevelt's entourage also.

The American public determined its attitude toward fascist Germany's attack on the USSR quite unambiguously.³ Nonetheless, the government was experiencing palpable pressure on the part of circles which had joyfully greeted the news of the invasion of Soviet territory. "The reactionary isolationists Hoover, Lindbergh and an entire anti-Roosevelt fascistizing grouping," K.A. Umanskiy, Soviet ambassador to the United States, reported to the People's Commissariat for Foreign Affairs, "immediately showed its face, for example, the statement of Wheeler (a senator--V.A.) that a Soviet-German war was cause for rejoicing, and that there's no need to help communism. This group of Republicans and individual Democrats plus the group of our professional enemies of the Bullit-Berle type plus the Catholic hierarchy have already begun, to judge by a number of indications, to put pressure on Roosevelt and are enraged by Churchill's speech..."⁴ (vol I, p 42).

The first reaction of the administration, although the complexities of the domestic political struggle in the United States were reflected in it also, reflected to a certain extent the mood of the members of the cabinet, including the President himself, who even prior to Germany's aggression against the USSR had displayed a constructive approach to the Soviet Union.⁵ Acting on the President's instructions, on 23 June 1941 acting Secretary of State S. Welles

delivered an official statement which characterized Germany's attack on the Soviet Union as "treacherous". On 24 June the President himself publicly expressed readiness to grant the Soviet Union "all possible assistance". In the United States Soviet assets in American banks which had previously been blocked were unfrozen and other restrictions in respect of the USSR were lifted, which afforded the latter an opportunity to acquire weapons in the United States.

At the same time the main thing--what specific measures was Washington prepared to adopt in the plane of rendering the Soviet Union military assistance--remained unclear. In this connection on 26 June the Soviet ambassador in the American capital received from Moscow instructions to meet immediately with F. Roosevelt or C. Hull and, in the event of his absence, with S. Welles and inquire officially about the U.S. Administration's attitude toward this war and toward the USSR (vol I, p 45). The same day the ambassador informed the USSR People's Commissariat for Foreign Affairs of his meeting with Acting Secretary of State S. Welles. The latter reported that "the U.S. Administration considers the USSR the victim of unprovoked, totally unjustified aggression. The U.S. Administration further believes that the rebuff of this aggression which is now being given by the people and army of the USSR is not only dictated ...by the struggle for the honor and liberty of the USSR but corresponds to the historical interests of the United States. For this reason the U.S. Administration assures the Soviet Government that it is prepared to render this struggle all feasible support within the limits determined by the production possibilities of the United States and its most urgent needs" (vol I, pp 45-46).

K.A. Umanskiy's meeting with S. Welles and also the 29 June conversation in Moscow between V.M. Molotov, USSR people's commissar for foreign affairs, and L. Steinhardt, U.S. ambassador to the USSR, introduced certain clarity to Soviet-American relations. However, on the question of military supplies the Roosevelt administration continued to adopt a very guarded attitude: singularities of the domestic political struggle in the United States were reflected, although not the least role was performed by F. Roosevelt's purely class considerations, about which the Soviet ambassador had written in his first cable following the Hitlerites' attack on the Soviet Union: "The prospect of the Germans' victory is unacceptable to him since it threatens Britain and ultimately the plans of the United States, the prospect, on the other hand, of our 'too' devastating a victory and its influence on all Europe intimidates him from class standpoints. All Roosevelt and his policy currently consist of zigzags between these contradictions" (vol I, p 43)

A decision on the question of military supplies dragged on. The work of the Committee of Three, which had been set up at Roosevelt's suggestion and which included representatives of the United States, the USSR and Great Britain, on the distribution of American supplies was artificially impeded. The Soviet military mission headed by Gen F.I. Golikov, which had arrived in the United States, constantly came up against the obstructionism of the Defense Department, whose leaders insisted on its representatives' participation in determining Soviet requirements in respect of American assistance and supervision of its use as a condition for the granting of such. A telegram from the Soviet mission to the chairman of the Council of People's Commissars said: "Each

practical question is decided with intolerable procrastination, with resistance from the staff, particularly of the War Department and the State Department, and after endless unproductive meetings.... Thus the first difficulty is the endless delays, bureaucratism, resistance of the staff and an incomprehension of the tempo of our war" (vol I, p 83).

A big part in the establishment of cooperation between the USSR and the United States was played by the trip to Moscow of Harry Hopkins, personal friend and adviser of F. Roosevelt (29 July-1 August 1941), during which he met with I.V. Stalin. The purpose of the visit was to ascertain the Soviet Union's military position and discuss questions connected with the making available to it of American weapons. A significant proportion of U.S. statesmen and politicians at this time still harbored doubts concerning the Soviet Union's capacity for gaining the upper hand over Germany. From this trip to Moscow and the talks which he had H. Hopkins took away the firm belief that, despite the initial difficulties, the Soviet people and their leadership were fully resolved to bring matters to a victorious conclusion. "I am profoundly confident of this front...", H. Hopkins informed F. Roosevelt, "there is a firm resolve to victory here."⁶ H. Hopkins' mission to Moscow and the report which he submitted to the President on its completion exerted considerable influence on the shaping of Roosevelt's views concerning cooperation with the Soviet Union.

The next important step in the formation of the anti-Hitler coalition was the first allied conference with the participation of representatives of the USSR, the United States and Britain, which was held from 29 September through 1 October 1941 in Moscow. The first steps with respect to the officialization of the coalition had already been taken by this time. There had been a meeting between F. Roosevelt and W. Churchill in August 1941 in Argencia Bay (Newfoundland) at which a joint declaration, known by the name of the Atlantic Charter, was signed. The Soviet Government expressed agreement with its basic provisions. A USSR Government declaration made public at the allied conference in London on 24 September 1941 noted: "Bearing in mind that the practical application of the above-mentioned principles will inevitably have to conform to the circumstances, needs and historical singularities of this country or the other, the Soviet Government considers it necessary to declare that the consistent implementation of these principles will ensure for them the most vigorous support on the part of the Soviet Government and the peoples of the Soviet Union." The declaration of the USSR Government and the Atlantic Charter were the first documents in which the goals of the three countries in the war were formulated.⁷

On the practical plane, however, the question of American military aid remained the basic issue. The conference in Moscow was devoted to discussion of this problem.⁸ It demonstrated the unanimity and close cooperation of the three great powers in their efforts to achieve victory over the common enemy. A secret protocol on arms supplies--the first tripartite allied document--was signed at the conference (vol I, pp 121-126).

In development of the accords reached at the Moscow conference the U.S. Administration took steps to finance Soviet purchases of American military equipment and materials. On 2 November 1941 A.Ya. Vyshinskiy, deputy people's commissar for foreign affairs, was handed a memorandum from the U.S. ambassador to the USSR which reported that President F. Roosevelt had given orders for the immediate implementation of measures whereby supplies could be effected in accordance with the act on the transfer of arms on loan or leased (in accordance with the Lend-Lease program) for a sum of up to \$1 billion.⁹ The U.S. Administration proposed here not charging interest on the debt which the Soviet Government could incur and which ensued from these supplies and that the payments on this debt begin only 5 years after the end of the war and be made over a period of 10 years after the expiry of this 5-year term (vol I, p 134).

Big changes on the Soviet-German front and in the strategic situation as a whole occurred in December 1941. The defeat of the Hitlerites at Moscow dispelled the myth of the German Army's "invincibility". On the other hand, on 7 December 1941 Japan had carried out an attack on the American military base at Pearl Harbor. On 8 December it declared war on the United States and Great Britain. On 11 December the United States declared war on Germany and Italy. Thus the United States had become a belligerent formally also. The signing on 1 January 1942 in Washington of a most important document--the Declaration of the United Nations--also contributed to a broadening of the anti-Hitler front. Some 26 states, including the USSR and the United States, undertook "to use all their resources, military and economic," against members of the Triple Alliance and those associated with it and "not to conclude a separate armistice or peace with the enemies" (vol I, p 147).

Under these conditions the question of a second front became increasingly urgent. The United States and Britain were manifestly in no hurry to assume specific commitments in respect of opening it. True, it should be noted--and numerous documents, memoirs and special research testify to this--that compared with the prime minister of Great Britain President F. Roosevelt displayed greater consistency and a more serious attitude toward the problem of a second front, although frequently yielded on this question to pressure from his British colleague. Back in April 1942 Roosevelt had written to Churchill: "Your and my peoples are demanding the formation of a (second--V.A.) front to ease the Russians' burden. Our peoples are sufficiently well aware that Russians are now killing more Germans and also destroying more enemy equipment than us (the United States and Great Britain--V.A.) together."¹⁰

As of the spring of 1942 F. Roosevelt began to emphasize his concern for the speediest opening of a second front. However, in practice he failed to fulfill his repeated promises. At the same time the decision was adopted in the White House to invite the USSR people's commissar for foreign affairs to Washington for talks. The Soviet Government was in no hurry to respond and consented to V.M. Molotov's trip only after having obtained from Washington confirmation that the question of the opening of a second front would be a subject of the negotiations. On 20 April 1942 the chairman of the USSR Council of People's Commissars sent the U.S. President a message which reported: "The Soviet Government agrees that it is necessary to arrange V.M. Molotov's visit to you for an exchange of opinions on the question of the organization of a second front in Europe as soon as possible" (vol I, p 164).

V.M. Molotov arrived in Washington on 29 May 1942 after having visited London. This was the first meeting at such a high level in the history of Soviet-American relations. A principal result of the negotiations was the signing of the 11 June 1942 of the Soviet-American agreement "The Principles Applicable to Mutual Assistance in Waging War Against the Aggressor". The conclusion of this agreement, together with the agreement which had been signed earlier with Britain,¹¹ completed the legal recognition of the anti-Hitler coalition.

Many international problems, including the mechanism of preventing war and questions of disarmament, decolonization, economic cooperation after the war and so forth, were discussed at the negotiations with F. Roosevelt. However, the question of a second front remained the main issue. During his meeting with V.M. Molotov on 29 May Roosevelt declared that, contrary to the opinion of many Americans, he himself considered it essential primarily to put an end to Hitler and then Japan. For this reason, the President said, "he was prepared to do everything in 1942 to alleviate the burden of the USSR's struggle against Hitler" (vol I, p 178). True, he hereupon referred to transport problems of transferring troops from the United States to Britain and thence to the French coast. F. Roosevelt asserted that all the necessary preparations could be completed in 1943 and, consequently, the invasion of Europe operation could be carried out successfully in 1943. Such a promise could not have satisfied the USSR, and on the first day of the negotiations it was not possible to reach any agreement on this question. Ultimately the Soviet representatives, acting in accordance with the instructions of the chairman of the USSR Council of People's Commissars, strove for inclusion in the communique on the negotiations of a mention of the question of the creation of a second front in Europe: "Complete understanding was reached during the negotiations in respect of urgent tasks of the creation of a second front in Europe in 1942" (vol I, p 203).

Nonetheless, the information received from the USSR Embassy in Washington gave no grounds for optimism. A letter to the People's Commissariat for Foreign Affairs from Embassy Counselor A.A. Gromyko of 14 August 1942, which discursively illustrated the state of affairs in the United States concerning the organization of a second front, is of a great interest in this light. Reporting that in 1942 there were no signs that the U.S. Administration was "preparing seriously" for the opening of a second front, A.A. Gromyko pointed to the manifestly obstructionist position occupied by the American generals and naval command staff. "In general, when speaking of Roosevelt's attitude toward this question," the letter observed, "it should be noted that the military leadership is exerting a negative influence on him. He himself would possibly go further." At the same time F. Roosevelt "is not displaying decisiveness, if we proceed from the fact that his statements to the effect that he supports the opening of a second front in 1942 are sincere" (vol I, pp 224, 228).

The second front was not opened either in 1942 or in 1943. Instead Britain and the United States decided to carry out Operation Torch for the purpose of liberating North Africa. Simultaneously they declared that the preparations for a large-scale landing operation on the French coast in 1943 would continue. Dragging out the opening of a second front, in May 1943 at a conference in

Washington the leaders of the United States and Britain adopted the decision to transfer the landing in France to the spring of 1944. The conference of the leaders of the two countries in Quebec in August 1943 confirmed this intention. A message from I.V. Stalin to F. Roosevelt observed that it "creates exceptional difficulties for the Soviet Union." Reporting that the Soviet Government did not find it possible to associate itself with such a decision, I.V. Stalin wrote: "Does it have to be said what a grave and negative impression in the Soviet Union--among the people and in the army--will be made by this new postponement of a second front and the leaving of our army, which has borne so many sacrifices, without the anticipated serious support on the part of the Anglo-American armies" (vol I, p 331). A message from the head of the Soviet Government to the prime minister of Great Britain, a copy of which was sent to the U.S. President, was compiled in even more abrupt tones. It said plainly that it was a question "not simply of the Soviet Government's disappointment but of its continued trust in its allies, which is being put to severe tests" (vol I, p 338).

Justifying F. Roosevelt, Western historians frequently claim that his sincere intention of speeding up the opening of a second front encountered stubborn resistance on the part of W. Churchill and difficulties of a military-equipment nature. There are certain grounds for such arguments but matters were not confined merely to the stubbornness of the British prime minister, the opposition of the military, the shortage of transport facilities for an airborne assault and so forth. The history of the second front had its murky side also.¹² But the main thing, of course, is that F. Roosevelt's entire strategy was oriented toward entry into the war under conditions where the maximum benefits, primarily for the United States itself, could be derived with minimal losses. The second front was opened only on 6 June 1944. By this time the inevitability of the defeat of Germany and its allies had become obvious.

II

Together with the military cooperation an important place in Soviet-American relations in World War II was occupied by problems of a peace settlement and postwar cooperation. These questions assumed practical significance in 1943 even, particularly in connection with the events in Italy, where a coup d'etat had been carried out in July. Mussolini was arrested, and the formation of a government had been entrusted to Marshal Badoglio. There were real prospects of Italy's surrender.

F. Roosevelt informed the Soviet leadership that he had "sent a telegram to Churchill in which he expressed an opinion concerning the enlistment of the Soviet Government in the solution of questions arising and which could arise in connection with the situation in Italy" (vol I, p 356). However, the United States and Britain in fact led matters to the point of removing the USSR from participation in discussion of the terms of Italy's exit from the war. On 29 July 1943 A. Eden informed Soviet representatives of the discussion which had begun between the British and American governments of the specific terms of surrender. On 30 July the USSR Embassy in London received the text of the "short terms" of Italy's surrender, which essentially concerned merely military issues.

The Soviet Government was forced to react sharply to the allies' attempts to limit its participation merely to the position of observer. In a message to F. Roosevelt and Churchill of 22 August 1943 I.V. Stalin pointed out plainly: A. Eden's statement that Moscow had been fully informed about the negotiations "does not correspond to reality". "Up to now," I.V. Stalin wrote, "matters have been such that the United States and Britain have reached an understanding, while the USSR has received information concerning the results of the compact of the two powers as a third passive observer. I must tell you that such a situation cannot be tolerated" (vol I, p 360). For an examination of questions concerning negotiations with the various governments defecting from Germany the head of the Soviet Government proposed the creation of a military-political commission of representatives of the three countries--the United States, Britain and the USSR.

The firm position occupied by the Soviet Union played its part. On 26 August the Soviet Government was handed the full terms of Italy's surrender. On 27 August the People's Commissariat for Foreign Affairs reported that the USSR Government approved them. On 29 September 1943 the agreed terms of Italy's surrender were signed. On 13 October 1943 the government of this country declared war on Germany. The same day the USSR, the United States and Great Britain recognized Italy as a cobelligerent (vol I, p 379).

III

The development of events increasingly insistently put on the agenda the question of a meeting of the top leaders of the participants in the coalition. An important stage on the path toward it was the Moscow conference of foreign ministers of the USSR, the United States and Great Britain. The participants in the conference, which was held from 19 through 30 October 1943, adopted important decisions on questions of military strategy and problems of the postwar settlement (vol I, pp 396-425). A European Consultative Commission of representatives of the three countries for the examination of questions connected with the end of military operations in Europe was set up. At the initiative of the USSR the conference studied a Soviet proposal concerning measures to shorten the time of the war against Hitlerite Germany and its allies and the opening of a second front. The results of the conference caused extensive repercussions in the United States. "Official circles are evaluating the results of the Moscow conference quite optimistically," Soviet Ambassador A.A. Gromyko reported from Washington. "...The U.S. press is emphasizing almost without exception the exceptional importance of the results of the conference from the viewpoint of the strengthening of unity among the allies" (vol I, p 425).

The meeting of foreign ministers in Moscow and the decisions adopted thereat prepared the ground for the summit meeting in Tehran, which was held from 28 November through 1 December 1943. It finally settled the question of the second front. Under wartime conditions the Tehran conference was of exceptional importance: it led to the consolidation of the anti-Hitler coalition. I.V. Stalin's meetings with F. Roosevelt enabled the leaders of the two great powers to get to know one another better and contributed to the further consolidation of military-political cooperation between the USSR and the United States. "We leave here real friends in spirit and purpose," the declaration adopted by the three powers said (vol I, p 460).

F. Roosevelt's next meeting with the head of the Soviet Government occurred 14 months later at the Yalta conference of the "Big Three". The time separating these meetings was packed with many important events. The two countries' forms of military cooperation had become diverse. An agreement was signed in February 1944 on American aviation's use of Soviet airfields in the Poltava area for the organization of the penetration bombing of Germany and the territories which it had captured. The prospects of economic cooperation in the postwar period began to acquire real outlines. The possibilities of an expansion of bilateral trade were discussed in detail during I.V. Stalin's conversation with E. Johnstone, chairman of the U.S. Chamber of Commerce (vol II, pp 139-146).

An important place was occupied by problems of the continuation of the interaction of the states which had united in the struggle against fascism. A practical step on the way to the creation of an international security organization was the conference in Dumbarton Oaks from 21 August through 28 September 1944. A joint communique of the representatives of the three countries said that the negotiations "have been useful and have led to a large extent to an agreement on recommendations pertaining to the question of a general plan of organization and, particularly, the mechanism necessary for maintaining peace and security" (vol II, p 219).

Certain differences were revealed between the United States and the USSR in the approach to the German question. True, two opposite lines clashed in the United States itself on the problem of Germany's future. At one pole was Treasury Secretary H. Morgenthau with his idea of the conversion of Germany into an agrarian state completely devoid of industrial potential, which was, he believed, to have created the basis for the dismemberment of Germany. At the same time, however, there was in the United States a quite influential anti-Soviet group which even then wished to see a "strong Germany" as a counterweight to the USSR. In the opinion of these circles, Soviet Ambassador A.A. Gromyko reported, "only a strong Germany can be the sole serious obstacle to the spread of the Soviet Union's influence to West Europe. They believe that there could only be such a Germany in the event of it remaining in West Europe the leading industrial country" (vol II, p 228). The President himself inclined toward Morgenthau's position.

The participants in the Yalta meeting approved the plans for the final rout of fascist Germany and the compulsory implementation of the terms of unconditional surrender and subsequent democratization and demilitarization. Obliging Germany to reimburse the allies for the damage it had caused was deemed fair. The United States consented to consider the Provisional Polish Government, which had been set up by the Polish patriots, the basis of the future Provisional Government of National Unity. The heads of the three governments acknowledged that Poland should obtain an appreciable increase in territory in the North and in the West (vol II, p 297). The terms of the USSR's entry into the war against Japan were also stipulated. The Yalta accords on the creation of the United Nations emphasized the three powers' readiness to continue cooperation after the war.

Leaving the USSR, the U.S. President sent I.V. Stalin a message in which he wrote: "The peoples of the world will, I am sure, regard the achievements of this meeting not only with approval but as a real guarantee that our three great nations can cooperate in peace just as well as in war? (vol II, p 311).

The results of the conference were welcomed throughout the world and in the United States itself. In his telegram to the People's Commissariat for Foreign Affairs A.A. Gromyko reported: "Senators, members of the House of Representatives, public figures and the periodical press are discussing and commenting on the decisions of the conference both in terms of individual issues and as a whole. By and large the reaction... is significant and highly positive. It is the general opinion that no important preceding conference since the start of the war has evoked such a favorable reaction as the Crimean conference" (vol II, pp 317-318). It is not inappropriate to remind of all this those in the United States who are today attacking the decisions of the Crimean conference and calling for a "revision of Yalta".

IV

Somewhat less than 3 months remained until victory, but F. Roosevelt, who had made an impressive contribution to its achievement, was not destined to live to see this day. He died on 12 April 1945. The new U.S. President was H. Truman, who, as is known, the day after the Hitlerites' attack on the Soviet Union had cynically declared: "If we see that Germany is winning, we should help Russia, but if Russia is winning, we should help Germany, and thus let them kill as many as possible...." Addressing Congress on 16 April 1945, H. Truman promised that he would, like F. Roosevelt, hold to the policy of the unconditional surrender of Japan and Germany and cooperation with the allies. Reporting the speech of the new head of the American state, A.A. Gromyko did not rule out the fact "that Truman, who as a political figure is incomparably weaker than Roosevelt and who is under the influence of conservative U.S. political circles to a greater extent than Roosevelt, may be unable not to take some steps in the foreign policy sphere capable of harming allied cooperation, as also cooperation on an international scale as a whole" (vol II, p 365).

The change in leadership in the United States did not influence the Soviet Union's fundamental policy aimed at the further development of Soviet-American cooperation. The Soviet side expressed the hope that "Truman will continue Roosevelt's cause. For its part, the Soviet Government will support him in this with all its powers" (vol II, p 357). This viewpoint was conveyed to H. Truman by V.M. Molotov during their conversation in Washington on 22 April 1945 (vol II, p 367). The visit of the Soviet people's commissar to Washington had not been planned in advance. But the Soviet Government decided that such a step on its part would make it possible to demonstrate for the umpteenth time a readiness for cooperation with the new chief of the White House.

However, in San Francisco even, during the preparation and proceedings of the constituent conference for the creation of the United Nations, the American delegation had brought matters to the point of a breakdown of the preceding accords. The signing of the UN Charter was preceded by a stubborn diplomatic struggle, and it was only the high-minded and firm position of the Soviet

delegation which secured the enshrinement in the UN Charter of the principle of the unanimity of permanent members of the Security Council.

Even the visit to Moscow by H. Hopkins, who had been sent by H. Truman to negotiate with the Soviet leadership, could not avert the erosion in Soviet-American relations which had begun. Hopkins attempted to persuade Moscow that it was Truman's firm intention to continue Roosevelt's policy. However, he was at the same time forced to acknowledge that a deterioration in mood was occurring in the United States, "which threatens to destroy the structure of mutual relations between the two countries which has been created in the past 3 years" (vol II, p 399).

Nonetheless, the mechanism of Soviet-American cooperation continued to function. A meeting of leaders of the USSR, the United States and Great Britain took place from 17 July through 2 August 1945 in Potsdam. Agreement was reached at the conference on the political and economic principles of coordinated policy in respect of Germany in the period of allied control and on demilitarization, democratization and de-Nazification. A Council of Foreign Ministers of the USSR, the United States, Britain, France and China was established for the purpose of preparing peace treaties with Italy, Romania, Bulgaria, Finland and Hungary and also a peace settlement for Germany. The Soviet delegation sought confirmation and specification of the decisions of the Crimean conference on the Polish question. Other questions concerning confirmation of the results of the war with Germany and the peace settlement were discussed and resolved also.

In accordance with the decisions of the Yalta and Potsdam conferences, on 8 August 1945 the Soviet Union, fulfilling its allied duty, declared war on Japan. The USSR's entry into the war accelerated the allies' victory. On 2 September 1945 Japan signed the act of unconditional surrender. World War II was over.

It culminated in a brilliant victory for the participants in the anti-Hitler coalition, within the framework of which the United States and the USSR had cooperated successfully and to mutual benefit. This was a common victory, over a common enemy and by common efforts. "The main lesson of World War II," A.A. Gromyko observed in his speech at the UN General Assembly 39th Session, "is that states need to fight against war together." In the Soviet-American relations of the war period there were serious and, at times, fundamental disagreements and differences, but the main goal--victory over the enemy--remained the beacon for them.

After World War II events began to develop largely contrary to the cherished aspirations and hopes of the peoples. The adventurism and policy of world domination which gained the ascendancy in U.S. foreign policy engendered the cold war, which clouded the international atmosphere for many years. Confrontation came to replace cooperation with the Soviet Union. However, history has shown that neither atomic blackmail, military-psychological pressure nor political-diplomatic pressure produced for Washington the desired result. The economic and military might of the USSR increased unswervingly. The world socialist system strengthened and is developing successfully. Former colonies and semicolonies achieved independence. American imperialism did not succeed in halting the progress of mankind. It is given to no one to turn back the wheel of history.

Today in Washington some people are again attempting to speak to the Soviet Union in the language of force, and ideas of world domination are again being hatched there. The aggressive, adventurist policy of U.S. ruling circles has again exacerbated the situation in the world. With the start of the deployment of new American missiles on European soil there has been a sharp increase in the threat of the United States bringing down nuclear catastrophe on the European peoples. The buildup of the United States' military potential continues. Programs of the production of all types of weapons--nuclear, chemical and conventional--are being adopted and implemented. The Pentagon is planning to transfer the arms race to space. The threat to universal security is serious and real. The dangerous situation which has been created in the world demands the adoption of urgent measures primarily by the world's leading states.

As K.U. Chernenko emphasized, "there is no other prospect than that of living side by side. And since this is so, it is better to live not in an atmosphere of hostility and fear but in peace, humanly, observing certain rules in our mutual relations."¹³

FOOTNOTES

1. INTERNATIONAL HERALD TRIBUNE, 7 May 1984.
2. "Soviet-American Relations During the Great Patriotic War, 1941-1945. Documents and Material," in 2 volumes, USSR Foreign Ministry, Moscow, Politizdat, 1984.
3. Public opinion polls conducted after the start of the war showed that three-fourths of Americans were on the side of the USSR, and only 4 percent wanted a victory for Hitler Germany (see A. Borisov, "The USSR and the United States: Allies in the War Years. 1941-1945," Moscow, 1983, p 46).
4. Addressing the British people on 22 June 1941 in connection with fascist Germany's attack on the USSR, W. Churchill, prime minister of Great Britain (which was already at war with Hitler Germany), declared: "Any person or state who fights against Nazism will have our assistance. Any person or state who goes with Hitler is our enemy.... Whence it follows that we will render Russia and the Russian people whatever assistance we can" (vol I, p 482).
5. In August 1941, despite the opposition in Congress and the resistance of individual secretaries, the White House extended for a year the 1937 trade agreement. At F. Roosevelt's insistence the USSR was included among the potential recipients of American military assistance in accordance with the Lend-Lease Act (Vol I, p 9).
6. Quoted from H. Feis, "Churchill, Roosevelt, Stalin. The War They Waged and the Peace They Sought," London, 1957, p 13.

7. The creation of the anti-Hitler coalition, the main force of which was the Soviet Union, was initiated by the statements on mutual support made by the governments of the USSR, the United States and Britain following Germany's attack on the USSR, the Anglo-Soviet and Soviet-American negotiations of the summer of 1941 and the signing on 12 July 1941 of the Soviet-British agreement on joint operations in the war against Germany.
8. The delegations of Britain, the United States and the USSR were headed by Lord Beaverbrook, A. Harriman and V.M. Molotov respectively. I.V. Stalin participated actively in the conference.
9. In February 1942 F. Roosevelt adopted the decision to grant the USSR a second credit of the order of \$1 billion for paying for the lend-lease supplies on the previous terms.
10. Quoted from H. Feis, "Churchill, Roosevelt, Stalin...", p 40.
11. A treaty between the USSR and Great Britain on alliance in the war against Hitler Germany and its accomplices and on cooperation and mutual assistance after the war was signed on 26 May 1942 during V.M. Molotov's visit to London.
12. See, for example, V. Falin, "Front on Two Fronts" (MEMO No 7, 1984).
13. KOMMUNIST No 17, 1984, p 26.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

8850

CSO: 1816/12

POLEMICS OVER IDEA OF SINGLE 'WORLDWIDE ECONOMY' DESCRIBED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 91-102

[Article by A. Shapiro: "Once Again on the Question of the Theory of the Worldwide Economy"]

[Text] There has been a pronounced stimulation recently of the debate which has been under way since time immemorial on the worldwide economy. Arguments flare up about its nature and content, basic development trends and regularities, socioeconomic and economico-technical structure and functioning mechanism. "Parties" whose credos are far from concurring are calling for a further development of the theory of the worldwide economy and writing of the need for the methodological formulation of precise initial positions, seeking the clarity of fundamental concepts and an accurate portrayal by scientific categories of actual processes.

This is indeed extraordinarily important since it is a question of a political-economic category of such a planetary scale a correct, comprehensive comprehension of which in the entire multiformity of its manifestations is not only of abstract-theoretical but also great practical-political significance. In fact imprecision in the interpretation of the worldwide economy complicates an evaluation of the social changes occurring in the world, the progress of the historical competition of the two social systems and the prospects of the further development of the worldwide revolutionary process.

The normal course of debate, however, is complicated by the fact that identical concepts are frequently invested with a polar opposite meaning, while some authors change their positions with unusual facility. Nor is their elucidation facilitated by the fact that sometimes opponents' views are expounded too freely, and then the polemic becomes a tilting at windmills. Believing the main impediment in the way of a solution of the problem "the tenacity of a prejudiced notion of the worldwide economy as the sum total of all national economies,"¹ some debaters undertake even "to offer an acceptable political-economic interpretation of certain supporting concepts of the theory of international economic relations"² and call for those who do not agree to be "rebuffed".

Worldwide Economy or Worldwide Market?

The illegitimacy of identifying the worldwide economy with the worldwide market is in principle obvious to the participants in the debate. For this reason those who perceive the worldwide economy category variously present a single front of criticism of the definitions contained in the "Large Soviet Encyclopedia" and the "Economic Encyclopedia. Political Economy" which equate the world capitalist economy and the world capitalist market.³

G. Sorokin, for example, is perfectly right in objecting to the interpretation of the world economy as the world market and to the reduction of the first to the second. "...A collapse of the world market is not a collapse of the world economy," he asserts, while "foreign economic relations cannot be viewed in themselves, irrespective of the production relations of material production."⁴

However, on the very same page we encounter another proposition with which, with the best will in the world, it is impossible to agree, namely, that "the one-sided understanding of the world economy as the world market is increasingly being overcome." Such unwarranted optimism is thoroughly repudiated by certain material of the debate, primarily this article itself and G. Sorokin's later works. And the more one tries to grasp the meaning of his arguments, the more incomprehensible it becomes for what it is that, strictly speaking, he criticizes our "encyclopedists," individual political economy textbooks and other publications. Whether he intends this or not, he presents the worldwide economy itself as no more, no less than an image of purely market relations.

Having "abolished" the worldwide economy as an economic category and objective reality (we will return to this later), G. Sorokin acknowledges its right to exist only in the "narrow sense". The world capitalist economy, you see, may consist of national economies, the world socialist economy also,⁵ but the worldwide economy is denied this. His "narrow sense" is contained within the rigid framework of the division of labor between the capitalist and socialist systems and their foreign economic relations.⁶

All other types of worldwide economic relations immanent to the modern structure of the worldwide economy: within the world socialist economy and between the socialist and developing states and within the world capitalist economy--between developed capitalist states, between emergent countries and between those and others--are consigned to oblivion. And although the detailed abstraction is not entirely correct, nonetheless, in this case it is more important for us to establish that G. Sorokin's worldwide economy has been reduced to foreign economic relations, that is, to those same relations which, as we have just learned, "cannot be viewed" in isolation from the base production relations which shape both their socioeconomic nature and the mode of production as a whole.

E. Pletnev also very often identifies the worldwide economy with the market. True, he is not as consistent as G. Sorokin: in his numerous and invariably striking articles on this set of problems we may easily find pronouncements satisfying the most varied tastes, and for this reason he is readily appealed

to as an ally and quoted as an additional argument by those who adhere to quite different views, like Yu. Shishkov and N. Shmelev, for example. Even the author of these lines is guilty of this. In order to confirm what has been said we will have to resort to abundant quotations from the works of E. Pletnev, for which the author apologizes to the reader.

Here is one viewpoint of his. "The world economy has come to be defined sometimes as the sum total of national economies, sometimes as a system of inter-nation relations...." "The world capitalist economy is the system of the international economic relations of imperialism..." we read in a political economy textbook but somewhat further on is added: "The world capitalist economy represents a complex and contradictory integer of national economies." "The incorrectness of the first and correctness of the second... definitions are obvious," E. Pletnev concludes.⁷ The thought that both opposite world social systems constitute an antagonistic unity and that the worldwide economy represents a special sphere of movement of the production forces is reproduced both in this and other works of this author repeatedly.⁸

And yet we have other, diametrically opposite pronouncements in which the concept "single megasystem--the worldwide economy of the modern era," in which the two world economic systems are "sewn together" and "joined,"⁹ is imperceptibly, as it were, substituted by an entirely different concept: "the megasystem of worldwide economic intercourse"¹⁰ or the worldwide economy as a megasystem of the mutual relations of all countries of the modern era.¹¹ Correspondingly, the "types of world economy," which are opposite in their political-economic essence, are transformed into "types of intercourse" and "types of economic (and political) mutual relations" between countries belonging to some coexisting system.¹² "In our view," E. Pletnev writes, "it is more correct to speak of systematic (!) economic contacts (without them nor is there confrontation either) between the two systems as of a worldwide economy not in the narrow but in the proper meaning of the word. Identifying the worldwide economy, however, with all the intranational and international economic phenomena of the planet means dissolving the categories into emptiness and nonsense."¹³

No, Yu. Shishkov is wrong when he declares that such definitions "do not claim, of course, to be the absolute truth."¹⁴ As can be seen, they claim precisely this. He is also wrong to suggest that such definitions in one way or another reflect objective truth. Both antipode-formulas cannot reflect the objective truth. Either one or the other "reflect".

E. Pletnev grants us freedom of choice in determining which scientific position he nonetheless defends in reality. Well, in terms of chronological and quantitative criteria we will consider that the worldwide economy of the modern era in his conception is "a system of strong and stable (!) economic contacts between two worlds,"¹⁵ a "system of practical cooperation" and "economic interaction between states of different social formations"¹⁶ and even a "universal connection and mutual interest in an exchange of activity between national economies, irrespective of their socioeconomic origins."¹⁷ Thus the politico-economic category of worldwide economy is reduced to "intersystem" practical cooperation, necessarily mutually profitable and systematic, strong and stable, furthermore, and to contacts and even mutual interest.

But after all, this is very similar to the definition of the worldwide market, whose existence E. Pletnev also interprets, but far more correctly here, as "an increasingly dense network of relations between the two types of division of labor,"¹⁸ as actual relations (even the fundamental possibility thereof!) and trade exchange between capitalist and socialist markets.¹⁹ We would recall that approximately the same words also recorded the worldwide economy category--a megasystem of worldwide economic intercourse, mutual relations, ties, worldwide mechanisms of trade, credit, scientific-technical and production cooperation, currently relations and so forth.²⁰

For what, then, one wonders, did E. Pletnev criticize G. Sorokin's construction? After all, they have both, one to a greater, the other to a lesser extent, brought the worldwide economy "closer" to the worldwide market. A number of their formulas is grounds for thinking that their market has "swallowed up" the economy. E. Pletnev not only abutted on the "narrow sense" concept but also provided it with a broad, so to speak, universal interpretation. Having effectively criticized L. Chistyakova's article and observed in this connection that "it is given to no one to identify the whole and the part,"²¹ he makes an exception for himself and demonstrates, as they say, that... this is nonetheless permitted Jupiter. But the fact that the worldwide economy and the worldwide market are correlated to one another as whole and part may be seen if only from his undoubtedly correct words: "Consequently, in the post-October period the worldwide economy may be spoken of only as a megasystem unfailingly incorporating economic intercourse between states of the two confrontational social systems."²² Precisely incorporating, and, we would add, as a most important component, but not more.

However, there is nonetheless a quite essential point at which verbally, it is true, E. Pletnev parts company with G. Sorokin. "Nor are those people right," he writes, "who believe that the worldwide economy is a thing of the past, where capitalism had unbounded sway, and the future, when the domination of communism will be established everywhere. It transpires that the present has no worldwide economy."²³ Yes, this is precisely how it emerges from G. Sorokin, who makes no secret of this: with the victory of the first and subsequent socialist revolutions the worldwide economy, he believes, "passed on," but with the establishment of communist relations throughout the world it will be reborn as a phoenix from the capitalist ashes. If G. Sorokin acknowledges the existence of a contemporary worldwide economy at all, it is only in the "narrow sense," as a worldwide market and trade-economic relations between the two systems.

This idea is set forth in his article entitled "Problems of the Theory of the Worldwide Economy" and in the chapter of a monograph with a similar heading, but in reality this economy "abolishes" and, consequently, renders superfluous his theory. Yu. Shishkov performed great and useful work in revealing the scientific groundlessness of such an idea, persuasively and intelligibly showing his opponents that, given such an approach, there remains of the worldwide economy merely a system of intercountry economic relations devoid of the basic subjects of these relations--the national economies--and a kind of arena for a global economic performance without the main characters. Indeed, taking the national economies away from the category of the worldwide economy

deprives it of its very core, reduces it to some zone of contacts and essentially turns it into the backyard of the economy in the true meaning of the word.²⁴ It could not be put better, and it only remains for us to associate ourselves with these propositions, having referred them to the reader.

Unity of the Worldwide Economy--Does It Exist?

What argument does G. Sorokin advance in denying such a reality as the worldwide economy? Just one: it cannot exist because the two world economies--socialist and capitalist--are antagonistic, opposite and incompatible. "It is impossible to speak," he writes, "of any unity, any common grounds of the world capitalist and world socialist economies. The two world systems are incompatible, antagonistic economies of different types. They cannot form a unity, even if it is called dialectical." G. Sorokin believes that a recognition of the unity of the two systems underestimates the historical inevitability of the victory of the socialist system and "deprives the theory of the worldwide economy of its most attractive aspect--the prospect of the inevitable onset of the era of the worldwide communist economy."²⁵

Yet it is precisely the law of the unity and struggle of opposites which is the "nucleus" and essence of dialectics, in V.I. Lenin's definition, the general law of cognition,²⁶ and it is precisely Lenin's directions concerning the combination of opposites and their identity²⁷ when applied to the worldwide economy which afford an opportunity for recognizing its essence and integrity as a complex hypersystem broken down into opposite economies and zones not directly compatible with one another and comprehending its development trends. It is well known that in debunking Proudhon's "Philosophy of Poverty" K. Marx wrote: "The existence of two mutually contradictory sides and their struggle and merger in a new category constitute the essence of dialectical movement. Whoever sets himself the task of removing the bad side, by this alone immediately puts an end to dialectical movement. We are faced no longer with a category assuming itself and counterposing itself to itself by virtue of its contradictory nature but M. Proudhon, starting in motion, floundering and rushing about between the two sides of a category."²⁸

Marxists proceed from objective reality and from evolved realities, whatever they may be, with all their pluses and minuses. And reality is such that the worldwide economy of our day bears the ineradicable imprint of transition from one socioeconomic formation to another, higher formation, from capitalism to socialism and communism. As distinct from the worldwide capitalist economy which preceded it and the coming worldwide communist economy, it is transitional in the socioeconomic respect. And for the very reason that the world socialist and world capitalist economies which form it are not the same type but antagonistic, have fundamentally different bases and do constitute a unity, being in opposition and confrontation and in a state of peaceful coexistence and economic competition and at the same time, despite the contrasting nature of their principles and regularities, international cooperation--trade-economic, scientific-technical, political, cultural and any other. The two world economies, which as a whole form the worldwide economy, and their two world markets, which constitute in their unity a worldwide market, are each developing according to their own laws, but not in isolation, not economically exclusively and not autarkically. As is well known from the new sufficiently lengthy practice of East-West trade-economic intercourse,

features of both attraction and repulsion are inherent here in the interaction and interconditionality of the two world economies.

The reduction of these opposites to a single system reflects the struggle of what is new, just springing up and becoming established in life against what is old, quitting the scene and subject to replacement, in other words, the socialist system of economic planning against the capitalist system. Here, strictly speaking, is the historical trend of the ongoing development of the modern worldwide economy. This trend is such: whereas capitalism has traversed a path from worldwide economy to a world economy now embracing not the entire globe but only part of it, and an ultimate withering away inevitably awaits it in the future, furthermore, communism is developing in a directly opposite direction--from national to an already evolved world and then to a worldwide economy.²⁹

So merely a recognition of the dialectical unity of the two socioeconomically dissimilar economic systems expresses the intrinsic source of development of the modern worldwide economy and the source of its self-propulsion and determines the inevitable prospect of the onset of the era of the worldwide communist economy. And, on the contrary, the denial of such unity, inasmuch as it proceeds from the assumption that the source of the development of the worldwide economy³⁰ lies not within but somewhere outside of it, that is, that it is exogenic, in actual fact deprives the theory of the worldwide economy of its "most attractive aspect". The more so in that G. Sorokin secures the parallel coexistence of the two economies for all time when he asserts that the worldwide economy "in the broad sense" "has finally disintegration into two economies, which have entered into irreconcilable mutual struggle."³¹ Finally means forever, irreversibly. Not only the convergence admission of the possibility of the reconciliation of the two antagonistic world economies but also the positivist reduction of these opposites to extreme poles is wrong.

Yu. Shishkov's critical observations adduced somewhat earlier in connection with G. Sorokin's idea may legitimately be addressed elsewhere also. While at odds with dialectics and with elementary, as he himself says, philosophical culture and acknowledging the worldwide economy category, E. Pletnev nonetheless asserts that the world is split "into two types of international economic intercourse"³² and that it is precisely the confrontation of the two systems of international intercourse which contains the unity of the worldwide economy, which allegedly "does not constitute, as is sometimes portrayed, some global technical-economic entity."³³ True, speaking here of the complexity of the structure of the worldwide economy, he emphasizes that we cannot confine ourselves here to an indication of its multistructure nature, however, the question of what kind of multistructure we are dealing with--worldwide economy or exchange of economic activity (!)--which are far from synonymous, remains open. Despite this "slight obscurity," it is nonetheless apparent that E. Pletnev is reflecting on the forms and existence of a worldwide economy and its unity.

However, one glance at the outline of the worldwide economy which he has sketched is sufficient to persuade us that it hangs in the air, somewhere between the socialist and capitalist world economic systems, between the

"fields of action of the economic laws" of capitalism and socialism, between the two forms of ownership.³⁴ And how do matters then stand with the declared unity of the worldwide economy? Nowise, for the unity of methods of international economic intercourse is a concept devoid in this context of definite content.

As can be seen, while criticizing G. Sorokin for denial of both the worldwide economy and the unity of this politico-economic category, its critic himself has not moved that much further forward. It could not be otherwise since in substituting for the worldwide economy foreign economic relations of any origin, any caliber and any nature it is objectively impossible, whatever is written on this score, to hold to positions of its unity and integrity. Such is incontrovertible logic. Given such an approach, M. Maksimova emphasizes, "the material-substantial basis of the worldwide economy and what determines its socioeconomic structure disappear. And this category itself essentially loses its meaning inasmuch as it is fully identified with international economic relations."³⁵

The three-stage outline of the development of the ideas of V.I. Lenin constituting the harmonious theory of the worldwide economy proposed by E. Pletnev merits attention in the plane of revelation of the Leninist stage in political economy.³⁶ However, in some places E. Pletnev attempts to ascribe his view of the worldwide economy, unfortunately, to V.I. Lenin. Freely interpreting certain Leninist propositions, he talks about "V.I. Lenin's development of the theory of the worldwide economy and a system of relations"³⁷ and about the fact that in the first years of Soviet power only the development of its all-around economic contacts with the capitalist world economy and the strengthening of their practical cooperation "would have signified the recreation of the worldwide economy, but one that was no longer capitalist in its socioeconomic nature"³⁸ since apparently by that time such an economy had ceased to exist. This is the comment on Lenin's words to the effect that we are acting "as the builders of a worldwide economy."³⁹ But Lenin said something else, namely, that "for the restoration (and not recreation--A.Sh.) of the worldwide economy it is necessary to use Russian raw material" and that Soviet power "presents a plan for the restoration of the entire world economy" on behalf of all mankind.⁴⁰ It is not clear from this that it is a question, of course, of a restoration of the worldwide economic system itself, the economy itself.

Further, it is well known that Lenin considered it the basic task of his work on imperialism to show "what the final picture of the worldwide capitalist economy was like."⁴¹ And? Did he really confine his research to the framework of international economic intercourse? Of course not, and his analysis, which is far more precise and all-embracing, furthermore, than in the plane merely of practical and mutually profitable cooperation, an analysis of the export of capital and the division of the world between leagues of capitalists and between great powers, is preceded by chapters devoted to the deep-lying economic foundation of the worldwide capitalist economy under imperialism--the industrial and banking monopolies, whose merger led to the formation of finance capital and a financial oligarchy.

Lenin did not identify the worldwide capitalist economy with the system of international economic relations, although he did not, of course, exclude them from this category. On the contrary, he regarded it as a certain sum total of at first atomized, individual and subsequently national economies. In the work "Imperialism as the Highest Stage of Capitalism" it is written in black and white: "We see how rapidly there grows a dense network of channels embracing the entire country, centralizing all sums of capital and monetary income and converting thousands and thousands of fragmented economies into a single national capitalist and then worldwide capitalist economy."⁴² But about "general economic worldwide relations," attaching to them great significance as "a basic economic necessity," V.I. Lenin spoke in a different connection.⁴³ It was from such standpoints that the harmonious and truly scientific Marxist-Leninist theory of the worldwide economy was formed.

The Integrity and Social Heterogeneousness of the Worldwide Economy

So in our conception the worldwide economy category is far broader than international economic relations and, besides the entire set of commodity-money, trade-economic, currency-finance, credit, scientific-technical, industrial-joint labor and other relations between countries, incorporates also together with this set the sphere of their material production, the national economies themselves primarily. In other words, this category encompasses the production forces and social, primarily production, relations, that is, the modes of production coexisting on our planet.

Naturally, the worldwide economy of the modern era differs fundamentally from what it was at the time of the unbounded sway of capitalism, before the establishment of socialist relations at first in our country and then in a number of other states of three continents. The worldwide and world capitalist economy could at that time be equated. But it has long ceased to be a worldwide capitalist economy. It is appropriate to say here: conclusively.

Currently the worldwide economy is not even only and not simply a sum total of different national economies connected by the international division of labor. It is a single and complex economic system (or supersystem even) representing primarily a dialectical unity and struggle of opposites--the two world economic systems with their world markets and two polar modes of production: socialist and capitalist. It is a category reflecting the most essential, natural relations in the sphere of movement of the production forces of modern society and in the course of the development and interweaving of international economic relations of different social types and, as a whole, of the specific and contradictory interrelations of the different types of production relations which currently exist in the world, primarily of the two confrontational social formations.

Thus under the direct impact of socialism there has been a qualitative change in the entire appearance of the worldwide economy, and its nature and content, functioning mechanism and social structure have become completely different. Such a position has always been consistently defended and developed in their works by N. Inozemtsev, M. Maksimova, A. Rumyantsev, Yu. Shishkov, N. Shmelev and a number of other Soviet economists.⁴⁴

But since the worldwide economy is an objective reality, its existence and its laws have to be reckoned with upon an evaluation of the possibilities and prospects of the development of both the socialist part of the world and its individual states and all mankind. It is given to no one to "remove" this objective category. Also powerless to do away with it are the acts hostile to us of the imperialist circles which intended economically to strangle socialism with all possible blockades, sanctions, trade embargoes and other discriminatory barriers. "One gets the impression," we read in one article, "that the U.S. Administration is consciously leading matters today toward the disintegration of the worldwide economy...."⁴⁵ No, such a threat does not hang over the worldwide economy. It would exist if this economy were reduced to a system of international exchanges of the results of economic activity, which, and this is indeed the base, is being undermined by the most aggressive circles of imperialism.

Rejecting the unity of the worldwide economy on the grounds that the socialist and capitalist economies are antagonistic and incompatible, G. Sorokin asserts: "Common laws of the development of the world socialist and world capitalist economies do not exist. Laws of the socialist world economy cannot be 'accommodated' within the framework of the 'laws of the worldwide economy' formulated by the author of the work in question (he refers to the Polish economist E [Kleer])."⁴⁶ N.B. the words "laws of the worldwide economy" are in quotation marks!

G. Sorokin believes that the fundamental propositions of the theory he is criticizing are contrary to Marxism-Leninism.⁴⁷ Yet a classification of objective economic laws and their articulation depending on the degree of community have become firmly established in Marxism-Leninism. Together with the specific, particular laws inherent in any one mode of production and distinguishing it fundamentally from other modes of production there also exist and operate certain sociological (general and universal) interformational laws and regularities operating either in all socioeconomic formations or in a certain group thereof. Can the existence of such economic laws as the laws of the conformity of production relations to the nature and level of development of the production forces; the increasing productivity of social labor; rising demands; and savings of time and savings of resources be attributed merely to some one society and not to many, if not to all?

And what can we say about the law of value, international included, this law of commodity production which, as E. Pletnev very felicitously said of it, being at the "intersection" of the socialist and capitalist world economic systems and economically neutral, "has historically displayed its indifference and adaptability to different modes of production"?⁴⁸ It has functioned since the prehistoric times of the disintegration of the primitive-commune system and will wither away only with the transition to the second phase of the communist formation, expressing in our day a social content of economic relations under capitalism and under socialism which is entirely different, of course.

Nor, naturally, is the worldwide economy devoid of such "absolutely general" (F. Engels) laws, regularities and trends. Despite all the incompleteness of the study of this problem, which is truly in need of further extended

investigation, the works of M. Maksimova and Yu. Shishkov and a number of other authors formulate some such laws entirely well-foundedly. Among them we may put, for example, the laws of an increase in the degree of the international socialization of production; the growing enlistment (integration) of the national economies in the worldwide economy; and the growth of the objective need for the plan-based control of inter-nation production forces. Such an essentially objective trend or, if you like, to some extent distinctive interinformational regularity as "general economic worldwide relations," that same "basic economic necessity" about which V.I. Lenin spoke, understanding by it a greater force "than the wish, will and decision of any hostile government or class,"⁴⁹ also pertains here, we believe.

It is on the economic conditions under which these and, it is increasingly likely, other universal laws may and do operate that the integrity of the worldwide economy is based. What conditions are these? In the main and most general outlines they are the rapid progress, on the scale of the planet, of the internationalization, in V.I. Lenin's words, of the entire economic, political and spiritual life of mankind⁵⁰ accelerated by the scientific-technical revolution of the present day and rooted in the unity and connection, "interdependence and integrity of the world process."⁵¹ They are the worldwide division of labor, the high level of international socialization of production on a global scale and the intensification of economic mutual relations and the interconnectedness of all countries, regardless of their allegiance to a political system.⁵²

The interdependence and integrity of the worldwide economy are also expressed in the fact that the global problems which arose with particular seriousness not that long since are having a most powerful impact on the fate of all mankind and contain serious dangers for civilization or the threat of its destruction even. The sphere of manifestation of such major economic problems as the conservation of nature on our planet, the development of new energy sources and the exploration of space and ocean resources is not an individual country, not an isolated region, not a continent but the entire globe. These and other global problems affect the vital interests not only of this class, social stratum of society and territory or other but of all peoples and states. There are also common transportation arteries and means of communication and a common environment. It is indisputable also that the development of the world production forces and its consequences have certain common technical-economic features, and in this sense they are international. The technological aspect of the scientific-technical revolution is more or less uniform under socialism and under capitalism.

While acknowledging the increasingly large-scale internationalization of the production process which has been under way in recent decades and the formation of international production in the direct meaning of the word, Yu. Shishkov still believes it possible to separate himself from these new, international, "beginnings" of primary production relations. He alludes here to their as yet limited role in the worldwide economy and relatively small share of international production in the aggregate volume of global production.⁵³ Of course, the decisive role even in our day is retained by material production within national boundaries, but nonetheless, with reference to the world capitalist economy, it might have been possible to have treated the

international production of the transnational corporations more carefully and not to have disregarded it. After all, the total sales volume of the 382 biggest transnational corporations with turnovers of over \$2 billion each approaches \$3 trillion or one-third of the gross domestic product of the entire capitalist world.⁵⁴ In the opinion of UN experts, international production at the start of the 1970's even was in excess of the trade volume and had become the main means of international economic exchange.⁵⁵

On the other hand, it would be wrong, we believe, to conclude on these grounds that the laws of the development "of the structurally integral worldwide economy" assume the "function of first place" in relation to the laws of the development of the national economies, which (laws) are correlated as general and particular. Such a proposition, which is encountered in certain scientific studies, is incorrect because in reality the base, essential, basic and primary production relations inherent in the national economies possess the "function of first place" in both the worldwide economy and the two world economies which form it.

It is the production relations, despite the continuing internationalization of economic life, which determine the movement both within a country and in the international arena of all the relations which K. Marx characterized in "Economic Manuscripts 1857-1858" as "secondary and tertiary, altogether derived, transferred, nonprimary production relations,"⁵⁶ in turn experiencing the reverse influence of the latter and forming as a whole the socioeconomic appearance of the modern worldwide economy and its bipolar nature. In it, as in the national economy, social production in the broad sense disintegrates into dialectically interconnected production, distribution, exchange and consumption, and, furthermore, exchange acts as a mediating link between production and the distribution and consumption conditioned by it and, consequently, is contained in production as a feature thereof.⁵⁷ The regularities of the national relations of ownership of the means of production, which are opposite under socialism and under capitalism, are "led" into the world arena via the mechanism of international economic (both nonprimary and nowadays primary) relations and ties and condition most important processes developing in the worldwide economy.

In this sense M. Maksimova, Yu. Shishkov and certain other economists speak of the primacy of the national economies, where the decisive phase of social production is completed, as the main constituent of the worldwide economy, their role as main generators of the entire multistage and socially definite system of international production relations and economic ties and of their determining influence on the nature and evolution of the international division of labor.⁵⁸ Those, however, who equate the worldwide economy only with international economic relations not in terms of production reduce this category of political economy to basically secondary and tertiary relations.

V. Fedorov writes in this connection: "Whereas in the times of premonopoly capitalism international economic relations were characterized by K. Marx as 'secondary and tertiary,' a trend of their gradual conversion into primary production relations has now appeared. It is a question of that part of them in which they characterize the creation of transnational production processes."⁵⁹

It is not difficult to discern that in this case the discussion is being conducted about different things and on different planes, and the concepts are confused. The nature of the production relations which K. Marx termed secondary and tertiary, derived and transferred, that is, traditional relations in the sphere of international exchange (circulation), commodity imports and exports and so forth, has not changed in principle. And under contemporary state-monopoly capitalism also they remain derived, just as they were under the conditions of free-competition and monopoly capitalism. The very essence of these relations precludes the possibility of even their "gradual transformation" into primary production relations.

What is new, however, in reality is the fact that primary production relations and international relations in the very process of production also have emerged and developed strongly in the system of world economic relations as a consequence of the unprecedented internationalization of capital, the international socialization of capitalist production and its international specialization and cooperation on the basis of the expansion of transnational industrial corporations not instead of but supplementary to the relations transferred across state borders and derived relations. It is the former which constitute that same thing which in the adduced quotation is elegantly termed the "part" (!) of production relations. This question has been soundly developed by V. Slavinskiy, who has cogently shown that "with the appearance of the transnational corporations elements of primacy are being introduced to the derived, previously entirely secondary sphere of international economic relations."⁶⁰

The primacy of the national economies based on fundamentally different forms of ownership makes even more prominent the fact of the very strong socioeconomic heterogeneousness of the worldwide economy of our era. "The worldwide economy," N. Shmelev writes, "has never been, nor could it have been some homogeneous community--at least as long as profound class differences dividing it into class-opposite social systems are preserved in the modern world."⁶¹ G. Sorokin sins against the factual aspect when he declares that the world economy "has come to be defined as the sum total of homogeneous production relations forming the mode of production."⁶²

But, first, such a concept as world economy and an all-embracing, planetary scale, so to speak, does not now exist. There is the world socialist economy and the world capitalist economy, which form in aggregate the worldwide economy. Yet the meaningless abstraction of world economy continues to wander from one article to another, introducing terminological confusion to this already complex problem. And, second, despite G. Sorokin's assurances, neither of the existing world economies is distinguished by homogeneity. It was emphasized at the CPSU Central Committee June (1983) Plenum that the socialist world is diverse and complex and that there are big differences between individual socialist countries in the economy, culture and ways and methods of tackling the tasks of socialist development. Nonetheless, this lack of homogeneity is qualitatively entirely different from that in the capitalist world. The world capitalist economy is now formed by the two entirely different parts or zones of capitalistically developed and developing states.

Incidentally, even before, prior to the first breach of the imperialist chain, the worldwide capitalist economy was not, nor could it have been a socially homogeneous community, as is sometimes asserted.⁶³ It always represented a unity of different commodity producers entering into mutual relations and economies and social formations of different levels. It united at that time the economic structures which predominated in this country and dependent territory or the other which were highly heterogeneous not only in terms of the degree of progress achieved by the production forces but also socio-class nature. This was private-economic capitalism incorporating large-scale monopoly associations and small-scale capitalist enterprises and also state capitalism, but this was also small-scale commodity peasant production, feudal and even earlier forms of ownership and management, particularly patriarchal, that is, to a considerable extent a subsistence economy, and individual vestiges of Asiatic and ancient modes of production. Although this was a unity of different economies of different levels, they were all based on class-antagonistic relations.

It is a different matter now. Now, when the all-embracing worldwide capitalist economy is no longer, the new system of the worldwide economy unites social formations which are antagonistic in respect of one another--the last exploiter system and socialism, which has come to replace it in many countries. Their opposition, confrontation and contradictory interaction constitute the central axis of the world historical process and the source of development and self-propulsion of the worldwide economy in the direction toward "the future socialist unity of the whole world"⁶⁴--the harmoniously developing single worldwide economy of the communist formation.

The unity of the world revolutionary process, in which the worldwide economy, world politics and international relations are organically interwoven in one, is, as I. Sokolov observes, "objectively conditioned by the unity of contrasts which represents the contemporary worldwide economy, and at the same time it is precisely in the international revolutionary process that the unity of the worldwide economy is now embodied, in the main, and is 'realized'."⁶⁵

Two or Three Subsystems?

The following question arises: what is the structure of the socially heterogeneous, but single and integral, in the global technical-economic aspect included, worldwide economy? Into what subsystems is it broken down, more precisely, articulated? The answers given to this question are far from synonymous.

Thus in his interesting book the Polish economist E. (Kleer) divides the interconnected system of the worldwide economy in the socioeconomic plane into three major aggregated subsystems--socialist, capitalist and developing (intermediate).⁶⁶ In our view, such a division inadequately reflects the true content of the worldwide economy category. The nature of our era, which is transitional from capitalism to socialism, and the modern world, which is divided into two polar systems, predetermines not the tripolarity but bipolarity of the contemporary transitional worldwide economy.

It is startling that in criticizing E. (Kleer) for that on which he should have been supported G. Sorokin not only failed to notice this blunder but reproduced it in his article. While in the preface to E. (Kleer's) book Yu. Shishkov even praised it, emphasizing that it is "valuable precisely for the fact that it views the worldwide economy as... an aggregate of three major subsystems."⁶⁷ The sole point on which he had doubts, and then wrongly, in my opinion, was the legitimacy of the use of the term "intermediate" for the "developing subsystem". It is pleasing to note that Yu. Shishkov now recognizes the articulation of the worldwide economy not into three but two subsystems--socialist and capitalist.⁶⁸ I. Bol'shakova has astutely noticed certain features refuting the "separation of the emergent countries as a special third subsystem in the worldwide economy."⁶⁹

Of course, there is much that unites the vast mass of countries which have thrown off the oppression of imperialism. Primarily such a colonial legacy as the low level of development of the production forces; one-sided dependence on the imperialist powers or asymmetrical interdependence with them; unequal position in the world capitalist economy, within whose framework even countries which have opted for the path of a socialist orientation continue to function to a considerable extent, although they have established numerous and growing relations with the world socialist market and are being "subjoined" to it increasingly; and, at least, the multistructural nature of the economy. Also common struggle for the reorganization of world economic relations on a just, democratic basis, for a new international economic order, for full and all-embracing not only political but also economic decolonization and joint participation in the nonaligned movement; and, finally, the "turnover" of political structures.

Nonetheless, despite all this, the group of developing countries by no means represents a socially homogeneous environment or community. On the contrary, it is a conglomerate which is diverse or heterogeneous to the greatest extent in terms of its class, sociopolitical, economic and ideological characteristics. The CPSU Central Committee report to the 26th party congress emphasized that "these countries are very diverse. Some of them, following liberation, took the revolutionary-democratic path. Capitalist relations became firmly established in others. Some of them are pursuing a truly independent policy, others are today following the lead of the policy of imperialism. In a word, the picture is quite varied." There are also countries here which have opted for a path of socialist development, those proceeding in the channel of capitalism, republics and monarchies, states with parliamentary bourgeois-democratic and authoritarian military-bureaucratic regimes and also countries under the colossal influence of traditionalism, particularly religion.

The developing countries are not a part today of either the system of socialist or the system of imperialist states. This is indisputable. But it is possible to agree entirely with the position of G. Shakhnazarov, who correlates the developing states of a socialist orientation with the "world socialism" concept and the countries entirely or mainly oriented toward capitalism with the "world capitalism" concept.⁷⁰

The latter constitute the majority, and among them, in turn, a divide can be traced perfectly distinctly, furthermore. At one pole are the countries which have lagged behind the most in their development. At the other are two groups of states. The first is formed by the handful of countries producing and exporting oil; in connection with the multiple increase in the price thereof they have accumulated huge sums of petrodollars, have right up until recently had a considerable balance of payments surplus on current transactions and have become major exporters of capital to the developed capitalist countries. The second group consists of the "new industrial states" (Mexico, Argentina, Brazil and a number of countries and territories of Southeast Asia and the Far East), where the process of the creation of their own industry has gone considerably further than in the bulk of developing countries.

At the same time the poor and poorest countries' imports of liquid fuel of sharply increased cost are intensifying their already critical financial and general economic position and increasing even more the lag in terms of the volume of national income per capita behind the advanced, so to speak, "privileged" young national states. This also disunites the mass of developing countries, causes serious conflicts and collisions in it at times and makes more difficult the achievement of unity in the struggle for a new international economic order and other anti-imperialist, anticolonial and antiwar aims.

Their differentiation in the economic sphere and also in all other spheres of social life objectively caused by the effect of the law of the unevenness of the economic and political development of the world capitalist economic system under imperialism will undoubtedly continue, intensifying further. In the course of this process some states, tearing themselves away from the world capitalist economy, will subsequently associate themselves with the socialist economy and become equal components thereof. Others, on the other hand, will consolidate their position in the world capitalist economy, switching to the category of developed capitalist countries. Some oil-producing countries of the Near East, Africa and Latin America, as also Asian states and territories with a developed export sector of manufacturing industry, have already outdistanced in terms of amount of per capita national income countries on the bottom rungs of the hierarchy of developed capitalist states (Spain, Portugal and Greece, for example) and have themselves become essentially mid-developed capitalist countries.

And although such "erosion" of the group of developing states and their gradual association with opposite socioeconomic systems is a very prolonged historical process, as Ye. Primakov rightly emphasizes, "this duration is by no means proof that the group of emergent states is developing or may develop in accordance with laws different from those which as a whole determine the nature of our era and the trends and directions of social progress."⁷¹ For this reason this group of states, which are heterogeneous in terms of the principal criterion of integrity of social system--in terms of both basis and superstructure characteristics--cannot be presented as a "uniform subsystem" of the worldwide economy developing in accordance with some laws of its own. Whence the illegitimacy of the concept "of the existence of some 'third world' (it is a question precisely of a concept and not of a term--A.Sh) allegedly proceeding along a special path of formational development."⁷²

Problems of the worldwide economy and its development prospects have now become the sphere of the theoretical class struggle which has moved to the forefront of the acute ideological confrontation. This is natural insofar as they are directly connected with the formulation of both general and more or less specific ideas concerning the future of mankind. Two opposite world-outlook systems confront one another here--Marxist-Leninist and bourgeois.

Bourgeois economic thought, strictly speaking, never had (and does not now have essentially) either an integral or monist view of the worldwide economy and its constituent parts. Predominant is the idea, as old as the world, of the primacy of the sphere of circulation, a scientifically sterile, vulgar exchange concept absolutizing commodity circulation and declaring it an autonomous, virtually the decisive sphere of the economic life of society. The main thing--material production--remains beyond the field of vision. The worldwide economy, which is frequently identified with the worldwide market, and the system of world economic relations with market relations appear devoid of real socioeconomic content. There is sometimes a deliberate aspiration here to conceal the true exploiter content of international economic relations under capitalism and at the same time the basic production relations of this formation.

In creative ideological work on revealing the gnosiological roots of bourgeois concepts of the worldwide economy and exposing their apologetic essence and class thrust it would be a futile waste of effort to be distracted by scholastic-terminological exertions in connection with the "fundamental" difference between the "world system of the socialist economy" and "socialist system of the world economy" concepts⁷³ and similar definition games. It is just as fruitless to spend time on a critical examination of such a sorry curiosity as the supposition concerning the possibility of the half-century existence of a world capitalist economy devoid of a reproduction structure.⁷⁴

The narrow definition of the worldwide economy as some system of international economic relations and the polemic in this connection return us to the debates of Soviet economists of the 1920's and, to be more precise, to R. Luxemburg, who in her celebrated "Introduction to Political Economy" also confined the world capitalist economy category to the framework of the "mutual dependence on one another"⁷⁵ of different states.

Further developing the science of the worldwide economy means not returning to questions which have already been solved by theory and social practice and not standing still but going forward, revealing increasingly fully on the basis of Marxist-Leninist methodology the nature and character of processes of a planetary scale and interpreting them theoretically and penetrating their essence in ever increasing depth.

FOOTNOTES

1. "Two Systems of the World Economy: Antagonistic Unity," Moscow, 1983, p 13.
2. VOPROSY EKONOMIKI No 2, 1984, p 115.

3. See "Economic Encyclopedia. Political Economy," vol 2, Moscow, 1975, pp 498, 509; "Large Soviet Encyclopedia". Third edition, vol 11, Moscow, 1973, pp 354-356; vol 16, Moscow, 1974, pp 319, 321-322.
4. VOPROSY EKONOMIKI NO 5, 1983, pp 128, 129-130.
5. See G.M. Sorokin, "Outlines of the Political Economy of Socialism," Moscow, 1984, p 312.
6. See VOPROSY EKONOMIKI No 5, 1983, p 133.
7. "Two Systems of the World Economy: Antagonistic Unity," pp 11-12.
8. See E.P. Pletnev, "The Universal Economy as an Arena of Struggle of the Two Systems," Moscow, 1981, p 3; MEMO No 6, 1974, p 19.
9. See "Two Systems of the World Economy: Antagonistic Unity," p 17.
10. See "International Currency-Finance and Credit Relations," Moscow, 1984, p 47.
11. See *ibid.*, pp 24, 41; VOPROSY EKONOMIKI No 2, 1984, p 125.
12. See VOPROSY EKONOMIKI No 2, 1984, pp 124, 125.
13. *Ibid.*, p 124.
14. MEMO No 8, 1984, p 74.
15. E.P. Pletnev, *Op. cit.*, p 5.
16. See *ibid.*; "International Currency-Finance and Credit Relations," p 31.
17. VOPROSY EKONOMIKI No 2, 1984, p 125; see also "Two Systems of the World Economy: Antagonistic Unity," p 21.
18. E.P. Pletnev, *Op. cit.*, p 29.
19. See "International Currency-Finance and Credit Relations," p 35.
20. See VOPROSY EKONOMIKI No 2, 1984, p 125.
21. "Two Systems of the World Economy: Antagonistic Unity," p 9.
22. "International Currency-Finance and Credit Relations," p 25. We would note in parenthesis that it is evidently imprecise to speak of the theory of the worldwide economy and international economic relations since the second is contained in the first and is a part thereof (see MEMO No 7, 1983, p 72; SShA--EKONOMIKA, POLITIKA, IDEOLOGIYA No 12, 1983, p 13).
23. VOPROSY EKONOMIKI No 2, 1984, p 125.

24. See MEMO No 8, 1984, p 76.
25. G.M. Sorokin, Op. cit., p 307.
26. See V.I. Lenin, "Complete Works," vol 29, p 316.
27. Ibid., vol 42, p 211; vol 29, p 98.
28. K. Marx, F. Engels, "Works," vol 4, p 136.
29. For more detail see A.M. Romyantsev, "Problems of the Modern Science of Society," Moscow, 1969, p 196.
30. We would note that while denying the worldwide economy category G. Sorokin recognizes the existence of a worldwide economy as transitional from the single capitalist economy in the past to the single communist economic system on a global scale (see G.M. Sorokin, Op. cit., p 309). Now confusion reigns!
31. Ibid., p 307.
32. See "Two Systems of the World Economy: Antagonistic Unity," p 19. As if the world may be split into types of intercourse!
33. VOPROSY EKONOMIKI No 2, 1984, p 124.
34. See "Two Systems of the World Economy: Antagonistic Unity," p 18; E.P. Pletnev, Op. cit., pp 3, 37.
35. MEMO No 7, 1983, p 74.
36. See "International Currency-Finance and Credit Relations," pp 29, 23.
37. Ibid., p 29.
38. "Two Systems of the World Economy: Antagonistic Unity," p 4.
39. V.I. Lenin, "Complete Works," vol 42, p 71. For fairness' sake it should be noted that, contradicting himself, in one, but only one, place E. Pletnev interprets this Leninist thought as "constructive plans for the restoration of the world production forces and programs of the restoration of worldwide economic relations" (E.P. Pletnev, Op. cit., pp 5-6).
40. See V.I. Lenin, "Complete Works," vol 42, pp 69, 70.
41. V.I. Lenin, "Complete Works," vol 27, p 303.
42. Ibid., p 329.
43. See V.I. Lenin, "Complete Works," vol 44, p 305; vol 45, p 71.

44. See, for example, A.I. Shapiro, "Current Problems and Prospects of the World Capitalist Economy," Moscow, 1984, pp 3, 15-16; "Current Bourgeois Concepts of the World Capitalist Economy," Moscow, 1980, p 7.
45. SShA--EKONOMIKA, POLITIKA, IDEOLOGIYA No 12, 1983, p 13; for more on this see also "International Currency-Finance and Credit Relations," p 32; VOPROSY EKONOMIKI No 5, 1983, p 132.
46. VOPROSY EKONOMIKI No 5, 1983, p 131. The words "formulated by the author of the work in question" are subsequently replaced in the book by one word: "far-fetched" (see G.M. Sorokin, Op. cit., p 304).
47. See G.M. Sorokin, Op. cit., p 304.
48. "Two Systems of the World Economy: Antagonistic Unity," p 17.
49. V.I. Lenin, "Complete Works," vol 44, pp 304, 305.
50. See V.I. Lenin, "Complete Works," vol 23, p 318.
51. V.I. Lenin, "Complete Works," vol 29, p 135; see also vol 24, p 124; vol 41, p 164.
52. For more detail see MEMO No 8, 1984, pp 74, 78.
53. See MEMO No 8, 1984, p 76.
54. See "Transnational Corporations in World Development. Third Survey," United Nations, New York, 1983, pp 75, 583.
55. See MEMO No 7, 1983, p 83.
56. K. Marx, F. Engels, "Works," vol 12, p 735.
57. See *ibid.*, p 725.
58. See MEMO No 7, 1983, pp 74-75; No 8, 1984, p 76.
59. V.P. Fedorov, "Current Trends in the World Capitalist Economy," Moscow, 1978, p 17.
60. MEMO No 7, 1983, p 84.
61. MEMO No 10, 1976, p 5; see also SShA--EKONOMIKA, POLITIKA, IDEOLOGIYA No 12, 1983, p 15.
62. G.M. Sorokin, Op. cit., p 302.
63. See, for example, "The World Economy," Moscow, 1978, p 10.
64. V.I. Lenin, "Complete Works," vol 24, p 144.

65. I.A. Sokolov, "The World Economy and the Revolutionary Process," Moscow, 1971, p 23.
66. See E. (Kleer), "The Worldwide Economy. Regularities of Development," Moscow, 1979, pp 90, 99.
67. Ibid., p 7.
68. See MEMO No 8, 1984, pp 73, 78, 81.
69. See "Two Systems of the World Economy: Antagonistic Unity," p 269.
70. See G.Kh. Shakhnazarov, "The Socialist Destiny of Mankind," Moscow, 1978, p 55.
71. Ye.M. Primakov, "The Orient Following the Collapse of the Colonial System," Moscow, 1982, p 9.
72. Ibid., p 8.
73. See VOPROSY EKONOMIKI No 2, 1984, p 115.
74. "Prior to World War II," comment on the translation into Russian of J. Tinbergen's book says, "the reproduction structure of the world capitalist economy represented a number of exclusive reproduction contours which embraced the economy of either one or several countries closely connected politically and a part of one geographical region or having convenient outlets to the sea and a strong merchant fleet. After the war, the formation of a common reproduction structure of the world capitalist economy began..." (J. Tinbergen, "Revision of the International Order," Moscow, 1980, p 394).
75. See R. Luxemburg, "Introduction to Political Economy," Moscow, 1960, p 43; see also p 219.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

8850

CSO: 1816/12

DISCUSSION OF SIGNIFICANCE OF REAGAN ELECTION VICTORY

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 103-114

[Excerpts] A. Anikin: The elections in the United States were a most important political event of the past year requiring serious study. Part of this work is the exchange of opinions organized by the Economics of the United States Department in cooperation with other subdivisions of the USSR Academy of Sciences Institute of World Economy and International Relations and also the USSR Academy of Sciences Institute of the United States and Canada. Economists, sociologists and specialists in the sphere of international relations and U.S. foreign policy will participate in the discussion.

V. Shamberg: As is known, R. Reagan came to power in an atmosphere of a sharp deterioration in the economic situation. The latest cyclical crisis had developed and long-lasting negative trends had appeared at the same time in the economy--a decline in the rate of its development and the labor productivity growth rate, a slowing of technical progress, a growth of unemployment, a sharp increase in inflation and so forth. Characterizing the economic situation, the weekly BUSINESS WEEK wrote at the end of December 1980: "No president since the times of Franklyn Delano Roosevelt has inherited an economy so beset with disasters as that which Ronald Reagan will command after 20 January. And of no president since the times of Roosevelt has so much been expected in curing the ills of the economy." This is a highly significant comparison. We would recall that Roosevelt assumed office following the severest economic crisis in American history. It was he who laid the foundations of the economic and social policy which made the Democratic Party the party of the majority and secured for it the dominating position on the American political scene for almost 50 years.

The economic program advanced by the Reagan administration promised a radical recovery of the country's economy--an acceleration of the economic growth rate, a reduction in unemployment, a reduction in the rate of inflation, an acceleration of technical progress and the labor productivity growth rate, the increased competitiveness of American commodities and so forth. Implementation of this program did not prevent the development of an overproduction crisis. It lasted through the end of 1982 and was the most serious since the 1929-1933 economic crisis. However paradoxical it may seem,

from the viewpoint of the 1984 elections the crisis was for R. Reagan not a minus but a plus inasmuch as a crisis in a cyclically developing capitalist economy sooner or later comes to an end and is replaced by an upward movement and cyclical upturn.

R. Reagan's political good fortune was that the crisis pertained to the first 2 years of his presidency, and the upward movement and upturn to the final 2 years preceding the elections. The relatively favorable development of the economy in the second half of the President's term hid for the vast majority of the electorate grim recollections of the economic crisis. It was, of course, difficult for the ordinary voter here to fathom the causes of the improvement in the economic situation and the correlation of objective regularities and the results of the measures of government policy and to imagine the long-term prospects of economic development. He proceeded merely from the fact that in the last 2 years of the R. Reagan presidency the economy had emerged from the crisis, the rate of price increases had declined considerably and unemployment had started to fall. The increase in GNP constituted (on an annual average level) 8.8 percent in the first 6 months of 1984, and 1.9 percent in the third quarter. The rate of inflation, which was 13.5 percent in 1980, had declined to 3-4 percent. Unemployment had fallen from 10.7 percent of the work force at the end of 1982 to 7.3 percent in September 1984.

The Republican Party's propaganda machine heralded Reagan as the man who had given the country the strongest economic upturn since the war. The President himself extolled the administration's achievements incessantly in his election speeches.

Under these conditions the Democrats, who in 1982 and at the start of 1983 had counted on making the question of the economic situation the center of the election campaign, were forced to reorganize and change their tactics. The entire criticism of Reagan's economic strategy on the part of his rival, W. Mondale, amounted to statements that the upturn could not be long-lived inasmuch as the upturn would inevitably be undermined by the budget deficits and high interest rates. The well-known American economist A. Greenspan, former chairman of the Council of Economic Advisers under President G. Ford, noted in the summer of 1984: "The presidential contender cannot at the present time promise in the economy anything more than the current president has already secured."

Truly, the Democratic Party and its presidential candidate essentially put forward no alternative economic program. Lacking such, they naturally were unable to persuade the electorate that they would manage the economy better than the Republicans. And this was confirmed as convincingly as could be by poll results. One of the last public opinion polls before the elections conducted by the Yankelovich, Skelly and White firm for the WASHINGTON POST showed that the electorate preferred Reagan to Mondale as far as the capacity for curbing inflation was concerned 67:24, providing jobs for the unemployed 46:42 and reducing the federal budget deficit 48:32. Mondale had the advantage over Reagan merely in the capacity for ensuring protection of the environment (48:37) and assistance to the poor (59:30).

The Democrats attempted to move to the forefront of the election struggle the problem of "fairness" and score points in criticizing the social consequences of Reagan's economic policy. They claimed, and this is fully borne out by reality, that the measures implemented by the administration had contributed to a rise in corporate profits and the income of the high-income groupings and that the Reagan administration was an administration of the wealthy and for the wealthy. Truly, the social results of the Republicans' policy speak for themselves. In Reagan's term in office the numbers of Americans living below the official poverty line have increased from 29.3 million to 35.3 million. From 1979 through 1983 their proportion of the country's population rose from 11.4 to 15 percent. Despite the decline in unemployment, in September 1984 there were 8.5 million officially registered unemployed, whereas in January 1981 there had been 8 million unemployed. The data on the dynamics of income for family groups cited in a report of the Urban Studies Institute published in 1984 are highly indicative also. Since 1980 the incomes of the poorest group, which includes one-fifth of American families, has declined by 7.6 percent (after payment of taxes and inflation-adjusted social security contributions). At the same time, on the other hand, the incomes of the wealthiest group (one-fifth of families with the highest incomes) have increased 8.7 percent. The authors of the report believe that this is the result of the Reagan administration's tax cuts, which have increased the income of the wealthy, but completely failed to help the poor. The position of blacks and other nonwhite Americans has deteriorated particularly.

However, the negative social consequences of economic policy were evidently of very little concern to Reagan and Republican Party strategists from the election viewpoint. The poor, the unemployed, blacks and the low-income strata of American society generally traditionally vote for Democratic Party candidates. The Republicans were not counting on obtaining any significant number of votes here. The top- and medium-income groups constitute the mass support of the Republican Party. It is they which have benefited most from Reagan's economic policy. It was these groups which secured Reagan's reelection.

S. Plekhanov: The results of the voting on 6 November reflected distinctly the social polarization of American society. As a poll of the electorate published by THE NEW YORK TIMES shows, whereas the majority of persons with an annual family income of up to 12,500 (53 percent) supported Mondale, the wealthiest strata of the population clearly preferred Reagan: over two-thirds of the electorate with an annual income of more than 50,000 and up voted for him. The numerical preponderance of the poor and needy over well-to-do Americans was reduced to a minimum by the fact that among the first group the proportion of those taking part in the elections does not usually amount to 50 percent, whereas for the second group this indicator approaches 80 percent.

The needy and most prosperous strata of society together constituted little more than one-fourth of the electorate which took part in the 1984 elections. The bulk of the electoral body was formed by the so-called "middle class"--a category selected by American bourgeois sociology by proceeding from income

levels (those belonging neither to the wealthiest nor the poorest parts of society). This category is socially heterogeneous inasmuch as, using the income criterion as the class-forming element, bourgeois sociologists and official statistics include in the "middle class" not only the middle strata proper but also a significant proportion of comparatively high-income workers and employees.

The "middle class," however, is heterogeneous not only socially but also politically. Thus the old middle strata (the urban petty bourgeoisie) has long been predominantly of a Republican orientation. The intelligentsia and employees fluctuate between Republicans and Democrats, while workers, on the other hand, pertaining to the "middle class" traditionally prefer the Democrats.

For decades the "middle class" was considered the foundation of social stability and the principal component of the mass base of the political system. However, in the last 10-15 years the political consciousness and behavior of the "middle class" have been showing signs of growing social discontent, protest and an aspiration to change. The shifts in the sentiments of this stratum of society have been brought about by the complication of the country's economic problems which began on the eve and at the outset of the 1970's and which are continuing through the present. Inflation, a weakening of the positions of the dollar, the competition of foreign goods and the collapse of traditional values are gradually undermining the principle of material success at a price of conformism, which is a most important component of the mentality of the average American.

In the eyes of the "middle class" the most serious threat to its position in the 1970's was inflation. It not only devalues earnings and savings but undermines the "little man's" belief that by hard work he can improve his position in society. It is not surprising that the lowering of the level of inflation from 13-14 percent at the start of the 1980's to 3-4 percent by the end of the first term of Reagan's presidency made a considerable impression on the "middle class".

The paradox of the situation is that the main groups which are a part of the "middle class" have by no means begun to live better as a result of the implementation of Reaganomics. On the contrary, the average American family's purchasing power has declined during Reagan's term of office. The level of bankruptcies among small businessmen has risen sharply. Finally, the very numbers of the "middle class" have declined thanks to the incomes of part of this stratum falling below the official poverty line.

All these facts were reiterated constantly in the course of the election campaign by the Democratic Party candidate and his followers. Nonetheless, Reagan won a majority of "middle class" vote. The deeply rooted faith of the mass of Americans in the magic of the "free market" and the spirit of egotism and competition, which conservatives encourage in every possible way, were also reflected here. The ethics of the "rat race," the contest in material success, which had gone out of fashion somewhat in the 1960's-1970's, are now again triumphant. Social inequality has again come to be regarded by many people in the United States not as evidence of the imperfection of the system but as an essential stimulus to individuals' competition in the face for the dollar.

Within the framework of the overall shift in the sentiments of the "middle class" differences between the groups which are a part thereof can be discerned distinctly. Thus Reagan was rendered the greatest support by the petty and middle bourgeoisie (62 percent of those who voted), somewhat less by employees (50 percent) and then by workers (53 percent). The vote of lecturers, federal employees and the students was shared approximately evenly between Reagan and Mondale. It is important to note that the families of workers and employees who are union members voted against Reagan in a ratio of 53:45.

The change in the behavior of persons with an annual income of \$12,500-\$25,000 was particularly pronounced compared with the preceding elections. In 1980 Reagan obtained 44 percent of the vote of this category of the electorate, but in 1984 some 57 percent. In no other group was the shift in favor of Reagan so great. Judging by poll data, the increase in votes occurred primarily thanks to so-called "born-again Christians"--politically extremely backward people with little education confessing fundamental religious beliefs, predominantly of a Protestant persuasion. The fundamentalism is expressed in extreme intolerance of atheism and an aspiration to establish the strict regulation of social life and is characterized by reactionary standpoints on moral and cultural issues. Reagan succeeded in attracting this part of believers by frequent appeals to religion in his speeches and by moralizing.

At the same time, however, the reduced spending on social programs and other measures of a conservative hue brought about opposition to Reagan on the part of the politically better-educated part of the "middle class," which continues to gravitate toward the liberal-progressist flank of American policy.

A surprise of the elections was the high percentage of votes cast for Reagan by the young voters. Whereas in 1980 he had the support of only 43 percent of the electorate of the 18-29 age group, 4 years later the figure was 58 percent. In order to understand this phenomenon it has to be considered that the political consciousness of this group of the electorate began to take shape in the 1970's. Watergate and the series of exposures of malfeasance and corruption in the highest organs of power which followed it had evoked in the younger generation profound mistrust in "big government," while the development of international events had given rise to fears concerning a "weakening of America". With his "antibureaucratic" rhetoric, inveterate nationalism and program for the country's rearmament Reagan proved to be in tune with these sentiments. However, the support for Reagan on the part of many young voters at the elections by no means signifies that the conservatives have won strong positions in this milieu. The younger generation of voters is seeking new directions in politics, but what is new is often, as is known, the well-forgotten old, and Reagan's archaics seemed to a youth lacking experience of life and politics an attractive alternative to its inherited status quo.

The socio-demographic picture of the elections contains a regional aspect which merits attention. Reagan obtained approximately 63 percent of the Southern vote, approximately 60 percent of the vote in Western states and 52 percent in the Eastern states. A similar picture was observed at the 1972

elections and, not so distinctly, in 1980. The consequences of a migration of capital and manpower from the old industrial areas of the Northeast to the South and West are reflected here. This process is leading to an erosion of the Democrats' traditional base in the Northeastern states (as a result of the outflow of the population and the weakening of the positions of the unions) and in the Sun Belt states, where the Republicans, playing on Southerners' conservatism, are managing to retain their influence over the majority of the population. However, signs of the appearance of a basis for the formation of a liberal and populist opposition to the Republican Party can be observed even now in the alignment of political forces in the South and West of the country.

R. Entov: The situation of prolonged economic stagnation and the crisis fall in production served as the point of departure in formulation of the economic strategy of the Reagan administration which had just assumed office. Representatives of the new-fangled concept of "supply-side theory" assured people that a stimulating fiscal policy could serve as the sole effective means of securing intensive and stable economic growth. The central place in the system of government measures was occupied by promises to cut federal income tax and simultaneously reduce federal spending. This, according to the promises of the theorists of Reaganomics, was to have brought about an "unprecedented flourishing" of the economy.

In reality the program of the supporters of "supply-side theory" underwent appreciable modifications. The abrupt intensification of the aggressive policy of American imperialism was accompanied by a rapid increase in military spending. As a result, despite all the Republican Party's election promises, a further growth has been observed in the 1980's not only of the sum total of federal government spending but also of its share of the GNP.

The tax policy pursued by the Republican administration has also proved contradictory. While granting major capitalist companies and the recipients of the highest personal incomes unprecedentedly generous tax benefits, the government has continued to increase social security contributions, that is, increased the withholdings the brunt of which is borne by the poorest strata of the population. Inasmuch, however, as the impact of the tax reforms was woven together with the processes of a reduction in taxable income the total amount of federal budget receipts has diminished. The reduction in tax proceeds combined with increased government spending has contributed to the continued growth of the budget deficits.

Both an increase in federal spending and the granting of additional tax benefits have served since the war as the traditional means of "anticrisis therapy"; they were, in the intention of the architects of Reaganomics, to have performed the same role at the start of the 1980's also. However, a further decline in economic activity was observed throughout the latter half of 1981 and all of 1982; the 1980-1982 crisis was the most protracted since the war. And by the time that the country's economy finally began to crawl out of the crisis, the Republican administration's economic strategy could in no way lay claim to particular popularity. Thus the following evaluations could be found in the journal BUSINESS WEEK in the spring of 1983: "Is the economic recovery proof that Reaganomics can ensure the stable growth once promised by

the President? The answer to this can only be negative. Reaganomics in the form in which it was conceived and initially implemented is dead." Government experts urgently sought ways of modernizing Reaganomics which were semi-officially termed the transition to a new phase thereof.

But as the crisis events became more distant and the regular cyclical upturn developed, the progovernment mass media initiated a new publicity campaign on the threshold of the elections the center of which was made a reduction in personal income tax rates. Bourgeois propaganda exploited in every way possible a slogan which was particularly attractive under the conditions of the unprecedented financial robbery of the working people--that of tax cuts--essentially divorcing them from the question of the amounts of expenditure at the same time and sources of its financing. And subsequently use was made of an artless method--"after this, meaning, as a consequence of this". The growth of economic activity can on the heels of the initial stages of the tax reform, consequently, it was brought about by these reforms.... Such judgments are not, of course, based on a serious analysis of the problem but the multiple repetition of the key words "tax cuts" and "economic upturn" and their invariable interlinkage could not have failed to have influenced the evaluations of many voters.

Yet the growth of economic activity in 1983-1984, in spite of all the promises of the theorists of Reaganomics, did not lead to a reduction in the budget deficit. It has been ascertained that by now the bulk of the deficit is not of a cyclical nature and has become rather some permanent element of the structure of government finances. According to preliminary data, in the 1985 fiscal year the federal budget deficit will constitute \$180-200 billion, and by the end of the decade, the Congressional Budget Office estimates, could be in excess of \$260 billion. In the new situation this problem had inevitably to move to the center of all public life.

The general financial policy situation in the United States has also changed appreciably in recent years. Until recently proposals for a further increase in government spending usually emanated from representatives of the Democratic Party, whereas Republicans adopted a disapproving attitude toward major new appropriations and a corresponding increase in the budget deficit, but today a Republican administration is the instigator of a further increase in government spending, channeling here, in the observation of a FORTUNE observer, more appropriations into guns and fewer into butter. For many years Republicans noisily opposed the "harmful" Keynesian idea of deficit financing, yet the deficits with which the Reagan administration is closing the budget, caustically christened "super-Keynesian" by the well-known American economist P. Samuelson, have broken all the "records" set during the Democratic Party's time in office. And representatives of the Democrats today are opposing the violation of the "sound principles" of conducting financial operations. Such a change of roles in the production being performed on the American political stage emphasizes once again how meaningless, in V.I. Lenin's definition, are the duels fought between the two biggest bourgeois parties of the United States.

Since the spring of 1984 the Democratic Party attempted to make the problem of the budget deficit the center of its election platform. But the rhetorical figures formerly put into circulation by the Republicans and which have become a customary attribute to each election campaign no longer "functioned" in full. A certain role was also evidently performed by the fact that the unpleasant consequences of the growth of the federal debt are not so obvious and are not reflected immediately ("only a few Americans could explain what the danger of deficits consists of," the French newspaper LE MONDE DIPLOMATIQUE commented on the pre-election situation in the United States). But the following circumstance proved the most important: Democratic Party representatives essentially failed to oppose the most important cause of the budget deficit--the gigantic spending on the arms race. After all, a new twist to the spiral of this race was formerly begun at the initiative of the J. Carter Democratic administration, and W. Mondale's program proclaimed for 1984 did not provide for any radical reduction in military appropriations. As a means of reducing the budget deficit they could offer only new tax increases. None of this could have made the Democrats' economic platform particularly attractive.

Meanwhile the consequences of the huge budget deficits are giving rise to increasingly serious misgivings even among government experts. M. Feldstein, chairman of the President's Council of Economic Advisers, who had repeatedly issued warnings concerning the threat contained in the monstrous budget imbalance, resigned 6 months prior to the elections. Feldstein's departure, as the British THE TIMES observed, "made the intellectual bankruptcy of Reaganomics obvious. In fact all representatives of American economic theory, regardless of their position in the Keynesian-monetarist spectrum, are today dissociating themselves from the elements of supply-side theory in the President's program."

There has been a pronounced exacerbation recently of the struggle in Congress, including the struggle in connection with the question of the budget deficit, which reflects a growth of conflicts between different groupings of the ruling class.

As the new cyclical growth of investments develops, the competition of private borrowers and the treasury is becoming increasingly acute. In the first quarter of 1984 up to one-third of total net accumulations of the private sector entering the loan capital markets (according to preliminary estimates) was used to finance the federal deficit. In this situation the burden of the payments not only on government but also private debt is increasing more quickly than could be observed in the analogous phase of preceding cycles. The level of unemployment remains unusually high for the conditions of cyclical upturn. The majority of American experts polled at the end of 1984 considered inevitable an abrupt slowing of the processes of economic growth or even a new economic recession in 1985 or 1986. At the same time the prospect of a new spurt of inflationary price rises looms on the horizon.

The balance of trade deficit has reached unprecedented proportions. The high interest rates and the artificially jacked-up dollar exchange rate have been able for the time being, of course, to ensure an influx of huge sums of money from abroad. It is clear, however, that the dollar's exchange rate cannot go on rising infinitely. The prospects of a subsequent sharp decline in the

exchange rate of the American currency and a mass migration of "hot money" in the opposite direction are causing increasingly great concern among American economists. And the radiant picture of the "startling economic upturn" so persistently and clamorously advertised currently by the Reagan administration is designed to conceal the unambiguous signs of a further growth of the contradictions in the U.S. economy. Such are some of the results of the development of the capitalist economy on the paths of Reaganomics which had manifested themselves at the time of the elections.

Yu. Oleshchuk: In 1984 the Republicans demonstrated a new election strategy. For several decades their mass base had consisted mainly of the urban middle strata and also the middle and wealthy farmers. Accordingly, the party's strategy was usually organized such as by relying mainly on this base to "raise" by way of maneuvers the majority necessary for victory thanks to the attraction to its side of part of the "lower classes" of society.

A departure from such a policy had been discerned in 1980 even, while last fall it was manifested even more distinctly. Making advances toward the needy was reduced to a minimum. More, the Republicans manifestly attempted to drive a wedge between the middle strata and the comparatively well-off part of the working class on the one hand and the poor on the other. There was widespread exaggeration for this purpose of the assertions that the needy part of the population was being "supported" by the prosperous part, which allegedly pays for benefits for the poor with its taxes. The calculation was manifestly to win the support of the majority of the "middle class". This was seen by Republican Party strategists as a sufficiently reliable guarantee of election victory.

The basic mass of average Americans, not to mention the upper part of society, went along with the Republicans, believing their claims that it had been Reaganomics which had secured the improvement in the country's economic position. Persuading the electorate of this largely meant actually predetermining the outcome of the struggle.

The answer to the question of why such claims appeared convincing to many people in the United States should not evidently be reduced merely to the subtlety and concentrated impact of government propaganda. It is important to mention another circumstance also. State-monopoly regulation of the economy, which has been effected for several decades, could not have failed to have accustomed millions of Americans to the thought that the state is to a considerable extent responsible for the state of affairs in this sphere. Under the conditions of the prevalence of such notions the persistent self-publicity of the Republicans and their attribution of the credit in the recovery of business conditions to themselves undoubtedly influenced the electorate's mood.

It was seen as no less important to the organizers of Reagan's election campaign to convince the public that the Republican administration's foreign policy was aimed at securing peace. A principal adviser of the President, P. Laxalt, expressed himself on this score as candidly as could be: "We must first of all try to dispel the opinion that ... his (that is, Reagan's--

Yu.O.) policy is fraught with the danger of war." Recognizing the inadequacy of "peace-loving" rhetoric, the White House imitated a "peace offensive" and presented a number of "initiatives" designed to demonstrate the administration's "sincere aspiration" to a normalization of relations with the USSR and dialogue with it. It is indicative that even the unprecedented buildup of military might and the President's constantly repeated promises to make the United States the world's strongest power militarily were portrayed as a necessary prerequisite of an improvement in Soviet-American relations.

An important advantage of the Republicans over the Democrats was the practically complete control of the leadership of the party over its local organizations. This spared Reagan's supporters the need for intraparty maneuvering. At the Republican Convention in Dallas the usually quite influential moderate wing was represented by only two-three dozen delegates, and their opposition was reduced to lobby talk. Some 2,233 convention delegates voted for the party platform, which had virtually been prepared in the White House, and only 2 abstained.

The Republicans had a further--and most important--advantage: far greater support than the Democrats on the part of big capital and the monopoly bourgeoisie. It is sufficient to say that the total amount of resources which they received was almost four times more than that collected by Mondale's party (\$225.4 million compared with \$57.3 million). This fact is an eloquent indication with which side the sympathies of wealthy America lay.

The congressional elections, which were held simultaneously with the presidential election, showed that the Republicans' victory outwardly appeared more significant than it in actual fact was. They gained an additional 15 seats in the House of Representatives, but lost 2 seats in the Senate. As a result the correlation of forces in the House of Representatives became 254:181 in favor of the Democrats, 53:47 in the Senate in favor of the Republicans. Political observers differ in their assessment of how the changes which occurred in Congress will be reflected in practice. In the opinion of some they portend difficulties for the administration inasmuch as neither the size of the Republican factions in both chambers nor the overall number of representatives of the right wing of both parties permit hopes of a recreation of the conservative bloc which was the support of the government in Congress in 1981-1982. Others, on the other hand, believe that Reagan's impressive victory at the elections will ensure Congress' cooperation with the administration at least in the initial period of the second term of the presidency.

S. Kocharyan: Elections, particularly presidential elections, are an indication of the influence of this party or the other in the national political arena. In this respect the results of the election struggle are very contradictory for the Democratic Party.

On the one hand its outcome did not, as already mentioned, lead to appreciable changes in the alignment of political forces in the U.S. Congress. It is significant that all the leading Democratic Party figures were reelected. T. O'Neill, speaker of the House of Representatives, J. Wright, leader of the Democratic majority in the House, D. Fascell, chairman of the Foreign Affairs

Committee, in particular, and others retained their seats. On the other, the elections culminated in a crushing defeat for the Democratic Party's presidential candidate--W. Mondale--who lost in 49 of the 50 states. Mondale managed to win a majority of the vote only in his home state of Minnesota and the federal District of Columbia, that is, obtained only 13 electoral votes compared with the 525 cast for Reagan.

Such a heavy defeat of the candidate from the United States' biggest political party (according to polls, approximately 52 percent of the electorate consider themselves supporters of the Democrats, 42 percent followers of the Republicans and 6 percent independents) can hardly be explained merely by Reagan's personal popularity. It was, in the opinion of many observers, to a considerable extent the result of Mondale's serious blunders in the election struggle.

It follows from the data adduced above that a presidential candidate from the Republican Party cannot win election without attracting to his side part of the electorate which usually supports the Democrats. And, as preliminary calculations show, 25 percent of Democratic Party supporters on this occasion preferred Reagan to their "own" candidate. Why?

Observers see as one reason for the change in electoral behavior the unpopularity of a number of provisions of the election platform presented by Mondale. It is question, in particular, of his proposal to raise taxes to reduce the sharply increased and continuing increase in the budget deficits. It is assumed that this alienated from the Democrats a considerable proportion of the floating vote. In any event, the majority (in ratio of 2:1) evaluated such a proposal as an encroachment on personal income. American pragmatism was reflected: the budget deficit in the minds of ordinary Americans is something distant and abstract, but a tax increase is something specific and close, which infringes interests directly. And other of Mondale's proposals in the economic sphere were not distinguished by particular attractiveness and did not contain new ideas or a precisely expressed alternative to government policy.

Under these conditions the Democrats' main trump card in last year's election campaign could have been the problem of foreign policy, that is, the sphere where, in the opinion of many people, Reagan's positions were highly vulnerable. Mondale was afforded an opportunity to create a broad coalition by way of uniting the participants in and supporters of the antiwar movement opposed to the Reagan administration's foreign policy course with the mass of voters dissatisfied with the government's domestic policy. The formation of such a coalition would have increased the Democratic Party candidate's chances of success.

However, Mondale failed to avail himself of this opportunity. More, whereas at the start of the election campaign a definite divide could be traced between the candidates' positions on the basic foreign policy problems, with the approach of the time of the elections it gradually disappeared: endeavoring to attract part of the conservative electorate and to avoid charges of undue "softness," Mondale occupied an increasingly tough position on a number of key foreign policy issues.

The strengthening of the "tough" notes in Mondale's speeches coincided with an increase in the "peacemaking" rhetoric in President Reagan's speeches. As a result, observers believe, although Mondale continued to campaign for a mutual and verifiable freeze of the nuclear arsenals of the USSR and the United States and the abandonment of the "star wars" plans, on a whole number of foreign policy issues the voters saw practically no appreciable difference between the candidates' positions. This alienated from the Democratic Party a considerable proportion of its potential voters and weakened the support on the part of liberal circles. At the same time, however, the concessions to the forces of the right did not produce the anticipated results. The overwhelming majority of conservative voters voted for the candidate of the Republican Party.

The 1984 elections demonstrated even more graphically than the 1980 elections that the Democratic Party is experiencing a most complex period in its history. In the opinion of a number of observers, it is faced with the threat of the temporary loss of its own "political character" and, correspondingly, influence among a considerable proportion of the electorate. Whatever the case, the serious defeat which the Democrats suffered at the elections and the situation that has come about in the party as a result of this will undoubtedly exacerbate the confrontation between its main factions.

K. Gadzhiyev: For an understanding of Reagan's victory and--on a broader plane--the success of conservative forces in a whole number of developed capitalist countries we cannot confine ourselves merely to an analysis of economic, social and political factors. The crisis currently being experienced by the capitalist system has profoundly affected together with the economic and political spheres the sociocultural and spiritual spheres and embraced the entire system of so-called "intermediate institutions"--the family, community, church, school and moral and value orientations. It is contributing to the gradual decline in the work ethic, the growth of crime and the spread of disenchantment with bourgeois ideals, pessimism and uncertainty in the future. The increasing disregard for moral-ethical standards, which is bordering, as Western sociologists put it, on "ethical degeneracy," is causing no less concern in broad strata of the population of capitalist states than purely economic problems.

Reagan and the organizers of his 1980 and 1984 election campaigns caught these moods and made purposeful use of them in their own interests. The President's numerous speeches played up one and the same theme in every possible way: he would fight against crime and outbursts of violence and for the restoration of "traditional values". Thus the image of Reagan as a "man of faith," "guardian of moral-ethical standards" and so forth was created. Simultaneously the efforts of the propaganda who has restored the "lost might" of the United States, thanks to which it is now capable of responding to the "Soviet threat".

In the dissemination of such notions a tremendous role was performed by the mass media: the press, radio and, particularly, television. In recent decades they have become a factor determining not only the progress and tone of the election struggle but also the result thereof to a considerable extent.

The tremendous attention paid by the mass media to political events has led to a kind of "symbolism politics" in which real personalities are superseded by images of politicians designed in accordance with the prevailing frames of mind and tastes. Many technical methods and devices, which were originally employed in the advertising sphere and also in theatrical and motion-picture art, are used for this, and well-known actors and directors, public opinion specialists and so forth are enlisted extensively.

As a result, as the well-known commentator R. Baker observed, "politics now represent to a considerable extent a television show." Illustration of the election campaign developed into a series of accounts reminiscent of sports reports, with all the peripeteias of an intense struggle with winners and losers.

Under these conditions the success of this candidate or the other was frequently directly proportionate to the skill of the image-makers and, as American journalists say, the "selling" of them to the electorate with the aid of the mass media, primarily television. R. Strauss, prominent Democratic Party figure, observes in this direction: "We are entirely in the hands of political consultants, image-makers and people who can think up memorable phrases for speeches."

According to the American political pundit E. Kostikian, the "electronic political system" rewards the "performer," "actor" and people versed in the methods of showing their best side. This truth has been well assimilated by Reagan--a professional actor in the past. For him, a presidential aide writes, an election campaign is something like "a Hollywood movie.... He has been playing his part so long that the game seems to him real," and his speeches are distinguished by thorough adaptation. He always has an open, smiling persona. In other words, "a 100-percent American" and a "good boy".

Yu. Fedorov: The results of the 1984 elections raise many questions in respect of American foreign policy. However, despite all their diversity, they are in one way or another concentrated around two basic problems. First, has R. Reagan obtained a mandate for the pursuit of a tough, power, adventurist policy fraught with nuclear brinkmanship? How generally is his election victory correlated with American society's attitude toward the key features of current international relations, primarily those which determine the level of states' security? The other problem is whether Republican administration will in its foreign policy in the next 4 years abide by the preelection declarations concerning an aspiration to peace, an improvement in American-Soviet relations, "radical reductions" in nuclear arsenals and so forth.

The results of any elections are largely determined by processes occurring at the intersection of domestic and foreign policy. For the America of the mid-1980's these processes are of particular significance and have specific features. As many experts note, R. Reagan's success both in 1980 and in 1984 was to a decisive extent the result of the so-called neoconservative change in American society. It is a question not only of a change in the correlation of forces between different factions of the country's ruling upper stratum but also of considerably broader shifts which embraced quite populous strata

of U.S. population. Much has been written about this phenomenon. Specialists unanimously emphasize the "black-white" picture of the world characteristic of the political philosophy of neoconservatism and also the aspiration to recarve it in accordance with its own views and moral values sometimes of a highly wretched quality. "The purpose in foreign policy," (R. Dellek), professor at the University of California, writes, "is not to see the world as it is and to champion national interests with the maximum prudence but to ensure the triumph of oversimplified ideas."

These ideas, with which neoconservatives emerged at the start of the 1980's in the political arena of the United States and to some extent of the whole world, were largely based on primitive anti-Sovietism and anticommunism, acquiring, as Western commentators sometimes observed, a "ritual" nuance. At the same time the foreign policy doctrine of neoconservatism by no means amounts merely to appeals for the start of a "crusade" against communism. It is in general characterized by a nonacceptance of everything which differs from its own experience or ideals. "The nationalist and provincial nature of the thinking of a considerable proportion of Americans combined with a skillfully conducted brain-washing campaign have given rise to narrow-mindedness in the approach to sociopolitical phenomena," the newspaper LE MONDE DIPLOMATIQUE wrote. "...Societies not conforming to American concepts of market capitalism, formal democracy and private consumption are considered suspect."

Such is one aspect of modern neoconservatism. There is another also. The Western press has written much in recent years about "America's recovery" and the upsurge of its "national spirit," "patriotism" and "belief in itself". These cliches conceal complex processes.

The past decade has gone down in U.S. history as a period of profound ideological and moral-political crisis. Its sources are connected with the long "dirty war" in Indochina and the shameful defeat therein, the Watergate affair, the story of the American hostages in Iran and a whole number of other foreign policy failures and domestic scandals, which were interwoven with the growth of unemployment and inflation, the deepening crisis of the cities, rising crime and so forth. All this was perceived by broad strata of Americans as evidence of the country's general progressive impotence and, what is most important, the incapacity of its leaders for coping with the domestic and foreign problems. This psychological climate created, in turn, a favorable atmosphere for the relatively extensive spread of sentiments in favor of the restoration of America's leading role in the world and the need for an aggressive, assertive policy aimed at protecting American values and interests globally. The achievement of these goals was linked primarily with the arrival in the White House of a "strong administration" capable of breaking, with the aid of force if necessary, the trend of world development unfavorable to the United States. Nor were rightwing circles slow to put forward the concept according to which the main cause of the United States' foreign policy defeats was the policy of detente, which has enabled the USSR to achieve "superiority" over the United States in the military sphere. "Resurgent patriotism" has in the United States a strong smack of chauvinism and xenophobia. The best instrument in order to recarve other countries in the American image and likeness is often considered the RDF, while it is proposed restoring America's leading role in a changing world on the basis of its predominant military superiority.

Such is one aspect of matters. It by no means, however, exhausts all the changes which are occurring in the public mood. Objective data testify that fear in the face of an all-devastating thermonuclear war and an aspiration to prevent it are dominant in the minds of Americans, being curiously interwoven in part of them with neoconservative postulates largely of an interventionist thrust. Even the 53 million Americans who on 6 November 1984 voted for R. Reagan--and it is they, evidently, who are the purveyors of neoconservative ideals--did not give the new administration a mandate to pursue an unchecked arms race and a policy of nuclear blackmail and pressure.

In the fall of 1984, not long before the elections, a most authoritative American journal--FOREIGN AFFAIRS--published an article containing a survey of a large number of American public opinion polls on the problems of war and peace and the U.S. approach to them. The figures which it adduced induce reflection concerning the extent to which the country's ruling circles take account of the true sentiments of the public.

Some 96 percent of Americans believe that in the nuclear age it is too dangerous to enter into a conflict with the Soviet Union and that it is necessary to think of peaceful solutions of existing problems. Some 89 percent are certain that in a nuclear war there can be no winners and that both sides will be wiped out if it erupts. Some 83 percent believe that a nuclear war cannot be "limited" and, having begun somewhere, will inevitably develop into a total exchange of thermonuclear strikes. Throughout recent years over three-fourths of Americans have steadily advocated a bilateral verifiable freeze of the nuclear potentials of the United States and the USSR. Almost 60 percent supports the thought that it is in U.S. interests to stop "treating the Russians as an enemy". This survey, like many other foreign studies, concludes that the U.S. population is today unequivocally demanding specific measures to reduce the nuclear threat. "...Americans are fully resolved to stop the slide toward nuclear confrontation..." the authors of the FOREIGN AFFAIRS article emphasize. "The ground has been prepared for a new phase in our relations with the USSR."

Many other facts may be adduced corroborating this conclusion. Surely it is indicative that the leadership of the Catholic and a number of other influential churches of the United States has openly opposed the administration's policy of spurring the nuclear arms race? The church hierarchies in the United States have never in the past been distinguished by pacifist views, but they have always been able to precisely catch changes in the public mood.

Reagan cannot ignore the mood of the electorate. He made many efforts in his preelection speeches to persuade Americans of his aspiration to peace. He has even presented the program for the creation of arms to wage "star wars" as a means capable of delivering mankind from the Damocles' sword of thermonuclear catastrophe.

What will U.S. foreign policy be like in the next 4 years, primarily what position will Washington adopt on the most acute and significant problem of the present day--preventing nuclear war? The answer to this by no means simple question demands a consideration of the realities which exist today.

In the present complex and interrelated world, under the conditions of the growing internationalization of social life and military-strategic parity between the USSR and the United States, military force cannot be an effective means of achieving policy goals. "The world has changed radically," K.U. Chernenko emphasized with all certainty. "Problems therein cannot be solved by force. This has already been proven repeatedly, by the experience of the United States itself included." The growth of arms is leading to a diminution in national and undermining international security. Whence the urgent need to limit the arms race and begin the process of a real reduction of military arsenals. And the sooner an understanding of this is reflected in the practical policy of the United States, the more confidently the peoples, American included, will be able to look to the future.

N. Kosolapov: In analyzing the results of the U.S. elections and their consequences for the administration's domestic and foreign policy it is essential to view these results in two planes.

First, the 1984 election campaign is of considerable interest not only from the viewpoint of what happened but also in the plane of what did not happen--although, arguing theoretically, given existing circumstances in the United States, could and should happen.

Second, both may be analyzed in two time frames: what the results of the elections and various aspects of the completed campaign mean for the present day and what meaning they have or could acquire if examined from the viewpoint of coming elections--1988 and 1992 even.

Among "what did not happen" we should put in first place in terms of significance the striking incapacity of the Democratic Party, which was ascertained in the course of the campaign even and confirmed by the results of the voting on 6 November, for challenging Reagan at the "presidential" level of the election struggle. It is explained by a number of factors and, in turn, testifies to much.

As polls of the electorate showed, it was primarily the "lower" strata of the American electorate which voted for Mondale. And this confirms the repeatedly expressed opinion that it is here that the presidential candidate from the Democratic Party ought to seek--and create--his mass base. Why was this not done?

In order to answer the question we would recall data which have already been adduced, according to which the Republicans collected for conducting the election campaign thanks to official donations almost four times as much as the Democrats. As is known, such donations are received primarily from corporations and well-to-do persons.

The financial "poverty" of the Democrats in the 1984 campaign was more than eloquent testimony to the fact that the U.S. ruling class as a whole was gambling on the Republican Party. The Democrats' leaders could not, of course, ignore this undoubted fact. They were faced with a difficult choice.

Formulating a socioeconomic or foreign policy alternative to Reagan's policy in a situation where the bulk of the ruling class supports this policy would have meant bringing down on the party and its leaders the additional discontent of the "upper strata". Not putting forward an alternative to Reaganism meant losing the elections. However, under conditions where the economic situation and the manipulation of the public mood were largely "working" for Reagan, even a well-formulated conceptual alternative to the administration's policy would in itself by no means have guaranteed the Democrats victory in the presidential race.

But there was one further reason for the fact that in the struggle for the White House the Democrats rather portrayed a skirmish than conducted one in fact. The party leadership clearly took account of the experience of the 1960's, when, under the influence of mass movements, the Democratic Party attempted to become somewhat more "democratic". As a result control over the functioning of such an important element of the party mechanism as the national convention began visibly to slip away from the professional leadership and the party bosses, which was manifested, in particular, at the conventions and in the course of the election campaigns of 1968, 1972 and 1976. From the viewpoint of the Democrats' leadership, the mobilization of low-income Americans, the national minorities and the women's and other mass social movements, including the antiwar movement, threatened to return the party to the state of the acute intraparty crisis of the end of the 1960's--first half of the 1970's, which the party leaders naturally wished to avoid.

Nor can a further consideration be discounted. In pursuing a policy of a broad offensive against the socioeconomic rights and gains of the working people and the creation of additional privileges for well-to-do Americans President Reagan is doing the American ruling class' "dirty work," which has already secured his place in history as one of the country's most reactionary presidents. It was evidently not fortuitous that the encounter in the 1984 election struggle was between Reagan, with whose name a policy of reaction in all areas is associated, and Mondale--the second person in the administration which at the end of the 1970's had in fact begun an offensive against the working people's interests, a departure from detente and an arms race. Other politicians are clearly reserving their changes until 1988.

Upon an analysis of the results and consequences of the elections it is also necessary to take account of the fact that while having essentially lost the struggle for the White House in advance the Democratic Party retained its positions on other "stories" of the elective organs of power: in both houses of Congress and also in the state assemblies, the majority of which are headed by Democrats. Thus the party relies on a sufficiently strong foundation for struggle at the next presidential elections. The Democrats have an opportunity if not to block, then to impede many policy acts of the Reagan administration. This means that the administration will need the Democrats' support, particularly in the House, and it will have to pay in some way for such support.

The situation is unfolding differently for the Republicans. Reagan's first term in office passed under the sign of speculations on what the Republican administration had inherited from the Democrats and on what it had achieved in 4 years ("America's recovery," the "restoration" of its power and influence in the world and so forth). This was also a period of loud promises and practical undertakings, whose consequences will be manifested in the coming 4-year term. Thus the second term will be a period of bill-paying, which in itself is capable of making considerable adjustments to the style of the administration's policy.

Inasmuch as a president in the United States cannot be reelected for a third term, as the 1988 elections approach the Republican Party will be faced with the need to determine its new leader, which will inevitably spur an intraparty struggle. Disagreements among the ruling class on individual questions of policy could operate in the same direction. Such disagreements are being manifested increasingly noticeably even now in the sphere of budget, military and foreign policy.

The ideas and concepts made the basis of Reagan's policy were not in principle new as of the time the administration assumed office in 1981. Their fundamental components had been formulated back on the eve and at the outset of the 1970's. Thus time is inexorably bringing closer the moment when the question will arise with full force concerning the correlation between ideas and reality, initial intentions and the results obtained and the practical fruit of the pursued policy and the costs which will have to be paid for it.

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985

8850

CSO: 1816/12

SCHOLARS DISCUSS IMEMO BOOK ON THIRD WORLD ECONOMIC DEVELOPMENT

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 115-133

Editorial Introduction

[Text] From the editorial office: the appearance of the collective monograph of the USSR Academy of Sciences Institute of World Economy and International Relations "The Developing Countries: Economic Growth and Social Progress," which has been greeted with interest in circles of the scientific community, provides, it seems to us, a good reason for the discussion of a whole number of as yet insufficiently developed questions which remain contentious in some respects and which are connected with a study of the ways and prospects of social development of the former colonies and semicolonies of imperialism.

The editorial office asked the Soviet scientists N.A. Simoniya and N.P. Shmelev, who are working fruitfully in this field of scientific quest, to express their thoughts in this connection, which could serve as the basis for subsequent scientific discussion on problems of the development of Asian, African and Latin American states.

'Catch-Up Development'

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3,
Mar 85 (signed to press 13 Feb 85) pp 115-133

[Article by N. Shmelev: "Urgent Problems and Development Strategy of the Emergent Countries"]

[Text] The tessellated, profoundly contradictory reality of the developing countries and infinite variety of the conditions of their contemporary development have long nonplussed many experts. Is there any point at all in seeking regularities of socioeconomic development common to this group of countries? Are they destined in one way or another to repeat the path trodden before them by the developed industrial states or do the specific features of the historical legacy and the difficulties of unprecedented scale currently

confronting them make the repetition of such a path impossible? And if so, what might the contours of a strategy of economic growth and social change which could ensure for the developing countries the more or less effective solution of the problems characteristic today of them and them alone be?

World literature on the developing countries certainly already runs into thousands and, perhaps, tens of thousands of volumes. There is a multitude of skilled, highly discursive studies analyzing this specific question or the other of the economic and social life of the emergent states. Together with this many works have appeared in the last three decades which attempt to encompass the problem of the socioeconomic development of the former colonies and semicolonies as a whole, in all its multiformity, proceeding from the inseparable unity of factors of economic growth and that most intricate interweave of political, social, national, cultural, religious and other noneconomic conditions of their contemporary social life without which it is impossible either to comprehend the processes occurring there or, even less, guess the most likely directions of their further development. Among such summary works a prominent place in Soviet literature will undoubtedly be occupied by the said monograph of the USSR Academy of Sciences Institute of World Economy and International Relations, which is the result of long fruitful work by a research group which is well known in the country.*

I

The spectrum of modern ideas concerning the ways of the emergent states' socioeconomic development is very broad. Grouped at one of its poles are theoretical developments and practical recommendations whose basis is the philosophy of so-called "catch-up development," which proceeds from the fact that under different historical conditions the majority of developing countries would inevitably repeat the path trodden before them by Western states: the acceleration of accumulation at a price of a deepening of social inequality and the increased role of the proprietary classes; preferential development of the industrial sector and sectors of the infrastructure thanks to both state and also private capital investments; the creation of a modern system of education and health care; a weakening of the role of the traditional sectors; the gradual relocation of a growing part of the able-bodied rural population to the city; erosion of the traditional social structures of city and countryside under the influence of industrialization; and the formation on this basis of modern society and modern classes. The liquidation of or a considerable reduction in the discrepancy in per capita income between the developing and developed countries, the organic incorporation of the economy of the emergent states in the system of the worldwide division of labor, the assimilation by these states with strong distinctive sociocultural traditions of the life values and social motives characteristic primarily of European culture and the gradual transition of the traditional societies to the modern, predominantly European, way of life are, it is believed, to be the result of such "catch-up development" in

* "Razvivayushchiyesya strany: ekonomicheskii rost i sotsial'nyy progress" [The Developing Countries: Economic Growth and Social Progress], Executive editors V.L. Sheynis, A.Ya. El'yanov, Moscow, 1983. Henceforward notes for corresponding pages of the book are given directly in the text.

the future.

Bourgeois theorists connect such historical transformations with the young states' accelerated development along a capitalist path, regarding the problem of social justice as secondary for them at the given stage. Marxists, on the other hand, proceed from the fact that a modern economy and modern society may be created in developing countries, avoiding the economic and social costs of capitalist development, by way of finding this form of balance or the other between the requirements of economic growth and the urgent need for an improvement in the social position of the working people's masses.

At the other pole of the spectrum of current ideas concerning the paths of development of the emergent states is the so-called "alternative development" concept. The positive aspect of the approach contained therein consists of the fact that it concentrates attention on the socioeconomic specifics of the developing countries and the need to take account of their past and present-day realities. However, in its extreme forms this concept essentially represents a rejection of the entire preceding experience of economic growth and the solution of social problems in the industrial countries, a rejection of material progress and all incentives thereto, an aspiration to isolation from the outside world, a defense of the standards and notions of traditional society and frequently a direct call for a return to the Middle Ages. This concept is also characterized by illusions concerning the possibility of a rebirth or the creation from scratch of a different civilization based on some "higher" spiritual values and material asceticism, various speculative constructions manifestly at odds with the objective current of life and a persistent endeavor (frequently forcible) to compel the broad people's masses to follow the far-fetched and nonviable "ideal" proclaimed by some leader or other. The most extreme manifestations of such an approach were the recent periods of terror and inhuman mass violence in such countries as Uganda and Cambodia.

Between these two poles there are theoretical views whose supporters attempt to reconcile in different combinations both that which is valuable contained in the "catch-up development" concept and that which has been substantiated, which proceeds from life, contained in the "alternative path" concept (freed, of course, of its absurd extremes and extraneous features). I believe that today, when no less than 20-30 years of the developing countries' practical struggle for their economic revival have elapsed, an approach which endeavors to use the positive elements, but which rejects the extremes of both the "catch-up development" and "alternative path" concepts is undoubtedly the most fruitful.

And it is not a question of the well-known assertion that the truth is to be found somewhere in between: life has already convinced experts repeatedly that this is far from always the case. The point is that neither the "catch-up development" nor "alternative path" concepts arose without an ulterior motive, in a void or merely by virtue of the views of this influential person or the other. Both these processes reflect real processes and the actual social sentiments to which they give rise in the developing countries. It would be wrong, therefore, to see in the given concepts only their largely unrealistic, utopian nature. Both concepts have a rational core, and it cannot

be allowed to be lost--the seriousness and scale of the current problems of the developing countries are too great for it to be possible to disregard that which is positive which exists in the views of the other side in order to accommodate the "theoretical harmony" of this approach or the other.

Why has the "catch-up development" concept, which is oriented toward the achievement of Western models of production and consumption, proven ineffective in many of its basic features? In the most general plane, the authors of the monograph reply, because "its growing nonacceptance in the developing world has come to be linked not only with the nonachievement of such models for the majority of young states (in any event, within the foreseeable future) but also with the idea of the blind alleys behind them--ecological, economic and spiritual" (p 4).

The monograph calls in question primarily the main thing in the "catch-up development" concept--its purpose: within a short time, that is, during the lifetime of present or future generations, to catch up with the developed capitalist states in terms of the level of per capita national income, technical provision and labor productivity in the basic sectors of the developing countries' national economy and, in a certain sense, in terms of their population's living standard. "...To what extent is the rapprochement of the development levels of the two groups of the world capitalist economy a material task?" the monograph says. "How is it related to the solution of the developing countries' fundamental socioeconomic problems? Is it not a question of some phantom casting a spell over the will and endeavor of the peoples and directing their energy into a false channel? Indeed, the figures characterizing the size of the gulf at present and in the future have become a kind of axis around which the priorities of national and international strategy are arranged, its goals formed and the criteria of the developing countries' success in the solution of their key problems determined. It may even be said that the rapprochement of levels expressed in the indicators of per capita product and income in the developing world has sometimes gone beyond the sphere of policy and economic planning and become a symbol of faith and an object of ecstatic worship" (p 37).

The day-to-day economic and social concerns of the developing countries are today so vast and so urgent in nature that it is precisely they evidently which will be the principal objective factor of their development for the foreseeable future. The purpose of "catching up" pertains more to the sphere of leading historical reference points, but not of immediate tasks, and this goal in the hierarchy of the emergent states' main requirements "does not and cannot occupy first place" (p 38). More, the entire experience of the past two-three decades testifies that for the majority of developing countries the task of "catching up" is as yet practically unattainable, whatever the exertion of material and spiritual forces of the people: "for this to happen within the lifetime of one-two generations there will have to be switched on powerful mechanisms of a redistribution of resources whose creation cannot even be put on the agenda within the framework of the world capitalist (and, even less, worldwide) economy" (p 42). In other words, considering available experience, the purpose of "catching up" has under current conditions to be excluded from the criteria by which the success of the majority of emergent states and the effectiveness of their efforts both in the economic and the social spheres are evaluated.

This does not mean, of course, that all the results of the "catch-up development" strategy which have been achieved in the past two-three decades should be viewed merely in a bad light. The successes of emergent countries which have embarked on the path of accelerated economic development are significant and indisputable. Their economic growth is proceeding markedly more rapidly than in their predecessors which passed through the stage of industrialization in the 19th and at the start of the 20th centuries. In three decades (1950-1979) GNP for the entire group of developing countries rose by a factor 4.5 and by a factor of almost 2.5 per capita. The industrial sectors' share of their total GNP increased in this period from 26.5 to almost 40 percent and that of the services sphere from 36 to more than 40 percent, while that of agriculture declined from almost 38 to 20 percent. Many of these countries have created their own industry of producer goods, and frequently at quite a high technical level, moreover, light industry, which is competing successfully on world markets, has enjoyed great development and the capital-intensive sectors of the infrastructure--power engineering, irrigation systems, transport, communications, road building and higher educational institution and scientific research facilities--are expanding at an accelerated pace. The accumulation norm for the group of developing countries as a whole is currently at the 24-25 percent level, which is a very great value. Foreign property has been nationalized, laws on antifeudal agrarian reforms have been enacted, modern labor legislation has been introduced and the creation of an economic mechanism aimed at an intensification of the use of both material and labor resources and a number of other progressive socioeconomic transformations has been carried out in many states to this extent or the other. The relative proportion of illiterates has declined sharply--more than half of the population in the developing world can now read and write--the extent of elementary education for children of the corresponding age groups has approached 80 percent and the extent of secondary education 30 percent, mortality has declined noticeably and life expectancy has increased as a result of health care successes, the foundations of a modern social security system are taking shape and the material and cultural living standard of all strata of the population connected in one way or another with the modern and semimodern sectors of the economy has risen.

However, upon a more attentive and differentiated analysis it is revealed that the "catch-up development" strategy is working predominantly only in a comparatively small group of countries, which account for only 15 percent of the population and more than 50 percent of the GNP of the developing world (p 75). Per capita GNP in the states of the said group is at the level of \$2,000-\$6,000 annually, that is, virtually comparable with the level of many Western states. This highly dynamic group includes the mid-developed states of Latin America, the so-called "new industrial countries" of Southeast Asia, the majority of OPEC countries and also some small island states. Their economic takeoff has been based either on the considerable scale of their domestic market and endowment with natural and human (including sufficiently skilled) resources, on the skillful, aggressive use of the export sectors of industry and the active attraction of foreign capital and foreign technical experience, the possession of unique oil deposits or, finally, on the particular features of their island geographical position stimulating the rapid development of such sectors of the services sphere as foreign tourism, in particular.

It is this group of countries which has a real chance of approaching at the end of the current and start of the next century the economic development level of the industrial West. But, as the authors of the monograph assert, the economic and social structures of the group of countries in question have far more sharply expressed differences than features in common compared with what is characteristic today of the majority of other emergent states.

The monograph's attempt to group the developing countries in terms of level of per capita GNP and also their prevailing socioeconomic characteristics would appear very opposite and fruitful in this connection. The monograph distinguishes seven such groups. And whereas in the three upper groups in terms of income the basic contours of development along a path catching up with and repeating the West have evidently already taken shape and the modern sector, including manufacturing industry, has already gained the decisive positions in the economy from the viewpoint of the future, in the majority of other young states progress has affected, in the main, as yet merely the surface strata of their economic and social structures. This applies primarily to such very big developing countries as India, Pakistan and Bangladesh, in which over 40 percent of the developing world's population lives. The same may be said of the multitude of smaller, mainly African and Asian, states, in whose economic and social life merely timorous and at times barely perceptible signs of progress have been discerned in the past two-three decades. Approximately 60 percent of the population of the developing world lives in these two low-income groups of countries, but they account for less than 18 percent of its aggregate GNP (not even progress but regression is observed in some of them currently: states in which the GNP in the past decade has been declining both in absolute terms and per capita currently account for approximately 4 percent of the population of all developing countries). It is in these two groups of countries, which constitute the basic mass of the developing world, that the "catch-up development" concept in its various manifestations has revealed its groundlessness to the greatest extent.

II

What are the most obvious results of "catch-up development" forcing us to speak of the crisis of this concept? Primarily the profound structural disproportions in the economy of the emergent states, which not only have not been smoothed over in the course of accelerated industrialization with its emphasis on the modern industrial sector but, on the contrary, have merely been exacerbated with the passage of time.

The main disproportion which has arisen is the chronic lagging of agriculture behind the needs of the countries, where a considerable proportion of the growing population is not provided with even the essential minimum of foodstuffs and industry is experiencing a constant shortage of many types of agricultural raw material. Given continuation of the present trends, the grain shortage in the emergent states, according to FAO estimates, could grow by the end of the century to 180 million tons or 26 percent of its total consumption in the developing world. As the book observes, "a paradoxical situation has been created whereby the world city (more precisely, its agrarian-industrial farm) has begun to 'feed'--in the literal meaning of the

word--the world countryside. Is there any future for such a solution of the question?" (p 92). No, such a solution is, of course, hopeless. Continuation of the present situation is fraught with the danger of profound economic and social upheavals, whose consequences are unpredictable. The accelerated upsurge of agriculture is today becoming in a certain sense task No 1, and not only for the states which are often almost entirely dependent on receipts of food aid from outside, moreover, but also for the majority of countries with a higher level of food self-sufficiency.

The situation is made even worse by the fact that the decline in agriculture's share of the GNP of the majority of developing countries is not being accompanied by a corresponding reduction in the proportion of the economically active population employed in agricultural labor and living in the countryside. Given a proportion of agriculture in the developing world's GNP of roughly 20 percent, its relative significance in the employment structure still amounts to approximately 60 percent today. The per capita product produced here is at the present time 5-6 times lower than in industry, and this gap is continuing to grow. Inasmuch as the population of the countryside of the developing countries, which even today is still absorbing approximately 40 percent of the increase in total manpower, is growing absolutely, there is a corresponding increase in that part of their population whose labor productivity is several times lower than the average indicator for the whole national economy. Importance, perhaps, very great importance for the current position of the developing countries is also attached to the fact that the countryside is continuing to retain growing masses of the able-bodied, but in fact completely unproductive population, which cannot find itself any work in the city and is at the same time also in fact unnecessary for agricultural production (even given the present very low level of productivity of agrarian labor).

Oversimplifying the issue somewhat, it may be said that it is thereby a question of the life and fate of virtually 40 percent of the population of the developing world, which cannot find for itself productive employment in the modern, semimodern or traditional sectors of the economy. The "catch-up development" strategy has not solved this major and most painful problem of the developing countries and could not have solved it since the "centers" of modern industrial growth which it has been encouraging have been and remain too inadequate and weak to pull the basic mass of the traditional economy, which is disproportionately vast in comparison with them, into the sphere of their influence. And in this connection we can understand the authors of the monograph, who move the question of the future of the traditional sector in the developing countries to the forefront. It is essential, they emphasize, "to proceed from the fact that the traditional sector performs important functions in economic and social life, that its accelerated ouster is undesirable and impossible, that the forms of its transformation are manifold and that in the economic plane the central task is connected with switching this sector into the process of expanded reproduction" (p 144).

Directly in the industrial sector the profound disproportionality and imbalance characteristic of the "catch-up development" strategy have been expressed primarily in the highly contradictory results engendered by a

persistent policy of import substitution and inordinately prolonged protectionism, particularly in the sectors producing the means of production. Testimony to this, in particular, is the high degree of underloading of the developing countries' industry, which is a consequence of the narrowness of the domestic market for the products of even relatively small-scale enterprises and also their constant difficulties with the foreign currency needed to pay for supplies of parts, components and materials from foreign sources. Currently, according to UNIDO estimates, for the developing countries as a whole the underloading of industrial capacity usually amounts to 70 percent. As the book observes, "a considerable number of small, inefficient and inadequately interconnected enterprises has arisen whose sole guarantee of existence is customs protectionism. There has also been a considerable growth of works whose creation from the national economic viewpoint is at least premature, if not altogether contentious. In addition, the protectionism, which has been inordinate in time and scale, has weakened incentives to the organizational-technical refinement of the industrial enterprises which have already been built" (p 98).

Another obvious contradiction of the accelerated industrialization of the developing countries is the inevitability of the emphasis on modern labor-saving equipment and technology in the new sectors of industry, given the existence at the same time of such a considerable unemployed manpower surplus. A characteristic feature of these countries is the shortage of investment resources and skilled personnel for the simultaneous development of all three technological types of production which exist today: instrument, wherein manual labor predominates, industrial (machine), which determines the leading technical data of the basic mass of modern industry, and scientific-technical, which is based on science's integration with production, which is acquiring an increasingly automated nature. The aspiration to catch up with or, rather, be on a par with the age has led to the fact that the industrialization concept, given the "catch-up approach," has been linked and continues to be linked predominantly with the second, machine, type of production and, in certain instances, attempts to create individual enterprises of the third, scientific-technical, type. This aspiration is in itself both understandable and justified. But, unfortunately, the possibilities of modernization here and the growth of labor productivity connected with the instrument type of production are assigned, as a rule, an auxiliary, secondary role. Yet both today and in the foreseeable future this type of production is for the majority of developing countries if not the sole, then, in any event, the main one: it is only here that the vast available resources of unskilled manpower can hope for employment if only to some extent connected with technical progress.

An oversimplified approach to the growth of the accumulation norm has also contributed to an exacerbation of the disproportions in the economy of the developing countries. The emphasis has been put on an increase in this norm and the absolute scale of accumulation and not on its efficiency, that is, the returns on new capital investments. The capital-intensiveness of a 1-percent increase in GNP for the entire group of these countries in recent decades has not been diminishing but increasing (p 110). Currently in states in which more than half the population of the developing world lives it constitutes a value of 3.5 to 6.5 and more. The prevailing opinion, the

monograph emphasizes, was that "they should first solve the problems of the accumulation of production capital... and then set about an increase in the qualitative parameters of economic growth, that is, increase the efficiency of the use of the production apparatus. This position is, we believe, groundless for to comply with it would consolidate the effect of the factors preventing the surmounting of the crying backwardness of these countries in the sphere of organization and control of the economy. Historical experience convinces us that maintaining a high economic growth rate is inseparably connected with the increasing efficiency of social production" (p 119).

The problem of the creation of an effective mechanism of economic growth and the rational combination of administrative-planning levers of the mobilization of resources and cost methods of the stimulation and management of production in the developing countries has been neglected for too long. As a result numerous inefficient works have been artificially maintained and other, more promising sectors have been just as artificially oppressed. Thus it is precisely thanks to the system of unwarranted low directive prices and the inevitable state subsidies here that loss-making enterprises have become so prevalent here, the majority of them in the public sector, unfortunately.

Finally, the "catch-up development" concept has proceeded basically from the fact that external conditions would exert a predominantly favorable influence on the possibilities of economic growth in the young states. Reality, however, proved largely different. There has been a relative decline in the government assistance of the leading Western powers in recent decades, the influx of direct private investments has slowed and all the developing countries' attempts to achieve within the framework of the movement for a new international economic order an appreciable redistribution of world income in their favor have encountered a deaf wall of misunderstanding on the part of the West. The activity of the transnational corporations, which has assumed such widespread proportions in recent decades, has basically embraced the countries' upper income groups, while in the majority of others it has been concentrated predominantly in "centers" of industrial development, bypassing the basic mass of the economy represented by the traditional and semimodern sectors. The sharp deterioration in the conditions of economic growth in the majority of emergent states which lack their own energy resources was also caused by the twofold surge of the world oil price in 1973-1974 and 1979-1980. As the monograph emphasizes, "the abrupt surges of the world price for different types of raw material resulted truly in a shower of gold for some, in real disaster for others, communicating new impulses to the process of differentiation of the developing world" (p 222). The position of the emergent countries deteriorated even more in connection with the 1980-1982 crisis, the decline in the demand and level of prices for their export commodities, increased protectionism in the West and the dizzying growth of interest rates on the credit they were granted. As a result the developing countries' well-known debt crisis took shape, which has today become, perhaps, the most acute international economic problem.

The realities of the emergent countries' socioeconomic development could not have failed, of course, to have brought about a certain transformation of the "catch-up development" concept and the various national strategies based thereon. The 1950's-1960's were characterized primarily by unbalanced growth; the predominant economic role of the state; the priority given the modern sector over the traditional sector, industry over agriculture and large-scale production over small-scale production; the buildup of the accumulation fund unconnected with its efficiency; protectionism, emphasis on import substitution and the diversification of exports; the arbitrary manipulation of objective economic criteria and instruments; and scant attention to social problems. Many integral components of this strategy naturally retained their significance in the 1970's and 1980's also--economic life possesses a gigantic force of inertia and cannot be fundamentally reorganized in a comparatively short time. However, as the book's authors rightly emphasize, in the past 15 years there has in the developing countries come to be sharp and justified criticism "of inordinate state intervention in economic processes, disregard for the laws of the market, incompetent management of the economy, miscalculations in planning, the corruption and inflexibility of the administrative-economic apparatus, a protectionism hypertrophied in form and duration and the excessively capital-intensive and focal nature of economic growth" (p 267).

It is not surprising that the very concept of "catch-up development" has undergone certain changes. They have concerned primarily an orientation toward the more balanced development of industry and agriculture, heavy and light industry and production for the domestic and foreign market. The policy of import substitution has been softened. Growing attention is being paid to the efficiency of capital investments and the improvement of planning (not a winding down but the increased competence of state regulation of the economy) and great emphasis is being put on the use of objective economic criteria and cost levers of controlling the movement of resources. More attention, at least in certain countries, is being given social aspects of development and the most acute social problem of the emergent states--the position of the traditional sector.

All these changes have been reflected in one way or another in the national development programs. There has thus been discerned in the majority of emergent countries a transition from a closed, capital-intensive, protectionist and state-oriented outline of economic growth to a more open, labor-intensive, balanced and more, so to speak, multistructural strategy, whereby the leading role of the state is underpinned by active use of all opportunities for a growth of production and increased labor productivity which exist in the private-enterprise and traditional sectors. But nor have these changes in strategy been able to secure for the majority of developing countries an acceleration of their socioeconomic development. On the contrary, to judge from the economic growth rate, in the 1970's--start of the 1980's it had even slowed somewhat.

As the monograph emphasizes, "the 1970's showed distinctly that the majority of emergent countries cannot improve the material position of the basic mass of the population by way of a transfer of manpower from the traditional to the modern spheres of the economy. Whence it followed that in the future also a considerable proportion of the able-bodied population would remain,

as before, in precapitalist production modes. This has meant that there will gradually be an accumulation here of the combustible material of social dissatisfaction, which could in time blow up the entire social system. In this context the problem of 'pulling up' the traditional sector has become not only an economic but also social imperative" (p 279).

III

The crisis of the "catch-up development" concept has brought about the appearance of a number of doctrines in which the problem of the traditional sector occupies a central place in one way or another. These are the well-known "basic needs," "reliance on intrinsic forces," "collective self-sufficiency," "alternative path," "Islamic economy" and other theories. It is not possible to analyze them in any kind of detail within the framework of this article. However, I would like to emphasize that all these doctrines proceed from the fact that (and their positive role is perhaps confined to this), first, "a policy of economic growth has to be supplemented by measures permitting the more even distribution of the results of economic progress between different social strata and geographical areas" and, second, "the time has come for the modern sector to partially share its income with the traditional sectors through the state's redistribution mechanism" (p 281).

Nonetheless, we have to agree with the authors of the monograph that, as a whole, the said theories are at best of a utopian and, at worst, of a frankly reactionary nature. For example, it would be necessary, according to the calculations of ILO experts, to maintain through the end of the century in all developing countries a rate of increase in GNP at an annual level of 9-11 percent, which is simply unrealistic, to achieve the main goals of the "basic needs" concept, that is, catering for all strata of the population's reasonable food, drinking water, clothing, shelter and health care, education and public utility service requirements. Concentration, on the other hand, of efforts and resources exclusively on satisfying "basic requirements" to the detriment of the modern sector of the economy could in the future impede the spread of progressive methods of economic planning, the course of scientific-technical progress, the growth of production accumulation and the development of the production forces and thereby only complicate the solution of the developing countries' basic economic and social problems in the future.

The "return to traditionalism" slogans, which are currently very prevalent in the developing world, would appear even less viable in the historical plane. As the book rightly observes, these slogans are reactionary by their very nature inasmuch as their "practical realization would mean regression socially and economically. Under conditions where society is experiencing a 'demographic explosion' a reorientation of strategy predominantly toward primitive methods of economic planning cannot fail to lead to a sharp slowing of growth, a decline in labor productivity and a deterioration in the material position of the majority of the population. Given such circumstances, a balance between society's requirements, even reduced to to minimum, and the possibilities of their satisfaction may hardly be achieved by any way other than extinction or the deliberate extermination, as occurred in Cambodia, of millions of 'superfluous' people" (p 288). The "poverty as a blessing" philosophy, forced labor, the strict rationing of consumption and renunciation of the material and cultural gains of modern civilization are

not an "alternative solution" but the surest means of exacerbating all the social problems of the developing countries on an unimaginable scale.

There is evidently in general no strategy of economic and social growth which would to an equal extent be suitable for all emergent states, regardless of the specific conditions and singularities of each of them. However, the "initial philosophy" in formulating a growth strategy of this country or the other could and undoubtedly should take account of a number of general principles. And the authors of the monograph are profoundly right to assert that "the solution of the economic and social problems of the developing countries cannot lie within a framework of oversimplified dichotomic constructions: economic growth--income distribution, centralization--decentralization of economic activity, large-scale--small-scale industry, industry--agriculture, modern--traditional sector, plan--market, capital-intensive--labor-intensive production. It presupposes the finding of rational proportions between the different aspects and components of social reproduction with regard for local specifics, foreign economic conditions and the need to conserve the environment--proportions which would ensure a sufficiently high rate of economic and social progress not only in the short term but also in the long term" (p 294). In other words, not either or but one and the other, both: the solution lies here and not in a quest for some magic wand with which all problems may be solved at a stroke.

And in this connection also the most profound mistake of bourgeois theorists is perhaps that they wittingly or unwittingly view the problem of social justice in the developing countries as of secondary significance. Social justice is not and cannot be reduced merely to more even income distribution.

In the political sphere it means primarily an enhancement of the role of the working classes in the running of the state and society, the creation of democratic institutions providing for the working people's effective control over the administrative-economic apparatus and the masses' extensive participation in socially significant decision-making. In the economic sphere it means the elimination of large-scale private ownership of the land, control over private ownership of the means of production, regulation of the activity of foreign capital, the creation of an effective mechanism for controlling the economy at all its levels and state support for the economic activity of the working classes, particularly in the traditional sector. In the sphere of social relations it means not only a rise in the living standard, the fairer distribution of income and the development of all forms of social security but primarily the mere opportunity of productive labor. Under the specific conditions of the developing countries employment has become a paramount social problem inasmuch as it is this question which is central today for the entire system of social relations both in the countryside and in the city, whither multimillion-strong masses of the rural population are heading in search of work.

Approximately 8 percent of the developing countries' rural population left for the city in the 1970's. Only some were able to find work in the modern sectors of industry and the services sphere, and the remaining migrants could be termed not employed but, rather, quasi-employed. This phenomenon

will for a long time evidently be a most characteristic feature of the developing countries' urban activity. As the monograph rightly notes, in the cities "the informal sector is not a vestige and gradually disappearing remnant of previous forms of production. More or less similar to the traditional sector in terms of technical-economic and organizational level, it at the same time represents an organic component of the present urban structure which is growing in the course of development and performing in this process certain functions" (p 336). And such radical measures as, say, mass public works are hardly expedient and effective in the long term for easing the seriousness of this problem. The solution here lies more in facilitating the conditions of self-regulation of the life of these urban strata, assistance to them on the part of the state, particularly along social security lines, and their gradual involvement in modern economic structures. However, there should be no succumbing to illusions concerning the speed of this process: its duration will undoubtedly be measured not in years but generations and, perhaps, many generations.

Nor should illusions be harbored concerning the possibilities of the rapid modernization of the countryside of the developing countries and dispersal of the hidden and overt unemployment which exists here. Currently only a small proportion of the peasantry of Asian and African states may be attributed to the category of productive independent farms, and the growth prospects of capitalist farming in these states are extremely limited. "Conversion of the traditional (or semitradeional) peasantry into a modern class cannot occur within the framework of the agrarian sector alone," the authors of the book observe. "The problem may be solved cardinally only given a sharp increase in the demand for manpower outside of agriculture. But methods of such a solution of this question in the foreseeable future evidently do not exist for the majority of developing (in any event, Afro-Asian) countries" (p 315).

The contemporary working class of the developing countries as a whole today constitutes 6-7 percent of the population, while no more than 30 percent altogether of the population in these countries works for wages. Both in the city and in the countryside, the monograph observes, "the sphere of the traditional forms of labor, at least quantitatively, is not diminishing but growing even. Obviously, for these strata of the population labor will long remain merely a chance to support existence on the verge of satisfaction of the lowest vital requirements" (p 358). According to the estimates adduced in the book even ideally no more than one-third of the total population of the developing countries could be involved in the modern sector (p 364). Such harsh realities of life and any, even the slightest, improvements in the conditions of the existence of the part of the population which is employed in the traditional sector should be regarded as an important indicator of the developing countries' social progress. The social role of the state in these questions is particularly obvious: the traditional sector has nowhere from which to expect help other than state sources.

Does all this mean that the radical theorists who blame the demonstration effect of Western standards of consumption for all the social disasters of the emergent countries and call for the population of the young states to

return to the age-old tradition of asceticism are right? I believe that the authors of the monograph are perfectly right when they respond to these questions in the negative. There can be no progress without hope and without incentives to work, and in this sense the demonstration effect as much, without its extremes, performs a progressive and not regressive role. It is not the demonstration effect itself which is the danger, it is the scandalous inequality which is today characteristic of the majority of emergent states and which is continuing to intensify which is dangerous. "The growth of property inequality in the developing countries--given the general low level of income and consumption--contains a charge of colossal explosive power. Its influence on the social situation in these countries is perhaps more powerful than the analogous impact of the gap in per capita income between the two parts of the world capitalist economy" (p 401). And it is precisely the need for a lessening of domestic inequality in income and a struggle against corruption, bribe-taking, speculation and other forms of parasitical consumption that the authors of the book rightly see as a principal social task of the young states today.

Of course, the specific features of the sociocultural life of the developing countries and their traditions have to be taken into consideration, and the authors of the monograph pay the most serious attention to these questions. They see, *inter alia*, as a most important social singularity of the developing countries that the passiveness, downtrodden nature, extreme religiosity and noninvolvement in progress of a considerable proportion of the population of the developing countries are maintained by traditional group relations and subordination of the individual to the will of the group and the immediate social surroundings. "The preservation to this extent or the other of the communal social organization and the predominance of traditional forms of solidarity and social control and sacral values in culture and the social consciousness remain common to all varieties and the Afro-Asian countryside besides the archaic nature of the implements of labor and the applied agrotechnics," they write (p 467). And these singularities of social life lead them to conclude that in many developing countries social communities are gradually maturing "with characteristic features still unknown to the history of class-divided societies" (p 501).

At the same time, however (the authors of the monograph return to this thought repeatedly), the population of the emergent countries reacts, as experience shows, to the different incentives and disincentives to work in just the same way as the peoples of the industrial states. "Recognition of the profound distinctiveness of the development of oriental and other non-European societies does not mean a denial of the universal regularities of the worldwide historical process and does not afford a concept of progress other than as a progressive process of the growth of man's material and spiritual requirements and his liberation from poverty, ignorance and the demeaning conditions of social inequality and predetermination of the life path from the moment of birth, various forms of economic and political oppression and so forth" (p 553). It is just a pity that past experience teaches far from everyone and that the number of supporters of well-known experiments of the "great leap forward" and "cultural revolution" type in the developing world is not diminishing as yet.

The authors of the monograph express the perfectly justified opinion that the private capitalist sector in the majority of developing countries will hardly be able ever to "digest" and bring up to date the vast economic and social basic mass represented by traditional production structures. Nor do they see such a prospect for the transnational corporations, which although exerting a considerable influence on the economic development of the emergent countries, "have nonetheless not become, as a rule, a part of the national society and are incapable (at any event, in isolation) either of performing a system-forming role or fully subordinating the system of state regulation and the state economy to the logic of their development" (p 507). The state here was, is and will remain the main creative force in their socioeconomic development, although it cannot be forgotten that it could also be on a given plane a destructive force, as shown at different times by Indonesia, Burma, many African countries and Iran. The task, consequently is to ensure that the economic and social possibilities of the state in the developing countries be geared to the goals of progress, creation, the efficient use of limited resources and a gradual, but unswerving improvement in the position of the working people's masses.

In the concluding part the authors offer their interpretation of the criteria of social progress with reference to the conditions of postcolonial societies and attempt to ascertain the basic features of the mechanisms of their economic and general social development which exist currently. The market, the national state and social movements are distinguished as such. The book rightly points out that none of these mechanisms in its existing form and, even less, taken separately can solve the urgent problems of the developing countries.

Unfortunately, the authors confine themselves to a general formulation of the question of the correlation of the market and state regulation. The problem of the construction in the developing countries with the strong influence of the planning principle of an effective mechanism of the more rational and economical use of resources has been sketched very cursorily. They express many correct considerations concerning the frequently economically unsubstantiated actions of a state which is in many developing countries coming under the control of the upper social groups. What mechanism of economic development, then, could assuage these negative phenomena and satisfy the modern conditions of the developing countries? What place therein should be occupied by the market and objective criteria of the movement of resources? The authors do not provide an answer to these questions. More, they assert that "the all-purpose role of the market as a method of the economic organization of society which has determined the goals of commodity and capitalist production, the 'rules of the game' and the efficiency of each managed entity, sector and the economy as a whole is evidently historically obsolete" (p 578). We would admit that the "all-purpose role" of the market in the long-term historical perspective is indeed "obsolete". But it has to be seen that such a judgment is a very unreliable reference point for the solution of the present-day, urgent problems of the developing countries. This is perhaps one of the few lacunae of the said monograph, but a very appreciable one, we believe.

The Soviet reader has undoubtedly acquired an interesting, discursive and in many respects bold book devoted to a most burning present-day problem. Reading it is not, perhaps, always easy, but the originality of the formulation of many questions and the nonstandard, fresh view of the problem as a whole compensate for all the difficulties of familiarization with its content. I believe that this monograph may, without exaggerating, pertain to the very timely and relevant studies which will have a long scientific life.

Economic Interdependence With West

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 3, Mar 85 (signed to press 13 Feb 85) pp 115-133

[Article by N. Simoniya: "Dialectics of Interrelations"]

[Text] No one today any longer doubts the fact of the developing countries' ever growing role in the world economy, international relations and the world revolutionary process. But serious research into specific aspects of this vast set of problems has essentially only just begun to unfold. The collective work of a group of scientists of the USSR Academy of Sciences Institute of World Economy and International Relations represents an impressive contribution to the revelation of one of its facets, namely, the specific features of the manifestations and interaction of economic growth and social progress in the emergent states.

It is difficult to exaggerate the significance of this subject. It is essentially an urgent present-day question closely interwoven with other global problems confronting mankind. After all, not only the well-being but also the very existence of hundreds of millions of people in the world, the behavior of governments and entire peoples and so forth depend on the success or failure of the economic development and social progress of the developing countries. The problem of development thereby today acquires an entirely new, in a certain sense, general political resonance. It is proving to be interconnected in the closest way with questions of international security and is becoming a condition of the consolidation of the latter.

The collective monograph is distinguished primarily by the breadth of coverage of the various aspects of the problem in question. It touches on questions of the reorganization of the national economic structures (structural changes, instability of growth and crises, scientific-technical reorganization, resource-ecological problems, development strategies) and problems of the interconnection and contradictions of economic and social development (changes in the socioeconomic structures, employment and unemployment, requirements and consumption, the social infrastructure, the position of the individual in society, singularities of social life and the concept of social progress as applied to the developing countries".

The authors have not confined themselves to the role of conscientious compilers of a vast amount of material and have not reduced their work to an elementary collation of the latter. They have ascertained and raised a whole number of as yet unsolved scientific problems of fundamental importance for this and subsequent stages of the social development of the

countries in question. In the majority of cases the authors have attempted to provide their answers to these problems. Some of the answers may be regarded even now as their creative success, others still await thorough substantiation and yet others are simply contentious. The authors of the monograph have not escaped scientific argument, and if, following the book's appearance, some of the questions touched on therein have remained contentious, nonetheless, the scientific debate has undoubtedly been raised to a different, higher, level.

Before dwelling on certain conceptual problems examined in the monograph, I would like to mention one further singularity thereof. By and large, the authors of the book have not linked their research with a predetermined standpoint but have proceeded "from the material," from an analysis of realities to the formulation of the concept. It is this, evidently, which has enabled them to avoid (in many cases, but not always) the "vicious circle" in an evaluation of the prospects of the emergent states' economic and social development in which until recently many scientists found themselves (and sometimes find themselves now also) who had fitted the "necessary" facts from actual reality to their seemingly effective, but essentially futile conceptual constructions.

I

The conclusion that for a certain part of developing countries whose relative significance is sufficiently great to influence the indicators of the group as a whole "a permanent mechanism of economic growth and expanded reproduction, which has become rooted in the fabric of national-state economic life, has begun to take shape" and that this mechanism has proved capable "over a prolonged period of maintaining an economic growth rate at a level relatively higher than in the developed part of the world capitalist economy" would seem primarily to be important (and to a certain extent rejecting the pessimism of the 1950's-1960's). "However great the influence of external factors on the developing countries' economic growth, its magnitude and dynamics are not, as can be seen, a direct reflection of economic conditions in the West" (pp 23, 17-18). It is significant that this conclusion was drawn with regard for the trends of the 1970's, including the crisis years of 1974-1975, which had a negative influence on the situation of the oil-importing countries.

Important structural shifts in the national economy of many emergent states were the basis of the above-mentioned phenomenon. Thus the authors note that in these states' postwar economic growth the leading role has belonged to the group of industrial sectors--industry, construction and transport. Industry has grown considerably faster than the gross product as a whole, and an increasing preferential rate of increase in the manufacturing sectors therein has been discerned as of the 1970's. "The emergence of enterprises and whole sectors of modern manufacturing industry is," the author believes, "virtually the central event of the developing countries' postwar economic growth" (p 21). They point out that by the start of the 1980's the correlation between heavy and light industry in the said group of countries had approached very closely the indicators of the developed capitalist states of the start of the 1950's, although in terms of the development of industry as a whole the former colonies and semicolonies as yet lag noticeably behind the level

reached by the developed capitalist states three-four decades earlier (p 103). The changes in the developing countries' agricultural production have been more modest, but appreciable, nonetheless. They have been able to develop at a rate two-three times greater than the prewar rate and 1.5-2 times better than the current rate of growth of agriculture in the industrial countries (p 22).

We would make the reservation right away: it is by no means a question of everything being as it should be with regard to the emergent countries' economic development and there being no difficult problems on the way to their economic independence. The monograph adduces numerous facts attesting the still inadequate development of the production of producer goods, the low level of the capital-worker ratio and labor productivity and the per capita production of industrial goods and food, the narrowness of the domestic market, a certain focalism of the development of the modern sector, interregional and intersectorial disproportions and so forth. Analyzing all these problems, the authors arrive at the, in our view, important conclusion that "the economic (and social) progress of the majority of emergent states at the given stage of development depends not so much on an increase in the norm as on an increase in the efficiency of accumulation. In order to achieve this profound socioeconomic transformations capable together with a restructuring of the modern sector of ensuring a reorganization of the traditional unproductive production modes and thereby strengthening and expanding the common base of development are needed" (p 125). Something else, however, is important also: despite all these difficulties and obstacles, the developing countries have achieved changes in the economic structure which 10-15 years ago even (not to mention the first years of independent development) seemed entirely unrealistic.

A comparative historical analysis of the intrinsic structure of economic growth led the authors of the monograph to the material conclusion: "For reasons of a domestic and external nature a system of requirements other than in the industrially developed states when they were at similar levels of development of the production forces is characteristic of these countries. It dictates a different sequence of the formation of different types of production and, consequently, a different correlation between the various subdivisions and spheres of the national economy" (p 14). The book records, inter alia, the disturbance of the customary sequence in the formation of material and nonmaterial production and the priority of the services sphere over the growth of material production. "The accelerated growth of the services sphere is not a statistical error but a manifestation of an economic regularity reflecting a different hierarchy of social requirements compared with the period when the economy of the developed capitalist states was catering for comparable volumes of per capita production" (pp 94-95).

Continuing the outline of this thought, the monograph goes further and poses the question of the bypassing of certain stages of social development. Taking as a basis the experience of Japan, which in the course of industrialization bypassed that stage undergone by other capitalist countries when material nonagricultural production was the biggest sphere of employment, the authors assert not without reason that "the trend of the increasing preferential growth of services in production and employment which has taken shape in the course

of the scientific-technical revolution is already operating to some extent in the developing countries and, it is to be assumed, will manifest itself even more distinctly in the future" (p 307). The monograph also reveals the specific combination and interaction of three factors contributing to a consolidation of the said trend--the changes in the structure of production and consumption proceeding in the channel of world trends; the growth of the role of the state in the economy and life of society as a whole; relative overpopulation and poverty (p 309).

All these considerations lead to the idea of a special historical model of certain variants of formational development (capitalist or socialist),* that is, afford an opportunity for an abandonment of the view which was predominant until recently according to which the entire situation in the developing countries was regarded from the viewpoint of the fact that it is the result of deformation (which, of course, has occurred) and that, consequently, the entire mechanism of social development has been predicted (although it is in reality incomplete), while development itself within the framework of the existing conditions is hopeless (a conclusion which is evidently correct in respect of some countries). In other words, what, possibly, is a different model of ongoing social advancement has been regarded exclusively from the viewpoint of stagnation and even regression.

True, this innovative line is not always sustained consistently in the monograph. Against the background of a realistic portrayal of the undoubted shifts in the economic and social life of the developing countries throughout the greater part of the book there is something odd about the final pages, which note the following: "By the start of the 1980's it had become quite obvious that the possibilities of both economic and social progress supported by the arrhythmic, inadequately interjoined growth of individual subdivisions of the economy and other components of the local social organism had narrowed perceptibly in many developing countries" (p 592).

The conclusion is somewhat unexpected and is hardly adequately argued. One gets the impression that the authors have cast off from one bank, but have not yet resolved to touch shore at the other.

Nor is the assessment of the broader historical perspective of the development of the emergent states proceeding along a capitalist path made entirely convincingly. While rightly pointing to the inevitability of the multiformity of variants within the framework of both the capitalist and socialist alternatives, the authors at the same time reveal to us in more or less detail merely the content of one "extreme possibility": "Capitalist development to a greater or lesser extent dependent on the centers of the system with a deformed market of commodities, money, capital and manpower, whose free functioning is limited and distorted on the one hand by the slow resorption of the vast tracts of the precapitalist, largely still subsistent economy and, on the other, by private-monopoly and state regulation, the public sector and also the bureaucratic and brokerage bourgeoisie entering

* See for more detail on this "The Evolution of Oriental Societies: Synthesis of the Traditional and the Modern," Moscow, 1984, pp 264-295.

into deals with the traditional elite and neocolonialism" (pp 597-598). Only several pages later, near the end of the act and in passing, is there a mention of the possibility of the arrival "of a number of upper-echelon developing countries at the boundaries of developed capitalist states" (p 601). All this hardly gives the reader any firm idea concerning one of the cardinal issues broached in the monograph.

I believe that the more precise evaluation of the possible perspective of capitalist development in a certain, very significant (both in terms of numbers of population and general economic potential) group of developing states was impeded by the authors' inordinate emphasis on the "focalism" of the modern sector and the "disintegrated character" of the economy as a whole. After all, focalism may also be regarded as the initial stage of capitalism's uneven development gradually leading (albeit slowly and contradictorily) to the increasingly great integrated character of the social-production organism based on a deepening division of labor and the formation of the domestic market. These processes are evidently characterized more correctly in Chapter IV of the monograph, which notes, inter alia, the following: "As distinct from the colonial period, the capitalist production mode loses its enclave nature. Built into the reproduction process of the developed centers of capitalism to a greater or lesser extent, it also acquires intra-economic relations, whose significance is growing. The strengthening of its foreign reproduction relations is a consequence of the laws of development intrinsically inherent in it and not simply a reflection of the regularities of the movement of exported capital" (p 170).

II

The above-mentioned contradictoriness could possibly have been attributed to the "vestiges" of the "dependent capitalism" concept, which is still encountered in the works of our economists. For fairness' sake it should be mentioned that although they make use of certain propositions of this concept, the authors of the monograph do not abuse it as a whole. More, they even express their disagreement "with the hypertrophied emphasis on dependence" typical, for example, of the works of V.V. Krylov (see p 300). Taking advantage of the occasion, I would like to express certain thoughts on this question.

I believe that the "dependent development" concept is baseless both from the theoretical (political economy) and actual viewpoints. It does not provide a real picture of the position of many developing countries in the modern world. Of course, it is not a question of a denial of the fact of the dependence of the economy of the majority of developing countries on capitalist centers (striking instances of such dependence are so numerous and indisputable) but of the nonacceptance of a profoundly pessimistic concept. A concept according to which there is a vicious circle of constantly reproducing dependence (albeit at an increasingly high level) for countries developing along the path of capitalism and which denies any possibility for any group of these countries of achieving economic independence. The approach contained therein ignores on the one hand certain general regularities of capitalism, primarily the law of its uneven development, and, on the other, the singularities of the structure of society in the emergent states. It is necessary to dwell in somewhat more detail on the last point.

The point being that practically all the developing countries represent in terms of their structure a combination of three components--traditional structures, structures of colonial synthesis and a national capitalist production mode in formation.* Ignoring the fundamental difference between these components, the "dependent development" concept thereby loses sight of the fact that each of the said components is correlated differently with the world capitalist economy (and not only the capitalist) and that these interrelations, which are of different content, cannot unambiguously be characterized by the world "dependence". The existence, for example, of archaic traditional structures indicates not capitalist dependence but formational backwardness. Furthermore, if the representatives of these structures gain for a time predominance at the political superstructure level, they could demonstrate a very high level of "anti-imperialist independence" (we recall, for example, Iran of 1980-1982). Although this is not, of course, the anti-imperialism and the independence with which progressive anti-imperialist forces may in principle make common cause. Again the existence of different (from the lowest to the highest) structures of capitalist production oriented toward the domestic market makes it possible to speak with reference to them of a formationally uniform phenomenon.

It should in this case, of course, obviously be a question of a lagging within the framework of one and the same formational development. This phenomenon also occurred in the process of the development of capitalism in Europe's historical past and it is to be observed today in the European states which have yet to rid themselves of the features of the "secondary model" of capitalism**(in this plane and, we believe, only in this plane it is possible to compare such countries as Portugal, Greece or Spain with a number of developing states which have more or less succeeded in forming the nucleus of a national economy). Finally, the existence of colonial and neocolonial structures makes it possible to speak of the dependence of these latter, their nonself-sufficiency and built-in character via the system of neocolonial division of labor in the broader, transnational production processes whose dominating elements are to be found in the capitalist centers.

* The following sort of objection may often be heard: in the majority of developing countries it is difficult to speak as yet of a national capitalist production mode since an ethnically homogeneous national bourgeoisie has not yet taken shape. But, first, under current conditions the formation of a national capitalist production mode, which occurs in many respects under the influence of external factors, cannot be entirely identified with the process of the formation of a national bourgeoisie. State capitalism in its most varied manifestations may perform and does perform a system-forming function in the given case. Second, in speaking of a national capitalist production mode we have in mind a statewide nucleus of economic structures based predominantly on the development and strengthening of the domestic market, within whose framework the milling of the ethnically heterogeneous elements of a local bourgeoisie will occur.

** See on this "The Evolution of Oriental Societies: Synthesis of the Traditional and the Modern," pp 235-264.

The methodological limitedness of the "dependent development" concept is manifested in the fact that it transfer the dependence of the last of the enumerated structural components of the developing countries to the national capitalist production mode also. As a result there is an underestimation of its potentialities and its actual struggle for its own development, modernization of the traditional structures and the transformation of local elements of colonial and neocolonial synthesis and their integration in the structure of the national economy (that is, that which constituted the main essence of the struggle for economic independence). Of course, in different countries this struggle proceeds with a dissimilar degree of consistency, but this depends on the differences of the subjective and objective factors operating in individual countries (the nature of the political superstructure at a given moment, the scale of neocolonial structures and so forth). It is for this reason that we have today to note the existence of processes of differentiation among countries evolving along the capitalist path and the existence of groups with different leading production modes depending on the actual correlation of the three structural components and their specific characteristics. But we cannot lose sight here of the actual dynamics of the social processes in the emergent states. In those which even yesterday were, seemingly, reliably ascribed to the group of countries with dominating dependence trends there could be a turning point as a result of the accumulation over preceding decades of structural elements of a national capitalist production mode and shifts in the political superstructure effected by the "upper crust," and a prospect of economic independence will open up before these countries.

One further methodologically important question arises here. It is possible to speak seriously of the prospect of economic independence under current conditions, when the trends of the internationalization (in the form of transnationalization included) of sums of capital and the integration of capitalist developing countries in the world capitalist economy are gathering pace so rapidly?

The problem, obviously, consists of a correct interpretation of the "economic independence" concept. It should not be counterposed to the integration process. The dialectics of the question are that the achievement of economic independence does not mean a weakening of the degree of integration in the international division of labor. On the contrary, it is accompanied by increasingly extensive and diverse involvement therein, but on a fundamentally changing basis, on the basis of the increasingly equal participation of the national economic structures in the international division of labor. Two trends of integration in the world economy currently exist in the world and are in sharp confrontation: one is neocolonialist, the other anti-imperialist and democratic. The existence of the second trend, in the group of capitalist developing countries included, serves as the objective basis of the solidarity and united actions of the nonaligned movement and the socialist states in the struggle for a reorganization of international economic relations on just, democratic principles.

III

The chapter of the monograph devoted to problems of the instability of economic growth and crises in the developing countries is of considerable interest. It focuses, as it were, a picture of the dialectics of the interrelations of economic growth and social development revealed via the problem of crises. We should obviously put among the most important the conclusions to the effect that the economic growth curves in the developed revealed via the problem of crises. We should obviously put among the most important the conclusions to the effect that the economic growth curves in the developed and developing parts of the world capitalist economy differ from one another quite considerably. This enables the authors to conclude that "the fluctuations in the developing countries' economic growth have a certain autonomy and distinctiveness" (p 160). They rightly note that a disruption of the reproduction process in the group of countries in question is brought about not only by economic but also social and political factors (we would only note that this is altogether characteristic of the transitional, particularly of the first, phases of formational development).

Taking as the point of departure K. Marx's important thought that a backward economy lacks its own socioeconomic basis for crises of overproduction and that crises here are of a reflected nature, that is, are transferred from more developed capitalist countries via the system of foreign economic relations, the authors distinguish in the contemporary developing countries three types of crises, manifestations of which were observed back in the colonial period: 1) reflected crises of relative overproduction in the sectors oriented toward the world market, but which have developed predominantly on a local socioeconomic basis; 2) crises of overproduction in sectors represented by foreign capital and which are thus components of the single technological chain of territorially disconnected, but reproductively and socially connected capital; 3) structural crises in precapitalist production modes, primarily agriculture (see pp 161-163). The diversity of crises is outlined even more sharply, the authors believe, in the contemporary developing countries, where the accelerated development of national, private and state capital and the gradual surmounting of the organic built-in nature of their economies in the reproduction process of the former metropolises also form a new socioeconomic basis for the development of the crises (see pp 163-164).

While undoubtedly recognizing the entire value of the given analytical method it has to be regretted that the authors did not take the final step and reach a synthesis. They confined the structural crisis concept here merely to the framework of precapitalist production modes. Yet they had every reason to provide a general panorama of a synthesized structure of the colonial and contemporary developing social-production organisms and draw a conclusion as to the crises of the social structures characteristic of them as a whole. This is all the more annoying in that in the next section on the specific features of industrial crises the authors have come very close to such a formulation of the question. They are perfectly correct in pointing here to an important characteristic feature of the developing countries in which the simultaneous (and not consecutive) formation of all the stadial forms of capitalism occurs, which predetermines

the specific features of the structural conditions taking shape in the process of the ongoing industrial revolution (pp 170, 171). This special role of structural factors in the extension of reproduction contradictions enabled the authors to regard the industrial crisis in developing countries as a variety of crises of the structural type (see p 177).

I would like in connection with the above-mentioned theme to touch on one further point. Pointing to the fact that a cyclical mechanism of the development of reproduction contradictions in the majority of emergent states has not yet taken shape and that the material basis of such development has to a considerable extent been carried beyond the framework of national economies, the authors assume that the domestic basis for a cyclical form of the movement of industrial capital is nonetheless taking shape in some of the most developed countries. True, they hereupon make the very important, we believe, reservation that here also the leading role in the development of reproduction contradictions is performed by structural limiters of industrial growth (see pp 173-174). While fully agreeing with this reservation I would like, nonetheless, to provide an essential elaboration. The point is that the "superimposing" one on the other of all the stadial phases of capitalism is practically tantamount to these countries' bypassing its second, mature phase--private-economic capitalism--under whose conditions the mechanism of the cyclical development of the reproduction process was formed. The fundamental deformation of the cyclic recurrence processes occurs in the third, monopoly phase (particularly at the stage of state-monopoly capitalism). As a result the interweaving of elements of the structural crises characteristic of both the early and monopoly stage of capitalism may be observed even now in the group of developing countries in question, which conditions the particular seriousness and depth of the social tension and conflicts in these countries' social development.

Among the major theoretical problems raised by the authors of the monograph there is also the question of the determining role of economic factors and economic interests in the historical development of human societies. They note the following singularity in this connection: "The chain along which the impulses emanating from the economy move toward otherspheres of social life runs differently to a large extent in the developing countries than in evolved bourgeois society." But later the course of the arguments becomes less precise: "In classical bourgeois society economic relations are not only the basis but also to a very large extent the integrator of all social relations.... In multistructure countries... the heterogeneousness of the socioeconomic system is compensated to a certain extent by the homogeneity of the mass mentality of large social communities, while the weakness of the social relations ensuing from the division of labor is made good at the country level, mainly thanks to the state, religion and unifying cultural stereotypes" (p 298). Whereas this sentence still leaves room for doubt, the following dispels it conclusively: "The all-purpose role of the market as a method of the economic organization of society which has determined the goals of commodity and capitalist production, the 'rules of the game' and the efficiency of each economic entity, sector and the economy as a whole is evidently historically obsolete" (p 478).

Anyone who is in the least bit familiar with the religious, national-ethnic and cultural (in the broad sense) situation in the developing countries knows that in the absolute majority of these countries the said factors perform more a disintegrating, than consolidating role. As far as the state is concerned, that is a special subject. In counterposing the state to the economic factor, the authors abide here by the customary (more precisely, even commonplace) idea of it as an important component of the superstructure. Yet the state could in principle also act (and has acted in different historical situations of the past) as a direct agent of production relations, that is, a basis factor. This "nuance" is taken into consideration insufficiently fully in the adduced opinions, which has created a false impression of the inapplicability to the developing countries of the proposition concerning the determining role of economic factors. In reality, however, both in the European past and now economic relations have ultimately been and are the main integrating social factor. It is they that determine the fundamental, typological distinction of the new community of people from the previous, prebourgeois communities.

The specific feature of the developing countries is not that this role is now performed not by economic relations but the superstructure (although the superstructure, for its part, both in the past--to recall if only F. Engels' thought concerning the centralizing role of absolute monarchy--and in the present has been able to and can perform an important integrating function). The real specific feature lies in the nature of the main participants in economic (production) relations. In the period of the establishment of European capitalism the main system-forming and integrating role was performed by private-economic capitalism, now state capitalism (in some countries state-monopoly capitalism even) has been promoted to the leading role in this process in the overwhelming majority of developing countries. Although, we repeat, even in the past the state was not a passive participant in the integration processes, even today it by no means monopolizes the functions of social integration.

The monograph's formulation of the question of the dialectical interconnection in actual history of progress and regression, which, in the authors' opinion, "are by no means diluted in time," undoubtedly merits attention. We can agree with the opinion that "the indissolubility of progress and regression inherent in all class-antagonistic societies is manifested particularly graphically in the social processes of the developing countries" (p 544). Such a view helps overcome the narrowness of the approach of some experts, who, emphasizing merely the regressive (perfectly real) aspects and extracting them from the general context of the social existence of the developing countries, reach the unequivocal conclusion of the dead-end nature of the situation and the absence of even immediate prospects on the paths of capitalist evolution, forgetting that capitalism has never set as its main task an improvement in the living conditions and well-being of the working people.

However, subsequently the authors partially disavow their formulation of the question of the indissolubility of progress and regression. They associate themselves with the positions of the sociologists who interpret excessively broadly, we believe, the question of the criteria of social progress, which

logically could lead to a denial of the very idea of progress under the conditions of antagonistic societies. The, in our view, artificial exclusion from the list of criteria of social progress of certain important points also operates in this same direction. Thus the authors unjustifiably translate to the rank of "prerequisites" and deprive of the status of "criteria" of social progress such important categories as "growth of the production forces" and "socioeconomic transformations" (pp 7, 548). Such a denial for "production-economic parameters" of the role of "criteria of social progress" evidently ensues from the imprecise methodological premise that "the formation of both capitalism and socialism began not with the replacement (in any event, broad and comprehensive) of the production forces but with the emergence--as a result of the development of the contradictions of the old society, frequently in the course of social revolution--of new production relations and elements of a more progressive superstructure" (p 548). In other words, the authors allow the possibility (totally inconceivable, in our view) of the emergence of new production relations without the corresponding new production forces.

IV

As in any major summary work devoted to the economic development of the emergent countries, the monograph provides a new classification of these countries. As of today this is perhaps the fullest and most detailed typology. We have to pay tribute to the truly titanic work which the authors have invested in its formulation and the calculations and recalculations connected with the need to adhere in the majority of chapters to the formulated classification. Of course, like the preceding attempts at a typology, the version proposed by the authors is not free of certain shortcomings. The subject of the classification is difficult, complex and ambiguous and does not yield quickly to investigative thought. But this fact cannot, of course, serve as a reason for an end to further efforts. After all, each subsequent attempt brings us closer and closer to the desired goal, and this attempt constitutes no exception in this plane.

A quantitative approach is made the basis of the classification of the developing countries in the work in question. Countries have been grouped primarily in accordance with the indicators of per capita gross domestic product and industrial output, the relative significance of agriculture and other sectors and so forth. The authors have proceeded here from the fact that "despite all the colossal differences both in the nature of labor and in the material-substantial makeup of the national means of production and aggregate products of labor complicating their comparison, the levels of economic development of different societies, at least in the era of internationalization of the standards of production and consumption (but is this latter really a fait accompli?--N.S.), are in principle commensurable" (p 13). Perceiving, however, the manifest inadequacy of the purely quantitative approach, the authors have brought into service additional criteria. As a result the classification has acquired a "multicriteria nature" (see pp 46, 48-49). The correlation chart (pp 50-51) compiled on the basis of this approach really reflects the general, complex picture of the developing world, which has been broken down into seven groups and four echelons. But it also has to be acknowledged that this picture, even after an attentive reading of the chart, does not become that much clearer for us. The paradox is that it was precisely the authors' endeavor to

adhere to the "multicriteria approach," which in practice developed into a varying-criteria approach to different groups of countries and a confusion of the different types of criteria, which led to such a result.

Thus it is unclear why only the first group has been distinguished in accordance with formational characteristics--"mid-development capitalism" (not to mention the fact that what precisely is meant by "mid-development"--a phase of the capitalist formation or the purely quantitative level of economic growth which has been achieved--also remains not very comprehensible). It is oil producers with a high level of per capita income which are distinguished in the second group of countries. But again not all of even the biggest oil producers are included here. On the other hand, alongside one another in this group are such small specific countries with a diversified economy as Qatar, Bahrain, the United Arab Emirates and Oman and such medium-sized countries with a different, more complex economy as Iran and Iraq. The authors have distinguished the third group of high-income countries according to demographic characteristics--"the tiniest countries and territories" (with a population of less than half a million). But once again it is unclear why if in the preceding group of "oil" characteristic is not absolutely decisive (and in principle this is so), why Brunei, Qatar or Bahrain (all with a population of less than 500,000) do not figure in this third group. It transpires that the "smallness" criterion is not very important either. Then come groups IV and V, which belong to the intermediate echelon and which have been distinguished according to the purely quantitative indicators of per capita gross domestic product. A confusion of criteria again begins in the lower echelon. The sixth group is composed of "heavily populated countries" (again the demographic characteristic) with a low per capita income, while the seventh is composed of the "least developed countries" (that is, again a purely quantitative criterion of economic growth). I believe that an underestimation of the entire depth of the inner diversity of the group of developing countries is still reflected here. This diversity does not as yet lend itself to a description in universal statistical indicators. Any genuinely scientific typology should in this case be based on an analysis of the specific level of formational development which has been achieved with regard for the formational changes occurring rapidly before our eyes. But it is these aspects which have been touched on in the monograph, as the authors themselves acknowledge, "only indirectly" (p 45).

In connection with what has been said I would like to dwell in more detail on the question of the content of the terms "mid-development capitalism" or "middle level of capitalism". Frankly speaking, it is quite difficult to imagine what this term is intended to denote. After all, capitalism is a formational category. The level of its maturity cannot be measured according to the yardsticks and scale of the economic growth category, that is, in purely mathematical indicators. What is required here is an evaluation of the level of socioeconomic development, the level of development of the production forces and production relations in their unity, and regard not only for what is produced and how much but also how and by whom, not to mention the fact that the concept of capitalism encompasses not only the sphere of the basis but also all remaining structures of society.

In this plane the endeavor by the authors of the monograph to erase the essential differences between the categories of economic growth and economic development and their use as "synonyms" (pp 11-12) would appear unfruitful. It is the disregard for this distinction upon an analysis of the group of developing countries (for which it is of particular importance) which creates the apparent possibility (which in reality is nonexistent) of comparing and measuring the levels of capitalist development of these countries, which pertain, in our opinion, to the "tertiary model" of capitalism, with yardsticks suitable only for the "primary model" of capitalism.

The point being that in the countries of the "primary model" of capitalism (which served for K. Marx as the source material for the formulation of the classical or abstract-theoretical model of development of the capitalist formation) the entire development of the latter--from the first political bourgeois revolution through the socialist revolution--may be divided into three phases: the early capitalist phase, the phase of mature, private-economic capitalism and the phase of moribund, monopoly capitalism. In this case the middle level of the development of capitalism in the formational plane could signify the second phase, when private capital has fully performed its system-forming function and the capitalist production mode has by and large embraced and subordinated to itself all social structures--from the basis to the superstructure--and the basic regularities of capitalism (the spontaneous nature of production and competition, the law of the average profit norm and so forth) operate most fully and freely. But in such a case the term "middle level of capitalism" is suitable only for the "primary model" of capitalism, that is, for a small group of Western countries, and pertains merely to their historical past, furthermore. Even the European countries of the "secondary model" of capitalism, which embarked on this path after a considerable time gap (an entire phase, at least) have not yet in their evolution passed the middle level" since, developing within the framework of the "catch-up model," they have been characterized by the superimposing of structural elements and social trends of the third phase on the early capitalist phase. The attribution of Spain, Portugal, Greece and so forth to the countries of "mid-development capitalism" appears to us in this sense insufficiently substantiated (p 185). Even less legitimate is the ascription to this category of the group of developing countries with high economic growth indicators. After all, even between European countries of the "secondary model" and the developing countries of the "tertiary model" of capitalism there are still fundamental differences consisting primarily of the fact that in the first of them capitalism was not conceived and did not develop within the framework of colonial or neocolonial synthesis.

Proceeding from everything that has been said above, it would be legitimate to conclude that the concept of the middle level of capitalism in the formational plane (and interpretation of this term in the sense of the level of economic growth does not, as already mentioned, appear in any way fruitful) is unsuitable for denoting the present realities of the developing countries. More, such a middle level of capitalism will never be a reality in the absolute majority of countries of the group in question. After all, the classical model of the three-phase development of capitalism in this case is inapplicable since there never has been and never will be in their social

development an independent second phase of capitalism, as the trends observed by us today testify. In other words, private capital will not ultimately be able to perform the leading or system-forming function in the formation of an integral system of the capitalist mode of production. Under the current conditions of the developing countries it is capable of functioning merely as a force which is secondary and auxiliary to the production modes of state capitalism and state-monopoly capitalism. Under the conditions of the superimposing of elements and trends of the second and third phases on the incomplete development of society within the framework of the first phase of capitalism it is pointless to speak of "mid-development capitalism," the more so in that even the first phase in the absolute majority of developing states is of a symbiotic nature, that is, essential structural elements of the preceding formational structures and also a colonial synthesis which has remained from the recent past are present here.

It also has to be considered, furthermore, that under the conditions of many developing states, even those which have achieved considerable economic growth, manifestations of formational heterogeneousness could characterize even certain enterprises of the industrial type. For example, we may often encounter large-scale plantation forms belonging to monopoly capital and employing the most modern technology, but availing themselves at the same time via a system of buyers-up of the "services" of the small surrounding peasant farms producing the appropriate raw material and food. Or a large-scale plant for the production of some machines or other (sewing, for example) may use parts produced by the handicrafts work of craftsmen, who are virtually in trading-usurious servitude, and so forth. In such and many other cases quantitative indicators of the total volume of output produced by such an enterprise tell us nothing about the actual level of capitalist relations as a whole, and a purely statistical approach could even distort our ideas concerning the true nature of these relations.

In conclusion it may be noted that the authors themselves even recognize that they have not managed to encompass and reveal equally fully all aspects of the vast set of problems of economic growth and social progress. But, assessing the work as a whole, it has to be stressed that that which is positive which they have managed to create immeasurably exceeds the unsuccessful or inadequately argued places. The group of authors has been successful in general in objectively reflecting the complex panorama of the world of the developing countries and showing its contradictoriness. In this plane I would like to conclude our article with the following summary excerpt from the monograph: "An unprecedented growth of production, consumption and employment in the modern sectors, the social infrastructure and so forth has indeed been observed in the developing countries. But at the same time the zone of poverty, hunger, open and hidden unemployment, illiteracy, disease and traditional forms of life... if it is being reduced relatively (although not always and everywhere), it is, in any event, increasing absolutely in the developing world as a whole and in many of the countries therein. There is no swift and simple way out of this situation. In order to tackle the most elementary social tasks the countries liberated yesterday from colonial oppression will have to pass through an entire historical era" (p 542).

COPYRIGHT: Izdatel'stvo TsK KPSS "Pravda". Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1985