

Internacional

Left addresses crisis in International Seminar

An important International Seminar on the different aspects of the current world crisis was held on June 20 and 21. It was organized by the Communist Party of Brazil (PCdoB) and by the Workers Party (PT) – along with their respective study and research centers Mauricio Grabois Foundation and Perseu Abramo Foundation – and also by the International Correspondences magazine and the Institute of Political and Social Studies.

Political leaders and intellectuals from several left-wing currents spoke during the Seminar. With the participation of hundreds of militant cadres, party leaders, intellectuals and Brazilian and foreign social activists, the Seminar offered different points of view that contributed to a deeper diagnosis on the current characters of the international circumstances and the crisis affecting the world.

Left united in the struggle of ideas

The opening speech was made by PCdoB's Secretary of International Relations José Reinaldo Carvalho, who addressed the audience in the name of all organizers. Carvalho highlighted the fact that the Seminar was an unprecedented initiative and also that two important left-wing Latin American parties made their best efforts to allow a fruitful debate. Carvalho pondered that the event was a significant step towards a united left needed to face the great challenges of our time. "This debate will bear a converging thought – not necessarily a unified thought – that will grant more clarity to the left-wing forces," he said. In his opinion, the crisis "is severe,

broad and deep, demanding clear and sharp political responses, not mere speculations." "With such magnitude," he added, "the crisis will only be faced with the resistance and struggle of workers and the counterattack will be translated into class struggles with an anti-capitalist, anti-imperialist, democratic and patriotic social character, demanding the elaboration of platforms and political work programs that point the way to transition and the to strategic perspective of socialism." Emphasizing the ideological struggle, Carvalho said: "The development of such struggles

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José Reinaldo Carvalho: stressing the struggle of ideas

depends on the workers' and people's awareness, something that is directly connected to the clear standpoints kept by the sensible left. It is under that perspective that we stress the importance of the struggle of ideas." He concluded saying that if the seminar manages to offer a contribution, no matter how small, to the development of that struggle and increasing awareness, its organizers will feel rewarded and consider their mission accomplished.

Revolutionary accumulation of forces

Carvalho also related the joint initiative to the long-term political struggle of the Brazilian left: "The fact that a seminar as this one is being held under the leadership of PCdoB and PT also has great significance as national and class contradictions aggravate, as the historical limits of capitalism becomes clearer and the antagonism between the interests of the dominant classes and imperialism and those of workers and peoples. We are living a long period of revolutionary accumulation of forces in a broader picture of a new fight for socialism."

Historical optimism

The Workers Party made the closing salutation, represented by Secretary of International Relations Valter Pomar, who also spoke in the name of all organizers.

He stressed that the seminar made six orders of ideas clear: 1) the crisis increases the high social and environmental cost of capitalism; 2) the conclusion of the crisis will be defined by the political dispute inside each



Valter Pomar: "Historical optimism"

country and also within an international scope; 3) we must reach international alliances and strengthen regional integration in order to face the long period of instability; 4) the Latin American juncture will still remain favorable if we further changes and keep a high degree of unity among popular forces; 5) we must combine the struggle against neoliberalism with the defense of socialism; and 6) our strategy must take into

account the strong influence of the left in the governments in the region.

Pomar also said that "the seminar showed that, beyond the 'pessimism of reason', needed at all times, there are many reasons to maintain optimism."

"After all," he said, "less than 20 years ago our enemies decreed the 'end of history'. Only 11 years ago most Latin American governments went for neoliberalism. Only 4 years ago there were talks of creating the Free Trade Area of the Americas. In 2008 one could hear some enthusiastically praise the economy of the United States as opposed to the 'backwardness' of Latin American governments. All things indicate, therefore, that in the near future, as in the near past, the pace of history will keep combining periods of conservative reaction, progressive reformism and revolutionary radicalism, often in

surprising manners."

Valter Pomar also emphasized that the seminar stressed the importance of theory, of the ideological and cultural struggle. He concluded saying: "It is true that crises bring opportunities – not only to us, but to our enemies. It is also true that the experience of the 20th century confirmed that social revolutions are rare and imperfect, that victories are not 'right', 'guaranteed', 'inevitable' or 'irreversible'. But today we have more reasons to say that the left is indispensable and irreplaceable, that the future of humankind depends on the struggle of the working classes, that the future belongs to us."



Sociologist Emir Sader

Emir Sader: open alternatives

The seminar's main conference, titled "Crisis and left-wing alternatives", was presented by Professor Emir Sader, a renowned Brazilian intellectual and executive secretary for CLACSO (Latin American Council of Social Sciences). To him, the crisis offered new parameters for debate: "History is now open again – that in case it was ever closed. Alternatives to the left are more open than ever."

Sader pondered that any interpretation on the crisis must take into account the principles of Marxism – which are "neither dogmas nor axioms." One of the most relevant principles – for addressing a current crucial matter of Marxism – is the idea that "without revolutionary theory there is no revolutionary practice." "The first generation of Marxists was formed by revolutionary thinkers who were also revolutionary activists," he reminded. "Today the rupture tends to make intellectuals spin around themselves and parties become too pragmatic."

To Sader, from World War II to the 1970s, the system achieved a long cycle of prosperity – the "golden period", according to the definition of historian Eric Hobsbawm. "A great industrial

growth was achieved even in capitalism's peripheral countries such as Brazil, Mexico and Argentina," Sader reminded. The following cycle, however, was one of economic recession – but the downfall of socialism strengthened the United States.

"The winner writes history, narrates facts – and the ideological victory of capitalism had vital proportions." Socialism then is out of the agenda and lags behind. Countries such as China and Cuba find themselves in a "situation of a historical defensive." Moreover, neoliberalism fragmented society, forcing workers to accept informal jobs, making resistance difficult.

A cancer in capitalism

With the announcement of the "victory of the liberal economy," the new debates in the agenda are limited to issues such as "democracy and totalitarianism," "West versus terrorism." In the economic realm, "the passage from the welfare State to the neoliberal stage of deregulation consolidates." It is a stage marked by an even stronger rule of financial capital or, in the words of Emir Sader, "a

cancer encroached inside capitalism."

"Marx said that capitalism is the system that makes productive forces grow as no other. But under the hegemony of the financial sector the resources are transferred from the productive sector to the speculative sector, which does not produce goods or services," Sader explained. To him, the current crisis of capitalism emerges amid a "period of relative stability with a single superpower. There is a long-lasting turbulence without a predictable resolution, but any resolution will be one of alternatives inside capitalism, without any rupture." Therefore, he concludes that "capitalism does not end with the crisis – it will not fall by itself, it must be toppled – and neoliberalism is not finished either. Under those circumstances the State acts as a "physician called when capitalism is ill."

In a world dominated by "the monopoly of weapons, money and words," brutal "humanitarian wars" occur to be followed by political interventions. It is the "imperialist hand renewed in a unipolar period." Therefore, Sader affirmed, initiatives such as Unasur (Union of South American Nations) are important.

The long downfall of capitalism

Economist Jorge Beinstein, professor of the University of Buenos Aires and member of the Communist Party of Argentina, was in consonance with the motivations of the seminar: “The theoretical fight announces great social struggles, the search for the truth and scientific rigor open the ways to humanist and revolutionary prevalence.” Sided with Avtar Sadiq, from the Communist Party of India (Marxist), he joined the board on the “Diagnosis of the international crisis – its nature, depth and extension.”

Using sharp words that characterize keen argumentation, Beinstein said that the current situation forms the “broadest panorama of the decadence of the bourgeois civilization.” “The first chapter of the decline of the American Empire (approximately from 2001 to 2007) is closed and now (from 2008 on) we are entering a turbulent process unleashed by the qualitative leap of negative trends that have developed during a long period.”

Decline of American imperialism

Beinstein specified his analysis on the crisis itself of the American imperialism: “Uncertainty looms in the summit of the capitalist system – and it is turning into panic. The ghost of a collapse rears its head. In the meantime, economic authorities massively inject liquidity in the market, offer fiscal subsidies and improvise costly operations to rescue bankrupt financial institutions in an attempt to smoothen recession, knowing that they are building a gigantic inflationary time-bomb and condemning the dollar to sure decline. The United States is in a situation of growing fiscal and foreign trade unbalan-



Beinstein: humanist and revolutionary prevalence

“Supporters of capitalism used to say that that uncontrollable, devastating crisis would never come and they filed it along with unfulfilled illusions of the enemies of the current order”

ces and incessantly accumulating public and private debts, both domestic and foreign. The American public debt reached US\$ 390 billion in 1970, US\$ 930 billion in 1980, US\$ 3.2 trillion in 1990, US\$ 5.6 trillion in 2000, US\$ 9.5 trillion in April 2008 and US\$ 11.3 trillion in May 2009. The total debt of Americans (both public and private) is approximately US\$ 55 trillion (the equivalent to the world Gross Product). 20% of that figure represent foreign debt. In 2007 alone the total debt went up about US\$ 4.3 trillion, the equivalent to 30% of the US Gross Domestic Product.

A chronic crisis of overproduction

Beinstein repeated his argument on the decadence of the bourgeois civilization, which he also calls the “long downfall of capitalism.” “Under the guise of a curious convergence of many crises – economic, energy, environmental, urban, state etc. – there is a general crisis of the bourgeois civilization. In its nearest origin we will find a chronic crisis of overproduction that has lasted four decades being controlled and

polished thanks to the exponential expansion of the financial system, to consumerism in wealthy countries, overexploitation of natural resources and peoples in peripheral countries, the hypertrophy of the military and industrial complex of the empire etc. That crisis heralded the huge crisis now in course. Supporters of capitalism used to say that that uncontrollable, devastating crisis would never come and they filed it along with unfulfilled illusions of the enemies of the current order. But every crisis of overproduction has left wounds, deviations and parasitic degenerations that have become very visible since the end of the 19th century and whose accumulation finally engendered a vast destructive process that, at the onset of the 21st century, is causing a ‘general crisis of overproduction,’ showing the system’s structural inability to develop extensively in order to maintain long-term growth. In other words, the succession of crises of overproduction during the 19th and 20th century must be viewed as a symptom – and not the only one – of capitalism’s mortality, which, since entering its senile stage in the beginning of the 1970s, began to suffer the negative effects of the dwindling productive returns of technological innovation that is increasingly at the service of a parasitic process of destroying productive forces and its environment.”

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Indian communist leader proposes a Marxist analysis on the crisis

Another important contribution on the nature, depth and extension of the crisis came from Asia with the speech given by Avtar Sadiq, from the Central Committee of the Communist Party of India – Marxist.

Sadiq, a poet and writer who also represented the immense Indian community in Great Britain, began his speech with a reference to the fact that “the current international crisis of financial capital – the spearhead of imperialist globalization during the last decades – is the most severe crisis in the history of capitalism.” To him, “this crisis once again loudly demands the deep analysis on capitalism made by Karl Marx.”

Sadiq drew a parallel between the current crisis and episodes that took place two decades ago: “in that occasion, the capitalist world found itself in a state of delusion as the Berlin Wall was shattered, followed by an injurious ideological offensive: ‘The end of history,’ ‘The end of ideology’ etc. There was great joy as that wall collapsed and it symbolized in many ways the Cold War and the defeat of the socialist power in the world. Today there is a crisis in a ‘wall’ that capitalism considered invincible – Wall Street. The five biggest investment banks – Bear Sterns, Lehman Brothers, Merrill Lynch, Morgan Stanley and Goldman Sachs – that led and ruled the world of imperialist globalization were also liquidated or severely damaged. Later, giant companies such as General Motors declared bankruptcy.”

Sadiq also theorized on imperialism in present time. To him, “this crisis is the inevitable consequence of the path taken by globalization in the last decades. The main new element in the current stage of capitalist development is the emergence of financial capital globalization, which, in our opinion, has specific characteristics that make it different from the period when Lenin



Indian communist Avtar Sadiq

“The analysis of capitalism made by Marx tells us that with the development of capitalism there is a trend towards a concentration and centralization of capital. As he said, in time there will be ‘lesser and bigger capitalists’”

analyzed imperialism. The current process is not one of a State-nation based on financial capital, engaged in the struggle against rival imperialist State-nations. In that sense, the process transcends a State-nation. However, it does not imply that the relevance of the State-nation and its sovereignty has disappeared as some may say.”

He also stressed the increasingly parasitic character of capital. So much so that “it is important to observe that financial capital in our days is highly moveable in global terms, sucking up financial capital from countries that are financially dominated by developed countries on an individual basis.

“Today there is a crisis in a ‘wall’ that capitalism considered invincible – Wall Street”

Moreover, that financial capital is more interested in its search for fast speculative profits than the amalgamation of industrial capital that leads to economic development. Therefore, the financial capital truly represents a parasite that thrives at the expense of real economic growth.”

Another central aspect in making a Marxist analysis on the crisis, according to Sadiq, is that “the analysis of capitalism made by Marx tells us that with the development of capitalism there is a trend towards a concentration and centralization of capital. As he said, in time there will be ‘lesser and bigger capitalists.’”

Sadiq concluded his speech saying that “the only system that is a real alternative to capitalism is socialism.” To him, “the current capitalist crisis clearly demonstrates the foolishness of viewing capitalism as ‘eternal.’ No reform of capitalism will turn it into a system free from exploitation. The only way to free humankind of such exploitation is the establishment of a socialist system. That is the objective condition to open possibilities that we may use in strengthening popular movements in order to put an end to a system based on the exploitation of man by man. Making use of the objective situation and intervening to further the movement of social emancipation are indispensable. That requires, as mentioned above, the intensification of class struggles in order to strengthen the revolutionary popular movement. To achieve that emancipation in the immediate context, there are measures to be taken in each of our countries while we work to achieve the international convergence of anti-globalization in a powerful anti-imperialist popular movement.”

Reflections in Europe, USA and an International Institutions

The economist Sergio Ribeiro, member of the Central Committee of the Portuguese Communist Party and professor at the Universities of Lisbon and Coimbra, offered a dense examination on the crisis, searching the elements to understand the current situation in Marxist political economy.

To him, “considering the creation and appropriation of *surplus value* as vital and due to the evolution of the *organic composition of capital* and the *low trend of profit rate*, the inevitable limits of taking more money can be found in the origin of the crisis of capitalism – and the attempt at overcoming those limits led to insane *financialization*, while the two circuits – *real* and *monetary-credit* – are increasingly set apart, losing its genetic correlation, since the first one, the monetary-credit circuit, was born to be only a tool at the service of the other, the real circuit, in exchanges, in the circulation of what was created by labor, either live or crystallized, in order to satisfy social needs.”

To him, “Nixon’s decision on August 15th 1971 of ending the dollar’s convertibility to gold brought down the structure build in Bretton-Woods – the luxury room inhabited by the United States excepted (...) – and accelerated the rupture between the economic and financial circuits.”

Ribeiro also addressed the repercussions of the crisis in central countries, especially in the European Union. He explained that “the germs of the crisis are well established in the body of European capitalist countries and in its organization as a process of integration.”

He criticized the French and German solutions to the crisis. He said “According to its nature of class response and with the choice of a route of concentration and polarization of power in a single directory, the reaction took place, above all, at the level of meetings outside formal institutions in France and

Germany, occasionally including the Great Britain or Italy in its connection with the United States, with ‘communal’ institutions in a second, deriving level of decisions and fulfillment.”

Ribeiro also made comments on the G20 financial summit: “the G20 summit was almost symbolic, as the seven most powerful financial states joined the so-called emerging states, the BRIC, and other eight countries considered important due to their raw materials, geographic position, population and dimensions, with an almost unknown, ignored and diminished detail of having Germany, France, Italy and Great Britain being twice represented, since, along with their presence as States in the event, they were represented as an informal group by the European Union.”

Ribeiro criticized the protectionist measures taken in face of the crisis. He said that it is manifested “in a perverse way, as we realize that, while great meetings were held due to the consequences of the crisis, there were plenty news of recrudescing protectionism and that 17 of the 20 States of the G20 could be subject to processes for infractions whose outlines are being designed – in theory and aimed at the others.”

To Ribeiro, “in the stages of a full-fledged crisis the consequences of the functioning of capitalism are revealed in their plenitude. The aggravation of social inequalities and regional asymmetries are evident, unemployment and social exclusion are striking, indebtedness in all levels conditions future after enabling, in a household level, a precarious solution by means of credit, of effective *impoverishment*, making it more inevitable and deeper in the long run.”

“The germs of the crisis are well established in the body of European capitalist countries and in its organization as a process of integration” (Ribeiro)



CPP member Sérgio Ribeiro

Ribeiro concluded his intervention with a call to struggle. To him, “either globally or regionally, the ‘reactions to the crisis’ were class responses, with a view to increase the swelling of the so-called fiduciary circuit, which has lost all remaining trust, the destruction of the productive forces, with greater danger to world peace – and the single effective class response can only be maintaining the struggle of the peoples in their regions as coordinated as possible in order to achieve a higher level in social relations that corresponds to the state of development of productive forces that is increasingly social, that is, *socialism*.”

USA and Brazil

The sociologist Luís Fernandes, from Finep – Financing of Studies and Projects, and the economist Nelson Barbosa from the Ministry of Finance have commented respectively the USA and Brazil politics in the crisis. For the Finep’s coordinator, the President Obama’s measures “are partial and superficial ones and do not face the deepness of crisis.” The Minister of Finance, by his turn, has positively valued the anti-cyclic measures of the Lula’s government and talked about the usefulness of the Brazilian actions in G-20 and others financial international organs.

Socialist alternatives

The closing board started with a speech by prestigious economist Teotônio dos Santos, from the Fluminense Federal University, followed by an exposition by Renato Rabelo, national president of the Communist Party of Brazil (PCdoB) and Roberto Amaral, vice president of the Brazilian Socialist Party (PSB).

Professor Teotônio dos Santos offered a long exposition on the underpinnings of the current crisis of capitalism based on categories of Marxist political economy. In his speech, Santos addressed the several crises of capitalism since the beginning of the 20th century in chronological order.

Santos called attention to the need to distinguish between the structural and juncture related crises. He described the whole process of the crisis of capitalism, stressing above all the trend towards decline observed since the overcoming of the so-called “golden era” of post War and the unsustainable accumulation of deficits and debts by the United States – domestic and foreign deficits and foreign debt. He criticized the economies and political forces to which “debts don’t matter, financial flows do,” placing themselves in an idealistic position that is now overcome by reality.

Santos also called attention to the degree of state interventionism with a “salvaging” character in face of the crisis. According to him, capitalism achieved a degree beyond any reasonable calculation in order to subsidize and maintain the financial crisis with the current crisis. “The objective at the moment is to preserve the private sector, so will that nationalization represent socialization?” – he questioned.

He also warned of the form with which the crisis is being dealt with by countries that are now ruled by progressive currents. He criticized especially the financial system and the bailout offered to that sector, which he considered completely useless. And that uselessness

“Even with the risk of being irresponsible, I say that we should let companies go bankrupt,” he emphasized, affirming that “the gigantic character of the financial system is maintained by the public debts of governments, which depend on banks in order to refinance their debts. The State is giving conditions to the survival of that system that has no use as long as development is concerned” (Teotônio)

“Those who hold hegemony will not give in. The world is market by instability and conflicts” (Renato)

“There is an international trend to unemployment and to weakening the proletariat. President Lula himself said that in times of crisis the unionists must defend their jobs. That represents a detachment from the political line” (Amaral)

would eventually be acknowledged by all, for it is a matter of something that plays no relevant role in society, with no impact on the productive system. “Even with the risk of being irresponsible, I say that we should let companies go bankrupt,” he emphasized, affirming that “the gigantic character of the financial system is maintained by the public debts of governments,

which depend on banks in order to refinance their debts. The State is giving conditions to the survival of that system that has no use as long as development is concerned,” he said.

A national, democratic, popular and anti-imperialist program

President of the Communist Party of Brazil Renato Rabelo presented the main ideas being debated by PCdoB, which is preparing to hold its 12th Congress next November, in São Paulo.

While exposing PCdoB’s opinions on the crisis, Rabelo stressed that the world is going through a transition that, like any other, is neither peaceful nor democratic. “Those who hold hegemony will not give in. The world is market by instability and conflicts.”

According to Rabelo, the capitalist system is facing “the third great crisis in its history – a global, deep and severe crisis with a structural and systemic character.” Within the context of the struggle of ideas, the socialist propositions are on a more fertile ground when compared to a decade and a half ago.

“The struggle in the beginning of the 1990s aimed at defending revolutionary identity. But under the current circumstances, we may accumulate force and advance in the political and ideological struggle.” “There are possibilities of opening a way to socialist alternatives, but that does not mean that they will impose themselves immediately.”



Teotônio dos Santos: “They said flows were important, not debts”



Renato Rabelo (PCdoB) and Roberto Amaral (PSB) debated socialist alternatives



Dynamic and counter-hegemonic poles appear in capitalism's periphery, especially in Latin America. The American decline proves to be progressive and gradual. "The problem is that we do not have in sight the appearance of a power that may overcome the unipolar hegemony of the United States," declared Rabelo.

By presenting the general terms of PCdoB's programmatic proposition to be approved in the 12th Party Congress, Rabelo made references to two great Brazilian achievements – the formation of a unified people, speaking one language in its extensive territory, and the socioeconomic evolution of the country since the Revolution of 1930, obviously amid immense political and social contradictions.

"It is necessary to take the third great civilizatory step," Rabelo affirmed. "That is not possible inside capitalism. Without the socialist perspective, without deepening democracy, we would achieve only partial victories."

Rabelo explained the project of national development Brazil abandoned in the 1980s and 1990s years were characterized by neo-liberalism, stagnation and decadence. The two elections of president Luiz Inácio Lula da Silva changed the political cycle, but Brazil must advance further.

To Rabelo, "the path to define and fulfill a new national project of development requires the achievement of political hegemony by the forces interested in that transition. A broad alliance is needed, a new political pact that is concentrated in workers and medium strata, also involving businessmen committed to national development."

According to Rabelo, that project must fight imperialism, large rural properties and the financial oligarchy. Its programmatic grounds are the struggle for sovereignty and the defense of the nation, democratic advance, social justice and the integration of Latin America. Brazil, in that path towards the transition to socialism, must overcome historic limitations, such as its condition as a subjugated and peripheral nation, a conservative-driven dependent state of medium development.

PCdoB emphasized the urgency of structural reforms – political, urban, agrarian, tributary, educational and media – and the need to follow the path towards a sovereign and socially fair national development.

A long fight against imperialism

PSB's national vice president Roberto Amaral warned of the perils the current crisis brings and affirmed that the progressive forces "must be prepared to face imperialism for a much longer time."

According to Amaral, the perspective to labor is also grave. He points out that, with the crisis of industrial production in the world, "There is an international trend to unemployment and to weakening the proletariat. President Lula himself said that in times of crisis the unionists must defend their jobs. That represents a detachment from the political line."

Amaral made sharp remarks regarding the Brazilian dominant classes,

which always presented political solutions with the intent of avoiding ruptures and revolutions in critical situations. He remarked that "fear of revolution is part of the Brazilian soul."

At the same time, Amaral believes that President Lula's reelection in 2006 was the "most spectacular popular manifestation in this country" and places the new political cycle in Brazil within the scope of the progressive changes in course in Latin America. "The new leaders are native – Indians, peasants, creoles. They don't represent the bourgeoisie, they aren't westerners," he stressed. "That is why we cannot call it 'populism,' as the Brazilian right did."

The presidential election in 2010 is a new test to the people of the largest and most populous country in the continent. According to Amaral's opinion, the "correlation of forces is unfavorable to the Brazilian left." But there is the "extraordinary leadership of President Lula – a greater leadership than that of all parties composing the government's supporting base." And there are historical precedents: "The last time, even despite a crisis, the media, the industrial and trade federations, the Brazilian people sympathized with our side and made a pact with us. I wonder if we will have the competence to maintain this alliance with the people."

"The project of national development Brazil abandoned in the 1980s and 1990s years were characterized by neo-liberalism, stagnation and decadence. The two elections of president Luiz Inácio Lula da Silva changed the political cycle, but Brazil must advance further" (Renato)

A diversified scene: South Africa, Eastern Europe, India, China and Vietnam

An intense debate took place at the board titled “Reactions before the crisis: Russia, Eastern Europe, India, China, South Africa and Vietnam,” which united Chris Matlhako, secretary of International Relations of the Communist Party of South Africa; Gyula Thürmer, President of the Communist Workers Party of Hungary, political scientist and director of the Neutral Hungary Foundation; Paulo Vizentini, professor of international relations at the Rio Grande do Sul Federal University; and Wladimir Pomar, Brazilian journalist and writer and Duong Minh, general director of the International Relations Commission of the Communist Party of Vietnam.

Secretary of International Relations of the Communist Party of South Africa Chris Matlhako offered a broad exposition on the South African experience in the National Democratic Revolution, which has just completed the 15th anniversary of the end of the heinous Apartheid regime.

Matlhako emphasized the importance of Jacob Zuma’s election as the new president of the Republic in the fourth consecutive victory of the African National Congress. Under Zuma’s presidency, new possibilities and expectations of advances and intensification of the National Democratic Revolution are open.

According to Matlhako, the crisis gives South Africa the possibility to redraw the macroeconomic policy and further industrial policies, with a view to fight poverty and increase the revolutionary potentials.

Gyula Thürmer believes the “birth of a revolutionary situation” is one of the possible consequences of the crisis of capitalism in Russia and Eastern Europe. To him, the whole Eastern Europe – and not only Russia – constitutes a rich matter to be studied by the left. “Latin America is more relevant today, but Eastern Europe is also an important part of the world. There are ten countries, 295 million inhabitants, important communist parties in Europe and great struggles. It is

also the region of the world where socialism was not only a dream – but a reality, in political, social and economic terms.”

The socialist experience was followed by a transformation that weakened the Eastern portion of Europe. With the crisis, Eastern Europe has become, according to Thürmer, one of the “weakest links in the current chain of capitalism, liable to social revolts and even revolutions.” To make matters worse, as a result of the crisis, “the elections for the European Parliament showed a great turn to the right. Right-wing parties won the elections in all countries in the region.”

China and Vietnam – Socialism in Asia

Wladimir Pomar presented a detailed picture on the economic and social development in China and polemicized with “those in Brazil and the world, both in the left and in the right, who, since the 1980s, have viewed as a chimera the possibility of the communist party of China being successful in its reform programs and in leading China to a leap in its economic and social development.” In his digression in history, Pomar remembered: “1989, with the events in Tiananmen, seemed to offer greater support to those who predicted not only the establishment of a capitalist economy, but also of liberal democracy. With the downfall of China, the cycle of liquidating socialism would be complete. It would only be a

matter of time.” Making his point clearer, Pomar said that many of those who criticized the path taken by China, “under the guise of radical far-leftists and anti-capitalists, quickly tried to expose the hardships of ‘capitalism’ in China, demanding Chinese socialism to be perfect and equalitarian.” To Pomar, those critics “don’t understand and are not willing to understand the impossibility of achieving an economic and social development of such scale without mistakes, inequalities, injustices and conflicts.”

The writer has informed that the Chinese don’t hide the fact that they are still living with 500 poor people, that their development and enrichment is unequal and that they are still at the primary stage of building a socialist society.

The general director of the Commission of Foreign Relations of the Communist Party of Vietnam offered an explanation on his country’s socialist-oriented market economy, in contrast with the liberal market economy of capitalism. The Vietnamese define the socialist-oriented market economy as a model of economic organization that follows the same economic laws of the market and the principles of socialism in three areas: property, management organization and distribution. In other words, according to Duong Minh, “the socialist-oriented market economy is a multi-sector mercantile economy that operates according to market mechanisms with the administration of the state aimed at having a prosperous people, a consolidated country and a fair, democratic and civilized society.”

Minh also presented a complete picture on the economic and social development of the country and informed the measures the government is taking to face economic recession.



The board that discussed the crisis in Eastern Europe, Africa and Asia

Cuba: resisting the crisis

Orlando Silva, head of the International Department of the Communist Party of Cuba, offered a detailed exposition on Cuba's resistance before the crisis of capitalism.

Silva began his exposition with a characterization of the current crisis, which, in the opinion of Cubans, "is originated in the very contradictory essence and nature of production and the capitalist system. In short, it is an integral, multifaceted crisis whose depth, persistence and reach will certainly surmount preceding crises."

According to Silva, Cuba suffers the direct consequences of the crisis. After all, "in an extremely globalized world economy, a small economically underdeveloped country such as ours will necessarily suffer the effects of that crisis generated in the depths of the capitalist system," although that repercussion is subject to the fact that Cuba "is not connected to the financial or credit circuits of international organizations such as IMF, World Bank etc. and we have a social system that defends justice for all."

Based on the conditions of his own country, Silva also contextualized the form with which the crisis develops. After all, Cuba "has been economically, commercially and financially sealed off by the American imperialism for 50 years – the economic costs of such blockade surpasses US\$ 93 billion, added to the permanent scourge of having ten administrations striving to topple the revolution; the effects of the 'special period' that began after the fall of the Soviet Union and the socialist front are impossible to conceal; and more recently, with the damages caused by meteorological phenomena that affected us last year, the losses to our economy amounted to almost 10% of our GDP."

In a similar way, said Silva, there are direct impacts of the international economic deterioration on the main products exported by Cuba. He said that the "decreasing demand for products such as tobacco, fishery, added



"The crisis presents us enormous challenges of incalculable and unpredictable dimensions. We have no other option but to unite to face it"

to lower growth in the touristic sector, forced us to reduce our growth goal this year from 6% to 2.5% of GDP."

Silva also explained the measures taken by Cuba to face the crisis. The first one, a political decision of the Revolution, is "not to leave a single Cuban unassisted, unprotected and preserve the achievements and essential rights of the whole population." Moreover, we are trying to "optimize the resources we have and maximize the potential of the austere measures to increase savings that will allow us to adjust to the new international reality."

In that sense, Silva mentioned a directive by the Revolution, in the person of Raúl Castro, according to whom "nobody can afford spending indefinitely more that is earned with the sale of his productions and services. Our primary duty is to adjust expenses paid with reserves to the volume we are able to deal with. It would be unethical to increase non-productive expenses at the cost of contracting debts that would have to be paid by our children and grandchildren."

Silva also mentioned "a program to substitute imports and foster the production of foods, especially in the farming and livestock sector, where measures with this objective are being put in practice, among which the offer of unexplored land to whoever is capable and willing to make it produce more."

Finally, Silva stressed that the "crisis undoubtedly creates opportunity zones to further the anti-capitalist struggle"

and may be "a supporting factor to boost the Latin American and Caribbean integration, creating a regional shield to face the negative influences from the United States and developed countries that affect the region."

To him, "never before we had a juncture that was that positive and promising in the regional correlation of forces with the presence of progressive and left-wing governments in many of our nations." Silva concluded mentioning an idea of Raúl Castro on unity: "the crisis presents us enormous challenges of incalculable and unpredictable dimensions. We have no other option but to unite to face it."



We have published a book and did a video about the 10th International Meeting of Communist

and Workers' Parties, held in Sao Paulo, Brazil, November, 2008. Orders can be done to the International Relations Secretary of the CC of the PCdoB

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The board on Latin America

Latin America – an ebullient situation

Marco Aurélio Garcia, special advisor on foreign policy to President Lula and national vice president of the Workers Party, spoke in the seminar on Latin American integration.

Garcia emphasized that the current crisis, different from previous ones, is originated at the center of the system and not in its periphery. Nevertheless its impact on Latin America is heavy, especially on countries with more vulnerable and dependent economies.

Stressing the exhaustion of the neoliberal model, Garcia pointed out how the regions' progressive governments reacted before the crisis, many of which carried out policies that were considered anti-cyclical. Such is the case of Brazil, where a remaining state-owned sector, including a group of relevant public enterprises and banks, allow the country to offer a better reaction to the crisis.

Garcia also emphasized the importance of the integration of Southern and Latin American nations as an answer to the crisis. To him, the main challenge is to foster productive integration in a new cycle of industrialization in the region to overcome asymmetries among the economies of South America, differences that were deepened in the neoliberal period and that must be overcome.

Therefore, according to Garcia, it is fundamental that the Latin American

continent's process of integration is not restricted to a commercial integration that may cause relevant asymmetries due to the economic weight of countries such as Brazil and Argentina. "For that reason, Brazil is taking steps to build a productive process of integration that promotes harmonious development among the countries in the region. Moreover, it is necessary to avoid a protectionist trend that was present in the great crises we have undergone in past decades.

To him, "the conservative sectors of the great media and some retired diplomats are the ones opposing that integration insisting that Brazil should strengthen its commercial relations with the USA and the European Union."

Arthur Henrique, president of the Workers Central Union (CUT), and Nivaldo Santana, vice president of the Workers Central of Brazil (CTB), made an important statement on the reaction of workers in Brazil and the world before the crisis. Both called attention to the fact that workers cannot be charged with the price of the crisis and defended the need for resistance and the struggle of workers.

Patrício Echegarray, secretary general of the Communist Party of Argentina, made an exposition concentrated on explaining the Argentinean reality, especially the clash with the right days before the parliamentary elections in Argentina. To Echegarray, "both Kirchner administrations increased employment and reduced poverty and destitution. But the income concentration has risen too much, since the policies were led with the assistance of capitalist sectors. Now, with the crisis, a new right is organizing." He points out the manifestation of agribusiness against the government's attempt of passing heavier taxes on the sector constitute a landmark of such conservative reorganization. "That new right is willing to retake carnal relations with the United States. The government has tried anti-cyclical measures, but, in our opinion, they are inefficient. It has fought for measures that stimulate social economy: cooperatives, the reactivation of occupied factories and others that face the small stature of our domestic market in comparison with our export market."

To Echegarray, the other crisis is the

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(Echegarray)

“lack of unity in the popular field.” “The Communist Party wants the left to aim at the creation of a new left-wing force, something like a left-of-center Peronism. At this moment, the left is divided and has chosen the government as its main enemy when in fact the enemy is the right that is willing to return in 2011,” he affirmed.

Gustavo Codas, advisor to Paraguayan president Fernando Lugo, made an exposition on the advances that took place in our neighbor country after the victory of progressive forces.

Paraguay, according to Codas, has reacted to the crisis with the plan of economic reactivation and regional integration; it has tried to maintain investments in the social field; and Paraguay has resorted to the Inter-American Development Bank and other financial institutions. All those measures



President Lula's special advisor emphasized the importance of continental integration

“That the current crisis, different from previous ones, is originated at the center of the system and not in its periphery. Nevertheless its impact on Latin America is heavy, especially on countries with more vulnerable and dependent economies” (Garcia)

were taken in order to maintain jobs and protect the most vulnerable sectors. The government has tried to reinforce some sectors of national economy, especially the productive ones, with the stimulation of local production and incentive to public works and infrastructure maintenance, among other measures.

Codas emphasized that Latin American countries must get out of the crisis together and must participate in the international redesign based on a regional one. He mentioned efforts made in the Mercosur, such as the creation of the South Bank, Unasur (Union of South American Nations) etc. But he also observed that it is necessary to discuss South-South relations and relations inside the region.

Finally, Hilda Carrera, a member of the Socialist Party of Peru, also made a long digression on the Peruvian juncture, offering a rich and lively statement on the causes that resulted in the massacre of tens of Indians in the Peruvian Amazon by Alan Garcia's right-wing government.

She emphasized that all peoples must

observe what is taking place in the Peruvian Amazon, where Indians who are part of an inter-ethnic development association have been organizing for more than 25 years in order to defend natural resources and their right to live in harmony with their land. According to Carrera, on July 5th those peoples reacted to the Peruvian police and the result was 25 policemen killed and a still unknown number of dead Indians. There has been talk of 300 disappeared.

“It has been said that the Indian peoples were armed and sponsored by Chávez and Evo Morales,” Carrera said. But she also stressed that both domestic and foreign pressure made the Peruvian government step back and demand the Congress's suspension of the decrees on the forest and wildlife laws, which, according to the Indians, allowed the exploitation of ancestral lands by multinational enterprises and agribusiness.

Carrera also emphasized that the Peruvian left has not paid the necessary attention to the origins issue. And she stressed: “Peru is very similar to Bolivia and in case they are not able to recognize it, there is no solution.”

Struggle, confidence and national solidarity

The seminar has given all attendees a new awareness on the crisis and the challenges of our time, a spirit of struggle and confidence, solidarity and harmonization with international delegations. Jaime Ballesteros, representing the International Correspondences network (IPES) associated the success in that struggle to a change in the international correlation of forces. Along with hundreds of Brazilians, the initiative was attended by intellectuals, militant cadres and political leaders connec-

ted to the following parties: Communist Party of South Africa, German Communist Party (DKP), Commu-



nist Party of Argentina, Communist Party of China, Colombian Communist Party, Communist Party of Cuba, Spain's United Left, French Communist Party, Communist Party of Greece, Communist Party of Hungarian Workers, Union of Progressive forces of Mauritania, Peruvian Communist Party, Portuguese Communist Party and Communist Party of Vietnam.

Ballesteros: “Changing the correlation of world forces”

Peace Movement to hold National Assembly in Rio de Janeiro

The Second National Assembly of Cebrapaz (Brazilian Center of Solidarity to the Peoples and Struggle for Peace) will be held in Rio de Janeiro, July 24 to 26. The event will be attended by hundreds of delegates from all regions of the country, international guests, leaders of the social movement and renowned personalities of the academic and cultural fields.

State Assemblies are being held all over the country to discuss the document and elect delegates.

Cebrapaz's Assembly will evaluate the struggle for peace in Brazil and the world in the last five years, approve a platform of struggle and an action plan and elect its new directors. Socorro Gomes, head of the organization and president of the World Peace Council, said that the event will be the result of "a great collective effort of peace fighters in Brazil, of all who have protested against imperialist wars and aggressions against peoples and nations and give their best to internationalist solidarity."

Socorro Gomes made a positive evaluation of the activity of Cebrapaz since the first Assembly and believes that the organization has gained fruitful experience. Based on such experience, according to Gomes, Cebrapaz will reaffirm its character as an anti-imperialist, patriotic and internationalist organization, defending peace, the independence of peoples and nations and



Socorro Gomes, presidente do Cebrapaz, em Porto Alegre (RS)

offering solidarity to struggling peoples.

The document that will be subjected to debate in local assemblies and to deliberation in the National Assembly analyses the international situation in the beginning of the 21st century. "The 21st century began with a broad offensive by the US imperialism that was expressed by a unilateral, securitizing, expansionist and military foreign policy." The intensification of such offensive based on the application of the "Bush Doctrine" "has made the international scene more unstable and

insecure, as peoples and nations are being threatened with the use of force and war by means of US imperialism." The document also mentions that the new American Administration is changing its tactics and speech, "but that does not change the aggressive essence of American imperialism."

The preparatory debates for the National Assembly have attentively regarded the current political moment in Latin America, the existing correlation among the evolving progressive movement, the efforts for integration, the defense of independence and the struggle for peace. In an unequivocal manner, Cebrapaz is approaching its Assembly while condemning militarization in the region and in the world, which is reflected by the existence of more than 800 military bases of the United States all over the planet, by the strengthening of aggressive alliances, such as NATO, and the reestablishment of the US Navy Fourth Fleet, posing a clear threat to all Latin American and Caribbean peoples and nations.

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