

# On the international situation and our tasks

## 1. The pulse of the dying capitalist system is weak and irregular

The 20th plenary session of the ICMLPO, held in Turkey in 2014, made an analysis of the international situation, noting that "the capitalist imperialist world is trapped in its irresolvable contradictions" and concluded that a new economic crisis was looming.

The events that have developed confirm the dynamics, trends and forecasts contained in the document adopted at that plenary.

Eight years after the start of the longest and most serious post-war crisis of over-production, the process of recovery of production is still slow and partial, with continual relapses.

Despite the efforts of the bourgeoisie so that the growth rests on the backs of the working class and peoples, the world capitalist economy has developed at a modest pace compared to the period before the outbreak of the crisis, with limited rates of growth and different rates among the major imperialist and capitalist powers.

The growth of global GDP in 2014 was practically the same as in 2013, and in most countries it has declined. In 2015 the growth will be similar.

If we compare the period 2011-2014 with the period 2003-2008, we see that 4/5 of the world economy has had a lower average rate of growth.

World industrial production stagnated in 2014. In the first half of 2015 a similar trend could be seen both among the "advanced" imperialist powers, as well as among the "emerging" powers, particularly in Asia and Latin America. World trade is also shrinking significantly.

The world economic prospects are dark. The situation has been dominated by weak economic growth since the outbreak of the crisis of 2007. Symptoms, elements and factors are accumulating, and tendencies are developing, which could lead to a new scenario of international crisis. A crisis that some countries, such as Argentina, Brazil, Russia, Ecuador, Venezuela, etc. are already suffering.

## 2. Concrete aspects of the current economic situation

In the past year the main elements, and some new ones, in the economic sphere are as follows:

a. The sharp decline in the growth rate of the BRICS, particularly in Brazil, China, Russia and other "emerging" capitalist countries.

The average rate of growth of the 18 principal "emerging" capitalist countries (Argentina, Brazil, Chile, China, Colombia, India, Indonesia, Malaysia, Mexico, Peru, Philippines, Poland, Russia, South Africa, Thailand, Turkey, Ukraine and Venezuela) have fallen dramatically.

The following factors have influenced this: the sharp drop in price of oil because of over-production in this sector, as well as the price of gas, metals, fertilizers and agricultural commodities; the weak world demand and reduced consumption of the masses, due to the impoverishment of the workers; the appreciation [increase in value – *translator's note*] of the dollar and rising interest rates for loans. This has led to serious losses in producer countries in Latin America, Russia, the Middle East and Africa.

In the last two years, serious financial problems have affected some of these countries: Brazil, Russia, Turkey, China, etc. Financial investments in these countries have clearly

diminished and their currencies have been devalued, especially against the dollar.

Financial shocks in China and the slowdown of the economy of the Asian giant (in September manufacturing output fell to the lowest level in the last six and a half years) is a new expression of the difficulties of capitalism that will have profound consequences in the sphere of credit and production worldwide, and can lead to a new recession.

b. Uncertainty and unequal development of the economies of the principal imperialist countries: the growth of the U.S. and Britain on the one hand, and the slowing down in the eurozone and Japan on the other. In this context the "advanced" economies grew by only 1.8% in 2014: a small growth, despite unprecedented monetary policies to stimulate production and the cheap price of oil.

c. The growing divergence in monetary policies pursued by the central banks of the principal imperialist countries in order to halt the fall in production and markets (for example, the end of the Quantitative Easing (QE) program in the U.S., the beginning of QE in the EU and the broad injection of liquidity into Chinese markets) has resulted in differing interest rates for the currencies, and in the consolidation of the dollar.

d. The constant weakness in international trade due to the slowing down of economic activity and the weak demand from the richest countries. In the period 2012-2014, trade registered an average growth of less than 4%, much lower compared to the period before the crisis, when the average increase was about 7%. In early 2015 the volume of world trade has continued to decline.

### **3. The economic course in the major imperialist and capitalist countries**

**United States of America.** In the country that was the epicenter of the crisis, there is an fluctuating rate of growth in GDP that was about 2.4% at the end of 2014, aided by low energy prices, low interest rates, etc. However, the pace of recovery is unsteady and the prospects are not favorable and may get worse.

U.S. industrial production has barely exceeded pre-crisis levels, but its development has not continued further.

There is a large excess of productive capacity. This is a symptom of continuing serious problems that inevitably will manifest themselves in a new destruction of capital.

During the past year, domestic investments in the energy sector have stagnated and there has been a fall in investment. The appreciation of the dollar has depressed exports. The Yankees still have the largest deficit in the world, estimated at \$430 thousand million dollars in 2014.

The situation confirms that U.S. imperialism no longer has the necessary strength to affect the whole capitalist economy, but it is able, with its financial and energy policies, with the predominance of the dollar and with its military power, to place its difficulties and imbalances on other countries, especially the dependent ones.

**China:** The Asian capitalist giant has seen a progressive decline in economic growth, which was 7.4% in 2014, the lowest since 1990. In 2015 growth fell to about 7%.

China has long suffered from a high excess productive capacity in all sectors. Overproduction, over-construction and over-accumulation of capital are three interconnected aspects of its economy.

In recent years, as a result of this situation – aggravated by the fall in European and American markets – China's industrial production has declined visibly.

At the same time a gigantic housing bubble has formed and later a stock bubble. Deflation of the Chinese bubbles has been one of the causes of the decline in economic growth since 2012.

The Chinese government has tried to curb the economic slowdown and the flight of capital with Keynesian measures, massive introduction of liquidity into its financial institutions and the devaluation of the yuan. But it succeeded only partially.

China's low growth has negative effects over all of Asia and over the world economy, especially in the "emerging" countries because of the financial conglomerates and the large volume of exports.

**Japan:** In 2014 Japan's GDP fell sharply, despite the devaluation of the yen, which favors exports, and the low price of oil. The momentum generated by the fiscal stimulus measures of 2013 has been exhausted, so the Bank of Japan has taken up the QE program. Recently, the deceleration of the Chinese economy has affected Japan. It has also restricted consumption.

**European Union:** The slowness of the economic recovery process is particularly evident in the countries of the imperialist EU, despite the fall in oil prices, the extraordinary measures taken by the European Central Bank, ECB, and the favorable exchange rate of the euro. If we consider the EU of 15 states, in 2014 the growth was only 1.2%.

Even Germany did not go beyond 1.6% in 2014, with a tendency to deceleration in 2015. With its exports it is maintaining a strong trade surplus (it surpassed China in 2014).

France ended the year with a modest 0.4% growth. After three years of recession, Italy recorded a tiny rate of growth in 2015. Among the European powers, only the United Kingdom achieved a growth of 2.6% in 2014. Spain is in a similar situation to that of Italy.

In the EU, the investments in fixed capital have been considerably restricted. This is due to several factors: the tendency to over-production, the long-term effects of the cyclical crisis of 2008-9, the political uncertainties and growing tension in Eastern Europe.

The level of unemployment in the eurozone has been very high in 2014, about 11.5%, with the highest in Greece (26%) and Spain (24.5%). Characteristics of unemployment in Europe are: the high percentage of unemployed youths and the long duration of unemployment for the workers.

In 2014 inflation was negative, causing problems for countries with a large debt. Between June 2014 and May 2015, the euro depreciated 18% against the dollar.

In this scenario, in March of 2015 the ECB decided to carry out a program to purchase government bonds and corporate bonds (60 thousand million euro per month from March 2015 to September 2016), beyond the measures already taken to aid the banks.

The ECB's extraordinary measures have so far not had consistent results. There remains the possibility of a prolonged stagnation with low inflation in the eurozone.

Let us add that the process of "convergence" of the EU is encountering greater difficulties because of the combined action of the law of uneven development and the political supremacy of German imperialism. The Greek case is a tangible demonstration of the breakdown of the EU and the ambition of the German authorities to impose their hegemony. Despite the efforts of the European bourgeoisie, particularly the German bourgeoisie, to speed up the formation of the "United States of Europe," which will strongly limit popular and national sovereignty, reality confirms that this "is impossible or reactionary under capitalism."

**In Brazil,** the slowdown of the economy is continuing, accompanied by massive layoffs of

workers, high inflation, corporate debt and the growing poverty of the masses. Foreign investment fell sharply. The Brazilian economy has suffered from the fall in exports to China and the fall in prices of raw materials. This, together with the increase in the public deficit, is preventing the use of Keynesian policy.

Overall, in the Latin American and the Caribbean area during 2014, growth has declined for the fourth consecutive year, reaching 1.3% overall. The fall in prices of raw materials has resulted in increased deficits and economic difficulties for the exporting countries. Venezuela has been particularly hard hit by the collapse in the price of oil, which has worsened a situation already complicated and exacerbated by the maneuvers of the bourgeois sectors that are speculating and disrupting the economy. Similar issues are taking place in Ecuador and Colombia, countries dependent primarily on oil exploitation and exportation.

**India.** Growth in India was 7.2% in 2014 and stayed the same in 2015, bringing along the South Asia region. Currently India has the fastest growth in the world. The predominant sector is that of services. But it will not be easy to maintain that pace, due to internal structural obstacles (for example, the controversial reform of land ownership, crucial for the capitalists) and the fall in foreign investment that the government is trying to regain with an agrarian reform law and by promoting openly reactionary and anti-people policies.

**Russia.** In Russia the fall in the price of oil, the economic sanctions and the collapse in investments, led to a depression in 2014 that is continuing in 2015. This has been accompanied by the devaluation of the ruble and rising inflation. In general, the situation throughout the Commonwealth of Independent States (CIS) has deteriorated significantly, with an annual contraction.

#### **4. New financial storms that are shaking capitalism**

Although the consequences of the earthquake unleashed in 2007 have not ended, in the heart of the imperialist-capitalist system factors and elements that may lead to a new financial crisis are developing. Here are some aspects of this process.

a. In the period 2004-2013 a real estate bubble formed in China, which tripled the cost of housing. The speculative boom in this sector was the result of the reduction in the rate of profit in industry, which was struck by over-production. The real estate sector has been encouraged by the policy of urbanization and the printing of large numbers of yuans determined by the government, the debt of local governments, as well as the investments by monopolies in this highly profitable sector, which for years has been the growth engine of the Chinese economy.

The housing bubble began to deflate in 2011, due to the adoption of restrictive monetary policies, taxes and prohibitions on home sales. In 2012 Chinese growth began to slow down. The central bank of China intervened in the credit market and introduced liquidity into the system. This contributed to a bubble in the stock market, in which the banks, Chinese and foreign monopolies and small investors heavily invested capital as an alternative to the productive and real estate sectors. The new speculative bubble inflated dramatically in a short period of time.

In June of 2015, the Chinese stock market began to collapse. The government tried to stem the fall with extraordinary measures. But Beijing, which has liberalized much of the economy and finance (there is broad parallel credit system), cannot control all the factors of anarchy in the capitalist market and cannot prevent the outbreak of new crises which, the longer it takes, the

more destructive and contagious they will be.

b. There are other elements that lead to the formation of bubbles of fictitious capital in the American and European financial markets. Their origin is in the ultra-expansionary monetary policies followed by the U.S. and the EU to bail out banks. There is speculation with liquid capital at low interest rates, the financial "drug" in the "parallel financial markets," where the "vultures of the stock market" seek greater profits.

c. Another risk factor is the erosion of the margins of financial security in the countries that produce and export raw materials. The announced increase in interest rates in the U.S. can cause a withdrawal of capital from the "emerging" markets, increasing the vulnerability and instability of these economies, which are slowing down.

d. Finally there are the problems in Europe, particularly in the southern countries. The banking sector in the EU is still in disarray and full of toxic securities that the ECB is "washing" with the QE program. There are serious problems in the insurance companies and so-called "clearing houses" created to concentrate the toxic derivatives. Besides this there is the possible "default" of heavily indebted states such as Greece, Bulgaria, Croatia, Portugal and Italy, the consequences of which are unpredictable.

We see that the "solutions" of the previous crisis have added fuel to the fire. There are different factors that can spark a new financial fire, which will have devastating effects on the production process.

## **5. The impoverishment of the proletariat and the increase in social inequality**

The modest growth in the major capitalist economies has not led to any relief for the working class and other laboring classes. The sacrifices continue.

This economic revival has been accompanied by high levels of unemployment (in the OECD countries there are 40 million unemployed), especially among the youth; worsening working conditions, lower real wages and widening wage discrimination against women workers; the increase in the tax burden on the working masses; and therefore, the progressive impoverishment of the working class, small peasants and the popular masses.

Jobs are growing very slowly (especially in the informal sector without protection, in part-time jobs, etc.), and in most of the imperialist countries it is unlikely that they will be sufficient to recover the losses recorded since 2008. The overproduction of capital is accompanied by the overpopulation of unemployed workers.

The crisis has aided the further concentration and centralization of capital in the hands of the international monopolies.

While poverty is increasing in many countries, including in the most "advanced" (in the U.S. it is about 17.6%), striking vast sectors of workers, social wealth is increasingly monopolized by a small group of financial magnates.

The data show that in the period 2008-2014 the share of global wealth owned by the richest 1% has grown from 44 to 48%. Therefore, the share of income held by 99% of the world's population has dropped from 56 to 52%.

In recent years the wealth possessed by the 80 richest individuals in the world has increased rapidly: today these 80 representatives of the financial oligarchy hold wealth equal to that of the poorest half of the world's population (3.6 billion people).

These trends are worsening the situation of the laboring masses and the peoples in the moribund capitalist system, which is increasingly characterized by concentration of social wealth

in a few hands, the unbearable oppression of the monopolies over the rest of the population and widespread poverty.

The restricted consumption of the masses, due to the impoverishment of the workers, is an important factor in the crisis of capitalism. At the same time it is a powerful factor for the development of the class struggle of the proletariat, which will eliminate the cause of all social inequalities by abolishing capitalism.

## **6. The decline and decomposition of the capitalist system**

In the previous post-war crises, capitalism managed to recover with its own forces in a few years.

After the great crisis of 2008 there was a revival, not achieved by the internal forces of capitalism, but by the drug of state aid. This ended in 2010, followed in 2011 by a period of stagnation and then of recession.

In the main imperialist countries, in 2009 the productive apparatus exceeded the lowest point of the cycle, but the uneven economic recovery has not been transformed into a boom phase, a phase of prosperity. This phase tends to disappear due to the fact that the expansion of capitalist production can soon run into conflict with the limits of the market.

The weakness of the revival observed in 2014 and the low observed in the first months of 2015 point to a problem of persistent over-production that has not been solved.

The growing surplus of productive capacity, the partial utilization of industrial facilities that is recorded in the imperialist and capitalist countries, is a fact that shows that capital tends to chronic over-production. The barriers to production are continually breached by financial speculation in order to increase capital, but this inevitably leads to new and violent crises.

The slowing down of the "emerging countries," which had been the shock-absorbers of the crisis in previous years, has serious implications for the entire capitalist economy and in the event of a new crisis they cannot play the same role.

China, which has been a key factor in avoiding the global recession in recent years, has been transformed into its opposite, and has become a factor for a new global crisis of capitalism.

This analysis leads us to conclude that capitalism has partially overcome the previous crisis – whose impact had not yet been exhausted – by setting the stage for a new and more destructive crisis of relative over-production, the inevitable result of the contradiction between the social character of production and the capitalist appropriation of the products of social production.

The next crisis will have deeper consequences than the previous one since it will not take place after a period of prosperity, but after a period of stagnation and modest recovery. Moreover, the state budgets in many imperialist and capitalist countries will not be able to support new and higher levels of debt in order to save the banks and monopolies.

That is, there are no conditions for a relative capitalist stabilization. On the contrary, the process of decomposition of monopoly capitalism is continuing, which is manifested in the aggravation of the general crisis of the capitalist system, which is entering a new and destructive phase.

The correlation and interdependence between the general crisis and the cyclical and sectoral crises of capitalism taking place in different countries of the world, are obvious and are reflected in the length of the periods of crisis and stagnation, in their depth, in the weakness of the recovery and in the general instability.

The elimination of the suffocating capitalist rule is the only solution, which is possible,

necessary and urgent for the problems of humanity.

## **7. The sharpening of the contradictions of capitalism and the dangers of war**

The uneven development of capitalism in different countries, the growing economic and political difficulties, the attempts to place the consequences of the crisis on their rivals, have led to a worsening of relations among the imperialist powers.

There is not only a more intense economic and financial competition on all continents, commercial and political contention over markets, raw materials, fresh water, fertile land, etc., but a marked instability of international relations, an exacerbation of military tensions, preparations for a new redivision of the world, perhaps by armed force.

The hegemonic politics and the strategy of U.S. imperialism is finding a more determined response from Russian and Chinese imperialism, which are not willing to bear the international domination of the United States and are trying to break its "world order."

There are many pockets of war that can develop, due to the growing imperialist aggressiveness, into a general war. The local and regional armed conflicts in Syria, Iraq, Libya, Yemen, Ukraine, Central and West Africa, Afghanistan, etc., the growing tension in the South China Sea and the Pacific Ocean, in the Balkans, Pakistan, Venezuela, Colombia, etc., the drive of the imperialist powers to rearm, the militarization of the economies and the reactionary and fascist transformation of the bourgeois states, are expressions of the internal and external contradictions of capitalism, of the struggle for supremacy, which are increasing the danger of a wide-scale war.

Syria, the gateway to the Middle East (and oil), is today a battleground for inter-imperialist contention. The military forces of the rival imperialist powers and their allies are directly present on its territory; they are acting with conflicting strategic aims and interests. The situation is dangerous and can easily degenerate into a direct clash.

In Latin America there are also obvious manifestations of inter-imperialist contradictions. China and Russia have achieved an important commercial presence and economic activity, particularly in the sectors of mining and oil. Faced with this, the U.S. and NATO are trying to retake the commercial and military initiative in the region, with the establishment of new military bases, as well as with treaties such as the Transatlantic Trade and Investment Partnership, TTIP, deepening the dependence of the dependent countries.

In this scenario, U.S. imperialism – powerful because of its military, financial and technological power and its energy transformations – has developed a strategy to defend its interests and preserve its "world order," shaken by the economic and military growth and influence of other imperialist powers that want to escape U.S. dominance.

To that end the U.S. superpower is trying, on the one hand, to strengthen and lead a broad system of alliances with subordinate and vassal states and "sub-states"; on the other hand, it is trying to prevent any other power from acquiring a power equal to its own, preventing the formation of alliances based on rival imperialist powers that can unseat its hegemony in the capitalist world.

The strategic plan of the U.S. is based on an extensive program of military, economic, energy, political and diplomatic measures, and it is accompanied by a hypocritical ideological campaign.

This long-term plan does not focus on only one region; it has the whole world as its field of action, and it defines a set of priorities according to the global interests of U.S. imperialism:

- a) the re-balancing of military force in the Asia-Pacific Ocean region, the center of gravity of the world economy, in order to contain the growth of China as a superpowers and the other emerging powers who are contending for supremacy and privileges in this crucial area;
- b) the maintenance of dominance in Europe by NATO, in order to encircle Russia and contain the rise of German imperialism, hampering its relations with Russia and China;
- c) a strong military presence in the Persian Gulf and the redrawing of the borders of the Middle East;
- d) the maintenance of military and technological supremacy, modernizing and strengthening its nuclear and conventional weapons, reorganizing its armed forces in order to fight more long-term regional wars, as well as local wars on different continents;
- e) counter-guerrilla and urban counter-insurgency activities, by its organizations and in accord with local allies;
- f) stopping direct attacks on the U.S., acting unilaterally and by any means on a world scale;
- g) maintaining internal stability, threatened by social unrest, and preventing its extension (in July there was a major military maneuver in the U.S. for control of its territory, in anticipation of wider revolts in Ferguson and Baltimore) .

**The Asia-Pacific Ocean area** is the heart of U.S. hegemonic strategy. In the next five years the U.S. will have 60% of its naval fleet in the Pacific Ocean. The U.S. aspires to more aggressively redefine its alliance with Japan, south Korea, Australia, Philippines and Thailand in this area, rearming those countries. It is also determined to strengthen its relations with India, Indonesia, Malaysia and Vietnam. Through ASEAN and the East Asia Summit it wants to build a strategic anti-Chinese and anti-Russian alliance on that continent.

In Central Asia, NATO is incorporating Georgia, and advancing in "deepening its cooperation" with Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, in order to counter the Eurasian Economic Union, which comprises Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan.

The U.S. and NATO are continuing the war in Afghanistan, a country of geostrategic importance. At the same time, the U.S. is threatening other states, such as the People's Democratic Republic of Korea, that could in any way compromise its interests or represent local threats.

**In Europe** one can see the passing over of U.S. imperialism to an extremely aggressive and openly expansionist policy. The full integration of the Balkan and eastern European countries into NATO, the extension of its area of operations and the tripling of its rapid reaction troops in Eastern Europe are key aspects of its maneuver to encircle Russia.

While accelerating the "modernization" of U.S. nuclear weapons in Europe, the Yankees are reorganizing their forces in support of new vassals (Ukraine, Georgia, Moldova, etc.).

Ukraine is included *de facto* in NATO's network as the key country to hem in Russia and destroy its relations with Germany. In Central Europe and the Baltics, NATO has sent fighter-bombers to "patrol" the skies to the borders of Russian airspace. In the Black Sea, U.S., Canadian, German, Italian, Turkish, Bulgarian and Romanian warships have come together, besides Russian ones. There is the possibility of a military escalation in the region of the Donbass, where the working class and the population are threatened by inter-imperialist rivalries.

At this moment (October of 2015), "Trident Juncture 2015," the largest NATO military exercise since the end of the "Cold War," is being held in Italy, Spain and Portugal. Its objective:

to test the "Response Force," especially the "Spearhead Force." It will include the participation of the EU and the African Union.

We emphasize the role assigned to Spain, with the anti-missile shield and the creation of a rapid intervention force with 30,000 soldiers, which can be operational within 48 hours.

While NATO is increasing its pressure on Russia, we are witnessing the continual pressure of the U.S. on its allies to "share the burden of military expenditures," as well as to force the EU to sign the TTIP agreement (and in Asia the Transpacific agreement), as opposed to the Sino-Russian "New Silk Road" and the Russian pipelines to supply energy to Europe.

It can be seen that the countries of the EU that are dependent on oil and gas from Russia (for example, Italy), or with strong industrial and commercial links (for example, Germany), are having difficulty following the policy of war and sanctions imposed by the U.S. and are calling for a "political solution."

**The Middle East** is a region characterized by strong political instability; it no longer has the same importance for the U.S. as it did earlier. Instead of a direct military presence, Yankee imperialist intervention is being carried out by organizing reactionary coups and civil wars, by training, financing and arming Islamic fundamentalism and other counter-revolutionary, obscurantist and reactionary forces that are violently opposed to the camp of the revolutionary, progressive, anti-imperialist and democratic forces.

The strategy of "constructive chaos" in Syria, Iraq and Libya, carried out with the collaboration of the irregular army of the Islamic State, IS – a byproduct of imperialist interventions in the region – serves to strike the revolutionary and democratic processes, to prevent rival powers from taking advantage of the political vacuum, from gaining positions and weakening U.S. hegemony.

Clearly, behind the pretext of the "fight against terrorism" is the war for the control of mineral and petroleum resources, for strategic areas, as well as the rivalries among the imperialist powers and their local allies.

In this unsettled region, the U.S. can count on its alliance with Israeli Zionism, Jordan, Egypt, the four Gulf monarchies and Saudi Arabia. Other obvious aspects are: the tactics of equilibrium between Sunni and Shiite forces to control both; the nuclear deal with Iran, which allows Washington to direct its resources and means to the greater conflicts and provides Iranian oil and gas to the EU, reducing its energy dependence on Russia.

The Vienna agreement on the nuclear issue, signed by the Islamic regime of Iran and the "5 + 1" group, has been drawn up in accordance with the interests of U.S. imperialism, which has imposed its rules to the detriment of the national sovereignty of the Iranian people.

**In Latin America**, U.S. imperialism is trying to maintain its hegemony, threatened by China and other imperialist countries, and to develop its war policy by relying on its lackey governments, such as Peru, Mexico, Chile and Colombia. In 2013 NATO made an illegal agreement on security with Colombia, which is already engaged in military programs, including the training of special forces. This agreement represents a threat of military intervention in the region and serves to encircle Venezuela, which is already subjected to an economic blockade and a media campaign which precede aggression.

The formation of a triangle of influence among Central America, Colombia and the Caribbean is essential to the US, in order to counter the growing financial and commercial penetration of China in its old "back yard." This is how we must understand the recent opening

to Cuba, with the eventual elimination of the criminal economic and political blockade.

**In Africa**, having destroyed Libya and organized the military coup in Egypt, the U.S., besides intensifying its military presence (for example, in Niger), creating infrastructure for war and preparing military interventions (for example, in Nigeria), is promoting military and economic assistance to the African Union. Initiatives such as Power Africa, Trade Africa and the African Growth and Opportunity Act, AGOA, serve to increase its ability to rob natural resources, to increase its political influence and to curb China's growing presence on the continent.

Clearly the other imperialist powers do not limit themselves to observing, they defend their own interests and spheres of influence against their rivals.

**Imperialist China** continues to increase its export of capital around the world (especially in Asia, Africa and Latin America and in the "offshore" financial centers), it continues to strengthen itself militarily and to develop its role of superpower in Asia and other regions of the world.

In Africa, China's power is present and active in the context of the rivalry among the imperialist powers, especially in the economic field and in the contention for raw materials, oil, uranium, etc. Africa is an area of struggle among the imperialist powers. It is also an important economic area for the penetration of Chinese capital and commodities, in competition with the British, French, U.S. monopolies, etc. China also has a strategic interest in this continent.

In the political-military sphere, China is asserting its ability to act unilaterally, especially in the maritime area. It is continuing its efforts to counter the advanced military technology of the U.S.

In the South China Sea – through which half of the commercial ships en route to Europe, the Middle East and East Asia pass and where there are rich deposits of oil and gas –the increased Chinese military presence is clear. The Chinese attitude is very aggressive not only towards the U.S., but also towards Japan, Vietnam (the contention over the Paracel and Spratly Islands and over the oil platforms), Philippines (contention over the Spratly Islands and Huangyan Island), Malaysia and Taiwan.

In order to assert its sovereignty over 80% of the southern maritime area, China is building artificial islands on coral reefs thousands of kilometers from its coast. It aims to control the strategic Strait of Malacca, entering into direct conflict with the U.S. and Japan. Also in the East China Sea there is serious friction with Japan over the Senkaku Diaoyu Islands.

To assert its interests in the area – in opposition to U.S. naval supremacy – China has approved a program to develop a powerful and modern fleet of over 300 warships with anti-missile systems.

The tension and military presence in East Asia and in the whole South China Sea is rapidly increasing, as is the nationalism of the countries in the region; this is indicative of the trend to imperialist confrontation.

**Russian imperialism** is playing a more active role at the diplomatic and military level. It has changed its military doctrine and shown itself more willing to directly intervene to defend its interests and its borders. In addition to modernizing its strategic arsenal, it is promoting its special rapid reaction forces in operations in the area of the former Soviet Union in order to create "facts on the ground."

Although it is weakened economically, it is trying to regain its role as a great imperialist

power and is strengthening its ties with China through multiple economic and military bodies.

At the Moscow conference on international security last April, Russia, China and Iran held talks at the military level to improve their cooperation and to counter NATO's expansion.

The Russian intervention in Syria, with the shelling of the jihadist enclaves, has caught the U.S. and Israel by surprise, and made clear that Russian imperialism does not want to lose its spheres of influence, its allies, and its military base in the Mediterranean.

**German imperialism** has shown once again its role as a great power in the search for its "living space," not only in economic terms (for example, the *diktat* to Greece), but also in the political and military sphere. It has planned a consistent increase in military spending, acquiring tanks, weapons and equipment. It aims to strengthen its war industry to make itself independent of the U.S.

**French imperialism** is tirelessly defending its spheres of influence in Africa, activating all its controls: increasing its spending and military bases and sending military missions to and maintaining permanent bases in the countries of "French Africa" (Burkina Faso, Benin, Mali, Central Africa, Chad, Niger, Ivory Coast, etc.). It is carrying out economic pressure, political and diplomatic interference and monitoring the revolutionary forces in this region; it is an openly neocolonial policy.

**Imperialist Japan** has "interpreted" its Constitution to allow more scope for its military fleet and has passed a law that will allow its armed forces to take part in operations abroad. At the same time, it is increasing military spending by 2% (in 2015 it reached a record after the Second World War), equipping itself with new generations of aircraft, including U.S. F-35s, "drones" and very advanced ships: the imperialism of the "Rising Sun" is thus becoming the "monitor" over China.

The exacerbation of inter-imperialist rivalries and the competition among monopolies is leading to a consolidation and reorganization of economic and military blocs. Today, except for NATO, there are no stable blocs. The situation is fluid, the alliances can change quickly. There are many contradictions and dividing lines among the imperialist and capitalist powers, among the reactionary camps, which combine and then separate.

The general trend is the worsening of the political situation, the rearmament and militarization, the intensification of nationalism and chauvinism. Not only military, but also economic and political imperialist interventions, the interference and brutal pressure on the oppressed peoples and the economically weak countries are increasing, which maintains the inevitability of wars among imperialist and capitalist countries, and therefore the need to overthrow the bourgeoisie.

## **8. The incessant wave of migrations**

As a result of the economic looting and political destabilization of countries, of wars of aggression and plunder by the reactionary regimes, of hunger and unbearable conditions of life, of the lack of any favorable perspective for the younger generations, the wave of migrations from the dependent countries of Asia, Africa, Latin America and the Caribbean is continuing and growing.

Large masses of men, women and youth, who are fleeing misery, war and political oppression, are trying to reach the richest and most developed capitalist countries by any means, often losing their lives in crossing the sea or in other routes. In the first half of 2015, two thousand migrants drowned in the Mediterranean while trying to reach European shores.

The imperialist countries – which have the historical and main responsibility for this situation – are building ever higher walls to prevent the entry of the migrants, including many political refugees.

The migrants, when they manage to reach their goal, are often subjected to the harshest exploitation, discrimination, deprivation of rights and social security and bestial conditions of life. They are persecuted by the police and attacked by racist, fascist and populist groups which stir up hostility under the pretext of the "invasion" of migrants.

Clearly the phenomenon of migration has economic implications. The imperialist powers, particularly the U.S. and Germany, are causing and driving the migration process of the labor force for two purposes: to increase the pressure on the native-born working class in order to eliminate the social gains that have been won, and to renew their labor force, because their economically active population is getting older and therefore there is a need to integrate young workers at a cheap price.

At the same time, some governments and reactionary and xenophobic sectors of the bourgeoisie are using the migrants as an escape valve to relieve social tensions, they set off increasingly aggressive policies and are alarming people about the social danger that massive migration involves; they are criminalizing all those who are in solidarity with the migrants. We must also note that migrants bring important experience of struggle from their countries of origin.

Together with the wave of migration from the dependent and underdeveloped countries, there is also the increased phenomenon of emigration of young people struck by the impact of the economic crisis in the advanced countries. Immigration and emigration are as inseparable from capitalism as unemployment, poverty and wars.

## **9. The worsening of the political situation in the imperialist and capitalist countries and the offensive against the working class**

The latest capitalist crisis and the continuing economic difficulties have produced a worsening of the political situation in the imperialist and capitalist countries, and the destruction of sovereignty and national independence of the dependent countries.

While discontent and distrust of the corrupt ruling classes and bourgeois parliamentarism is growing, in many countries we are witnessing a process of reactionary transformation of the state power, which is tending toward the form of the open dictatorship of the bourgeoisie.

The worsening economic and political situation is pushing the bourgeoisie – in the crisis of consent and leadership – to increase the use of authoritarian and despotic methods of government, to eliminate the rights and freedoms of the workers such as the right to strike, organization, expression, demonstration, etc., to repress the workers' and people's struggles, in order to weaken the organization and the resistance of the masses and to declare their struggles illegal.

At the same time, the ruling classes strive to restrict the prerogatives of parliaments, to modify the bourgeois-democratic constitutions in a reactionary manner, to eliminate the political and trade union fields of action used by the workers' and communist movement.

In the countries where the bourgeoisie can no longer govern with its old methods and parties, it uses populist movements and new social-democratic parties as well as the religious, pro-fascist and fascist parties to divert the discontent of the masses, to divide them and preserve their class rule. In these conditions the "democratic" freedoms and the rights of the workers are suffering violent attacks in many countries.

The politics of war and military intervention are leading to increased measures of "security" and repression in a climate of intense demagogic and xenophobic propaganda, which poisons public opinion.

The anti-communist offensive is continuing, as is seen in brutal attacks and vilification that is especially harsh in the Baltic countries and Ukraine, with the ban on political activity, on communist symbols and the obscene equation of communism with fascism.

The capitalist attack on the working class is taking place on many fronts on the basis of dictates of the financial oligarchy in order to obtain maximum profit.

This consists in the elimination of most of the political, social and trade union rights and gains won by the working class during decades of struggles, in the so-called "structural reforms" in the marketplace for labor power, which allows greater flexibility and insecurity, tighter control over production and total "deregulation" to eliminate the barriers erected against capitalist exploitation.

The attack on wages is continuing, which are differentiated to favor the labor aristocracy and harm the masses of workers. Pensions and social security for the workers are being reduced and the retirement age is being increased. In many countries, the capitalists and their governments are trying to extend the working day, to increase work at night and on holidays. We are witnessing the expansion of the informal sector, without rights for workers. Women, youth and migrant workers are the favorite targets of discrimination and super-exploitation, with the attempt to break the united resistance of the working class.

In countries forced to devalue their currency, the workers are required to pay for the economic disaster.

In many countries collective bargaining agreements (national and group) are being degraded, especially those won by the trade unions that are resisting the offensive. The capitalists and their governments are increasing their efforts to divide the workers, young from old, regular from irregular, native-born from foreign-born, etc. Threats, blackmail and lies have become the favorite methods of the bourgeoisie.

The high level of indebtedness of states – due to the financial bailout of the banks and enterprises – and the political consequences of "austerity," are leading to further cuts in social spending, in health care, education, pensions and public transport, besides the increase in direct and indirect taxes on the laboring masses.

The neoliberal treaties such as the Transatlantic Trade and Investment Partnership, TTIP, the General Services Administration, CETA and the Trade in Services Agreement, TISA, will affect the rules that guarantee a minimum of protection in the workplace and social security, as well as the quality and safety of food, and the defense of public services. Due to this the most powerful monopolies can easily penetrate the markets in order to seek maximum profit. One consequence of this will be the elimination of thousands of jobs. Clearly these treaties are weapons against all the peoples.

As a result of the criminal offense of capitalism and its governments the class struggle is sharpening.

## 10. The profound crisis of social democracy and revisionism

The urgency for the bourgeoisie to find a way out of its serious economic difficulties, by placing them on the back of the working class and popular strata, while maintaining social peace; the need to prepare for imperialist wars, without alarming the peoples; the implementation of reactionary measures, under the guise of "reform" and "democracy," have created the bases for open collaboration between the financial oligarchy and the social-democratic and revisionist parties, the real social props of the bourgeois dictatorship and supports of imperialism.

In countries where these counter-revolutionary parties **are** in government, they usually participate actively in the measures adopted by the bourgeoisie against the working class and popular masses. The leaders of these parties are fully integrated into the system of the financial oligarchy, and they take a direct role in the consolidation of bourgeois rule and in the repression of the workers' movement. In order to stay in power, the social-democratic parties make alliances with right-wing parties.

Where they **are not** in government, the social-democratic and revisionist leaders resort to more sophisticated methods, in order to channel and divert the protests of the working class and sectors of the petty bourgeoisie who are affected by the crisis and the policies of big capital and its institutions. It is important to note that in the imperialist countries, particularly the ones that are most aggressive against the working class and peoples, the social democrats and revisionists are increasing their activity, spreading illusions and mystifications about the imperialist institutions, about the peaceful transformation of society; they are weakening the vigilance of the masses against political reaction, hiding from the masses the class character of fascism and striving to "protect" the working class from the influence of communism.

In particular, we emphasize the role of the left wing of social-democracy which is retarding the process of disintegration of reformism and spreading the dangerous illusion that the imperialist institutions can be reformed, to become democratic and "social." This is a path that leads only to new and crushing defeats.

In Latin America the decline of the so-called "progressive governments," which mainly represent the interests of the rising middle class, has begun. The defeat of Evo Morales in the secondary elections, the growing popular protest against the authoritarian and arrogant politics of Correa, show the disenchantment with a political program that has not changed the capitalist nature of these countries, that has not eliminated the dependence on imperialism and has not been able to provide answers to the many demands and expectations of the workers and peoples.

These governments have gradually shifted to the right and have taken up neoliberal and repressive positions under the pressure of imperialism and its supranational institutions, of the capitalists and the top levels of the Catholic Church. The fall in the price of raw materials has exacerbated their crisis and expanded the base of social protest.

In the Old Continent the false slogan of "another Europe is possible" is becoming exposed under the dictates of the Troika, showing the laboring masses and peoples that imperialism cannot be reformed, it has to be overthrown.

The desire of the social democratic forces to reorganize around Keynesian-type programs is a maneuver of extremely opportunist sectors who are trying to take over the leadership of the processes of struggle in order to divert and fool the masses, to weaken their revolutionary actions, to adopt measures useful to the bourgeoisie in situations of acute crisis in order to gain time and recover lost ground.

These policies create expectations among the workers and the petty bourgeoisie, but they can

also be deflated quickly when they show their inconsistency and lack of real perspectives, due to the degradation of the economic and political conditions, for example, the elimination of the welfare state), which in the past acted in favor of the social democrats and of a break with the imperialist-capitalist system.

There is also a process of fragmentation and reorganization of sectors of old and new revisionists, especially in Europe, which are spreading their counter-revolutionary positions and deviations of all kinds. However, there are groups, particularly of young people, who do not follow these positions and are coming close to the Marxist-Leninists.

The deep crisis of social democracy and revisionism allows the Marxist-Leninist Parties and Organizations to extend their revolutionary influence over the masses of the workers, including the workers influenced by the social-democrats viewpoint. In order to expand these contacts and win over these workers it is indispensable to call for unity of action against the capitalist offensive, political reaction, fascism and the danger of war; at the same time it is necessary to form united front organizations for a broad mobilization of the masses against the common enemy, capital, despite the hostility of the social-democratic leaders.

## **11. The response of struggle of the proletariat and the popular masses**

The imperialists, the capitalists and their institutions are intensifying their assault on the working and living conditions of the working class and peoples, but the resistance against the reactionary and anti-working class policies, the cuts in social spending, etc., are tending to develop and to become more organized.

With demonstrations, strikes in the factories, street fighting, the vote or its boycott, the working class, the unemployed and the peoples are confronting the policies of the imperialist bourgeoisie and its reactionary allies, they are rejecting neoliberalism, austerity and the social destruction, they are delegitimizing the corrupt bourgeois institutions.

There is a tendency of the mass struggles to rise, with important workers' struggles and struggles for democracy; also in many cases there are demands for independence, sovereignty and the right of self-determination of the peoples. The workers and peoples are regaining confidence in their great strength through struggle.

The working class is struggling in different conditions and situations in Turkey, Poland, South Africa, Nigeria, Bolivia, Bangladesh, south Korea, Burma, Cambodia and China. In India there was a historic general strike given the conditions in that country. There are struggles for wage demands, to put a stop to exploitation and for better working conditions, and against massive layoffs. In some cases the workers have occupied factories and held debates there on the capitalist order. The workers are also fighting against the shameful positions of the collaborationist leaders of the unions, demanding their expulsion from the factories and organizing themselves into independent committees, as has taken place in Turkey.

In Latin America and the Caribbean the struggles of the workers and peoples are on the rise, as in Ecuador, Peru, Bolivia, Uruguay, Colombia, Panama, etc. In Mexico popular anger and resistance are growing for those missing and murdered by the State, against the "structural reforms" of the government. In Honduras the people are demanding the punishment of the corrupt. In Brazil, Chile and Argentina the social protest and strikes are continuing.

In many African countries – especially in west Africa – the people and youth are standing up for their basic needs, for freedom and democratic and trade union rights, against the reactionary civil wars and corrupt dictators, agents of the imperialist powers which are pursuing a policy of

economic and political recolonization of the continent.

In Burkina Faso the revolutionary process is advancing. After the reactionary military coup in September, mass mobilization has been developing throughout the country despite the maneuvers of the local bourgeoisie and the imperialist powers, the U.S. and France, who are trying to paralyze the dynamism of the masses.

We emphasize the development of the social struggle in Iraq and Lebanon, with new social and political demands that are going beyond religious divisions and are acquiring a class character.

In the Middle East the heroic struggle of the Palestinian people is continuing with a new intifada against the criminal occupation of their territory. The Kurdish people are fighting for self-determination. The popular response to terrorism and fascist provocations in Turkey as well as in Tunisia is noteworthy, in order to defend the rights gained and to achieve the revolutionary goals.

In Europe we have seen important workers' struggles in Poland, Belgium, Italy and other countries against layoffs. The workers in transport and communications have mobilized in England, France, Germany, Spain and elsewhere. In Italy the teachers have carried out a massive strike against the privatization of the public schools.

The rejection of the austerity policies has seen new significant expressions in Greece, where the workers have rejected the blackmail of the imperialist Troika (EU-ECB-IMF). They have punished the neoliberal parties and then opposed the subordination of the social-democratic government towards these institutions that imposed a new cruel "memorandum," the mandate.

In the U.S. the struggles of the workers in the oil industry, the movement of low-wage workers and the large protest of the black community against police terror and racism in the judiciary have developed. In Canada, the students took to the streets en masse against the government.

The rise of the class struggle comes in waves. The earlier ones allow for the development of the following ones at new levels of militancy, unity and strength.

The character of the current class struggles is still defensive. In large and small struggles, the workers, youth, women and oppressed peoples are expressing their protest and reinforcing the role of their organizations, but in most cases they have failed to prevent the implementation of the neoliberal and anti-popular measures of the governments. However, the struggle itself is creating an implacable hatred among the masses against the capitalists and state power, paving the way for a qualitative leap.

These struggles are showing a renewal of the workers' and trade union movement and its demands. The strikes are increasingly attracting new groups of workers and other exploited laboring people who play a key role in economic life. The level of mobilization and the number of the discontented is growing, especially among the young people.

We are seeing a shift toward the left of the combative sectors of the workers' movement. The struggle for immediate economic and political demands is quickly taking on a political character. In the struggle itself, the aim is being put forward to reorganize the workers' and trade union movement on a militant class basis.

The working class and peoples are regaining their ideological and political positions, increasing their level of organization and strength, although gradually and unevenly. The conditions are maturing for a new revolutionary advance, thanks to the increased militancy and participation of the masses in political and social life.

One can predict an intensification of the class conflicts as the center of the worldwide

contradictions, in which the economy is slowing down and the cost of living is increasing.

The basic problem is: what forces are leading the protests, struggles and revolts? What class must exercise hegemony, taking every opportunity to deal a blow at imperialism and to increase its political influence over the other sectors of the population? Today the main limitations of the struggles are the lack of a consistent proletarian leadership and revolutionary perspectives. This increases the importance of the "subjective factor," that is, of the level of consciousness, militancy and organization of the working class and its vanguard detachment.

## **12. On our tasks and responsibilities**

We are in a historical period characterized by the contradiction between the maturity of the objective factors to take a step towards the new society based on common ownership of the means of production on the one hand, and the backwardness of the subjective factor determined by the temporary defeat but with profound consequences of the first experiences of socialism on the other.

The communist movement today is still weak and fragmented, but it is reviving. It rests on our shoulders the stage in which, as a result of the imperialist and anti-communist offensive, the consciousness of the working class and the popular masses has been hard hit and shows a loss of revolutionary perspective.

The offensive of capitalism and the social impact of the recent crisis have been so great that only now do the exploited and oppressed masses see more clearly the true face of this obsolete system; therefore they show more and more the need for radical political and social changes. Communist ideas have spread since the crisis of 2007.

There are powerful favorable factors for the development of the revolutionary struggle: the continued growth of the proletariat worldwide (today there are approximately 1.6 thousand million wage workers, of whom about half are industrial workers); the rapid growth of the largest young generation in history; the development and spread of the means of communication that put workers and their struggles in contact with each other; the increase in social inequalities and the concentration of immense masses of the exploited and oppressed in the cities, where already more than 50% of the world's population lives and that will be the crucial places where the class conflict will develop in the coming decades.

It is needless to add that large sectors of the petty bourgeoisie, victims of the criminal policies of the financial oligarchy, are going through a serious crisis and no longer form a secure base of support for the bourgeoisie. The political disintegration of the middle classes provides a greater possibility of success for the struggle of the proletariat, which must lead the great mass of the exploited and oppressed, isolating the unstable and vacillating strata.

The terrain is once again fertile for the Marxist-Leninists. From the disaster of all the bourgeois and reformist political options, there emerges again the only sure alternative: the proletarian revolution and socialism.

In the present situation rapid changes can be anticipated, the pace of revolutionary events can speed up, conditions can be created in which it will be possible to advance at a rapid pace, in leaps.

The situation demands the ability to understand the concrete situation, to foresee and adapt to it; it requires ideological firmness and stability in order to adopt adaptable and flexible tactics, subordinated to the revolutionary strategy.

In this scenario the task of the Marxist-Leninist forces is to increase their political influence,

to develop and maintain the closest ties with the proletarian masses, understanding their needs and aspirations, to engage the most decisive sectors in struggle in order to attract them to our camp and advance in the process of accumulation of revolutionary forces.

The convulsions of the capitalist-imperialist system, the reactionary offensive of the bourgeoisie, the dangers of war, make the development of the class struggle, of its organization and level of combativeness of the masses of vital and urgent importance. We must take advantage of the objective situation, define appropriate lines of political action and make an effort to take the leadership of the struggles, in order to multiply our contact with the masses, without ever losing sight of the struggle for political power.

Therefore, it is up to the (Marxist-Leninist) communists to support and mobilize the working class and other laboring people every day in defense of their economic and political interests and aspirations; to unite the exploited and oppressed, bringing the light of scientific socialism to the workers' and people's movement; to propose and implement the united front of the working class in various forms in order to bring the broad masses of workers and unemployment into struggle; to work in the existing mass organizations and to create new ones, to organize common actions against the capitalists, the rich and their governments, creating the conditions for a broad counter-offensive of the exploited and oppressed.

In this way, we will be able to penetrate more deeply among the masses, in order to develop closer links and politically win over the decisive sectors of the proletariat. Thus we will be able to mobilize the allies of the proletariat: the broad laboring masses who are suffering from the yoke of capital, the small peasants, the urban petty bourgeoisie, the unemployed youths and students, the women of the popular strata, the oppressed peoples and nationalities.

It is up to the (Marxist-Leninist) communists to fight against the bourgeois dictatorship in all its forms, to take into our hands the banner of the freedoms and rights of the working class and the popular masses threatened by the bourgeoisie, to uphold popular sovereignty and the independence of the countries subjugated by imperialism; to develop the struggles against the reactionary and fascist forces, against xenophobia and fascism, against the anti-popular repression and the anti-democratic policy of the bourgeoisie, promoting broad popular fronts that unite the popular strata around the working class. These fronts must be linked at the regional and international level into a single revolutionary, anti-fascist, anti-imperialist front of struggle of the working class and oppressed peoples against the common enemy, imperialism.

It is up to the (Marxist-Leninist) communists to take the initiative in the fight against imperialist war, on the basis of anti-imperialist and revolutionary platforms that bring together all the popular, democratic and patriotic forces; to place ourselves at the forefront of the struggle against imperialist interventions, against the fomenters of war and the arms race, for the dismantling of the imperialist military bases and the withdrawal from all pro-war alliances, in order to hinder the war machine with mass actions, for the transformation of reactionary civil wars into revolutionary civil wars, thus supporting the struggles for national and social liberation that are shaking the capitalist imperialist world.

It is up to the (Marxist-Leninist) communists to intensify the most decisive ideological and political battle against the nationalist, populist, chauvinist and fascist currents and against those reformist and social-democratic currents that are putting the masses to sleep and dividing them in order to perpetuate wage slavery.

It is our task to point to the revolutionary way out of the general crisis of the barbarous and inhuman capitalist system.

In order to fulfill these tasks and responsibilities, to advance in a consistent manner in the

organization of the revolutionary processes in different countries, it is necessary to count on larger and stronger Marxist-Leninist Parties and Organizations, with a greater number of really active proletarian cadres.

Without communist Parties rooted in the working class and the popular masses, which actively take part in social and political life, it is impossible to overcome the weaknesses of the movements of struggle and to transform them into revolutionary mass movements; it is impossible to lead the struggle of the proletariat in an independent manner, to advance and ensure the triumph of the revolution, the building of socialism and communism.

Therefore, it is our indispensable task to group the vanguard of the proletariat, the genuine communist forces under the banner of Marxism-Leninism and proletarian internationalism, to strengthen and revive the existing Parties, to build genuine communist Parties and Organizations where none exist, to work to consolidate the international unity of the revolutionary proletariat in our ICMLPO.

## **21st Plenary Session of the International Conference of Marxist-Leninist Parties and Organizations**

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