

Inaugural address at Mumbai Resistance 2004

## **Conference Against Imperialist Globalisation and War**

17<sup>th</sup> January 2004, Mumbai, India

Dear Friends and Comrades,

I thank the organizers of Mumbai Resistance 2004 for inviting me to inaugurate this conference.

We have gathered here in the Indian city of Mumbai in an international conference against imperialist globalisation and war (MR 2004). This undoubtedly is a historic event in the present-day context of world-wide aggressions of imperialism against the underdeveloped countries and nations of the world, not only economic aggressions of various forms, but also direct military interventions and aggressions.

Since the collapse of the Soviet Union and the so-called socialist states of Eastern Europe, which together constituted a challenge to the global authorities of western imperialism led by the US, the aggressiveness of the latter as an imperialist force has attained unprecedented heights.

These aggressions of imperialism are different from colonial aggressions of the capitalist states in the 19<sup>th</sup> and the 20<sup>th</sup> centuries in the sense that this happening at a historical stage when capitalism is no longer a developing system but a system which is passing through a crisis, a crisis which would inevitably lead to its liquidation.

Historically the development of monopoly capital has been related to war expenditure. Thus imperialism and war becomes inseparable to such an extent that not only the expansion but also the survival of imperialism comes to be largely dependent on war. It is for this reason that even at the present moment, in the absence of any threat from any quarter like the former Soviet block, war situations are created by imperialism by generating hostilities mostly between neighbouring countries and pushing them into war with each other. Thus, in the absence of a world war, local wars which are apparently fought by nations in various areas of the globe, though in reality they are nothing but proxy wars waged by imperialism through their agents among nations dependent on them.

This destructive aspect of capitalism is not an entirely new phenomenon. Historically it manifested itself whenever merchants' capital or finance capital, instead of being a helper of a real economy of production, came to dominate a nation's economy and subordinate industrial capital to either of them.

This crisis, which develops within the capitalist economy when capital development becomes dependent, not on production, but on speculation, was noticed very clearly by John Maynard Keynes, who said in 1936, with reference to the economy of the United States in the 1920s, "Speculations may do no harm as bubbles on a steady stream of enterprise. But the position is serious when enterprise becomes the bubble on a whirlpool of speculation. When the capital development of a country becomes a by-product of the activities of a casino, the job is likely to be ill-done." This situation has become far worse in the beginning of the 21<sup>st</sup> century.

Since the downfall of the so-called socialist states of Eastern Europe and the Soviet Union, US imperialism in the name of 'the new world order' is following a policy of aggressive globalisation through a series of new ventures like the North American Free Trade Agreement (NAFTA), the World Trade Organisation (WTO) and various other multilateral and bi-lateral agreements between the imperialist and capitalist countries and blocks.

The process, which led to the emergence of financial capital as the most dominant factor of capital in general, is inextricably related to an inherent crisis of capitalism itself.

Capitalists appropriate surplus value in the form of profits and invest their capital for further profit. Each capitalist wants to restrict the wage of the workers of his own establishments for maximum profit, and at the same time capitalists as a class need to enlarge and expand consumption in general, so that their expanded production, as a consequence of increased investment, may be marketed. But this becomes increasingly difficult because workers, and people in general, can buy only limited goods at prices dictated by the market. This consumption limit restricts the scale and volume of investment for expanding the capacity to produce more goods, which can come to the market for mass consumption. Or, in other words, the contradiction between restriction on private consumption of each individual and the need for expanding production capacity for enlarging maximum profit, forces the capitalists to invest not in production but in financial assets and also in the production of war materials. This is a process of migration of capital from the sphere of real and productive economy to other sectors, particularly to the financial sector.

Globalisation does not necessarily mean a renewal of economic growth. On the contrary, agreement like NAFTA enlarges gains of US corporations at the expense even of US national economy itself in a variety of ways. Such agreements prohibit national governments to develop public sector productive and welfare activities and restrains governments from regulating private investment and business.

Workers in the imperialist countries get higher wages even now, compared to the wages, which the workers of the underdeveloped countries get. But the situation is not the same as before, not as it was when Lenin wrote his thesis on imperialism. This is because the financial capital of the imperialist countries are now closing down factories, forcing the workers out of employment and reducing wages in order to maintain profits not by production, but by financial operations.

The International Monetary Fund and the World Bank have emerged as financial super-powers, and their operations cover the whole world. But their position and dictates are far more oppressive and destructive in the countries of the “third world” compared to what they do in the US and other imperialist countries. The Asian Development Bank is also developing fast as a comparable financial super-power with its operational areas concentrated in the countries from South-Asia to the Far East.

The IMF and the World Bank now dictate the industrial, business and fiscal policies in the “third world” countries and in these matters their dictates often override the decisions of the national governments. Or, in other words, the international financial organizations act as decision-making authorities in these countries and assume much of the functions of a national government, in order to promote the interests not of those nations but of imperialism, especially US imperialism.

Being thus subordinated to the authorities of the IMF and the World Bank, such national governments endorse and implement policies which not only damage their national interests, but destroy the economic, social and cultural life of great masses of workers, peasants and working people in general, and at same time cause unprecedented damage to the environment in each country.

The consequences of these are far-reaching. In the name of minimising losses, increasing efficiency and providing incentives and opportunities to private entrepreneurs, industrial units are shut down one after another or are handed over to the private sector from the national sector. In the name of market economy import, export and taxation policies are formulated in such a way as to flood these countries with the same type of foreign goods, as are produced locally, at cheaper prices, thereby liquidating whole series of industries and throwing an ever-increasing number of workers out of employment.

Agricultural policies are formulated by the IMF and the World Bank with same objectives and agricultural economies of the “third world” countries are increasingly brought under external control of machineries, fertilizers, insecticides and such other things and regulated by laws

governing patent rights of agricultural inputs like seeds etc, thereby endangering the economic life of the peasants and the rural poor.

In this historical situation, the possibilities of revolutions in countries around the world are fast maturing and it is very likely that in the first quarter of this century revolutions will begin to take place in different regions as a global phenomenon.

This may appear unrealistic to many, particularly at a time when the imperialist super-power US, with its military might, is making wanton aggressions and war against other countries, as in Afghanistan and Iraq. But these aggressions, when considered in a historical context, do not indicate any inherent strength of the capitalist and imperialist system. It means that with all the mechanisms of trade and financial controls, with their military capabilities, with all the sophistications of diplomacy and their power over the United Nations, it is not being possible for the US and other imperialist countries to resolve their contradictions with countries, which are underdeveloped and dependent on them.

Direct military aggression against one or two countries may enable them to keep control over invaded and occupied countries for some time, but when such situations begin to develop in an increasing number of countries it is bound to get out of their control. Their massive economic and military power would in no way be equal to the power of national resistances in various countries of the world. On the other hand, it would intensify contradictions among imperialist countries themselves and accentuate the crisis of capitalism and imperialism on an unprecedented scale and lead to the downfall of their 'new world order'.

But it cannot happen without conscious and organized struggle against imperialism and the ruling classes of each country dependent on imperialism.

US imperialism actually entered a critical stage after the end of the Second World War in August 1971 when gold and dollars were declared no longer interchangeable, and the dollar was devalued. At the Bretton Woods Conference in 1944 the price of gold was fixed at \$35 per ounce in all official transactions. After devaluation the price of gold began to fluctuate and moved up toward the \$200-per-ounce level by the end of 1974. In 1979 it went up to \$447 per ounce! But the gold price increased relative not only to dollar but also to all currencies – French, German, Swiss and Japanese and it continues to go up.

Now at the turn of the century the crisis of imperialism has entered a new phase with US occupation of Iraq and by establishing their direct rule on that country, thereby going back to the system of colonial rule, which the imperialists themselves had to discard as an unworkable form of imperialist domination and control. It means that the neo-colonial system, which they developed after the Second World War, has entered a stage of collapse and finding no other way they have taken resort to a system that has historically obsolete. The US imperialism is bound to get bogged down in Iraq and face a crisis far worse than they faced during the Vietnam wars.

A new form of anti-imperialist struggle first emerged in 1999 in Seattle when hundreds of thousands of protesters encircled the WTO delegated and prevented them from holding the conference. Since then the form is being used against all the important international conferences of the imperialists.

In this context it must be emphasized that there cannot be any true resistance to imperialist globalisation without an organized, principled and programme-based struggle of the people against the national governments which act as agents and instruments of imperialism and imperialist financial and military organisations. Without this, mere protest demonstrations and encirclement of imperialist conferences can do little, though its importance must not be underestimated.

The struggle against imperialism in different countries of the world is a struggle against a common enemy. Without this common enemy the question of unity and united struggle does

not arise. In fact, this enemy is the central unifying factor in an international struggle of the peoples in different countries of the world.

In concrete term, struggle against imperialism and its lackeys in power in different countries, means organized political work for seizing political power as representatives of the people and to work for nationalising all forms of imperialist capital, annulment of all military or semi-military pacts with imperialist countries, annulment of all unequal treaties and trade pacts and imperialist loans. It also means nationalising land and its redistribution among actual peasants and organising elected peasant co-operatives, nationalising the commanding height of industries and domestic and international trade and such other basic programmes.

Since the struggle against imperialism is basically a political struggle, it cannot be organised at the national, and also at the international level, in a meaningful and effective way without the active participation of revolutionary and democratic parties and organisations in each country. Non-political organisations have an important role in this struggle, but revolutionary parties must constitute the central factor, the core, of the struggle.

Without this anti-imperialist struggle led by political parties and organisations at the national level there cannot be any continuity of struggle. It can at best be an occasional event that can be contained by imperialism through their various agencies operating at the national and international levels.

Imperialist globalisation affects and virtually pauperises and ruins all sections of the oppressed peoples. This oppression is reinforced by imperialism, but the actual policy at the national level is directly formulated and implemented by national governments. Therefore, these national governments must be targeted in the anti-globalisation movements. This is the key to any concrete, meaningful and effective struggle against imperialism and the basic condition for liquidating imperialism in each country and finally on a global scale.

Imperialism and the national governments, the ruling classes in general, use all social, economic, cultural and political instruments for dividing the peoples, setting one religious community against another, one race against another, one linguist group against another, and man and women against each other. And then they use the NGOs to “rescue” them from such oppressions! This is a game they have been playing successfully since the World Bank president Robert McNamara launched the NGO programme in the early 1970s. Now they are also bringing in an amorphous social entity called ‘the civil society’ and joining them up with the NGOs.

This is happening particularly in such countries where political parties of the ruling classes begin to decline and lose their effectiveness. Thus the NGOs are in a way a replacement or active collaborators of ruling class political parties. They are used even where there is a potential threat against the ruling classes by peasants, workers, the working middle class people, ethnic groups, cultural movements etc.

An international forum is needed for coordinating the anti-imperialist struggles in each country, struggle which are in reality liberation struggles – liberation not only from imperialism but also from the exploiters at the national level who act as agents and flunkys of imperialism.

Any liberation struggle which aims merely to expel foreign and anti-national forces without any real concrete programme for liquidating feudal remnants and bourgeois agents and lackeys of imperialism with all their institutions and organisations is bound to fall again into the trap of imperialism as it happened in the case of Bangladesh where a new state emerged but the old enemies survived and made a powerful return.

The MR 2004, which is being organised as a forum against imperialism and set against the World Social Forum (WSF) also faces the danger of being infiltrated by covert imperialist agencies in order to subvert it from within. If it develops effectively as an anti-imperialist

forum then imperialism cannot remain indifferent to it. They are quite experienced in making inroads with this kind of organisations, the WSF itself is an example at hand, and there is no scope for remaining indifferent to and off-guard against such infiltrations.

The most effective way of preventing such developments is to relate this international anti-imperialist movement with the movements against the common enemy – imperialism, particularly the US imperialism, at national levels all over the world and relentlessly pursue this line with the greatest possible vigilance.

With this I inaugurate this Conference Against Imperialist Globalisation and War, Mumbai Resistance 2004.

January, 2004