

# **DOLLAR IMPERIALISM IN WESTERN EUROPE**

**A. LEONTIV**

**State Publishing House of Political Literature  
Moscow 1949**

**Source: Dollar Imperialism in Western Europe A. Leontiev, State Publishing House of Political Literature, Moscow 1949**

**Description:** "The foreign policy pursued by the ruling circles of the United States after the end of the Second World War is a course of unbridled imperialist expansion. It is defined by the adventurist plans of the forcible establishment of Anglo-American world domination under the rule of the United States of America. This course is embodied in the so-called "Truman Doctrine" and "Marshall Plan", in the North Atlantic Treaty and in the tightening of all sorts of military-aggressive blocs, in the arms race, the creation of strategic bases, the accumulation of atomic bombs. The policy of the ruling circles of the United States and England is the main factor poisoning the modern international atmosphere, because it is the policy of aggression and the outbreak of a new world war."

**А. ЛЕОНТЬЕВ ИМПЕРИАЛИЗМ ДОЛЛАРА В ЗАПАДНОЙ ЕВРОПЕ**  
Государственное издательство политической литературы Москва, 1949

**Language: Russian**

***Translated into English and transcribed***

**E-Book: January 2021**

***The Socialist Truth in Cyprus Direct Democracy (Communist Party)***  
***London Bureaux***

**<http://www.st-cyprus.co.uk>**

**[www.directdemocracy4u.uk](http://www.directdemocracy4u.uk)**



# Contents

CHAPTER ONE. FROM THE PAST OF AMERICAN EXPANSION .....	5
1. The Myth of the “Peaceful” Rise of American Capitalism and the Historical Truth.....	5
2. U.S. Entry into the World Stage .....	11
3. Mechanic of American Captures .....	14
4. Dollar Diplomacy in the Early 20th Century .....	19
5. American Imperialism and Intervention against Soviet Russia ..	24
6. American Imperialism and World War Two Preparations .....	36
CHAPTER TWO. DOLLAR IMPERIALISM AFTER THE SECOND WORLD WAR.....	57
1. In the Context of the Further Aggravation of the General Crisis of Capitalism .....	57
2. The Aggressiveness of American Imperialism is a Consequence of its Internal Weakness .....	66
3. Concentration of Production and Growth of Monopolies. Increasing the Decay of American Capitalism .....	71
4. Super-Profits of American Monopolies. Exploitation and Poverty of the Working Masses.....	87
5. The Omnipotence of the Financial oligarchy. Union of Businessmen and Military .....	102
6. From the “Monroe Doctrine” to the “Truman Doctrine” .....	115
7. Racism and Cosmopolitanism in the Service of American Expansion .....	127
CHAPTER THREE. IN AN ENHANCED CIRCLE OF CONTRADICTIONS	140
1. “Cursed Issues” of American Capitalism.....	140
2. United States of America as a Moneylender .....	145
3. Wall Street in Hitler’s Footsteps .....	163
4. Under the Sign of a Growing Economic crisis. The American Version of Hitler’s Programme: Guns instead of Oil.....	175
CHAPTER FOUR. THE MARSHALL PLAN IS EUROPE’S ECONOMIC AND POLITICAL PROGRAMMEME .....	185
1. At the Origins of the “American “Aid” Plan” .....	186
2. The Economic Basis of the Marshall Plan .....	197
3. Myth of the “Plan” and the True Essence of the Case.....	205
4. Conditions of “Assistance.” First Hints .....	214

5. Conditions of "Assistance." American Law of April 3, 1948	
"On Providing Economic Assistance to Foreign Countries" .....	225
6. So-called "Bilateral Agreements" .....	243
7. The Mechanics of the Wall-to-Wall Wall-Up of Western Europe .....	252
8. Colonial Expansion of the United States of America .....	271
CHAPTER FIVE. THE POLITICS OF UNLEASHING A NEW WAR .....	284
1. "German Map" of American Monopolies.....	284
2. The Policy of Splitting Europe under the Flag of "European Unity" .....	306
3. From the Marshall Plan to the North Atlantic Treaty .....	321
CHAPTER SIX. THE FAILURE OF THE "MARSHAL PLAN" AND THE GROWING ECONOMIC CRISIS IN THE CAPITALIST WORLD.....	339
1. Economic Crisis in the Capitalist World .....	339
2. Catastrophic Decline in Living Standards in Western Europe...	351
3. Aggravation of Dollar Famine in Marshalled Countries.....	353
4. Bankruptcy of American Politics in Germany .....	361
5. The North Atlantic Treaty is a Conspiracy Against the Peace and Security of Peoples .....	367
6. Aggravation of Contradictions in the Camp of Imperialism and Reaction.....	374
CHAPTER SEVEN. PEACE CAMP STRONGER THAN WAR CAMP .....	381
1. The Soviet Union is an Indestructible Bastion of Peace Among Nations .....	381
2. The Powerful Rise of the Socialist Economy of the Soviet Union and the Economic Successes of the Countries of Popular Democracy.....	392
3. Anti-Imperialist Front Against Warmongers.....	398
4. The Fight Against Imperialist Aggression is a Bloodbath for all Peoples .....	412

## **CHAPTER ONE. FROM THE PAST OF AMERICAN EXPANSION**

The foreign policy pursued by the ruling circles of the United States after the end of the Second World War is a course of unbridled imperialist expansion. It is defined by the adventurist plans of the forcible establishment of Anglo-American world domination under the rule of the United States of America. This course is embodied in the so-called “Truman Doctrine” and “Marshall Plan”, in the North Atlantic Treaty and in the tightening of all sorts of military-aggressive blocs, in the arms race, the creation of strategic bases, the accumulation of atomic bombs. The policy of the ruling circles of the United States and England is the main factor poisoning the modern international atmosphere, because it is the policy of aggression and the outbreak of a new world war.

The issues concerning the origins, causes and possible consequences of modern American foreign policy occupy the minds of many people in all countries. To understand these issues, we should turn to the facts—facts past and present.

### **1. The Myth of the “Peaceful” Rise of American Capitalism and the Historical Truth**

First of all, one legend must be exposed. The lackeys of American imperialism, and above all the right-wing socialists such as Leon Blum, Carl Renner and Koo spread the myth that the United States supposedly constitutes a happy exception in the capitalist world: they, they say, do not have behind themselves that heavy burden of the policy of violent seizures, annexations, unceremonious interference in the affairs of foreign peoples, which are burdened by all modern capitalist powers.

In many ways, millions of “ordinary people” on both sides of the Atlantic are inspired by the idea that, while all the other major nations have grown up with iron and blood, the United States has supposedly reached its present position exclusively (peacefully. it was done, say, unselfishly, solely in the interests of peoples, in the name of humanity, in the interests of civilization, in the interests of peace.. Progressive American journalist George Marion, who wrote a book about American expansion under the title “Bases and Empire”, in the foreword says that after unsuccessful attempts to find a publisher for this book, he had to start publishing it himself. “In fact, the book is forbidden,” he writes, “but the ban is not only imposed on the book: the very theme is forbidden.”

Indeed, the topic of American expansion is in fact taboo not only in the United States, but in all capitalist countries whose rules follow in the fairway of American politics. In fact, the history of American capitalism is a history of continuous and rapid expansion. The growth and expansion of the United States was carried out by the same predatory methods of inhuman violence and vile deception, blood and dirt, as well as the elevation of other modern capitalist powers.

The peculiar historical conditions have left their mark on the course of the expansion of the territory of the United States.

Unlike the major European and Asian countries, the United States has faced only three strong external adversaries throughout its history: during the War of Independence (1775-1783) and in both world wars (1914-1918 and 1941-1945).

In the War of Independence, the young American republic had against itself in the face of England a much stronger enemy. Nevertheless, the war ended with the victory of the American colonies, which waged a fair, liberation war against foreign rule and bent. In this war, the sympathies of all the advanced people were on the side of the American people,

who fought against the British enslavers. The great Russian democrat Radishchev sang the liberation struggle of the Americans in the ode to “Liberty.”

As for the two world wars, the United States participated in them as part of coalitions, and the main military tests and decisive role in defeating the common enemy fell not to their share, but to the share of their allies.

But the absence of major wars over several decades does not mean that United States policy has been peaceful and has respect for its neighbours. Just the opposite. During the last quarter of the 18th century and throughout the 19th century, the United States continuously expanded its territory, and this expansion was due to the seizure of foreign lands, by the robbery and extermination of the indigenous population, although at times it was in an outwardly “decent” form of commercial transaction.

It is enough to give a brief historical reference. By the time of independence, the United States had an area of 386,000 square miles. Over the following years, the northwest region and the area south of the Ohio River were annexed to the area.

In 1803, the United States purchased 827.9 thousand square miles from France. This major act of expansion of the U.S. territory later came to be seen by the American imperialists as a significant historical milestone. One hundred years later, President Theodore Roosevelt, opening a world exhibition in St. Louis, said of the Louisiana acquisition:

“We have clearly shown once and for all that we consciously want to follow the path of expansion ... We have taken our place among those brave and enterprising nations that know how to take risks in the hope of taking one of the first places among the great powers of the world ... A nation expanding its borders is a nation on the path of a great future”.

In 1819, the United States acquired Florida, covering 59,600 square miles. In 1845, Texas was captured—389,000 square miles. The Oregon area, obtained under contract in

1846, was another 286,000 square miles. In 1848, as a result of the war with Mexico, the United States acquired areas now occupied by Utah, Arizona, New Mexico and California—529,000 square miles. In 1853, they forced Mexico to sell them another 30,000 square miles.

Through such acquisitions, the total area of the United States has grown to more than three million square miles. Between 1776 and 1853, the territory of the United States more than quadrupled.

During the second half of the last century, the United States annexed an additional 716,666 square miles. These include: Alaska, “bought” from Tsarist Russia in 1867 for a paltry \$ 7.2 million, the Philippines, Porto Rico, and several small islands captured by the United States after the Spanish-American War, with ludicrous compensation in \$ 20 million, Hawaiian Islands just annexed, and the Panama Canal Zone.

In total, the United States has expanded its holdings by more than 3 million square miles over 130 years. In 1900, their territory was almost ten times the original area they had in 1776, but maybe this unprecedented growth was smooth and peaceful, as described in the official American school textbooks on the history of the United States?

Not at all! Let’s give the following help:

The History of the American Army, a special study released in 1903, shows 114 wars fought by the United States after their War of Independence. During these armed conflicts, there were 8,600 battles and skirmishes.

As you know, the real wars during this period were only wars with England, with Mexico and with Spain. Then, in 1861-1865, and the United States was a civil war between North and South. Finally, if you add two world wars, you’ll get a list of wars in its own sense that the United States has been involved in throughout its history.

As for the rest of the military clashes, these were in fact inhuman fighter campaigns of the excellent armed forces of the United States against virtually unarmed and almost defenceless native Indian tribes. Some of these expeditions



lasted for years. Their outcome was not in doubt: victory over the weak and unarmed enemy was secured. Wars against Native American tribes ended with the gradual displacement and almost complete physical extermination of the original inhabitants of North America. Once numerous tribes, who owned vast territories, were destroyed only because their lands appealed to the American colonists. Progressive American writer Howard Fast in his novel "The Last Frontier" painted a stunning picture of the inhuman extermination of peaceful Indian tribes.

Just as it is not customary to talk about rope in the house of a hanged man, it is also not customary to talk about Indians and their fate in the ruling camp of the United States. In the official account of the history of the American false democracy, it is futile to seek mention of what has become of the indigenous population of the country, which even a year and a half ago occupied most of its territory. American historians prefer the language of Pharisee lies. However, they give a characteristic look with their head, which imbued with their work. It's the notion that a white man is allowed everything, everything is allowed. Thus, the historian of the American Indians Leipp in his book "The Indian and his problem" summarizes the course of development as follows:

"Initially, all the land belonged to the Indians, later most of it was required by us, so it is fair to give the Indians what is left."

American bourgeois historians in every way smeared and other unsightly side of the development of the United States in the 18th and 19th centuries. We mean the slave exploitation of the Negroes, a people forcibly brought from Africa and forcibly turned into disenfranchised slaves, condemned to multiply the riches of the "higher race" with their sweat and blood.

As Marx pointed out, the continuous expansion of the territory and the continuous expansion of slavery beyond its

old borders was the law of life for the slave-owning states of the Union.<sup>[1]</sup>

After the official abolition of slavery, the American bourgeoisie "... tried on the basis of "free" and republican-democratic capitalism to restore everything possible, to do everything possible and impossible for the most shameless and vile oppression of the Negroes."<sup>[2]</sup>

It is clear that every impartial researcher of American history and modernity cannot discount the brutal slavery of blacks in the past, the appalling national corruption and racial discrimination in our time. But it concerns the nation, which is now almost a tenth of the entire population of the country!

The expansion of the territory of the United States was not only through the displacement and extermination of defenceless Indians. In the middle of the last century, the United States waged a war with Mexico over Texas. Some features of this war are characteristic. It revealed traits inherent in one way or another and further acts of expansion and aggression of the United States.

Texas was flooded year after year by immigrants from the United States who received permission to enter from the Mexican government. As soon as the new settlers felt their strength, they announced the separation of Texas from Mexico and demanded the accession of the territory to the United States. Mexico was willing to recognize Texas' independence, but objected to its annexation by the United States. The Washington government preferred an aggressive policy. It drew Mexico into the war, being quite confident of an easy victory over a country torn apart by internal strife. The war with Mexico ended with the Treaty of 1848. In addition, the United States received under the treaty the richest California and other territories for which Mexico was paid ... \$15 million!

---

<sup>[1]</sup> See K. Marx and F. Engels, *Soch.*, Vol. XII, part II, p. 240.

<sup>[2]</sup> V.I. Lenin, *Soch.*, Vol. 22, ed. 4, p. 13.

The wars waged by the United States in the 19th century were very cheap. In punitive expeditions against the Indians, the loss in people did not exceed the usual loss of disease while carrying out military service. The monetary expenses did not go beyond the usual expenses for the maintenance of the regular army. The most significant human casualties were in the Mexican war, when they amounted to 13,000 dead, dead and wounded. In addition, in the century after the War of Independence, the United States spent about \$50 million. in the form of “compensation” for the territory rejected, i.e. essentially to mask violent seizures.

Such were the cost of acquiring a huge and richest territory, which is three times the total area of Great Britain, France, Germany, Italy, Japan and Belgium combined.

## 2. U.S. Entry into the World Stage

By the time of the Civil War between the North and the South, the United States, as Marx pointed out in *Capital*<sup>[3]</sup>, was still an economic colony of Europe. After the war, they became a first-class industrial power from an agrarian country.

However, this transformation took decades. “Even America,” comrade Stalin said, “is the most powerful of all capitalist countries, having to travel for as many as 30 to 40 years after the civil war in order to supply its industry with loans and long-term loans from outside and to rob the adjacent states and islands.”<sup>[4]</sup>

In 1890, the United States overtakes England in terms of industrial production and takes the first place on the industrial map of the world. Previously, the main export items were various types of agricultural raw materials—cotton, wool, wheat, as well as extractive products—coal,

---

<sup>[3]</sup> See K. Marx, *Capital*, vol. I, 1936, pp. 657, note.

<sup>[4]</sup> J. V. Stalin, *Soch.*, Vol. 9, p. 173.

copper. Since the end of the 19th century, the export of industrial goods has been rapidly increasing.

In 1870, the Rockefeller Oil Trust, Standard Oil, was established. From this date the history of American monopolies begins. Giant wealth is concentrated in a few hands.

The rise of monopolies and the steady growth of their influence on the course of the state ship significantly change the very nature of American expansion. The driving force of expansion is the interests of the profit of powerful industrial, banking and trade monopolies. The interests of monopolistic profit know no boundaries - they extend to the whole world.

Now it is no longer just the territories directly adjacent to the United States. Washington's influence is concentrically spreading to a number of neighbouring, and not only neighbouring, countries. There is a period of rapid economic and political penetration of the dollar, which seeks to reach the whole world with its tentacles. The United States is entering the arena of world politics. They become a world power. They are included in the imperialist rivalry of the great powers, actively participating in the world diplomatic game, in which the stakes are the fate of entire peoples, issues of war and peace, millions of lives.

During this period, the imperialist expansion of the United States takes many forms, with the methods of direct violent seizures being joined by unceremonious interference in the internal affairs of other countries—most notably the Western Hemisphere—and the economic enslavement of formally independent states.

Characterising the century and a half history of the United States of America, Lenin in 1918 in "The Letter to American Workers" passionately and in angered words outlined the change in America's role on the world stage:

"The history of the newest, civilized America opens one of those great, truly liberating, truly revolutionary wars, which were so few among the vast mass of predatory wars caused, like the present imperialist war, by a fight between

kings, landowners, capitalists, and capitalists. It was the war of the American people against the robbers of the British, oppressed and held in colonial slavery America, as oppressed, as held in colonial slavery even now these “civilised” bloodthirsty hundreds of millions of people in India, Egypt and all ends of the world.

About 150 years have passed since then. Bourgeois civilization has brought all its magnificent fruits. America took the first place among free and educated countries in terms of the height of the development of productive forces of human combined labour, the use of machines and all the wonders of the latest technology. America was, at the same time, one of the first countries to share a gap between a handful of brazen, muddy and luxury billionaires on the one hand, and millions of workers forever living on the edge of poverty on the other. The American people, who gave the world a model of the revolutionary war against feudal slavery, found themselves in the newest, capitalist, hired slavery of a handful of billionaires, who turned out to play the role of a hired executioner, who in favour of a rich bastard in 1898 strangled the Philippines, under the pretext of “liberating” them, and in 1918 strangled the Russian socialist republic, under the pretext of “protecting” it from the Germans.<sup>[5]</sup>

In the era of the domination of monopolies, the foreign policy of the United States is entirely determined by the interests of financial capital, the interests of that handful of brazen, snug billionaires, who are covered in the mud and luxury of billionaires, about which Lenin wrote. A bunch of billionaires, making the fate of the overseas republic, becomes a full-fledged master of the state apparatus and directs all the internal and foreign policy of the government.

---

<sup>[5]</sup> V.I. Lenin, Soch., Vol. XXIII, ed. 3, pp. 176-179.

### 3. Mechanic of American Captures

As early as the second half of the 19th century, American expansionists proclaimed the goal of capturing Asian markets, then owned by European powers. Their intentions were that Asia belonged to American merchants.

In “America in the Pacific,” the American historian Foster R. Dulles writes,

“The quest to gain domination in the Pacific and control of its rich trade runs a continuous red thread through the entire history of the United States.”

Commodore Perry, who commanded an American squadron in the 1850s and forcibly opened Japan’s doors to American trade in 1853, demanded “expanding the territorial jurisdiction of the United States beyond the Western continent,” capturing the Bonin Islands and Formosa to control the Pacific Ocean. Predicting the “rapid growth of trade” of the United States with Asia, he considered it necessary to seize more free positions in the Pacific for an imminent, in his opinion, battle with England.

“The nature of things to come,” he wrote, “will soon force the United States to extend its influence beyond the Western Hemisphere.”

His violent actions in Japan justified the need to “anticipate the intentions of the unscrupulous British government, whose greed is limited only by its ability to satisfy it.”

Commodore Schufeldt, who “opened” Korea to Americans, also demanded vigorous action, and in 1881 he wrote, “The United States has interests in China that in the future will surpass the interests of all other powers.”

An important milestone in the history of American expansionism was the capture of the Hawaiian (Sandwich) Islands. For the first time, the United States has taken possession of a territory thousands of miles from its shores. The story of this capture is instructive. The United States, under the treaty that existed then, recognized the neutrality

and independence of Hawaii. The wealthy top of the Hawaiian population, which supplied sugar and other products to the United States, expected that joining the States would benefit it. These elements caused a revolt in Hawaii. At once, American sailors from the warship “Boston” anchored near Honolulu, landed on the shore.

This happened on January 16, 1893 Under the cover of the guns of the American fleet, the rebels, who constituted a tiny minority of the population, declared the Hawaiian monarchy deposed and formed an interim government. This government was recognised as the united States envoy exactly an hour later.

The aggressive methods used in Hawaii have not only historical, but also quite relevant interest today. These methods are firmly in the arsenal of American imperialism. Since then, they have been used many times with some variations depending on local conditions. Panama, Honduras, Haiti, San Domingo, Nicaragua, Cuba, even Mexico—all of these countries have become familiar with a method that could rightly be called “Hawaiian”. Even after the Second World War, the events in Paraguay, Bolivia and Venezuela showed a striking commitment by American ruling circles to this method.

After the events of 1893, a struggle arose in Washington over the annexation of Hawaii. Many Americans objected to such an act of outright robbery. Congressional debate and public opinion protests have for some time delayed the finalization of Hawaii’s takeover. In July 1898, amid the savage rampage of chauvinism unleashed by the U.S.-Spanish war, Congress approved the seizure of Hawaii.

The Spanish-American War of 1898 resulted in the seizure by American imperialism of the richest colonial possessions of Spain - Cuba, Porto Rico and the Philippines. These were the remnants of a once powerful and vast empire. The weakened Spain clearly did not have the strength to preserve its overseas possessions in the face of a general pursuit of imperialist powers for the colonies. The United States was

strong enough to take away the rich lands from Spain. This is the back of the Spanish-American war.

As half a century before Mexico, at the end of the 19th century, Spain was very interested in not bringing matters to an armed conflict with the United States in which it had in fact no chance of success. Spain was ready to meet almost all the requirements of the United States. These requirements were limited to Cuba, whose acquisition was raised by slave owners of the southern states immediately after the end of the Mexican war.

Despite Spain's willingness to accept American conditions, Washington was on course for war. This course of Washington has received approval in only one country. But this country was England, then the lord of the seas. On the eve of the war, the British Foreign Secretary told the American ambassador in London:

"Why won't the United States use our fleet to quickly get rid of Cuba? Another time they will give us the same courtesy."

The English minister hinted at the Anglo-Boer war. On the same day, the English Minister of Colonies, Joseph Chamberlain, expressed his readiness to enter into an alliance, or at least an agreement, to unite the two powers on important issues. He said,

"Shoulder to shoulder, we could dictate peace in the world,"

No doubt Joseph Chamberlain would have the right to accuse the current heralds of Anglo-American adventurers of world domination of the literary theft!

While the United States did not have a fleet, it limited its expansion to the Western Hemisphere. But along with the creation of the U.S. navy, the American imperialists proclaimed the slogan: "to cross the bridge over the Pacific Ocean." The meaning of this slogan became apparent on the first day of the Spanish-American war. Although the war began because of Cuba and had nothing to do with the Philippines, the American fleet was abandoned in the



Philippines; it was a “bridge” designed to turn the Pacific Ocean into an “American lake.”

The Spanish-American war ended in a treaty that denied Spain Guam, Porto Rico and the Philippines in favour of the United States. The United States was to pay Spain \$20 million in compensation. Even earlier, Cuba was declared independent from Spain.

After the war, the question arose, what to do with the prey. Recall that the American Congress on April 20, 1898 solemnly proclaimed the right of the people of the island of Cuba to freedom and independence.

“The United States hereby declares,” the congressional decision said, “that it has no intention of extending its dominion, jurisdiction or control over this island for any purpose other than its appeasement, and reaffirms its decision to grant control and control of the island to its people upon completion.”

What was announced regarding Cuba was also related to other possessions seized from Spain, the Philippines and Porto Rico. But U.S. rulers have shown that they consider the solemn promise made on behalf of Congress no more like a piece of paper.

The predatory takeover of the Philippines was dictated by certain economic and strategic interests. But it is significant that even then the imperialist expansion of the United States was masked by hypocritical and masculine arguments about humanity, civilization, peace-loving, sanctimonious phrases about Christian and other ideals.

The capture of the Philippines by the American imperialists led to a bloody war of the occupiers against the local population. In fact, the Filipinos by the spring of 1898 had an army of 20-30 thousand people. They managed to cope with the Spanish troops on their own. On June 18 of the same year they proclaimed a republic. On 6 August, the new Philippine government notified foreign powers of its education. The Filipinos sent a delegation to Paris, where the peace conference was held, and to Washington. But

President McKinley ordered the commander of U.S. forces, General Othis, to crack down on the island's population. The military action of the American troops against the Philippine people followed, resulting in the Philippines being conquered for the second time.

The war with Spain was unpopular with the population of the United States. However, the opponents of the war remained on the basis of well-wishes and could not provide serious resistance to imperialist robbers. Lenin characterizes this opposition to the war by the bourgeois democrats as follows:

“In the Union. In the States, imperialist war against Spain in 1898 caused opposition to the “anti-imperialists”, the last Mohicans of bourgeois democracy, who called the war “criminal”, considered a violation of the constitution the annexation of foreign lands, declared “the deception of chauvinists” act against the leader of the natives in the Philippines, Agvinaldo (he was promised the freedom of his country, and then dropped off American troops and annexed the Philippines),—quoted Lincoln: “when a white man rules himself, it is self-government; when he governs himself and at the same time governs others, it is no longer self-government, it is despotism.” But while all this criticism was afraid to recognize the inseparable connection of imperialism with the trusts and, consequently, the foundations of capitalism, was afraid to join the forces generated by major capitalism and its development, it remained an “innocent wish”.<sup>[6]</sup>

One of President McKinley's associates, Senator Baseridge (of Indiana), gave a speech on January 9, 1900, in the style of the current Hurst editorials:

“The Philippine Islands are forever ours... Directly behind the Philippines are China's boundless markets. We will not give up either of each other... We will not give up on the opportunities offered to us in the East. We will not give up

---

<sup>[6]</sup> V.I. Lenin, Soch., Vol. 22, ed. 4, p. 274.

the purpose of our race, which God entrusted to the civilization of the world.”

A year later, on January 7, 1901, a prominent figure in the Republican Party, Senator Henry Cabot Lodge, speaking in the debate about the conquest of the Philippines, even more frankly expressed the aspirations of American imperialism. He said:

“We are economically in a position of outstandingness. We’re going for more. You can delay, slow down, but you are unable to stop the activities of economic forces. You can’t stop the march of the United States... The American people and irresistible economic forces are leading us to economic domination over the world.”

As we can see, the current preachers of the world hegemony of the United States have many predecessors in the history of this country.

#### **4. Dollar Diplomacy in the Early 20th Century**

At the beginning of the 20th century, American expansion is already leaving a deep imprint on the entire course of the development of international relations. Its direct objects are primarily the countries of Latin America, primarily the so-called countries of the Caribbean Sea.

The aggressive policy of the United States in the Caribbean basin has often been compared to the aggressive policy of England in the Mediterranean basin. There are well-known reasons for this comparison. In both cases, we are talking about the canals: in one case—about Suez, in the other—about Panama. England has for centuries seized strongholds in the Mediterranean. She captured Gibraltar from Spain, Malta from the Order of Malta and Egypt from the Turkish Empire. The United States entered the arena of world politics with a delay and tried to make up for lost time with the rapid pace of imperialist expansion.

During the two decades separating the Spanish-American war from the end of the First World War, the United States forcibly established its political control over most of the countries of the Caribbean Sea. In 1898, they captured Porto Rico, in 1901 appropriated the right to interfere in the affairs of Cuba, in 1903 actually annexed Panama, in 1904 established financial control in San Domingo, in 1909 expelled the president from Nicaragua, in 1915 sent the Marines to Haiti, in 1917, “bought” a number of islands belonging to the Virgin archipelago.

At the beginning of the 20th century, Panama was part of the Republic of Colombia. But the imperialists of the United States decided to draw through Panama a canal connecting the Atlantic Ocean with the Pacific. American agents played some semblance of an uprising in Panama. Then everything went like clockwork: exactly repeated the procedure, already used in Hawaii. The Panamanian “rebels” were recognized by the American authorities even before they opened their mouths. Roosevelt has achieved recognition of the new republic from other powers. The newly minted Panamanian authorities swiftly agreed to cede a 10-mile swath of land to the United States to build a canal. In 1914, traffic on the Panama Canal was opened.

This extortionate seizure, like previous and subsequent robberies of the same kind, was conducted under the guise of hypocritical phrases about peace, respect for the rights of peoples, non-interference in other people’s affairs, etc.

Later, already being a private person, Theodore Roosevelt allowed himself much more frank language. Speaking to students at the University of California, Berkley, on March 23, 1911, he described the essence of the Panama case:

“I am interested in the Panama Canal because I started building it. If I followed traditional conservative methods, I would offer Congress a valid government document, two hundred pages, and the debate on it would continue to this day. But I took the channel zone, and Congress was allowed

to discuss this issue, and while this discussion is going on, the digging of the channel is moving.”

The congressmen really had only to discuss the fact of the robbery.

Theodore Roosevelt’s unceremonious imperialist policies caused outrage in the masses not only in the United States, but also beyond.

His successor, Taft, is the expression “dollar diplomacy,” which then became a solid international household. He defined the essence of “dollar diplomacy” as follows:

“This is the policy of replacing bullets with dollars... This is a blatant desire to expand America’s trade, and it is certainly assumed that the U.S. government should provide all possible support to all legitimate and useful businesses of Americans abroad.”<sup>[7]</sup>

Thus, the spiritual father of “dollar diplomacy” openly recognized its goal to support the boundless expansion of American economic expansion both in the form of trade and in the form of capital and organisation of American enterprises abroad. As for the juxtaposition of dollars to bullets, it was purely conditional. In fact, “dollar diplomacy” was very willing to resort to bullets to achieve its goals. At the same time, the most characteristic feature of “dollar diplomacy” was the undisguised relationship between Wall Street and the State Department.

“Sometimes it even seemed,” J. writes. Marion, that there was a complete merger between them, as the same people were serving directly as official representatives of the United States, then serving directly with American bankers, with the support of the State Department.”<sup>[8]</sup>

With the digging of the Panama Canal, the United States made its way into the Pacific Ocean. But the American imperialists feared that some other power would dig another

---

<sup>[7]</sup> See J. Marion, *Bases and Empire*, State Foreign Literature Publishing House, 1948, p. 116.

<sup>[8]</sup> J. Marion, *Bases and Empire*, p. 117.

channel between the two oceans. Such a canal could be built only in the Central American Republic of Nicaragua. This fear was sufficient reason for the United States Department of State to openly intervene in Nicaragua's affairs in 1912 and bring its henchmen to power there. The new rulers of this small country signed a treaty with the United States, giving them control of the railway, customs, banks and territory suitable for the construction of the canal. Since then, the Washington Government has consistently supported Nicaragua's reactionary rulers, against the will of the vast majority.

These facts characterize the policy of the United States on the world stage. Since the end of the last century, this policy under the banner of pan-Americanism has had a very definite purpose. In fact, it is primarily about establishing the complete hegemony of the Washington government throughout the Western Hemisphere. "Dollar diplomacy" blatantly interferes in the internal affairs of Latin American republics, trampling on the will of the population, not only in the small republics of Central America, but also in countries such as Mexico, Brazil, Chile, Venezuela.

At the same time, the economic and political penetration of the United States in a number of countries of the Old World, and especially China, is also increasing. On the path of world politics, Washington's activism inevitably collides with the aspirations of other great powers, leaving the United States in the midst of a maelstrom of imperialist contradictions and conflicts.

The insatiable appetites of the "dollar diplomacy" created considerable difficulties for the United States. In the Western Hemisphere, the expansion of the United States came across the opposition of other imperialist powers, especially England, which seized important economic and political positions in a number of Latin American countries and stubbornly defended them. The imperialist rivalry between the United States and England, as well as the resistance of the South American republics, predetermined

the tortuous path of Washington's pan-Americanism policy. Antagonism between the United States and other great powers, primarily Britain, severely limited the scope and scope of American economic and political penetration into other countries. During the period between the two world wars, Anglo-American contradictions undoubtedly played a crucial role in the sphere of relations between the capitalist powers, until he made his claims to world domination fed by the Anglo-American reaction of German fascism.

The First Imperialist World War was a very profitable business for the ruling classes of the United States. The American monopolies have profited enormously from military supplies. The participation of American troops in hostilities did not take on any significant proportions, and their losses were incomparably less than those of the armies of European countries. In addition, theatres of operations were located far from the territory of the United States.

Describing the outcome of the First World War for American monopolies, Lenin wrote:

“American billionaires were almost all the richest and were in the safest geographic position. They made the most of the money. They made every country, even the richest, their tributaries. They have stolen hundreds of billions of dollars. And on every dollar you can see traces of dirt: dirty secret treaties between Britain and her “allies”, between Germany and her vassals, treaties on the division of loot, treaties to “help” each other in oppressing workers and persecuting socialist internationalists. On every dollar there is a lump of dirt from “profitable” military supplies, which enriched the rich in every country and ruined the poor. There are traces of blood on every dollar—from that sea of blood that was shed by 10 million killed and 20 million maimed in the great, noble, liberation, sacred struggle because of whether the English or German robber will have more booty,

the English or German executioners will be the first of the stranglers weak peoples of the whole world.”<sup>[9]</sup>

This assessment determines not only the nature of the military profits of the overseas monopolies, but also their post-war policy. The leader of the American usurers, Wilson, who played such a fatal role in resolving post-war issues and in creating the imperialist system of the Versailles Peace, was a master of hypocritical phrases designed to cover up the true desires of his masters. Overseas and in Europe, he did not skimp on unctuous, sanctimonious speeches about “justice,” “law,” “Christian morality,” and so on. Exposing Wilson’s hypocrisy, Lenin wrote:

“Wilson’s idealised democratic republic turned out to be in fact a form of the most rabid imperialism, the most shameless oppression and strangulation of the weak and small peoples.”<sup>[10]</sup>

## **5. American Imperialism and Intervention against Soviet Russia**

The “most rabid imperialism” of the United States manifested itself especially sharply in the criminal intervention against the Soviet Republic in the first years of its existence.

By creating Soviet power, workers and peasants of Russia, led by Lenin’s party Stalin, opened a new era in the history of mankind, the era of the elimination of capitalism and the construction of a free socialist society. The attitude towards the new world, born in Russia, has become a watershed between the forces of progress and the forces of reaction. All progressive forces of nations stood up for the socialist state. All the black forces of the old world fiercely turned against the Soviet people, who overthrew the igo of capitalist slavery and imperialist robbery.

---

<sup>[9]</sup> V.I. Lenin, Soch., Vol. XXIII, ed. 3, pp. 179-180.

<sup>[10]</sup> Ibid, p. 292.



World imperialism tried to turn the wheel of history around. German-Austrian and then Antagonistic troops poured into the territory of Soviet Russia, killing Soviet people, ruining cities and villages. Foreign imperialists provided comprehensive assistance to the White Guards—deposed landowners and capitalists who sought to drown in a sea of blood the world’s greatest people’s revolution to regain power and wealth. This assistance was expressed in particular in the endless streams of arms and ammunition, food and uniforms. Churchill, then England’s military minister, boasted that he had managed to organize a “14-nation campaign” against Soviet Russia.

The intervention was a huge test for the young Soviet republic, it caused unprecedented hardship to the Soviet people. The great heroic feat of the people, who threw off the chains of capitalism and breast-defended their socialist homeland from the host of enemies, led the plans of foreign interventionists and internal white guards to shameful collapse.

The role of American imperialism in organising the intervention against Soviet Russia was determined by the place occupied by the imperialism of the dollar by the end of the First World War. On the eve of the Great October Socialist Revolution VI, the Bolshevik Party Congress noted in one of its resolutions the fact that “a new giant of imperialism and a contender for world hegemony—America” appeared on the stage. By this time, by the end of the First World War, American monopolies had unequivocally expressed their claim to hegemony around the world. American imperialism became the leading force of the imperialist camp. When the will of the working people of Russia was broken the first hole in the world system of imperialism, the American ruling circles decided to use all means to eliminate this gap, to suppress the revolution, to enslave our homeland.

Bourgeois historians often try to downplay the real role of the United States in organizing the rogue intervention

against the Soviet Republic. They try to give at face value the gross hypocrisy of American diplomacy, covering the most despicable deeds with the sonorous phraseology. The importance of American imperialism in fomenting war against the young Soviet republic was downplayed and extinguished by representatives of the anti-Marxist, anti-patriotic “Pokrovsky school.” But the role of the United States in the anti-Soviet intervention cannot be judged only by the number of American troops acting against the Soviet people, because, as Comrade Stalin pointed out, the intervention is not limited to the introduction of troops and the introduction of troops does not constitute the main feature of the intervention.

“Under the present conditions of the revolutionary movement in the capitalist countries...” said Comrade Stalin, “intervention has a more flexible character and a more disguised form. Under modern conditions, imperialism prefers to intervene by organizing a civil war within a dependent country, by financing counter-revolutionary forces against the revolution ...”<sup>[11]</sup>

In organising a war against Soviet power, in supporting all and sundry counter-revolutionary forces that fought against the revolution, American imperialism played an enormous role and pursued far-reaching predatory goals.

Throughout the entire period of the intervention and the civil war, Lenin and Stalin with the greatest perspicacity revealed the true role of American imperialism as the most implacable and frenzied enemy of the proletarian revolution in Russia. They consistently exposed the cunning and despicable policy of the American slave owners, who are ready to commit any crimes in order to restore the unity of the world capitalist system, broken by the victory of the Great October Socialist Revolution in Russia.

Even before October, in August 1917, Comrade Stalin exposed the insidious plan of the American imperialists:

---

<sup>[11]</sup> J. V. Stalin, Works, vol. 8, p. 360.

“At the moment when the Russian revolution is straining its forces to defend its gains, and imperialism is trying to finish it off, American capital is supplying the Kerensky-Milyukov-Tsereteli coalition with billions in order to completely curb the Russian revolution and undermine the growing revolutionary movement in the West.”<sup>[12]</sup>

During the First World War, the United States made a number of attempts to seize advantageous positions in “our country. During the war, the envoys of American monopolies sought not only military orders, but also concessions for the development of minerals, the seizure of railway tracks. Characteristically, at the Entente conference held in Paris at the end of July 1917, it was decided to entrust the United States with a “reorganisation of Russian transport.”

American dealers quarrelled primarily on the great Siberian highway. During the period of the Provisional Government of the Monopoly of Wall Street, they felt that the time had come for the implementation of their long-standing plans to seize the riches of our homeland, and especially Siberia. Offering billions to the anti-people Provisional Government, the American fat-sums sought to achieve two goals in one blow: first, to stifle the revolution of workers and peasants and, secondly, to tighten the noose of debt bondage around the neck of the Russian people, to seize the most tit-bits of the economy of a huge country.

The victory of the Great October Socialist Revolution thwarted American plans to enslave our homeland. Wall Street moneylenders felt that the richest prey they already considered their own was slipping away from their raking paws. At the same time, they could not help but see that the victory of the socialist revolution in Russia would undermine the foundations of capitalist exploitation in other countries. American imperialism, which claimed to be the leader of the world bourgeoisie, becomes the head of the anti-Soviet

---

<sup>[12]</sup> J. V. Stalin, Soch., Vol. 3, pp. 234-235.

campaign, although for tactical reasons he especially diligently disguises his actions.

At the Paris conference of the Supreme Council of Allies, which opened on November 28, 1917, it was decided to intervene against the Soviet Republic. A statement on the conference, published in the press at the time, said:

“The Allies will take steps to establish... effective control over the development of Russian foreign policy. The United States and Japan will play a major role in this control.”

The seal of American monopolies raised a campaign of vicious slander against the Soviet republic. There was not that monstrous vileness and lies before which corrupt writings would stop. At the same time, every truthful word about the Soviet country was persecuted in the most brutal way.

Immediately after the victory of the October Revolution, the American imperialists and their allies began to fight against the Soviet regime, resorting to the organisation of counter-revolutionary conspiracies, to the creation of white guards armies, to direct armed intervention. In this struggle, the imperialists considered all means permissible, if only they can lead to their goal: strangulation of the revolution, the dismemberment of our homeland, its enslavement by alien invaders.

Already in the spring of 1918, on the initiative of the American ambassador to Russia, foreign missions moved from Moscow to Vologda, from where they began to issue statements directed against the Soviet regime and with direct calls for civil war. American consulates in Moscow, Omsk and Vladivostok, and the American Red Cross missions have become strongholds for organizing counterrevolutionary conspiracies. At the trial in the case of the famous anti-Soviet spy and saboteur Lockhart, it turned out that one of the central figures of his conspiracy was the assistant to the commercial attaché of the American embassy, Colomatiano.

At the same time, the Washington authorities persecuted every American who disagreed with their adventurous policy towards Soviet Russia. For example, they immediately recalled from Russia a representative of the American Red Cross and an agent of American military intelligence Robins, who doubted the expediency of armed anti-Soviet intervention. When Robins tried to speak to the press on his return to the United States, he was dragged to the "Senate Commission of Inquiry to investigate Bolshevism", from the very first days of the intervention in the Soviet Republic, the American authorities took all measures to organise assistance to the enemies of the Soviet regime, to fan the fire of civil war. At the end of 1917, U.S. Secretary of State Lansing developed a specific programme to support the White Guards generals Kaledin, Alexeyev, Kornilov. Offering this programme to U.S. President Wilson, he wrote with cynical frankness: "We have absolutely nothing to hope for if the Bolsheviks remain in power."

The president fully endorsed Lansing's plan.

In early 1918, Wilson, who broke the records of hypocrisy, made his "fourteen points" designed to give the impression that the Allies were not pursuing imperialist goals. Wilson's programme, which covered up the plundering appetites of Antagonist imperialism with vague pacifist chatter, was made public in response to the Soviet government's publication of secret treaties exposing the predatory plans of the Anglo-American-French imperialists. One of the points of Wilson's programme, the sixth, was about policy towards Russia. Like other paragraphs, the paragraph was vague and vague. However, its true contents were disclosed by an official government commentary, which was written on the instructions of Colonel House, approved by the President and sent to the Powers on behalf of the United States Government.

With regard to Russia, this commentary stated: "The first question that arises is whether Russian territory is synonymous with the concept of territory belonging to the

former Russian Empire.” The commentary gave an unambiguous negative answer to this question in the following form: “What is recognized as correct for the Poles will undoubtedly have to be recognized as correct for the Finns, Lithuanians, Latvians, and maybe for the Ukrainians as well.”<sup>[13]</sup>

So, the plan to separate Ukraine from Russia, which later formed the nail of the crazy programme of Hitler’s cannibals, was two decades earlier proclaimed by the American President Wilson. Other points of his programme were just as closely reminiscent of Hitler’s designs. The commentary further states that “the Caucasus will probably have to be considered as part of the problems of the Turkish Empire”, i.e., simply put, to give to the Turkish Bashibuzuka. As for Central Asia, the comment called “... give a power a limited mandate to govern on the basis of a protectorate.” Regarding the Greater Russia and Siberia it is stated that “... a peace conference should be issued with a message proposing the establishment of a government sufficiently representative to speak on behalf of those territories.”

Thus, Wilson’s imperialist programme, embodied in the “fourteen points” in fact, was reduced to the division of Russia by the rejection of Ukraine, the Caucasus, Central Asia and provided for the elimination of Soviet power under the guise of the formation of the so-called “representative government.”

The commentary expressed the hope that “... before the peaceful conference, there will be a blank sheet of paper on which to outline a policy for all the peoples of the former Russian Empire.”<sup>[14]</sup>

So the American moneybags were going to forcibly dismember our homeland and “draw up a policy” for its peoples, putting the yoke of slavery on their shoulders.

---

<sup>[13]</sup> Colonel House's Archives, vol. IV, Gospolitizdat, 1944, p. 151.

<sup>[14]</sup> Colonel House Archives, Vol. IV, p. 153.

Wilson's program was then exposed by Lenin, despite the fact that the secret commentary on it was hidden behind seven locks of secret diplomacy. Lenin exposed Wilson as a representative of the bourgeoisie, "who made billions in the war", as the head of the government, "... who had infuriated the armament of the United States, clearly for the purpose of the second great imperialist war..."<sup>[15]</sup> Lenin called Wilson: "the head of the American billionaires, the servant of the capitalists."<sup>[16]</sup>

In some of his speeches, Wilson discarded pacifist tinsel in relation to Russia and exposed the fangs of an imperialist predator. Thus, in one of the speeches, he stated: "The Allied powers no longer have the intention to adhere to passive tactics in relation to Bolshevism. In it, they see the only enemy against whom it is necessary to turn against. The Russian state on several sides is open to allied troops if they wish to invade."

But such frankness imperialists allowed themselves only in their narrow circle. In open speeches, they resorted to a smokescreen designed to hide from public opinion their true intentions and objectives. The Socialist Revolution in Russia has aroused the fiery sympathies of millions and millions of workers around the world. These sympathies multiplied and strengthened, despite the frenzied campaign of slander and provocations of the bourgeois press and the entire branched apparatus through deceitful imperialist propaganda. Under these conditions, the masterminds and organizers of the anti-Soviet intervention had to carefully mask their crimes against the Soviet people. They did not even shy away from naming these crimes... "Russia's help."

These camouflage goals were to be served by a commission organized by the American government under the leadership of the extreme reactionary, the vicious enemy of the Great October Socialist Revolution, Herbert Hoover.

---

<sup>[15]</sup> V.I. Lenin, Soch., Vol. 23, ed. 4, p. 180.

<sup>[16]</sup> V.I. Lenin, Soch., Vol. XXIII, ed. 3, p. 185.

A decade later, as President of the United States, Hoover said with outspoken cynicism in the pages of the *San Francisco News*:

“To tell you the truth, the purpose of my life is to end the Soviet Union.”

And then, in 1918, the Secretary of State of the United States Lansing wrote to Wilson:

“Armed intervention in Russia under the pretext of protecting the humanitarian activities of the Hoover Commission will be more appropriate before the commission begins work.”

Wilson’s closest aide, Colonel House, for his part, confirmed that it was especially important to find “... methods by which allied forces can be introduced into Russia without arousing suspicions about the imperialist motives of this measure.”<sup>[17]</sup>

Lenin already then discerned the true meaning of the game of the American imperialists, who broke the record for the refinement of their hypocrisy. Lenin emphasized that the American bourgeois press was spreading “... in millions and millions of copies of lies and slander about Russia, hypocritically justifying his predatory campaign against it by the desire to” protect “Russia from the Germans!”<sup>[18]</sup>

It is well known that after The Defeat of Germany, the victorious countries of Germany, the United States, England and France, retained the socio-economic base of German imperialism, the cadres and organisation of German militarism. Under the wing of allied controllers multiplied all sorts of armed terrorist gangs—the forerunners of fascism. All this was done under the banner of “Germany’s fear of Bolshevism.”

Such was the hideous duplicity of the policy of the United States and its Anglo-French allies.

---

<sup>[17]</sup> Colonel House Archives, Vol. III, 1939, p. 286.

<sup>[18]</sup> V. I. Lenin. Works, v. XXIII, ed. 3, p. 180.



Subsequently, Churchill in his book “World Crisis” with the cynicism of the snigger thug summarised the content of the deceitful phraseology, which was covered by the interventionists:

“Were they (allies) at war with Russia? Of course not; but they killed Soviet people indiscriminately. They were like invaders on the ground. They armed the enemies of the Soviet regime. They blocked Russian ports and stoked its ships. They seriously and actively wished her death. But war is as good as possible! Intervention—how not to be ashamed! They don’t care, they say, how the Russians manage their affairs.”

In the summer of 1918, the Entente powers began their armed campaign against Soviet Russia. The documents show that American forces have been given a leadership role in this campaign from the very beginning. Thus, the message of the then American ambassador to Russia Francis, sent to Washington, says;

“The French Foreign Minister telegraphed to the French Embassy here that at the Paris military conference on June 3 it was decided to occupy first Murmansk, then Arkhangelsk, if it is not possible to do it at the same time, and to land for the occupation of these ports battalions of American, British, French and Italian troops with the necessary amount of military supplies and food, with the necessary order all troops will be under British command. The Paris Conference also decided to keep the Czech troops in Russia at present.”<sup>[19]</sup>

When the two-faced Washington rulers reached the herculean pillars when they made the shameful decision to send American troops to Russia to fight against Soviet rule. On July 17, 1918, the State Department drafted a memorandum that interpreted the negative attitude of the American government to the military intervention in Russia,

---

<sup>[19]</sup> “Soviet-American relations. Collection of documents ”, ed. NKID, 1934, pp. 14-15.

and then reported that American troops would still be sent, but only, say, to help the Czechoslovaks. The memorandum said:

“After a long and careful discussion of the general situation in Russia, the United States government has come to a firm and clear conclusion that military intervention will not facilitate, but will only exacerbate the difficult current situation in Russia, will not improve, but rather worsen it, and will not contribute to the implementation of our main goal—to achieve victory over Germany. Therefore, the government cannot take part in such an intervention or give it an agreement in principle.”

And then the main thing followed:

“From the point of view of the United States government, military actions in Russia are permissible only to help the Czechoslovaks come together and begin successful cooperation with their Slavic brothers...”<sup>[20]</sup>

The first detachment of American troops arrived in Vladivostok on August 16, 1918, and in early September the main detachment under the command of General Greys landed.

Under the cover of false phrases about “help” to the Czechoslovakians, who were allegedly threatened by “German prisoners of war armed by the Bolsheviks” invented by American propaganda, a monstrous crime was committed.

“It is now,” Lenin wrote in August 1918, “American billionaires, these modern slave owners, have opened a particularly tragic page in the bloody history of bloody imperialism, agreeing—still, direct or indirect, open or hypocritically covered, to the armed campaign of Anglo-Japanese beasts in order to stifle the first socialist republic.”<sup>[21]</sup>

---

<sup>[20]</sup> M. Sayers and A. Cap, *The Secret War Against Soviet Russia*, State Foreign

<sup>[21]</sup> V.I. Lenin, *Soch.*, Vol. XXIII, ed. 3, p. 176.

U.S. troops were sent to Vladivostok in connection with the crazy plan to capture the Siberian railway line and Siberia, which the bulletin of the Federation of British Industrialists at this time characterised as saying unequivocally:

“Siberia is the biggest prize for the civilised world since the opening of both Americas!”

Japanese robbers sharpened their teeth for this prize in addition to the American imperialists. Two robbers then quarrelled, then made agreements. But together they provided all possible support to the White Guard executioner Kolchak, supplied him with weapons, money, provided him with the main communications, which provided assistance to the Entente of the Kolchak army. Together they poured the blood of Russian workers and peasants, who protected their native land from foreign invaders and their vile White Guards hired.

American troops, who landed in September 1918 in Arkhangelsk, together with the British troops and units of the Russian White Guards moved by rail and on the river North Dvina to the south, trying to get to Petrograd; heroic struggle of the Red Army units forced the interventionists to run headlong to the north.

The armies of Denikin, Yudenich, Wrangel, the rulers of Pan Poland in their campaign to Kiev received support from the United States. Behind the internal counterrevolution and Anglo-French interventionists invariably stood American imperialism, in every way incited, encouraged and supported military intervention, attempts of military suppression of Soviet power.

In those years Lenin wrote:

“In relation to the United States and Japan, we pursue above all that political purpose to reflect their brazen, criminal, predatory, enriching only their capitalists, the invasion of Russia. We have offered peace to both of these states many times and solemnly, but they have not even responded to us and continue the war with us, helping

Denikin and Kolchak, robbing Murman and Arkhangelsk, devastate and ruin especially Eastern Siberia, where Russian peasants give the robbers-capitalists of Japan and the United States of North America heroic resistance.”<sup>[22]</sup>

Heroic resistance of the Soviet people thwarted their plans. It turned out that there is no power in the world that could once again put the yoke of capitalist slavery on the shoulders of the great Soviet people, who have thrown off the chains of bourgeois rule. Intervention troops became less and less reliable. The instigators of the predatory campaign had to manoeuvre and change tactics. In their camp there were disagreements on the question of further methods of fighting against Soviet Russia. But at all stages of this struggle, American imperialism has always remained the worst enemy of the world’s first socialist state. All the ingenious tricks of American politics were aimed at one goal: to stifle the socialist revolution and enslave our homeland. Under the leadership of Lenin and Stalin, “the Bolshevik Party raises workers and peasants to *the domestic* war against foreign invaders and bourgeois-landlord white guards. The Soviet Republic and its Red Army smash one after another Entente’s henchmen—Kolchak, Yudenich, Denikin, Krasnov, Wrangel, kick out of Ukraine and Belarus another henchman Entente—Pilsudski and, thus, repulse foreign military intervention, drive out of the Soviet country.

Thus, the first military attack of international capital on the country of socialism ended in its complete collapse.”<sup>[23]</sup>

## 6. American Imperialism and World War Two Preparations

In the era of monopolistic capitalism, the policies of the major imperialist powers serve the purposes of the struggle

---

<sup>[22]</sup> V.I. Lenin, Soch., Vol. XXIV, ed. 3, p. 403.

<sup>[23]</sup> “History of the CPSU (b). A short course ”, Gospolitizdat, 1946, p. 236.

for world domination and domination. When the whole world is divided into spheres of influence of the great powers, the question of its redistribution is put in the order of the day. And the struggle for the redistribution of the world eventually leads to a struggle for world domination. In the preparatory work on the study of imperialism, Lenin writes the following curious confession of one bourgeois writer, a certain Steffen, about the division of the world and the prospects associated with it.

“...”Now the world is almost “divided,”—”the author wrote in 1915, “But world history teaches us that empires tend to divide *each other* after they have more or less distributed lands that have no master in all parts of the world.”<sup>[24]</sup>

Lenin, quoting this in his recording, emphasizes the words “friend” and on the margins makes an eloquent remark: “well said!”

The desire for dominance in the world paints all U.S. foreign policy, especially after the First World War. Talk that America conquers Europe, the British Empire and the world as a whole, then did not go off the columns of the world press. Indeed, the economic and political expansion of the United States has increased significantly during this period. Immediately after the First World War, there was a widespread offensive of American capital in Europe. Under the guise of pious phrases, American businessmen began to organize big business out of the business of “helping” the ruined Europe; European peoples learned from bitter experience then the real cost of this “aid”. Lenin, citing the testimonies of American journalists, in the fall of 1919 noted an unprecedented outbreak of hatred against American imperialists in European countries.

“England and France won, “They are in debt, as in silk, to America, which has decided that no matter how many French and British people consider themselves winners, it

---

<sup>[24]</sup> V. I. Lenin, Notebooks on imperialism, Gospolitizdat, 1939, p. 215.

will take off the cream and receive interest more than for its assistance during the war, and in ensuring this should serve the American fleet, which is now being built and overtakes by its size English”<sup>[25]</sup>

Wealthy businessmen put in their bottomless pocket not only the wealth of small countries, but also took hold of important economic positions in the largest countries of Western Europe. Lenin said:

“America has become so impudent that it begins to enslave the” great free winner “France, which was formerly a country of usurers, but now has become entirely indebted to America, since it has lost economic strength and cannot get by with either its own bread or its coal, can develop its material forces on a large scale, and America demands that all tribute be paid unswervingly.”<sup>[26]</sup>

In Germany, American agents and speculators also very intensively used the inflationary environment to buy up businesses, houses, power plants, etc. for next to nothing. But those were only isolated actions. Then came the time for a broadly conceived operation to infiltrate American capital. A favourable environment for this was created by the problem of reparations that had come to a standstill.

The United States, as it is known, was not the recipient of German reparations, and this gave American diplomacy a convenient opportunity to play the farce of “impartiality”, disinterest in the European fight. At the same time, the American capital had such a profitable tool of pressure as military loans to European countries, on which interest alone reached a million dollars a day. The United States has consistently demanded that the United States pay their support for French and British reparation claims to Germany. But in addition to these direct financial interests, U.S. intervention in the issue of German reparations was driven by incomparably broader objectives. It was dictated by the

---

<sup>[25]</sup> V.I. Lenin, Soch., Vol. XXIV, ed. 3, p. 546.

<sup>[26]</sup> Ibid, pp. 546-547.

interests of the American monopolistic capital, which emerged from the First World War with rich profit and sought to gain strong economic positions on the European continent.

“Excess” capital persistently sought profitable markets for its application. The post-war business of the world, which greatly expanded the colonial sphere of influence of Great Britain, especially roused the appetites of Wall Street. To use Germany as a springboard for the offensive in Europe, to strengthen and adapt its economy for large capital investments was a strategic plan, covered by phrases about the desire to bring “peace” and “calm”.

Large investments of capital in Germany promised not only big young ladies. American monopolists saw in the magnates of the German steel industry, coal industry, chemistry, electrical engineering, shipbuilding convenient partners for the upcoming fight with England for dominance in world markets.

These calculations formed the basis of the action undertaken by American diplomacy under the pretext of “settling the reparations issue” and known as the Dawes plan.

This plan, developed on direct orders of the Morgan group by its agents, received the support of Great Britain, which, pursuing a traditional policy of “balance of power”, hoped to create a counterbalance to the French claims to hegemony in Europe. Diplomatic pressure on France was backed up by even more effective financial pressure. The French government, which, in search of a way out of the acute financial crisis, sought to obtain a loan in the United States, was given to understand that the loan would be provided only if France showed greater compliance on the reparations issue and agreed to the conditions offered by the Dawes plan.

“The Dawes plan drawn up in America,” said Comrade Stalin in his report at the XIV Congress of the All-Union Communist Party (Bolsheviks), “is as follows: Europe pays America’s debts at the expense of Germany, which is obliged

to Europe to pay reparations, but since Germany cannot siphon all of this amount from empty space, then Germany must receive a number of free markets, not yet occupied by other capitalist countries, from which she could draw new strength and new blood to pay reparation payments. In addition to a number of minor markets, here America is referring to our Russian markets. They should, according to the Dawes plan, be provided to Germany so that she could squeeze something out and have from what to pay reparation payments to Europe, which, in turn, must pay America through the state debt.”<sup>[27]</sup>

As you know, the short-sighted and presumptuous calculation of the creators of The Dawes plan completely failed. The Soviet people have dispelled all attempts to turn our country into an agrarian and raw appendage of the world capitalist system.

Through the efforts of Anglo-American monopolies, the complicated procedure of charging reparation payments from Germany was turned into a comedy. American capital poured into Germany. Until 1924, only a few firms (The Sugar Industry Syndicate, the Rhine-Westphalia Coal Syndicate, the North German Lloyd, the German Oil Company) received significant loans from the United States. In October 1924, half of the total loan from Germany to the Allies in the implementation of the Dawes plan was placed in the United States (\$110 million). But that was only the first swallow.

Business on a large scale began with the provision of loans to large industrial corporations that formed the backbone of the German military industry, the basis of its military-economic potential. From the first series of loans, \$ 30 million was received by the German Steel Trust, \$ 25 million—by the Thyssen Mining and Metallurgical Company, 10 million—by the General Electricity Company, 34 million—by the Siemens-Schuckert electric concern, \$25 million—the Rhine-Elbe Union company, etc. Krupna was saved from

---

<sup>[27]</sup> J. V. Stalin, *Soch.*, Vol. 7, pp. 271-272.



collapse in 1924 thanks to a loan of \$10 million from the New York firms Hallgarten & Co. and Goldman, Sachs & Co.”.

On the steel trust, which received more than \$100 million in long-term loans in a short period of time, U.S. officials said, “It is doubtful whether this trust was able to implement its modernisation and expansion programme without the support of American capital.”

“Everyone in Germany started to get loans—local government, cities, church and public organisations and most of all, of course, private enterprises,” wrote Robert Kuczynski, a well-known German statistician, in a special study on foreign capital in Germany.

According to official data of the U.S. Department of Commerce, from October 1924 to the end of 1929, the German industry received through American banks 1158.5 million dollars. The economic bulletin of one of the largest American banks, Chase Nation Bank, in 1931, called the higher figures of American loans to Germany—from 4.1 billion marks in 1926 to 11.7 billion in 1929 long-term loans and from 4 billion to 7 billion brands of short-term loans during the same time.

But both estimates apply only to official loan transactions; outside the field of accounting were the purchase of shares and bonds, patent agreements, cartel collusion and the like numerous forms of interweaving, linking the close ties of the American capital with the German.

German imperialism was able to restore its military-industrial potential only due to the influx of huge loans from outside and above all from the United States of America. During the six years from 1924 to 1929, foreign capital inflows to Germany amounted to more than 10-15 billion brands of long-term investments and more than 6 billion brands of short-term investments. According to other data, these investments reached 25 billion marks. It was a truly golden rain of American dollars, which poured new forces into the body of defeated German imperialism.

The assistance of American monopolies played a decisive role in the re-creation of the military and economic potential of German imperialism. This is evidenced by Hitler's chief financial agent Yalmar Schacht, who acted as the main intermediary between Germany and American bankers. In his book "The Settlement with Hitler" published after the war, Schacht writes:

"In six years, from 1924 to 1930, Germany received the same amount of foreign loans as the United States for forty years before the First World War."

A group of dealers associated with the Anglo-American-German bank Schroeder played a particularly ominous role in the revival of the German imperialist predator. Behind this bank in America was Rockefeller's financial group, which is part of the oil concern "Standard Oil" and "Chase Nation Bank", American intelligence, in Germany—the gatekeepers of the Rhine-Ruhr heavy industry, in England—the kings of metallurgy and chemistry. Schroeder's bank had close ties to the law firm of Sullivan and Cromwell, owned by John Foster Dulles and his brother Allen. This firm after the First World War took a strong position on Wall Street as the legal adviser of American monopolies and their agents for external relations. The Dulles brothers are closely associated with former U.S. President Herbert Hoover.

Schroeder Bank, established 130 years ago in Hamburg, subsequently settled in the City of London, and in 1923 in New York, where he established his branch, which quickly took a prominent place in the financial world. In 1923, Schroeder's bank, which moved to Cologne, supplied English loans to the Ruhr industry, which was on the verge of bankruptcy. Then Schroeder's bank began to play an outstanding role as a behind-the-scenes intermediary between German and American monopolies. Along with the American bank Dillon, Reed and KJ, he organized the influx of American billions to Germany.

In 1926, Dillon, Reed and KJ bank helped to get on its feet the German steel trust, giving it a loan of \$126 million.

One of the directors of this bank is General Draper, who until 1948 ran the economic management of the American military administration in Germany. Draper also holds director positions at The National City Bank and Bankers Trust Company. Another director of Dillon, Reed and KJ for a long time was James Forrestal, who only in March 1949 changed the office of the Secretary of Defence of the United States to a ward in a psychiatric hospital, and in May committed suicide by throwing himself out of the window of the 16th floor.

The Dulles brothers, affiliated with Schroeder Bank, were part of the American delegation to the Versailles Conference. John Foster Dulles then served as the American representative to the Inter-Union Reparations Commission. He was subsequently one of the authors of Dawes' plan. Nearly a quarter of a century later, he was one of the main authors of the Marshall Plan. His brother Allen worked for many years at the State Department and American intelligence. During the war, he headed the European Centre for American Intelligence in Switzerland. Subsequently, he openly boasted that during the entire period of the war he had close contact with the German Gestapo and used this contact for behind-the-scenes intrigues in favour of a separate peace with Germany. The same Allen Dulles during the war established close cooperation with the Tito-Rankovic gang in Yugoslavia.

In 1931, Germany stopped paying debts. In early 1933, John Foster Dulles visited Germany to settle its external debt. Dulles's trip was undertaken on behalf of Brown Brothers and Harriman, whose chief executive is Averell Harriman, then the American ambassador to Moscow, then the Minister of Commerce in the Truman government, and now the U.S. government's representative in the so-called "Organisation of European Economic Cooperation." Just while Dulles was in Germany, in the Cologne mansion of Baron Kurt von Schroeder, the head of the bank Schroeder, held a secret meeting of Hitler, Gugenberg, von Papen and

Schroeder, at which a plan to transfer power into the hands of a fascist robbery gang was developed.

Dulles was an abiding friend and patron of Hitlerism, Italian fascism and Japanese militarism. On the eve of the Second World War, in March 1939, in a speech to the meeting of the Economic Club in New York, he referred to three aggressive countries: "These dynamic peoples are determined to give their states forms that would enable them to take their destiny into their own hands and expand their rights, which, under a liberal and peaceful form of government, was unfeasible." He went on to say: "There is no reason to believe that any of the totalitarian states, one or together with the others, will attempt to attack the United States... Only hysterical people can believe that Germany, Italy or Japan are thinking of war with us..."

Such is the man who, in the period after the Second World War, became one of the de facto leaders of the foreign policy of the United States.

The sinister figure of John Foster Dulles, US Monopoly Special Commissioner, looms invariably behind the scenes of the State Department. From time to time, Dulles appears on the stage as an American delegate to international conferences and meetings.

American dollars put the German steel trust "Fereinigte Stahlwerke" and the chemical trust "I. G. Farbenindustri"—these two whales of Hitler's aggression. The main financial groups of the United States, the bosses of Wall Street—Dupont, Morgan, Rockefeller, Lamont, Dillon, Reed and their confidants like John Foster Dulles, Forrestal, and others—are those who made possible the post-Versailles revival of the military power of German imperialism.

"England and the United States," American Robert Sesuli writes with good reason in the book "I. G. Farbenindustri"—fought in the Second World War against the enemy, whom they also helped to re-arm."

Having put the German trusts on their feet with their billions of dollars in loans, the American monopolies then

entered into a series of cartel agreements with their German counterparties.

In 1926, the American chemical trust “DuPont de Nemours” concluded with the German chemical trust “I. G. Farbenindustri” a cartel agreement on the division of the world market for the sale of gunpowder, which was a direct violation of the Versailles Treaty. The American oil company Standard Oil of New Jersey shared with I. G. Farbenindustri “sales markets for synthetic gasoline and synthetic rubber. This agreement stipulated that the Standard Oil Trust should severely restrict the production of synthetic rubber in the United States. The Standard Oil firm also slowed down the production of one of the explosives, toluene.

The agreement between the same two synthetic gasoline trusts provided for a profit-sharing between them. The American Trust received deductions from every ton of synthetic gasoline produced in Germany, and the German trust received 20% of Standard Oil’s total revenues from the production and marketing of natural aviation gasoline. Thus, the military actions of the American armed forces against Hitler’s Germany enriched the German chemical trust! It is clear from this that both trusts were interested in prolonging the war.

During the war, the same two trusts entered into a new agreement. Standard Oil undertook to supply Germany with technical information, aviation gasoline, lubricating oils, etc. through “I. G. Farbenindustri”. Under other agreements, Standard Oil has pledged to supply Germany with high quality aviation gasoline. Competent researchers believe that the German Chemical Trust had over 160 cartel agreements with leading American firms.

Even after the end of the war, the German democratic press exposed the collusion of German and American monopolists, concluded at the very beginning of the war in Europe. Back in September 1939, one of the most prominent leaders of the German chemical trust I. G. Farbenindustri, Dr. von Knirim, negotiated in The Hague with his American

counterparts from the Standard Oil of New Jersey and concluded a secret agreement on the joint work of both concerns for the future. There was a special caveat in the agreement that war could not end the force of the deal. The main purpose of the deal was to delay the entry of the United States into the war as far as possible, thus creating favourable prospects for a long war and for the growth of incomes of both concerns.

The leaders of the American oil trust spoke openly about their close ties with I.G. Farbenindustri. One of them, Frank Howard, wrote in a letter to Clayton, who at the time was the head of the Reconstructive Financial Corporation, "After the war broke out, we, together with the Germans, revised our agreement and as follows the world: we took ownership of synthetic rubber products in the British Empire, in France and the United States, and the Germans got the rest of the world." Even after the defeat of Hitler's Germany, the American concern "Standard Oyle of New Jersey" continued to make huge profits on the basis of the Hague Agreement. After the German tycoons of coal, steel, chemistry, with the support of their American brethren, brought to power Hitler and his rogue gang, began a new stage of preparation of the war by German imperialism. At this stage, the decisive factor that contributed to the unleashing of Hitler's aggression was the treacherous policy of the ruling circles of England, France and the United States. This policy was expressed in the rejection of collective security, in the criminal connivance of German seizures, and in the last pre-war years—in direct incitement of Hitler to the early outbreak of war in the East.

"Reactionary imperialist elements all over the world, especially in England, the USA and France, pinned special hopes on Germany and Japan, and first of all on Hitlerite Germany, first of all, as the force most capable of striking a blow to the Soviet Union in order to if not to destroy, then in any case to weaken it and undermine its influence, and, secondly, as a force capable of crushing the revolutionary

workers' and democratic movement in Germany itself and in all countries that were the object of Hitler's aggression, and thereby strengthen the general the position of capitalism. This was one of the main reasons for the pre-war, so-called Munich, policy of "appeasement" and encouragement of fascist aggression, a policy that was consistently pursued by the ruling imperialist circles of England, France and the United States."<sup>[28]</sup>

A year before the start of World War II, Stalin's "Short Course on the History of the CPSU (B)" stated that the ruling circles of the Western powers, fearing the strengthening of the fascist states, at the same time "... are even more afraid of the labour movement in Europe and the national liberation movement in Asia, believing that fascism is a "good antidote" against all these "dangerous" movements."<sup>[29]</sup>

Fascism, which won between the two world wars *in* Germany, Italy, Japan, because of the peculiarities of the historical development of these countries, was at the same time the product and the product of the entire camp of international reaction, in which American monopolies occupied a leading place. It was this camp that gave birth, fed and sweated fascism. It was world imperialism that brought to power rabid adventurers like Hitler, Mussolini and their henchmen. Reactionaries of all countries valued fascism primarily for the fact that it seemed to them a reliable guarantee against the progressive aspirations of the masses. They valued fascism as a retribution for the working class and as the most appropriate means to suppress the liberation movement of the colonial peoples.

The policy of the imperialists of the United States and England towards the fascist countries was dictated primarily by the desire to strengthen these countries as outposts of world imperialism in its struggle against the forces of

---

<sup>[28]</sup> AA Zhdanov, On the international situation, Gospolitizdat, 1947, pp. 5–

6.

<sup>[29]</sup> "History of the CPSU (B)—Short course ", p. 319.

socialism and democracy. Therefore, fascist regimes were given such significant and comprehensive assistance by reactionary circles of other imperialist countries, especially American monopolies. Without this help, fascism could not grow into a monstrous danger for human civilization, for the freedom and life of peoples. Reactionary ruling circles of Western powers on the eve of the Second World War abandoned the policy of collective security and switched to the position of the notorious “non-intervention”, which was actually a position of encouraging aggressors.

In March 1939, giving a report on the work of the Central Committee of the Communist Party (B) at the 18th Congress of the party, Comrade Stalin revealed the insidious calculations that underpinned Munich policy:

“In the policy of non-interference, the desire is not to prevent the aggressors from doing their black business, not to interfere with, say, Japan’s war with China, and even better with the Soviet Union, do not interfere with, say, Germany get bogged down in European affairs, get involved in the war with the Soviet Union, let all the participants of the war get caught deep in the shadow of the war, encourage them in this secret, let them weaken and deplete each other, and then, when they are weak enough, - to come on stage with fresh forces, to speak, of course, “in the interests of peace”, and to dictate the conditions of the war. In January 1948, the governments of the United States of America, England and France undertook an unsightly manoeuvre aimed at falsifying the prehistory and history of the Second World War. In order to distort the historical truth, the governments of these countries went on to separate the publication of a collection of tendentiously selected reports and various records of Hitler’s diplomatic officials under the titled “Nazi-Soviet relations 1939-1941.”<sup>[30]</sup>

---

<sup>[30]</sup> J. V. Stalin, Questions of Leninism, ed. 11, pp. 570-571.



This manoeuvre was fully exposed in the historical report “History falsifiers” issued by the Soviet Information Bureau. Here, the actual course of preparation of German aggression is succinct and expressive, on a strictly documented basis. In the period between the two world wars, a struggle broke out between two fundamentally different lines of international politics. On the one hand, the policy of the Soviet Union aimed at maintaining peace to curb the aggressor; it was a policy of protecting collective security throughout the pre-war period. On the other hand, the policy of the ruling circles of the Western powers was aimed at colluding with German and Italian fascism; this policy, step by step, has broken more and more serious gaps in the collective security building and eventually inevitably led to war.

After the fascist states united in 1936 into a military-political bloc known as the “Berlin-Rome axis”, the ruling circles of France and England, with their notorious policy of “non-intervention”, invariably encouraged Hitlerite Germany and pushed it onto the path of conquest. In his report at the XVIII Congress of the All-Union Communist Party (Bolsheviks), Comrade Stalin showed that in reality “... the policy of non-interference means conniving at aggression, unleashing a war, - therefore, turning it into a world war”<sup>[31]</sup>. At the same time, he warned that “... a big and dangerous political game, started by the supporters of the policy of non-interference, may end in a serious failure for them”<sup>[32]</sup>.

Until recently, it was customary to place all the responsibility for Munich’s policy on the ruling circles of England and France. However, the fact, as stated in the historical certificate of the Soviet Information Bureau “Fakes of History”, that the American government has taken over the publication of German archival materials, while excluding materials related to the Munich period, shows the

---

<sup>[31]</sup> J. V. Stalin, Questions of Leninism, ed. 11, p. 570.

<sup>[32]</sup> Ibid, p. 572.

interest of the U.S. government in to whitewash the perpetrators of the Munich betrayal.

This interest is understandable, given the broad support of the most influential circles of the American reaction enjoyed by Hitler during his entire work in the preparation and outbreak of a robbery war.

As late as 1937, Hitler instructed his diplomatic agents operating in the United States to establish closer contact with the leaders of the American reaction. On Hitler's assignment, the fascist diplomats Tippelskirch and Killinger met in late November 1937 at a secret meeting with Senator Arthur Vandenberg, the representative of the DuPont financial dynasty, Lamoto Dupont, and the head of the Morgan-Dupont concern General Motor Alfred Sloan. Hitler's emissaries quickly found common ground with American monopolists and agreed with them on an agreed plan of action.

The closer the timing of Hitler's planned war came, the more active his influential allies over the ocean were. They included former President Herbert Hoover, Senators Vandenberg, Wheeler, Holt, House members Hamilton Fish and Day, capital tycoons Winthrop Aldrich of the Rockefeller Financial Group, Alfred Sloan and William Nudsen of General Motors, diplomats William Bullitt and J. Kennedy, who served as ambassadors in Paris and London in the pre-war period, and the newspaper king Randolph Hearst, the adventurer-flyer Charles Lindbergh, and others.

Hitler's American friends launched a great deal of activity in favour of Nazi Germany. They had a decisive influence on the course of American foreign policy in the fateful months of 1938-1939. When, on the eve of the Munich betrayal, on September 25, 1938, the Czechoslovak government asked President Roosevelt to declare that the United States would not allow the death of Czechoslovakia, it not only did not receive any support from overseas: moreover, Roosevelt turned to Chamberlain, Daladier and to Hitler with an appeal to "continue negotiations." It was a

direct call for surrender to the fascist aggressor. Then, after the treacherous Munich deal between Chamberlain and Daladier with Hitler, the head of General Motors Nudsen sent Hitler a congratulatory telegram. And US Undersecretary of State Samner Welles, in a radio speech on October 3, approved the Munich deal, saying it would create a “new international order.”

Thus, not only the reactionary cliques of England and France, but also the ruling monopolistic circles of the United States cleared the way of Hitler’s aggression.

“From all this it is clear,” says the “Help”, “that the historical truth is that Hitler’s aggression became possible, firstly, due to the fact that the United States of America helped the Germans to create a military-economic base of the German aggression and thus armed this aggression, and, secondly, due to the fact that the refusal of the Anglo-French ruling circles of collective security upset the ranks of the peace-loving countries, disintegrated the united front of these countries against aggression, cleared the way for German aggression and helped Hitler to unleash the second world war.”<sup>[33]</sup>

Soviet foreign policy upset the calculations of the Munchens and Hitler, who jointly forged plans for the “crusade” of the entire capitalist world against the country of socialism. No matter how hard Hitler and his partners in the Munich deal tried to mute the imperialist contradictions that tore apart the capitalist powers and create a united front against the Soviet Union, their attempts failed. These contradictions escalated every month and finally led to a military explosion.

“The wise Stalinist foreign policy of the Soviet state, both before the war and during the war, allowed us to properly exploit the contradictions within the imperialist

---

<sup>[33]</sup> "Falsifiers of History (Historical Reference)", Gospolitizdat, 1948, p.

camp, and this was one of the important conditions for our victory in the war.”<sup>[34]</sup>

However, even after the beginning of the war in Europe, the Munich people did not abandon their previous plans. On the contrary, they tried feverishly to adapt these plans to the new conditions.

Between September 1939 and Hitler’s attack on the Soviet Union, Munichites from the ruling camp of the United States, England and France carried out their plan, which was to effectively refrain from any military action against Hitler’s Germany, to continue to push it to the East. It was this plan that defined the capitulation, treacherous strategy of the ruling groups of these countries.

The way of warfare used by the leaders of the French bourgeoisie, even then received in the press the characteristic name of “strange war.” As you know, this “strange war” was that Daladier and Raynaud were fully engaged in the struggle against the French working class and its communist party and did nothing to fight the Nazis. On the western front there was virtually no military action during the winter of 1939/40 until the moment when Hitler’s troops launched an offensive and launched a lightning strike in Belgium, Holland and France, the success of which was predetermined by the activities of the fascist fifth columns in Western European countries.

At the same time, the Anglo-French ruling circles climbed out of their skin to prove Hitler’s hatred of the Soviet Union. Suffice it to recall at least such facts as the organisation of the special army of Weygand in Syria, which was aimed at attacking the main oil base of the Soviet Union—Baku and Batumi; In the winter of 1939/40, the military leaders of England and France focused their main efforts on building a

---

<sup>[34]</sup> G. Malenkov, Information report on the activities of the Central Committee of the All-Union Communist Party (Bolsheviks) at a meeting of representatives of some communist parties in Poland at the end of September 1947, Gospolitizdat, 1947, pp. 34–35.

hundred-thousandth Anglo-French Expeditionary Corps to send to the aid of Finland, whose fascist rulers were direct servants of Hitler and on his instigation provoked the war with the USSR. Only the victory of the Soviet troops over the White Finns prevented the sending of the Anglo-French Expeditionary Corps to the Karelian Front, near Leningrad.

“Preparation of the Anglo-French rulers for the attack on the USSR was in full swing. The general staffs of England and France worked diligently on plans for such an attack. These gentlemen wanted instead *of a war with Hitler’s Germany to start a war against the Soviet Union.*”<sup>[35]</sup>

Contrary to this treacherous and short-sighted policy of the ruling camp of the Western powers, the Soviet Union consistently and purposefully completed the formation of a huge front, from the Baltic Sea to the Black Sea, against Hitler’s aggression. It was the emergence of this “eastern” front that marked a radical change in the development of the war in favour of victory over fascism.

After Hitler’s attack on the Soviet Union, the Munchens began implementing their new plan. This plan was cynically revealed by the current President of the United States Truman, who was then a senator, in his famous statement published in the New York Times on June 24, 1941, where he wrote that, in his opinion, in the Soviet-German war, the Americans should help the party that would be more disadvantaged, so that the war dragged on and both sides suffered possible sacrifices. American politicians such as Dulles, Taft, Vandenberg, Hoover, who gained a decisive influence in the post-war period to determine Washington’s foreign policy, strongly opposed the participation of the United States in the war against Hitlerism. In England, the original designs of Churchill in the summer of 1941 were shaken by his closest collaborator, Minister of Aviation Industry Moore-Brabazon, who expressed hope that the Soviet and German armies will cause great damage to each

---

<sup>[35]</sup> "The falsifiers of history (Historical note)", pp. 62–63.

other, after which England will be able to dictate its conditions of peace.

The plan uncovered by Truman and Moore-Brabazon undoubtedly underpinned Churchill's military policy, which delayed the opening of the second front to the point where the Soviet Army's ability to complete the defeat of Hitler's Germany and reach Lamanche became apparent to the ruling circles of the Western powers. Churchill's policy was based on a very definite political calculation. This insidious and dishonest calculation was to allow Hitler to inflict deep damage on the Soviet Union and undermine its forces. The treacherous policy of the Anglo-American ruling circles, aimed at prolonging the war, was dictated by blind hatred of the Soviet power as a country of socialism, short-sighted calculations for the weakening of the Soviet Union in combat with Hitler's Germany and its *relegation* to the rank of a secondary power.

Facts cited in the historical report of the Soviet Information Bureau "Fakes of History" show that at the height of the war on the Soviet-German front of the war there were formal negotiations between representatives of England and Germany on the issue of the conclusion of separate peace. These negotiations, which were conducted by the British and Americans without the knowledge and consent of the Soviet Union, constituted a violation of the basic requirements of allied debt and allied obligations.

Many similar steps were taken during the last period of the war.

After the German counteroffensive in the Ardennes in the winter of 1944/45, the Germans actually gave the Anglo-American troops only very weak resistance, which ceased altogether since the forcing of the Allied forces of the Rhine. Hitler made no secret of the fact that he actually opened the front in the west, urging fascist troops to continue the frenzied resistance in the east.

Characteristically, even Byrnes, in his book "Frankly Speaking," which is an evil slanderous attack against the

Soviet power, inadvertently opens the edges of the veil over the events of the last period of the war. Even from his words it is clear that in March 1945, i.e. when the Soviet Army was fighting heavy battles on the German-fortified line of Oder, Hitler's Field Marshal Kesselring appealed to the Anglo-American command with a proposal to surrender Germany. This was, of course, a proposal of separate peace addressed to the Western powers. Kesselring offered to set up a meeting in Bern. It is enough to compare this fact with the fuss around the separate agreement between Germany and the Anglo-Saxon powers, which was carried out in the same period by the scion of the Swedish royal family Count Falke Bernadotte, to make it clear that it was a treacherous plan of collusion behind the back of the Soviet Union. Thus, the Soviet Union, on the one hand, and the Western powers, on the other hand, participated in the Second World War in very different ways. The Soviet Union and his army under the leadership of Comrade Stalin in titanic martial arts defeated the main pockets of world fascism and liberated the peoples of Europe and the Far East from the German and Japanese invaders. The ruling circles of the United States and England during the war treacherous policy towards the Soviet Union, violating their allied obligations, carrying out behind the back of the Soviet Union separatist negotiations with the Nazis.

During the war, the states that participated in the anti-Hitler coalition formed one camp. But even then there was a fundamental difference between the Allies, both in defining the objectives of the war and in understanding the objectives of the post-war system.

"The Soviet Union and the democratic countries considered the main goals of the war to be the restoration and strengthening of democratic order in Europe, the elimination of fascism and the prevention of the possibility of new aggression from Germany, the creation of all-round long-term cooperation of the peoples of Europe. The United States and, in agreement with them, England set themselves

a different goal in the war—getting rid of competitors in the markets (Germany, Japan) and establishing their dominant position”<sup>[36]</sup>.

These are the circumstances that are necessary to understand the nature and direction of American foreign policy in the post-war period.

The result of the Second World War was a new balance of power operating on the international scene. Two camps were formed. On the one hand, the imperialist and anti-democratic camp is aimed at establishing American world domination and defeating democracy. On the other hand, the anti-imperialist and democratic camp aims to undermine imperialism, strengthen democracy and eliminate the remnants of fascism. The main leading force of the imperialist camp are the United States of America, supported by the ruling circles of England, France and other capitalist states. The basis of the anti-imperialist camp are the Soviet Union and the countries of popular democracy. The struggle of these two camps takes place in the context of further aggravation of the general crisis of capitalism, weakening of the forces of capitalism and strengthening the forces of socialism.

“The Soviet Union, together with democratic countries, steadily exposes all enemies of peace, enemies of friendship of peoples, enemies of international cooperation on democratic foundations, fights against attempts of hostile imperialist circles to apply *to the* USSR and to the countries of the new democracy the policy of discrimination, to diminish their importance or to circumvent in solving the most important issues of international politics, to weave intrigues against the USSR and the countries of new democracy, to create hostile blocs and factions”<sup>[37]</sup>.

---

<sup>[36]</sup> "Information meeting of representatives of some communist parties", Gospolitizdat, 1947, p. 6.

<sup>[37]</sup> G. Malenkov, Information report on the activities of the Central Committee of the All-Union Communist scab (Bolsheviks), p. 35.



## **CHAPTER TWO. DOLLAR IMPERIALISM AFTER THE SECOND WORLD WAR**

### **1. In the Context of the Further Aggravation of the General Crisis of Capitalism**

Already the First World War, being a reflection of the general crisis of capitalism, exacerbated this crisis and weakened world capitalism. The war has found that the capitalist system of the world economy is fraught with the most destructive conflicts of the world scale, inevitably generated by the imperialist struggle for the redistribution of the already divided world. Reality dealt a crushing blow to all reformist illusions about the possibility of peaceful progressive development within the framework of capitalism. At the same time, the war gathered all the contradictions of imperialism in one knot and threw them on the scales, accelerating and facilitating the revolutionary battles of the proletariat for socialism. The working class of Russia, led by the party of Lenin-Stalin, using the weakening of the world capitalist system, broke through the front of imperialism and toppled (the rule of the bourgeoisie in one of the largest capitalist countries.

The Great October Socialist Revolution ushered in a new era of world history. Her victory showed that the era of the world socialist revolution has begun. It marked a fundamental turning point in the development of human society.

The Socialist Revolution in Russia has inflicted a fatal wound on world capitalism, from which it could never recover again. It ushered in the era of proletarian revolutions in the countries of imperialism. At the same time, it struck at the rear of imperialism, undermining its dominance in colonial and dependent countries.

The collapse of the predatory attempts of the imperialists to destroy the young Soviet republic, the victory

of Soviet power in one-sixth of the land have clearly confirmed that the capitalist system will never again regain the “equilibrium” that it had before October 1917. The fall of a huge country from the world capitalist system is not could not hasten the process of decay and dying of capitalism, characteristic of the imperialist era. The victory of the socialist revolution in Russia showed that “... the crisis of world capitalism has reached such a stage of development, when the fires of the revolution must inevitably break through now in the centers of imperialism, now in the periphery, bringing capitalist patches to zero and bringing the fall of capitalism day after day”<sup>[38]</sup>.

The victory of the socialist system in the Soviet Union led to the fact that capitalism ceased to be the only and inclusive system of the world economy. In the present era, along with capitalism, there is a socialist system of economy, which with its confident and powerful rise, its great achievements and victories even more vividly shades the rottenness and decay of the capitalist system. The struggle of two systems—capitalism and socialism—is the main feature of the general crisis of capitalism.

The era of the general crisis of capitalism is characterized by the fact that the foundations of imperialism in colonies and dependent countries are shattered to the ground, the authority of imperialism in the eyes of oppressed peoples is undermined and the colonial powers are unable to master and dominate hundreds of millions of colonial slaves. The general crisis of capitalism shows that capitalism has become a brake on the progressive development of human society. The contradiction between productive forces and the industrial relations of capitalism has reached an unprecedented aggravation.

This is evidenced by the phenomena characteristic of the general crisis of capitalism, such as the chronic under-loading of industrial enterprises and chronic mass unemployment,

---

<sup>[38]</sup> J. V. Stalin, Works, vol. 10, p. 246.

which is the lot of many millions of people in capitalist countries.

This is also evidenced by the distortion of the capitalist cycle, which is reflected in the fact that periodic crises of overproduction become incomparably deeper, sharp, long-lasting and destructive, while the short-term gaps between crises in some major capitalist countries do not produce any significant growth and upswing. In the oldest and largest capitalist countries, such as England and France, industry for three decades after the First World War trampled on the spot, experiencing some rise in some years, but much more often staying in a state of stagnation and decline.

The Second World War, prepared by the forces of international reaction and unleashed by fascist aggressors, led to a further aggravation of the general crisis of capitalism. As a result, the war has undergone significant changes in the international environment. As a result of the military defeat of the main hotbeds of world fascism and world aggression, as a result of the decisive role of the Soviet Union in the victory over the aggressive bloc, the balance of power between the two systems—socialist and capitalist—has changed dramatically in favour of socialism.

First, the Second World War, contrary to the treacherous calculations of the ruling circles of the United States and England, led not to weaken, but to the strengthening of the political, economic and military power of the country of socialism—the Soviet Union. The authority of the Soviet country in the whole world has grown enormously, its share in the international arena has increased. The great liberation mission carried out by the Soviet Union and its army, which saved the civilization of Europe from fascist pogroms and liberated the peoples of Europe and Asia from the German-fascist and Japanese yoke, has won our country the undivided sympathy of hundreds of millions of people around the world.

“The events of the Great Patriotic War are remembered by everyone. Stalin took the lead in defending our Motherland and took the leadership of the country’s armed

forces into his own hands, and the Soviet people won a victory over German fascism and its allies. They thought that the USSR would become impoverished and weakened, and it became even stronger during the Great Patriotic War. They hoped that after the war the Soviet Union would become dependent on the main capitalist states, and the Soviet state, as before, pursues its independent Stalinist foreign policy, guided by the interests of the Soviet people and international security”<sup>[39]</sup>.

In the post-war period, the powerful rise of the socialist economy of the Soviet Union, which managed in a strikingly short time not only to heal the heavy wounds inflicted by the fascist invaders, but also to move quickly forward on the path of further development, is a stark contrast compared to the economic collapse and insurmountable economic difficulties and contradictions in capitalist countries, incomparably less affected by the war. Thus, the superiority of the socialist system of economy over the capitalist system is eloquently confirmed.

Secondly, as a result of the Second World War, another gaping hole in the world system of capitalism was broken. If as a result of the First World War Russia fell away from the world imperialist system, the defeat of fascism in the Second World War and the liberation of Central and South-Eastern Europe by the Soviet Army from the fascist yoke led to the fall away from the imperialist system of a number of states—Poland, Romania, Czechoslovakia, Bulgaria, Hungary, Albania.

The fall of these countries from the capitalist system has taken a huge toll on capitalism in economic, political and military-strategic relations. The camp of capitalism lost a number of European states, which were entangled in the networks of bonded dependence on the largest capitalist powers. The field of capitalist exploitation, the sphere of

---

<sup>[39]</sup> V.M. Molotov, 31st Anniversary of the Great October Socialist Revolution, Gospolitizdat, 1948, pp. 34–35.

imperialist oppression, which served as an extremely profitable source of valuable raw materials, a market for goods, a place of capital application, has further narrowed the field of capitalist exploitation. More than 70 million people were freed from under the yoke of capitalism. The liberation of these countries from the power of the previously ruling reactionary cliques deprived the world imperialism of its loyal watchdogs, with which he organized after the First World War the notorious “sanitary cordon against Bolshevism”.

In the countries of Central and South-Eastern Europe, which broke with the camp of imperialism, the state sweetness passed from the hands of the exploitative classes into the hands of the working masses, who established the regime of popular democracy. In the States of popular democracy, deep revolutionary socio-economic transformations have been carried out, strengthening the democratic system and undermining the base of reaction. People’s democracy successfully fulfills the basic functions of the dictatorship of the proletariat, it is a form of proletarian dictatorship, carrying out the socialist transformation of society.

The Soviet Union and the countries of people’s democracy form the basis of the anti-imperialist camp on the international scene. The existence of the Soviet Union, its just foreign policy and increased international authority, its unselfish assistance and great creative experience were all essential, without which it would be unthinkable for the peoples of these countries to move to a new path of development leading to socialism. The betrayal of Tito’s espionage-fascist clique in Yugoslavia caused great damage to that country, but in no way lived up to the expectations of the world reaction to the weakening of the camp of socialism and democracy. The vigilance of the peoples who entered the path of socialism with the brotherly support of the Soviet Union, dooms the criminal designs of American intelligence and its Belgrade branch to failure.

Thirdly, the Second World War led to the military defeat of Germany and Japan, two countries to which the international response was crucial in the fight against the Soviet Union, the labour movement in Europe and the national liberation movement in the colonies. As a result of the collapse of German and Japanese imperialism, the world imperialist system suffered irreparable damage. The most aggressive units of the international reaction were broken and for a long period of time disabled. No matter how convulsive efforts the American imperialists make to restore German and Japanese imperialism, their attempts are met with growing opposition from peoples, including the growing democratic forces of the German and Japanese peoples, who do not want to repeat the imperialist adventures that led these peoples to a national catastrophe. Fourth, as a result of the Second World War, the crisis of the colonial system was further exacerbated. The powerful rise of the national liberation movement in colonial and dependent countries created an increased threat to the rear of capitalism.

“The peoples of the colonies do not want to live in the old way anymore. The ruling classes of the metropolis can no longer rule the colonies in the old way”<sup>[40]</sup>.

The peoples of the colonial countries, who had risen to the struggle for freedom and independence, were armed to defend their rights against imperialist aggressors who were trying to suppress the national liberation movement by military force and to re-chain colonial peoples into the chain of slavery. Protracted colonial wars are taking place in Indonesia, Vietnam, where peoples have created republics fighting to preserve their independence. In countries such as Burma and Malaya, the national liberation struggle is engulfing the growing popular masses. In India, in Ceylon, the ruling bourgeoisie, which betrayed the popular interests of the English imperialists, holds its positions only through

---

<sup>[40]</sup> A. A. Zhdanov, On the international situation, p. 9.

unheard of deception and bloody repression against the awakening masses. The greatest victories are won by the national liberation movement in China, where almost a fifth of humanity lives.

A quarter of a century ago, Comrade Stalin wrote prophetically that every step of China on the path to liberation "... is a blow of a steam hammer on imperialism..."<sup>[41]</sup>

The victory of the Chinese Revolution, led by the Communist Party, in the struggle against the Kuomintang regime of Chiang Kai-shek, to whom the United States has provided enormous support for many years with money and weapons, is the largest defeat of the imperialist system since the end of World War II and the fall of the people's democracies from capitalism. ...

As a result of the deployment of national liberation struggle in the colonial world, the territory on which the power of imperialism extends is further reduced. The calculations of the British, American, French, Dutch and Belgian colonizers for the "calm" exploitation of the colonies after the elimination of their German, Japanese and Italian competitors were completely collapsed.

The growing awakening of the masses in Africa shows that on the "black continent" the soil is increasingly burning under the feet of the imperialists. The rapid maturation of the national liberation movement in the African colonies renders unfounded the last hopes of the imperialists to establish a colonial exploitation reserve in Africa, designed to replace the positions lost by the colonial Powers in Asia to some extent.

Finally, fifthly, significant changes have taken place within the imperialist camp. The uneven development of capitalism in individual countries, the Second World War led to a further aggravation of this unevenness. Of the six so-called great imperialist powers—Germany, Japan, England,

---

<sup>[41]</sup> J. V. Stalin, Soch., Vol. 6, p. 144.

the United States, France, Italy—the three powers suffered a military defeat, France was severely weakened. Thus, only two imperialist great powers, the United States of America and England, survived. On the field of imperialist competition the winner was the insatiable imperialism of the dollar, which swept under itself the old, but weakened predators of European imperialism.

However, the domination of the United States does not eliminate the contradictions in the camp of imperialism, but, on the contrary, inevitably leads to their aggravation. The Anglo-American bloc, which included other imperialist states in its orbit, cannot be strong or strong. In this bloc, American imperialism has a significant advantage over the rest of the parties. But this inevitably causes centrifugal forces that sharpen the entire building of the block.

Back in 1920, Lenin, revealing the foundations of contradictions between the United States and the rest of the capitalist world, said:

“America is strong, everyone owes her now, everything depends on her, she is hated more and more, she robbed everyone, and she robbed in a very original way ... America cannot make peace with other countries, because there is deep economic strife between them, because America is richer than others.”<sup>[42]</sup>

After the Second World War, the balance of power within the narrowed and weakened imperialist camp changed further in favour of the United States, and the deepest economic discord between them and the rest of the capitalist world grew even more.

The uneven development of capitalism has reached its highest point, leaving the entire imperialist system in a state of extreme instability.

The imperialism of the dollar, which gained on military profits, concentrated in the hands of a tiny handful of financial oligarchy economic power, exceeding the strength

---

<sup>[42]</sup> V. I. Lenin, Soch., Vol. XXV, ed. 3, p. 506.



of the rest of the capitalist world. At the same time, the old European powers retained the main colonial possessions. However, the foundations of their colonial rule in Asia and Africa have been eroded. Restoring the old situation, in which valuable raw materials extracted in the colonies (rubber, oil, non-ferrous metals, etc.) gave Western European countries dollars to buy the necessary goods from the United States, is impossible. Hopes of restoring balance within a narrow imperialist camp are doomed to failure.

Moreover. The instability of the imperialist system inevitably increases as a result of the further effect of the law of uneven development. It is known that this unevenness is sharply amplified not only under the influence of wars, but also in times of crisis. The crisis usually affects individual countries with different strengths. The new economic crisis currently growing in the capitalist world is leading to new shifts in the balance of power between capitalist countries and further exacerbating the contradictions between them.

The aggravation of the general crisis of capitalism is reflected in the unprecedented aggravation of all social and class relations of bourgeois society. During the war, imperialism shouldered monstrous hardships, deprivations and sacrifices on the shoulders of the working masses. In the post-war period, he puts on the exploited classes all the burdens of his hopeless contradictions, economic devastation and progressive rotting. The press of capitalist exploitation is being screwed up tightly, the law of absolute and relative impoverishment of the proletariat acts with inexorable force. The proletariat is doomed to an unprecedented decline in living standards, to chronic mass unemployment. The ruin and insecurity of the existence of the masses of peasantry and intellectuals is growing. The raging growth of super-profit monopolies against the background of impoverishment of the general population particularly sharply emphasizes the parasitic nature of modern capitalism, deepening the gap between the social poles of bourgeois society.

The aggravation of social contradictions causes the rapid growth of revolutionary forces of the proletariat, led by communist parties. The Imperialists expected that the rule of Hitler's robbers on the European continent would lead to the weakening of the communist avant-garde of the proletariat, that the working class would be suffocated by unprecedented fascist terror. Reality has overturned these vile calculations. In the fire of the resistance movement communist parties of European countries hardened and grew into a mighty force, established close ties with the broad working masses, immeasurably strengthened their authority in the people. In countries liberated from fascism by the victorious Soviet Army, where the Anglo-American imperialist intervention could not be helped by bankrupt reactionaries, communist parties led the masses and ensured the victory of the people's democratic regime. In colonial and dependent countries, communist parties are at the forefront of the national liberation movement, seeking to give it a decisive and popular dimension, to turn it into a force formidable for imperialist oppressors.

These are the main features of the post-war international environment, in which the current expansion of the dollar's imperialism unfolds.

## **2. The Aggressiveness of American Imperialism is a Consequence of its Internal Weakness**

The place of the United States in the world economy has changed continuously as a result of the law of uneven economic and political development of capitalist countries in the era of imperialism. This phase of capitalism is characteristic that some countries overtake others not in the order of smooth evolution, but in leaps and bounds.

Back in the early 1960s, the United States was the third largest industrial production company in the world, after England and France.

And in the '90s they come out on top and become the largest industrial country in the world with a developed factory system.

"United States," wrote V.I. Lenin in 1914-1915, "does not have an equal rival neither in the speed of the development of capitalism in the late 19th and early 20th century, nor on the highest height of its development, nor on the vastness of the area on which the last word of science is used, equipped technology, taking into account the remarkable variety of natural-historical conditions..."<sup>[43]</sup>

The economic growth of the United States, which is relatively fast for the conditions of capitalism, was caused by a combination of certain reasons. In addition to the richest natural resources, a number of circumstances favoured the country's economic growth.

"America is protected by two oceans. In the north it is bordered by a weak country Canada, and in the south by a weak country Mexico. The United States has nothing to fear from them. After the War of Independence, the United States did not fight for 60 years, enjoyed peace. All this helped the rapid development of the United States. In addition, the U.S. population consists of people who have long been liberated from the oppression of kings and the land aristocracy. This has also made the United States more rapidly developing."<sup>[44]</sup>

The First World War, which caused significant damage to European countries, enriched American monopolies. The U.S. industry grew rapidly under the golden rule, with lucrative military orders. Post-war devastation in the capitalist countries of Europe was used by American monopolies to seize markets. As a result, in 1925 the United States produced as many industrial products as the United Kingdom, France and Germany combined.

---

<sup>[43]</sup> V.I. Lenin, Soch., Vol. 22, ed. 4, p. 5.

<sup>[44]</sup> Recording of the conversation comrade J.V Stalin with the leader of the US Republican Party Harold Stassen, Pravda, May 8, 1947

Back in 1930, noting the peculiarities of the economic crisis that shook the then capitalist world, Comrade Stalin pointed out that “the crisis most affected the *main country* of capitalism, its citadel, the SAS, concentrating in their hands at least half of all production and consumption of all countries of the world.”<sup>[45]</sup>

World War II enriched U.S. monopolists even more than the first. American industry has gained a huge market for its products. Military orders provided unprecedented profits. Public funds were generously invested in the construction of new plants, which were transferred for exploitation to the largest firms, and then transferred to their property for nothing. Millions of new workers were involved in the process of capitalist production and exploitation.

The war caused a significant increase in industrial production and led to an expansion of the production capacity of the American industry. The industrial production index (the volume of 1939 was adopted for 100) reached a high point in November 1943, when it was 237.

In other words, the volume of products has more than doubled. Contrary to the apologetic concoctions of the scientists and untrained lackeys of the bourgeoisie, the swelling of the production apparatus of American industry was by no means a healthy growth, because the basis of the expansion of production capabilities of the United States was military demand, which inevitably had to stop sooner or later. In fact, the decline in production began even before the end of the war, and after its end it took on an even wider scale. Contrary to the prophecies of American bourgeois economists, who predicted high “business activity” in the post-war years, the volume of industrial production in 1946 decreased by almost 29% compared to 1943. At the same time, manufacturing products fell by 32%, durable goods products by 47%.

---

<sup>[45]</sup> J. V. Stalin, Questions of Leninism, ed. 10, p. 351.

In a report on the 31st anniversary of the Great October Socialist Revolution, V. M. Molotov said:

“In the United States of America, industry now does not have 80 percent. from the level of 1943, when it, feeding on huge military orders, reached its highest level. Despite this, the profits of American companies continue to grow. If in 1939 these profits amounted to 6.4 billion dollars, and at the height of the war they exceeded 24 billion dollars for the year, last year the profits of American monopolies reached almost 30 billion dollars. On the other hand, the wages of American workers in recent years have lag sharply behind the price increases, which means a significant deterioration in the situation of the working class. While official reports say the number of unemployed in the United States is barely more than two million, which is at least three times the number of half-unemployed people working part-time, even according to official figures, reaching more than eight million.”

A significant reduction in output compared to the war period, while the growth of super-profits of monopolies, the number of unemployed and the deterioration of the working class and all workers, is the general picture of the post-war American economy.

The economic development of the United States strongly refutes the so-called “theory of exclusivity” of America. This theory, propagated by the minions of the bourgeoisie after the First World War, claimed that the general laws of the modern capitalist system were not applicable to the United States, which, they say, would enjoy eternal prosperity (American “prosperity”), without knowing the crises and recessions. The failure of the “theory of exclusivity” has already been revealed by the global economic crisis of 1929-1933. on the other hand, the crisis has hit America with the greatest destructive force: it is here that the decline in production has reached maximum depth, and unemployment has reached the most appalling levels.

The scandal-hit “theory of American exceptionalism” is now back on the way of the footmen of the bourgeoisie on both sides of the Atlantic and above all the right-wing socialists from the camp. Now the “theory of American exceptionalism” is part of the treacherous cosmopolitan propaganda of right-wing socialists and the overtly racist ravings of American reactionaries who talk about the racial “superiority” of Americans over other nations.

Meanwhile, the reality shows that in the conditions of the general crisis of capitalism, the industry of bourgeois countries, including the United States, again and again comes across in its development on a narrow base of domestic demand and limited scope of foreign markets.

The productive capacity of the United States extends far beyond the domestic market, bounded by capitalist distribution laws that doom the working majority of the population to a miserable living. The swelling of the manufacturing apparatus of the United States, together with the severe devastation of the capitalist countries of Europe and much of Asia, makes it inevitable that particularly sharp conflicts, unprecedented aggravation of the struggle for markets, new deep economic crises and shocks are inevitable.

The struggle for markets is now unfolding in the context of the general crisis of capitalism, which was further deepened by the Second World War. Capitalism, which lost one-sixth of the land as a result of the Great October Socialist Revolution in the USSR, was further defeated: the countries of popular democracy in Central and South-Eastern Europe and a number of countries in Asia fell out entirely or partially from its system as objects of exploitation, as markets and capital applications.

The ruling circles of the United States, being unable to offer anything positive, try to divert the attention of the masses from domestic problems inciting military psychosis. The crazy aggressive plans and aggressive policies of American imperialism are not a consequence of his strength,

but a consequence of his internal weakness, his inability to resolve his internal difficulties and contradictions.

### 3. Concentration of Production and Growth of Monopolies. Increasing the Decay of American Capitalism

The United States has long been called a country of trusts. Now this name more accurately expresses reality than ever before.

“American trusts,” wrote Lenin, “are the highest expression of the economy of imperialism or monopoly capitalism.”<sup>[46]</sup>

In his work “Imperialism as the Highest Stage of Capitalism” Lenin cited data on the concentration of American industry by the census of 1909, the largest enterprises, producing during the year more than 1 million dollars. In 1909, about 3,000 of the total mass of enterprises in the United States were over a quarter of a million, or 1.1%. They employed 30.5 per cent of the total number of workers and produced 43.8 per cent of gross output of the industry.

Citing these figures, Lenin wrote:

“Almost half of all production of all enterprises in the country in the hands of *one hundredth of the* total number of enterprises!”<sup>[47]</sup>

Over the next two decades, industrial giants grew even more. In 1939, they accounted for 5.2% of the total number of enterprises, 55% in terms of the number of workers, and 67.5% for gross production. Thus, in the hands of the largest enterprises was concentrated not half, but two thirds of all industrial production of the country.

---

<sup>[46]</sup> V.I. Lenin, Soch., Vol. 23, ed. 4, p. 32.

<sup>[47]</sup> V.I. Lenin, Soch., Vol. 22, ed. 4, p. 185.

The Second World War further strengthened the economic rot and political power of American monopolies.

A number of the most important sectors of the American economy are entirely in the hands of several monopolies, and in some industries domination belongs to one monopolistic organisation. In the American steel industry, for example, in 1944 the seven largest monopolies owned a production capacity of 51.8 million tons of cast iron and 66 million grams of steel. This accounted for 85% of the country's total production capacity for iron and 77% for steel. Just under half of the total production capacity of these seven largest monopolies comes from the United States Steel Trust. Second place goes to Bethlehem Corporation, which has more than one quarter of the capacity of the American steel trust for cast iron and more than one third of its steel capacity.

The American Steel Trust is one of the oldest monopolistic organisations in the United States. This is one of the largest associations not only in America, but in the entire capitalist world. It has existed since 1901. It owns up to three-quarters of all U.S. iron ore reserves, a number of iron ore and manganese ore concessions in other countries, steel mills, iron and coal mines, power plants, railroads and steamships for the transportation of raw materials and finished products.

The other oldest monopoly in the United States is the Standard Oil Trust. In the period between the two world wars, it covered almost half of the oil refining industry, about half of the marketing of petroleum products, and about two-thirds of the oil pipelines of the United States of America.

Monopolies are at the forefront of emerging industries. In the automotive industry, for example, the two largest firms, General Motors and Ford, are of decisive importance. General Motors has about a hundred factories. During the war, she also managed a number of government-built war production plants. During the war 130 thousand machine tools worked at the enterprises in the hands of General



Motors. The total amount of paid wages was more than \$1.3 billion per year. The electrical engineering industry is dominated by two major firms: General Electric (General Electric) and Westinghouse. In the chemical industry, DuPont de Nemours is the dominant company.

During the Second World War, some industries that received particularly greasy profits quickly became giants. For example, Douglas Aircraft had 8,500 workers in the aviation industry at the beginning of the war and 187,000 workers in early 1945. In 1935, it sold \$11 million worth of products, and in 1943 it delivered \$1 billion to the U.S. Army. The following figures show the degree of *capital concentration* in the United States. According to 1945 data, there were 45 firms in the United States with \$1 billion in resources. and more each. The total capital of these enterprises is 107 billion dollars. These capitalist giants include 18 banks, 9 insurance companies, 7 industrial enterprises (the oil firms Standard Oil of New Jersey and Sakoni Vacuum Oil, The Steel Joint Stakes and Bethlehem Steel, General Motor and Ford, 6 railroad companies and 3 utility companies. The largest of these 45 enterprises is the insurance firm “Metropolitan Life Insurance” with a capital of about 7 billion dollars, followed by the company “Bell Telephone Systems” with a capital of more than 6.5 billion dollars, then—the insurance company “Prudential Life Inschrens” with a capital of about 5.9 billion dollars, the banker firm “Chase Bank” with capital of more than 5.2 billion dollars.

A small group of large giant enterprises has long been crucial in the American economy.

The following figures show the degree of concentration of *production* in American industry. According to the war years, there are about 3 million industrial enterprises in the United States. Of these, about 3,000 enterprises have a thousand or more workers each. This group of the largest enterprises in 1939 had 30.5% of all American workers, and in 1943—almost 45%. A total of 50 industrial firms have 20,000

or more workers each, of which 11 firms each have more than 100,000 workers. The largest firm in terms of the number of employed workers is General Motors, "in which during the war the number of workers reached 500,000 people. General Motors was followed by United Steel, Bethlehem Steel, Dupont, Ford, General Electric and Curtiss Wright.

The war significantly accelerated the further concentration of production and the growth of monopolies. The policy of the State of the United States played a huge role in this regard. Government agencies, through the distribution of military orders, preferential supply of raw materials, labour, etc., provided unprecedented enrichment to monopolies.

Government orders were the most important source of enrichment of monopolies during the war. Between June 1940 and September 1944, the government issued basic orders worth \$175 billion. Of this amount, the 100 largest corporations received orders for \$117 billion, or 67% of all orders, and the remaining \$58 billion was distributed among 18,439 corporations.

More than half of the total order amount received 33 firms, i.e. 0.2% of the total number of corporations, and 13,191 firms, or 71% of the total number, received only 2% of all orders. Automotive giant General Motors, closely associated with the chemical concern DuPont, received almost \$14 billion. 7.9% of all orders issued, and the entire DuPont Group received approximately 10% of the total order.

Data on the concentration of production and growth of American monopolies are published in a report submitted in June 1946 by the Senate Commission on Small Businesses. The report entitled "Economic Concentration and the Second World War" contains the following eloquent figures.

Between 1939 and 1944, the manufacturing industry, which accounts for about nine-tenths of all U.S. industries, undergone the following changes. Small businesses with up to 50 workers accounted for 85% of the total number of

enterprises in 1939 and 83% in 1944. However, despite the fact that the absolute number of workers in these enterprises has increased by a quarter of a million, the percentage of workers employed in them has decreased from 17 to 12. In other words, more than four-fifths of the total number of enterprises have only one-eighth of the total number of workers.

On the other hand, the number of workers employed in large enterprises (from 500 workers each) increased from 3.8 million to 5.2 million people. Such enterprises about 2,000 enterprises with the number of workers from 10 thousand and above before the war existed only 49, in 1944 there were already 344. The number of workers employed in these enterprises increased from 1.4 million to 5.1 million, or from 13.1 to 30.4%.

If you add up data for both groups of enterprises with the number of workers from 500 and above, it turns out that before the war they were concentrated 48% of all manufacturing workers, and in 1944 - 62%. In other words, out of every three American workers, two are now employed in large and large factories, the total number of which is not even two and a half thousand!

However, the picture will remain far from complete, except for the changes in the specific weight of the United States in the industrial products of the entire capitalist world. As you know, during the war, the U.S. industry more than doubled its output. The well-known growth of production took place in Canada, Australia, South Africa, India, but the share of these countries in the overall result of the capitalist world economy is small. The growth of products took place in a number of industries that served the war. On the other hand, during the war, industrial production fell significantly in most capitalist countries in Europe and, above all, in Germany, which used to be the second largest capitalist world.

As a result, by the end of the war, the share of the United States in the industrial products of all capitalist

countries combined had increased significantly. This means that the share of 2,500 large and largest American enterprises has increased, not only in the United States, but also in the entire capitalist world. The concentration of production has reached such a level that a small number of American giant enterprises have concentrated the production of a very large share of industrial production of the entire capitalist system of the world economy.

American journalist James Allen writes in “International Monopoly and Peace”:

“The share of giant American corporations falls a very large part of the production not only of the United States, but of the entire capitalist world ... The products of the trustified industry and its genuine or potential capabilities are a crucial part of the products and production capabilities of the entire global capitalist industry.”<sup>[48]</sup>

Of course, this fact cannot but have the most serious consequences.

Concentration of production is closely related to the growth of monopolies. Large and large U.S. businesses are owned or controlled by a few monopolistic groups. In 1909, for example, 200 major non-financial institutions owned one-third of the holdings of all non-financial corporations, and in 1930 they controlled 55% of the holdings of these corporations. The largest industrial corporations with \$5 million each. net income per year, received in 1918 more than 34% of the total profits of industrial corporations, and in 1942—about 51%. On the other hand, corporations with annual incomes of less than \$250,000 in 1942 received 11% of the total profits of industrial corporations, compared to 24% in 1918.

The report of the U.S. Senate Commission, which examined the “economic concentration”, notes that by mid-1945, 63 major industrial corporations, each with a capital of

---

<sup>[48]</sup> James Allen, *International Monopolies and Peace*, State Foreign Literature Publishing House, 1948, p. 117.

more than \$100 million, increased their capital to 8,400 ml, and by the end of 1945 they had almost \$10 billion.

“With such capital,” the report says, “they can buy up at an acceptable price all the productive equipment in the hands of the government, or they can purchase all the equipment and capital of 71,700 smaller manufacturing corporations with less than \$3 million in capital. each comprising 94% of the total number of industrial corporations in the United States. Large firms are actually using war-time profits to buy up smaller firms, as evidenced by the current surge in mergers and acquisitions.”

According to the information cited by the journalist J. Seldes in the book “A Thousand Americans,” the Association of Investment Banks of the United States has 730 members. Of these, 38 control 91% of the country’s financial transactions, and of these 38 “big six” Wall Street controls 57%; another 14 members of New York banks control 21% and 18 members who do not belong to this circle, but have ties to Wall Street, the remaining 12% of financial transactions. Thus, the other 692 firms account for only 9% of financial transactions.

According to the Senate committee mentioned above, the 250 largest corporations control 70% of the country’s total industrial production. These corporations, in turn, are controlled by eight giant financial groups, of which Morgan, Kuhn-Lob, Rockefeller, DuPont and Mellon are best known. Morgan’s house, along with one of the banks in its hands, Furst National, controls between 41 and 200 major non-banking corporations. Ten of them have two or more directors, shared with “J. P. Morgan and Company.” Morgan’s house controls more than \$30 billion in capital. In second place is the firm “Kun-Lob” which controls 11 billion dollars. It is the capital of 13 major railways, covering about 22% of the country’s rail network.

The Rockefellers control more than 6 billion, the Mellons control a little more than half of that amount, the Duponts control 2.5 billion.

Ways to enrich the American financial oligarchy are usually hidden from the public. Only occasionally scandalous revelations shed some light on the antics of financial aces.

This was the case, for example, in October 1947, several smaller financial companies filed a complaint with the Ministry of Justice, accusing Morgan, Harriman's companies, Kun-Loeb Company, Dillon, Reed Company and other large banking firms of actually monopolizing the highly profitable sphere of activity by issuing and selling bonds and shares of industrial, railway and other companies. In connection with this case, some curious details of the hosting of the financial oligarchy were revealed. It turned out that between January 1, 1938 and April 30, 1947, 17 major banking firms managed the sale of shares and other securities totalling \$14.357 million, representing approximately 69% of all securities issued in the United States through mergers.

The weekly newsletter *In Fecht* wrote that Morgan's "Empire" includes 13 giant industrial corporations (among them United States Steel Corporation), 12 utilities (including the American Telephone and Telegraph Company), 37 electric companies, 11 major railway companies and several major banking institutions. As noted in the bulletin, representatives of the Morgan firm held 126 director positions in 89 corporations, the total capital of which exceeds \$20 billion.

Lenin strongly exposed the manoeuvres of the apologists of capitalism, singing the praises of "freedom of initiative" and "private enterprise" that the Socialists allegedly want to destroy. Lenin showed that independent small-scale commodity production, in which free competition could foster initiative and enterprise, has long given way to large-scale production and the domination of monopolies. And under the domination of monopolies, Lenin pointed out, competition means an unheard of brutal suppression of enterprise, initiative and energy of the mass of the population, the replacement of competition with financial fraud, despotic mastership of monopolies.

Lenin noted that bourgeois economists, describing some manifestations of monopolies, at the same time continue to claim in chorus that Marxism would be disproved. Now there is a similar picture. Bourgeois economists and politicians continue to chorus to the notorious “private initiative” and “freedom of enterprise”; at the same time, they were forced to acknowledge the immutable facts of the domination of monopolies, in which “initiative” and “enterprise” had long since become a pacifier, a fiction.

Capitalism’s laws of concentration and centralisation of capital lead to an increase in the socialization of production, which is insoluble contradiction with the private capitalist form of appropriation. Under the domination of private property, the concentration of production inevitably leads to the strengthening of the omnipotence of monopolies, their rot, arbitrariness, their self-serving and uncontrolled mastery in all areas of economic and political life. At the same time, the increase in the concentration of production further strengthened and exacerbated the anarchistic and unplannedness of American capitalism. The total number of manufacturing enterprises in the United States in 1944 was more than 200,000. Thus, life brilliantly confirms Lenin’s position that the monopolistic superstructure will rise on the foundation of the old capitalism, which exists next to monopolies, which generates particularly acute contradictions and conflicts. These contradictions and conflicts have never been so strong and sharp before.

Revealing the common basis of all the contradictions of the monopolistic era, Comrade Stalin wrote:

“From the point of view of economic current conflicts and military clashes of capitalist groups among themselves, as well as the struggle of the proletariat with the class of capitalists, have their basis the conflict of the current productive forces with the national-imperialist framework of their development and with capitalist forms of appropriation. The imperialist framework and the capitalist form are

suffocating, preventing the development of productive forces.”<sup>[49]</sup>

This conflict has become even sharper and more striking in the modern era. It is here that the key to understanding the deepest roots of a whole series of phenomena that characterise the decay and parasitism of American capitalism and Washington’s arch-reactionary domestic and foreign policy is found.

Lenin-Stalinist theory of imperialism teaches that the basis of the decay and parasitism of capitalism is the domination of monopolies. On the basis of further growth of the concentration of production and capital, the processes of decay and parasitism of American capitalism are strengthening and worsening.

In an effort to subdue the achievements of modern science and technology to their narrowly vested interests, American monopolies keep discoveries and inventions in deep secrecy. They buy patents for inventions and put them under the cloth. They stifle a technical thought that could harm the interests of large capital.

The tendency to stagnate and decay generated by monopolies does not mean an end to the development of technology under capitalism. Lenin warned against a vulgar interpretation of decay as an absolute technical stagnation. Individual industries, especially those associated with the war, are developing very rapidly. In general, however, the growth of productive forces is increasingly lagging behind the enormous opportunities available to modern science and technology.

“Of course,” wrote Lenin, “monopoly under capitalism can never completely and for a very long time eliminate competition from the world market (this, by the way, is one of the reasons for the absurdity of the theory of ultra-imperialism). Of course, the ability to lower production costs and increase profits by introducing technical improvements

---

<sup>[49]</sup> J. V. Stalin, *Soch.*, Vol. 5, pp. 109-110.



works in favour of change. But the tendency to stagnation and decay, inherent in monopoly, continues to operate in turn, and in individual industries, in individual countries, for certain periods of time, it takes over.”<sup>[50]</sup>

This fact is so striking that it is not able to deny even bourgeois researchers, dealing *with* a specific picture of the host of monopolies and the peculiarities of international cartels in the American economy.

«... Cartels, one American researcher writes, tend to be suspicious of new technical improvements. They willingly research to discover new ways of using their old products, but often hinder the development of new production processes or the production of new products.”<sup>[51]</sup>

American monopolies spend large sums on research, but the results of these works, according to the same author, “... Serve the purpose of fencing... From technological progress; the production process is patented in order to prevent others from using the invention.”

In the United States, for more than three decades, the field of glass packaging production was dominated by a monopoly union, which itself did not manufacture, but only bought up patents and issued licenses to other firms. In one document, the monopoly’s patent policy is as follows:

“By receiving patents, we have three main objectives:  
(a) to protect the machines we already have that we use and to prevent the release of them by another firm;

b) Prevent the invention of other machines for the same purpose as ours, but a completely different design;

(c) To seize patents for possible improvements to our competitors’ machines in order to “put these patents under the cloth” and prevent these improvements from being implemented.”

---

<sup>[50]</sup> V.I. Lenin, Soch., Vol. 22, ed. 4, p. 263.

<sup>[51]</sup> C. D. Edwards, International Cartels in Economics and Politics, State Foreign Literature Publishing House, 1947, p. 93.

The American author of the work on monopolies Burge points out that “any new invention made outside of monopolies cannot be realised, as from monopolies the inventor is charged with an expensive claim “for infringement of patent law”“. The inventor must either submit to the control of monopolies, or refuse to implement his invention at all.

To ensure their monopoly position, cartels, syndicates and trusts do not stop before any means. “By abusing the patent system, the cartels have established their control over entire areas of technology. With this system, international industrial monopolies have sometimes deliberately reduced the quality of their products. In order to maintain their monopoly position, they did not stop before such falsification of products, which threatened the health and even the lives of consumers.”<sup>[52]</sup>

A typical case took place in the field of dye production. A new type of dye has been discovered in DuPont’s laboratory. Its use in the textile industry violated the entire price structure of the concern. On the instructions of the firm, special studies were carried out to make the new dye unusable in the textile industry.

Many similar cases and examples could be cited to illustrate the delay in technological progress by the American monopolies. But to characterize the arch-reactionary role of American monopoly capitalism, which has become the greatest obstacle to the development of the productive forces of modern society, it is enough to refer to the fate of the atomic problem. Already during the Second World War, science practically solved the problem of using intra-atomic energy. There is no doubt that its use for peaceful purposes opens up the possibility of a genuine revolution in the methods of production. But the use of atomic energy for

---

<sup>[52]</sup> W. Burge, *International Cartels*, State Foreign Literature Publishing House, 1947, p. 29.

peaceful purposes is in every possible way hampered by the American financial oligarchy.

At first, after the end of the war, American politicians still considered it necessary to divert their eyes from sometimes making empty statements about the peaceful use of atomic energy, and then these statements stopped. The largest scientific discovery is used by Wall Street exclusively for the notorious atomic diplomacy and atomic blackmail, in order to prepare a barbaric and criminal atomic war. In the expansionist circles of the United States "... a new kind of religion has spread: with disbelief in one's inner strength, faith in the secret of the atomic bomb, although this secret has long ceased to exist."<sup>[53]</sup>

The concentration of capital in the United States emphasizes the parasitic nature of capitalist private property. Previously, in the pre-monopoly era, the private property of a capitalist meant the right of the owner of the means of production to join someone else's work and its product. In the era of financial capital, the monopolist manages not only other people's work, but also other people's capital, many times superior to his own capital. In modern times, American monopolists appropriate, first, the overwhelming share of profits from foreign capital, and, secondly, they appropriate in increasing scale foreign capital.

The parasitic nature of American capitalism manifests itself in many forms: the monstrous lag of the village from the city, agriculture from industry; in the gigantic growth of non-labour incomes and unprecedented even for the American scale of the waste of the bourgeoisie; in the growth of non-productive expenditures of the State, caused primarily by the arms race and the militarization of public life; in bribing the American bourgeoisie of the broken top of the working class, which is a true pillar of Wall Street and plays a nefarious role of State Department agents in the

---

<sup>[53]</sup> V.M. Molotov, Foreign Policy Issues, Gospolitizdat. 1948, p. 496.

international arena; is that in the American economy as a whole, the features of the moneylender state are becoming more pronounced.

During the First World War, characterizing the level of socialization of the production of monopolies at that time, Lenin emphasized that this socialization is in glaring contradiction with the private capitalist form of appropriation. The current level of concentration of production and capital in the hands of American monopolies marks the further development of the main contradiction of capitalism—the contradiction between the social nature of production and the private capitalist form of appropriation.

During the First World War, Lenin emphasized that the war accelerated the development of capitalism and it went forward from capitalism to imperialism, from monopoly to statehood, that war and devastation all bourgeois countries were forced from monopolistic capitalism to state-monopoly capitalism. State-monopoly capitalism means the highest possible stage of socialisation of production under capitalism, which is especially vividly indicative of its maturity for the social revolution of the proletariat.

By exposing the false inventions of the reformists who tried to portray state-monopoly capitalism as a special kind of socialism, Lenin and Stalin fully revealed the deeply contradictory nature of state-monopoly capital. On the one hand, state-monopoly capitalism is “the fullest material preparation of socialism,”<sup>[54]</sup> on the other hand, it is a military hard labour for the workers, a paradise for the capitalists. Born by the development of the fundamental contradiction of capitalism, state-monopoly capitalism is not only unable to eliminate or at least weaken this contradiction, but, on the contrary, inevitably leads to its further aggravation.

State-monopoly capitalism does not carry the limitation or reduction of the omnipotence of monopolies, but, on the

---

<sup>[54]</sup> V.I. Lenin, *Soch.*, Vol. 25, ed. 4, p. 333.

contrary, the further, previously unseen growth of this power, because the corruption of monopolies with state power is growing, there is an increasingly unlimited and open transformation of state power into a direct tool of monopolies in their exploitative activities and expansionist adventures, which inevitably generates a number of particularly acute conflicts. In the United States, as in all other bourgeois countries, the state is an instrument of domination of capitalist monopolies, a special apparatus that ensures the interests of monopolies in the field of domestic and foreign policy. It is the most important tool for preserving class domination, achieving the class interests of the exploitative elite.

The experience of the Second World War and the post-war period clearly showed the deeply contradictory nature of the trends of state-monopoly capitalism in the United States. The effect of these trends has led to a further strengthening of the rot of monopolies in all areas of life, increasing the general chaos and disorganisation of American capitalism, making its rottenness and parasitism even more apparent.

One of the characteristic manifestations of the decay and parasitism of American capitalism was the extensive state activity in the construction of the military industry and a number of related industries. The American monopolies, taking into account the experience of the First World War, which left them a legacy in the form of chronic underutilization of enterprises, showed a clear reluctance to create at their own expense the enterprises necessary for the war, preferring that the costs were borne by the state, while the profits went to the monopolists. During the war, industrial construction was carried out by two-thirds at the expense of the treasury and only by one-third at the expense of private firms. Enterprises built at the expense of the state were transferred to private capitalist monopolies for exploitation, and after the war they were transferred into their ownership for a pittance, in many cases under the guise of scrap. For example, a large steel plant in Geneva, Utah,

which cost the state \$220 million, was acquired by United States Steel for \$47.5 million, although one Los Angeles firm, as reported by the newspaper The New York Times of May 2, 1946, offered the government more than \$200 million for him.<sup>[55]</sup>

This entire operation, which the lackeys of the American bourgeoisie, including the right-wing socialist leaders, advertised as evidence of the creative forces of capitalism, was in fact a striking indicator of the inability of the bourgeois system to cope with the productive forces of the modern era. The servants of capitalism are still talking like parrots about the “system of private entrepreneurship”, about “free initiative” and the beneficence of “risk” for which capitalist entrepreneurs are supposedly “just rewarded” in the form of profit. Meanwhile, in reality, the notorious “initiative” and “entrepreneurship” gave a lag in the most important moment of the country’s existence, and the “risk”—or, more precisely, the losses from the inability of the bourgeois system to cope with the productive forces—the monopolists completely laid on the shoulders of the state treasury, on the shoulders of the entire population paying taxes.

All this shows that the bourgeois system as a social system has already fulfilled its historical purpose, that bourgeois industrial relations have long been a hindrance to the further development of society.

The real reality at every turn belies the treacherous reformist attempts to embellish the state-monopoly capitalism, made by right-wing socialists and other minions of imperialism, who portray modern capitalism, torn by irreconcilable contradictions, in the form of “organized capitalism”, engaged in a false chatter about the supposed “superclass” nature of the bourgeois state, which is the executive.

---

<sup>[55]</sup> See Yu. Kuchinsky, *History of Working Conditions in the United States*, State Foreign Literature Publishing House, 1949, p. 373.

The works of Academician Varg, Academician Trachtenberg and some other workers of the former Institute of World Economy and World Politics were nothing more than an attempt to transfer to the pages of Soviet economic literature the thoroughly false, apologetic statements of American reactionary propaganda and its right-wing socialist servants. These works put forward antiscientific statements hostile to Marxism about the allegedly “decisive role of the state” in bourgeois countries, fabrications about “planning” under capitalism, statements about the allegedly “supra-class” nature of the bourgeois state, etc. Replacing scientific Marxist-Leninist methodology with antiscientific bourgeois objectivism, these works, imbued with subservience to foreignism, gloss over the acute contradictions of modern imperialism and, above all, American capitalism.

#### **4. Super-Profits of American Monopolies. Exploitation and Poverty of the Working Masses**

The Second World War was a source of unprecedented enrichment for American monopolies. Military orders gave American monopolies huge, hitherto unseen profits. Once again, the truth has been confirmed that if war is a terrible disaster for peoples, it is first and foremost a profitable thing for large capital. During the war (1940-1945) American corporations (in the United States so called equity companies) received more than 53 billion net income net. In 1942, five companies had gross profits more than a hundred times higher than the average annual profit for 1936-1939, 34 companies—ten times, and 48 companies—three times.

Unprecedented profit margins and the persistence of monopolists to prevent their decline in post-war conditions are the facts that define the entire background of the post-war economic and political life of the United States. During the war, the prices of goods, including consumer goods, were under the control of the Government. Sustainable prices, with significant reductions in production costs as a result of

increased equipment load and increased production, provided monopolies with huge young ladies. After the end of the war, monopolists found it more profitable to abolish price regulation. At the end of June 1946, a law mitigating price control was passed, and in early November the control was abolished completely. Since then, monopolies have steadily pursued a policy of inflating prices, which means further growth in profits due to a decrease in the living standards of the population.

During the period of the largest military expansion of production, in 1943, corporate profits before taxes amounted to \$25 billion. This was two-and-a-half times the total amount of profits in 1929 and almost five times the average amount of 1936-1939.

After the end of the war, in the first quarter of 1946, the total pre-tax profits reached \$15 billion. per year, while in 1939, the pre-tax profits of these corporations were \$7.2 billion and after-tax, \$5.9 billion.

In 1947, American corporate profits reached nearly \$29 billion before taxes and \$17.4 billion after taxes. A number of leading monopolies, as a result of the increased degree of exploitation, received in 1947 an average of 15-20% of net profit in relation to their own capital, while in 1938 this average rate of profit was 3%. According to the newsletter "National City Bank" for March 1948, the profits of 960 leading monopolistic associations of the United States in 1947, exceeded the profits of these associations in 1946 by 50%". In 1947, the profit in relation to the total capital of companies was 17.1% compared to 12.5% in 1946, 12.4% in 1941, 12.8% in 1929 and an average of 8.4% for the period from 1925 to 1946.

In 1948, corporate profits after tax were \$20.8 billion. this amount is almost double the maximum profit reached during the war, which is \$10.8 billion. in 1944, the record amount of profits American monopolies received, despite the fact that in 1948 the level of industrial production did not reach 80% compared to the level of wartime. It is very typical



that pre-tax profits amounted to 24.3 billion in 1944, and in 1948 - 34 billion, i.e. increased by 40%, and profits after taxes increased by almost 100%. This result was achieved through the appropriate tax policy. With a profit growth of \$9.7 billion. the total amount of taxes paid by monopolies not only did not increase, but decreased by \$300 million. Thus, the net gain of monopolies amounted to 10 billion dollars.

Paying exorbitant tributes to monopolists exacerbates the impoverishment of large segments of the American population, leads to the deterioration of living conditions of the masses. The decline in the purchasing power of the United States domestic market inevitably exacerbates the struggle for foreign markets. As a method of pumping additional funds from American agriculture, monopoly prices delay its development. Thus, high monopoly prices, exacerbating the contradictions of American capitalism, further strengthen its decay.

According to economists, based on official statistics, in the pre-war years, the average income of American workers was only 40 to 60% of the living wage. The author of a number of studies on the situation of the working class, Yu Kuczynski, believes that in 1935-1936, incomes that reached the subsistence level had only about one-sixth of all American working families.

According to official data, in 1935-1936 only 10% of the country's population had an income of at least \$2,600. a year, an amount that, again according to government data, was sufficient to meet the needs of the average family. But 90 percent of the American population didn't have that amount, and 10 percent received less than \$340 per year. A third of the population received less than \$780, this group was to give about a fifth of its income to the state in taxes.

The myth of the supposedly high standard of living of American workers during the war is just one of the inventions spread by the heralds of the "American way of life" of the right-wing socialists and other minions of imperialism. A

significant deterioration in the economic situation of the working class in the post-war period is an indisputable fact.

In March 1947, the Electrical Machinery and Radio-technical Workers' Union, part of the Congress of Manufacturing Trade Unions, conducted a survey of the living conditions of the workers. To the question: "Are you forced to reduce the consumption of such products as bread, meat, milk, fats, fresh fruit?"—71% of respondents answered in the affirmative, 10%—negative and 19% did not answer. To the question: "Do you have savings?"—71% answered negatively, 10%—yes, 7% said that they have, but little, and the rest did not answer. According to the Federal Reserve, in 1947, 28,980,000 families, or 69% of the total number of families in the country, received less than \$2,000. per year. Of every 100 families, 13 received less than \$1,000. 18 families out of a hundred earned between \$1,000 and \$2,000 a year. Thus, most American families receive far less than the most modest living wage.

These figures show not only the underpayment of Wages for American workers to meet the most minimal needs of the worker and his family, but also the steady widening gap between wages and the cost of living. This gap is further widened by the growing tax burden. So, a worker who receives \$45. per week, i.e. \$2,340. pays \$700 per year. Tax. Further, it should be taken into account that women's wages are much lower than those of male workers doing the same work. In 1946, 2 million teenagers and children worked in the workplace, and the number of students decreased by 17%.

Rising prices and inflation weigh heavily on the vast American population. Currently, families with an annual income of \$2,000, much less with even less income, are unable to buy the necessary amount of consumer goods on the market. On June 15, 1948, The New York Times reported that during 1947, a fourth of all families in the United States spent more money than they earned. This category of population had to either spend the balances of savings or buy on credit.

In March 1948, the Congress of Manufacturing Trades Union Bulletin, Economics Outlook, said, "The standard of living of most Americans today is lower than in January 1945, when almost half of all our products went to war." According to this bulletin, already in 1947 13.5 million families spent \$2 billion. more of their current income, eating through accumulated savings and getting into debt. According to the Economics of Noates, cash incomes of employees increased by only 13.4% between January 1945 and August 1948, while the cost of living increased by 37.3%. Thus, inflation is proving to be a grave disaster for the masses, but a very profitable business for monopolies.

In his address to a special session of Congress on July 27, 1948, U.S. President Truman was forced to acknowledge that the cost of living in the United States is now higher than ever before. "Prices are already so high that last year more than one quarter of families in our country were forced to spend more of their earnings. Low- or middle-income families are prevented from purchasing many basic necessities. They can now buy less than two years ago, and they pay more for what they can buy."

A survey conducted in 1948 by the Federal Reserve Office showed that the living conditions of a large part of the respondents had deteriorated dramatically. A report by the Research Office of the Congress of Manufacturing Trade Unions notes that in the post-war period, "American workers were forced to severely reduce their consumption of meat, eggs, oil and dairy products due to rising prices."

President Truman's message to Congress, published in January 1949, contained the following confessions:

- Millions of American families live in slums.
- Millions of families do not have their own home.
- Tens of millions of people are deprived of satisfactory medical care.
- The masses of farmers cannot enjoy the benefits of modern civilisation.

It is easy to understand that these confessions are only a small part of the sad facts of American reality. A poll conducted in the United States on the threshold of 1949 showed that out of every seven city dwellers, one is starving.

Along with the deterioration of nutrition and, in general, the living conditions of the working class, the weariness of labour in American enterprises is constantly increasing. The United States is not only the promised land for monopolies, but also the home of the most brutal and sophisticated methods of labour exploitation: Taylorism, Fordism, sweatshops. Working conditions in the United States, for example, made a startling impression even on a delegation of mercilessly exploited British steelworkers who travelled to the United States in March 1949 at the invitation of the so-called American Industrial Advisory Council. Describing their impressions of the working conditions in Detroit's steelworks, British workers told the Daily Mirror, London: "These are inhuman conditions."

In Detroit, English workers saw crowds of Ford slaves, mostly blacks, working in an atmosphere of sulphuric fumes and the continuous crashing of machines. One of the English steelworkers said: "If a worker wants to scratch his head, he will be hit on the hand." The Daily Mirror wrote that the general impression of British workers about Detroit's industrial plants can be expressed in one word: "hell."

The deterioration of working-class living conditions is accompanied by a steady increase in its exploitation—an increase in the weight of surplus value squeezed by monopolistic capital from American workers. This is evidenced, for example, by the following calculation, made by Robert L. Dunn, Director of the Labour Research Association. Comparing average earnings per week with changes in the cost of living, he came to the conclusion that from January 1945 to January 1949, the average real earnings of workers in manufacturing industries fell by about 15%. At the same time, he estimated that manufacturing

profits per worker increased from \$470 in 1939, to about \$1,480 in 1948, i.e. more than three times.

Difficult working conditions and the lack of necessary labour safety measures not only make American enterprises a hard labour for workers, but also lead to a huge number of accidents and disasters at work. According to the American Unified Miners' Union, brought by its representative in June 1949 at a meeting of the Senate Labour Committee, 1,250,000 miners have been killed, maimed and injured in U.S. coal mines over the past 19 years. Of these, 24,000 people were killed. During this period, there were 14 large explosions in the mines, in which in each case more than a hundred miners died. Characteristically, the number of miners killed and maimed exceeded the losses of the U.S. military during the first year and a half of U.S. participation in the war.

Mine owners make huge profits, but refuse to spend money on safety improvements. Meanwhile, 900 mines are in such a state that a disaster is possible in them at any time.

Such monstrous working conditions exist not only in the coal industry. The situation is no better in other branches of production. This is evidenced by letters from enterprises appearing on the pages of the workers' press. Here are excerpts from a letter recently published by an Ohio worker in the New York Daily Worker:

"I work at the Babcox and Wilcox plant, which employs about three and a half thousand people. We're producing steam boilers. Workers don't call our plant "carnage" otherwise. The air we breathe in the workshops is filled with tiny metal particles. Meanwhile, the plant does not have any vacuum cleaners that could facilitate working conditions. Of course, vacuum cleaners cost money! And entrepreneurs love money only in the form of their profits.

Over our heads constantly move huge drums weighing one and a half tons each. They are not equipped with any safety cables. Every worker has a terrible feeling that he has death over his head many times a day."

The situation of the 12 million-year-old army of clerical workers of government agencies and private enterprises is particularly difficult. Their weekly earnings are no higher than \$35. Finally, the particularly impoverished and disenfranchised situation of blacks, who make up about one-tenth of the U.S. population, must be taken into account. The deterioration of the economic situation of workers inevitably leads to an increase in the strike struggle. According to official data from the Bureau of Labour Statistics, in 1946, the first post-war year, there were 4,985 strikes with 4.6 million participants and the loss of 116 million working days. In 1947, there were 3,693 strikes, which involved 2,170,000 workers with the loss of 34.6 million working days. In 1948, the country's strike movement was at the same level as in 1947, despite the brutal application of the anti-slavery law Taft-Hartley. In 1948, 3,300 strikes were carried out, involving 2 million workers and lost 34 million working days. Thus, in the three post-war years in the United States there were 12,248 strikes, which involved 8,770,000 workers with the loss of 184.6 million working days. For comparison, during the pre-war five-year period-1935-1939- the country had 14,311 strikes, which involved 5.6 million workers with the loss of 84.8 million working days. Thus, the strike movement in the post-war years significantly exceeds the pre-war scale in terms of the number of participants and lost working days. Almost all strikes are related to demands for higher wages.

It should be borne in mind that the statistics of the strike movement reflect only part of the struggle of the American working class against the decline in living standards and increased exploitation in the post-war period. Many strikes were averted or eliminated under the Taft Act, Hartley's government conciliation service and the treacherous cliques that run many unions. In 1947, the government conciliation service eliminated more than 8,000 conflicts between workers and industrialists. In the first 13 months of the Taft-Hartley Act, 31 major strikes were banned by the courts.

Monopoly agents in the governing bodies of the American Federation of Labour and the Congress of Manufacturing Trade Unions are disrupting the struggle of the working masses for human living conditions with their treacherous practice of concluding collective bargaining for a long period of time—two, three and five years—with an obligation not to strike for the duration of the contract.

The monopolies and their henchmen do not disdain by any means in the struggle against the progressive forces of the labour movement. Everything is set in motion: provocations, police violence, judicial executions, subversive actions of reactionaries entrenched in the trade union leadership.

Progressive English journalist Derek Carten, in the recently published book “This America”, notes that terror against the working class from year to year takes on a wider scale. “The hired bandit, the guardian angel of American industrialists in the days of their growth and glory,” writes Carten, “is an outdated tool in our time. It is used mainly in the South, while in the North the physical defeat of trade unions is mainly the police. Perhaps no major strike in the United States is complete without newspaper commentary in the form of photos depicting police officers armed with batons and bloodied workers lying in a ditch.”

And despite all this, almost daily telegraph brings reports of strikes, usually caused by resistance of workers to attempts of entrepreneurs and the authorities to further reduce their real wages and deprive them of basic rights. Hundreds of thousands of workers are involved in the strikes, and they last for weeks.

Major labour conflicts cover vital sectors of the economy such as coal, steel, construction, railways and maritime transport. Any economic demands of workers are met with stubborn opposition of large capital, which is precisely in reducing the living standards of workers and in general workers sees the main condition of their further enrichment. Such is the reason for the glaring paradox that in the country

of capitalism, which got rich during the war, in the post-war period every day increases the insecurity of the existence of the vast majority of the working population. Derek Carten, describing his impressions of the notorious “American way of life”, comes to an eloquent conclusion: “In economic terms, an American is the most disadvantaged of the inhabitants of the modern world.”

Characteristically, the need is the lot not only of workers, but also of other segments of workers living on wages.

As far from progressive as the weekly New Wick, the press tells of the plight of American teachers. In a review with the expressive headline “Hungry Teachers in the United States,” the magazine reports:

“If the entire public education system in the richest country in the world is disintegrating before our eyes, only those 10 million Americans who can neither read nor write know about it. After all, over the years, our newspapers have been talking about the ordeals of 900,000 primary and secondary school teachers. They receive such meagre wages—even if you consider the annual holidays—that many teachers work in hotels after school, serve in pubs or take home bills. Since 1939, 350,000 teachers have left their low-paid profession altogether. As for the remaining, one-ninth of them do not have the necessary training or the necessary skills to teach in school.”

The magazine tells about the struggle of teachers for higher wages, about teachers’ strikes. But, apparently, these strikes do not give much impression on the reactionary authorities of individual states, which starve teachers. The worthy successors of the initiators of the Dayton Monkey Process are little concerned about the bleak facts reported by the same magazine, which writes that “there are 60,000 school classes without teachers in the country, that the increase in crime among children and adolescents is simply threatening, and that among the 350,000 recruits recruited to the U.S. army, they could not even write their names.”



Recently, U.S. Justice Secretary Clark, in his report, gave this characterisation of the staging of public education:

“In the United States, there are currently several million children who are not in school; more than 2 million children attend utterly unsatisfactory schools; 3 million adults have never gone to school, and 10 million have received such under-education that they are actually illiterate.”

In the post-war period, the United States had chronic unemployment in the millions. According to official statistics, in 1946 and 1947 there were more than 2 million fully unemployed people in the United States. The number of workers is in pacific with partial unemployment, with a total unemployment rate of about 5 million in 1946 and 5.5 million in 1947. The number of hours lost in these years was more than 20%.

1948 and the first half of 1949 brought a further rise in unemployment. In February 1949 the number of completely unemployed, according to undoubtedly underestimated official data, was 3 750 thousand, and according to trade union statistics—5 million. In January 1949, 700 thousand people lost their jobs, in February—550 thousand.

In January, according to official data, in addition to registered unemployed there were more than 2,252,000 people who were “working, but not working,” 2,291,000 people working between 1 and 14 hours a week, and 7,258,000 working 15 to 34 hours a week. Thus, another 12 million Americans are wholly or partially unemployed.

The living conditions of American workers are particularly difficult. In one of his reports, President Franklin D. Roosevelt noted that in the United States, “the area of urban slums per capita is the highest in the Western world.” According to official data, slums are almost 20% of the total living space, and they are inhabited by a third of the total population of the country. 16 million Americans live in ruins that not only do not meet the minimum sanitary requirements, but also cannot be called human housing. In New York, nearly 260,000 families are homeless and more

than 500,000 families live in slums to be demolished. In 64 cities, according to the survey, 60% of apartments require serious repairs, 50% do not have permanent heating and almost 25% do not have the most basic amenities.

The Senate committee considering the housing bill found in April 1949 that “currently approximately one out of every five urban families lives in slums, which breeds disease, crime and child crime.”

The commission’s report pointed out that, according to the census, nearly 8.5 million homes in the country lack basic amenities and need major repairs, and that at current rates of housing, the number of such homes would rise to nearly 18 million by 1960. According to the senator, in Atlanta, the capital of the state of Georgia, 137,000 people live in disgusting, dirty slums. In the urban poor, occupying 20% of the city, 39% of the population lives. The area accounts for 69% of all TB patients and 72% of all child crime. In Birmingham, Alabama, between 1938 and 1942, deaths from all diseases in the area of cheap apartments were 72% higher than in other parts of the city. At the same time, TB deaths were 507%, infant mortality by 117%, stillbirths by 136%, and maternal mortality in childbirth by 128%.

In an article in the Journal of Colliers, Senator Douglas writes:

“The Detroit City Housing Commission indicates that in slum areas, lung inflammation is almost three times higher than elsewhere; infant mortality here is six times higher than in neighbouring neighbourhoods. Deaths from tuberculosis in slums are 10.5 times higher. The number of criminals in these deadly areas is 15 times higher than in other parts of the city. It is possible to describe these misfortunes and need in our cities indefinitely. This situation is not unique to the North and the South, to the East and the West. It is a national character and a nationwide problem.”

One Indian tourist, who visited a slum area in the United States capital, Washington, likened her impressions to praise of the “American way of life,” remarked:

“We in India live in the same bad conditions as these, but we don’t brag about our way of life to the rest of the world.”

One book on the situation of American workers describes the homes of farm workers in Maryland:

“The shacks in which workers live are unpainted, in solid slits of a room with windows without glass and shutters. A large room is divided by boardwalks into parts about 2m long and 2m wide.

The increase in poverty is also the preserve of the multimillion-dollar farming population of the United States.

Official statistics of the United States, as well as other capitalist countries, are trying to obscure the process of impoverishment of the main masses of farming with the help of “average” indicators, which are mixed into one heap as large capitalist and small-scale peasantry. Meanwhile, any average value distorts reality when it is derived from data belonging to sharply different property.

Exposing the falsity of such a technique, Lenin showed that even before the world war of 1914-1918. about one-sixth of the capitalist farms concentrated in their hands more than half of the gross agricultural output of the United States; on the other hand, almost 3/5 of all farmers exploited by capital owned less than a quarter of the total value of the country’s agricultural production.<sup>[56]</sup>

The decades since then have further polarized wealth and poverty in American agriculture. It is estimated that 1/3 of all farms produce 79% of gross agricultural output, while 2/3 of farms account for only 21%. About 60% of all farms receive only 10% of all farm income.

The capitalist elite of farming is constantly growing and enriching at the expense of the impoverishment of its bulk. The following figures give a well-known idea of this. In 1940, the country had 100,531 farms of 1,000 acres or more, compared with 80,620 farms of the same size 10 years ago

---

<sup>[56]</sup> See V.I. Lenin, *Soch.*, Vol. 22, ed. 4, pp. 70–71.

and 5,471 farms of 10,000 acres or more, compared with 4,033 similar farms in 1930. Year.<sup>[57]</sup>

The growth of large capitalist farms occurs due to the washing out of medium-sized farms and with a simultaneous increase in the number of dwarf farms, the owners of which are forced to sell their labour power for a pittance. According to the 1940 census, the number of medium-sized farms (ranging from 20 to 175 acres) decreased by 8.8% compared to 1930, the number of farms in 1,000 or more acres of land increased by 24.7%, and the number of consumer-type dwarf farms with 20 acres or less increased by 41.3%.

During the decade from 1935 to 1945, the total number of farms decreased by 13%. Small and medium-sized farms of farmers and tenants are dying, crushed by large farms, buying monopolies, banks.

Their land is now in the hands of a large capital, currently the number of farms in the United States is about 6 million, and the population of the farmer population—about 30 million people. According to the 1945 census, 51% of farms produce 7% of commercial products, one twentieth part of farms gives 39% and one thousandth—6.1% of commercial products. In other words, 6,000 large capitalist farms produce almost as much commercial produce as 3 million small farms, i.e. half of all American farms combined.

Further, data from the same census show that 51% of all farms benefit from the sale of products 1.2 billion dollars, and 4.9% have revenue of \$6.4 billion, with 0.5% of all farms—\$2.15 billion. 0.1 per cent to \$1 billion. Thus, the average income of large-capital agricultural enterprises, which make up 0.5% of the total number of farms, exceeds the average income of half of farms by 215 times, and the income of farms, which is 0.1%, is more than 510 times more than this revenue.

---

<sup>[57]</sup> See Cary McWilliams, *The Troubled Land*, State Foreign Literature Publishing House, 1949, p. 375.

Half of all farmers are struggling to make ends meet and have to look for jobs in road construction, industry or trade. Large capitalist farms owned by companies or individual capitalists are taking over the market, displacing a huge mass of small and even medium-sized farmers. They use modern mechanized methods of production and employ a large number of poorly paid agricultural workers. More than half of America's farms are run by tenant farmers, and the number of owners continues to fall. Most farmers have no savings; 10% of farmers own 70% of all farm savings.

Accounting for a fifth of the country's population, farmers receive less than a tenth of national income. In 1948, the farm's "average" net annual income was \$909, including the cost of farm family products, as well as off-farm earnings. Meanwhile, in other sectors of the economy, the "average" income was \$1,560 in other sectors of the economy.

The debt loop around the neck of the overwhelming mass of farmers is tightening ever tighter. The short-term debts of farmers, which in most cases are made for the purchase of agricultural implements or household utensils or for the production of repairs, amounted to \$ 4.9 billion on January 1, 1949, compared with \$3.1 billion on January 1, 1948 and 2 \$8 billion on January 1, 1946. The mortgages on farms, which usually finance the purchase of land, reached \$ 5,108 million on January 1, 1949, compared with \$ 4,682 million on January 1, 1946.

Farmers are not benefiting from the rise in prices for agricultural products. A report by the Ministry of Agriculture, published in mid-1948, noted that price increases between January and July 1948 had led exclusively to higher profits for food companies and traders.

Lee Fryer, author of a book about an American farmer, published with the foreword by the chairman of the National Union of Patton Farmers, rightly believes that 20 million people out of the 30 million rural population of the United States face one question: how to survive? Lee Fryer draws

this conclusion from a detailed analysis of the living and working conditions of farmers, their economic situation, housing conditions, the spread of disease, mortality, etc.

Of course, increasing the real earnings of the working population of the country could significantly expand the domestic market for American industry. But American monopolies are not going to give up at least the slightest share of their monstrous super profits. On the contrary, they have consistently pursued policies that seek to keep profits high by any means. These policies, condemning the masses of the population to the growth of poverty, could not but accelerate the onset of a new economic crisis.

Thus, the facts completely expose the myth of the supposedly high “American standard of living” assiduously spread by the minions of the imperialism of the dollar, and above all the right-wing socialists. Monstrous, no limits to exploitation and terrible poverty, complete insecurity of existence and an incessant fear of tomorrow’s day - such is the fate of the vast majority of the working population of the United States—a country whose greedy and greedy monopolists stretch their paws to foreign countries, frantically seeking to implement their delusional plans of world domination. Keeping the masses of the population of the United States in hopeless poverty, the monopolists of Wall Street with abhorrent hypocrisy proclaim themselves benefactors of all mankind.

## **5. The Omnipotence of the Financial oligarchy. Union of Businessmen and Military**

American imperialists willingly pretend to be champions of democracy. Moreover, they often cover their aggressive activities with Pharisee statements about the protection of the “free way of life”. In fact, in no capitalist country the omnipotence of a tiny handful of financial oligarchy does not

manifest itself in such a crude and undisguised form as in the United States.

A quarter of a century ago, while exposing the thoroughly deceitful bourgeois democracy, Comrade Stalin said:

“There is no real participation of the exploited masses in the governance of the country under capitalism, if only because under the most democratic order in the conditions of capitalism governments are put not by the people, but by the Rothschilds and the Turnsnes, Rockefellers and Morgans. Democracy under capitalism is a *capitalist democracy*, a democracy of an exploitative minority, resting on the restriction of the rights of the exploited majority and directed against this majority.”<sup>[58]</sup>

The whole course of historical development brilliantly confirmed these provisions. In the current climate of further aggravation of the general crisis of capitalism, the notorious bourgeois democracy in all capitalist countries, and especially in the United States, has reached the extreme degree of decay and disintegration, to the point of complete madness. The ruling classes of bourgeois countries use fascist methods and methods in the fight against the labour and democratic movement in the metropolises, they try to suppress the national liberation movement in the colonies by armed forces and punitive expeditions. In the United States, false democratic trinkets are less and less able to hide the true anti-popular nature of the power of the financial oligarchy, which imposes mores of bribery, gangsterism, open terror and total lawlessness towards progressive forces at home, robberish “dollar diplomacy” in the field of international relations.

The financial oligarchy of the United States has long been accustomed to managing ministries and other government agencies, as in its own offices. The concentration of the economic power of the country in the hands of a small handful of financial capital tycoons means virtually unlimited

---

<sup>[58]</sup> J. V. Stalin, Works, vol. 6, p. 115

power of this bunch in all areas of economic and political life.

The author of "60 Families of America" Ferdinand Landberg writes:

"Currently, the United States is owned and ruled by a hierarchy of sixty rich families, followed by about ninety families with less wealth... These families are the vital centre of the modern industrial oligarchy that dominates the United States, operating under the democratic form of government, behind which since the Civil War gradually formed a government de facto, absolutist and plutocratic in nature... This is the government of money in dollar democracy."

The author points out that these 60 families have dynastic, i.e. inherited, possessions, compared to which the old crown possessions of the Romanovs, Hohenzollerns, Habsburgs and other dynasties look minuscule and insignificant. The ownership of these major tycoons of capital and their groups determines the life of the country.

The organisation of America's largest monopolies, the National Association of Manufacturers, is in fact a kind of super-government that determines the composition and policies of government agencies. She develops the main course of domestic and foreign policy, her henchmen and clerks are the leaders of both parties of the United States - Republican and Democratic, ministers and the vast majority of congressmen.

This organisation unites about 16,000 firms with a total capital of more than \$60 billion, but the tone is set by the main groups of financial capital. Formally, the National Association of Industrialists is headed by the president, who in fact is only a front figure. The current business executor of the National Association of Manufacturers is the mysterious Committee of twelve, or, as it is usually called, the "Special Advisory Committee". It consists of representatives of the Companies of American Telephone and Telegraph Company, General Electric, Steel Trust (Morgan Group), Dupont de



Nemour, General Motors (DuPont Group), Standard Oyle (Rockefeller Group), International Harvest (McCormick Group), Westinghouse, The Committee of the Twelve, which meets in a climate of strict secrecy, is addressing the most important strategic issues. He is drawing up plans to fight the working class, plans to support the response in the United States and around the world, plans for aggression and expansion.

The government apparatus is flooded with dozens and hundreds of industrialists, bankers and stockbrokers, implementing the decisions of the Twelve Committee. The committee's directives are followed by the governing bodies of Republicans and Democrats, to whom the National Association of Manufacturers provides funds for election campaigns and other purposes. The National Association of Industrialists generously finances fascist and pro-fascist organisations, subsidizes reactionary magazines, keeps hundreds and thousands of paid agitators poisoning public opinion, gives money to so-called "public opinion institutions" to falsify it in the interests of monopolies.

During the years of the Second World War and in the post-war period, the merging of the top of the financial oligarchy with the state apparatus took even closer forms.

During the war, the most prominent role in the American government was played by one of the bosses of the Steel Trust, Stettinius, chairman of the General Motors automobile trust William Nudsen, vice chairman of the Sire Roebuck trading company, Donald Nelson, who headed the department of military production, and others.

After the end of the war, representatives of monopoly organisations occupied all the leading posts in the American government. In Truman's government, the post of Secretary of the Navy and then Secretary of Defence was held by Forrestal, the president of the largest banking monopoly, Dillon, Reed & Company. Royalle, a banker from the state of North Carolina, became the Minister of War, his deputy—the vice-chairman of the banking firm "Dillon, Reed and

Company” Draper, closely associated with the German monopolies, his special assistant—the Californian oil industrialist Edwin Powley, implicated in high-profile speculative scandals with wheat ... One of the richest financiers, associated with banking, railway, mining and aviation enterprises, the head of the banking firm Brown Brothers and Harriman, W.A. Harriman, became the Secretary of Commerce, Deputy Secretary of State—a partner of the same firm Lovett, etc.

With the proclamation of the “Truman Doctrine” and then its natural continuation—the “Marshall Plan” the management of the largest businessmen in the American government took on a completely unceremonious character. According to the American press, Harriman and Forrestal were the people charged with “determining policy in the highest spheres.” The development of all foreign policy on economic issues was transferred to the two largest businessmen who took the posts of deputy secretaries of state—Lovett and Clayton. Clayton was for a long time head of the largest cotton brokerage firm, the Anderson Clayton Company.

Representatives of the American financial oligarchy seized into their hands the bodies intended for the economic expansion of the dollar under the guise of the “international” flag: the International Bank for Reconstruction and Development and the International Monetary Fund. John McCloy, the owner of midland, Tweed, Hope, Hadley and McCloy, which advises Chase Nation Bank, a partner at the law firm Kraveit de Gesdorf Swain and Wood, and the director of the Union Pacific railway company, which is controlled by the Garriman family, and a personal friend of the Barriemann family, have been appointed chairman of the International Bank for Reconstruction and Development. Together with McCloy, two prominent bankers took senior positions at the International Bank for Reconstruction and Development. Eugene Black, former vice president of Chase Nation Bank, took over as U.S. bank director, former vice

president of General Foods Corporation and former representative of the Garanta Trust Company, Robert. Garner took over as the bank's administrative vice president. Further, the former vice-president of banking insurance company Dunstan became the bank's director of trade, McCloy's partner in his legal activities MacLaine took the post of general counsel of the bank.

The same situation was created in the International Monetary Fund. Aubie, a former member of the Irving Trust Company, became the United States' administrative director of the foundation.

This group of New York businessmen gained a decisive influence on the entire financial policy of the United States. The group's leaders, Harriman and Clayton, were senior members of the so-called National Advisory Council, which is designed to coordinate the activities of the Ministry of Finance, the Export-Import Bank and other government financial institutions with the International Bank and the International Monetary Fund.

In May 1949, McCloy was appointed High Commissioner of the American Zone of Occupation in Germany, and Black became Chairman of the Board of the International Bank for Reconstruction and Development. Noting the close ties of both of these individuals with the Rockefeller financial group, the American newspaper Daily Compass recalled that the Chase National Bank "was the main financial agent of the Hitler regime and provided financial support to the oil concern associated with I. G. Farbenindustri". Emphasising the close ties of the Chase National Bank with the German industrial monopolies, the newspaper further noted that the Chase National Bank representatives "never lost contact" with Hitler's Germany.

Very typical of the career of James Forrestal, who, until March 1949 the American Minister of Defence, was torn down as one of the most rabid warmongers of war. In the end, he himself was a victim of military psychosis, on this basis went mad and committed suicide.

During the First World War, Forrestal was a broker for a banker's firm. Having shown extraordinary abilities in the field of financial fraud and fraud, he already in 1923 became a partner of the banker's house "Dillon, Reed and KJ" and the right hand of the head of the firm Clarence Dillon. The bank "Dillon, Reed and KJ" along with the Anglo-German-American bank Schroeder was one of the main channels through which American billions flowed into the cash registers of the German kings of the heavy industry. This bank in particular played a decisive role in the creation of the German steel trust "Fereinigte Stahlwerke". In America, he worked closely with the financial groups of Rockefeller and Morgan, in Germany—with Hugo Stinnes, steel and chemical trusts, bank ringleaders. Forrestal, like his colleague in the banker house Dillon, Reed and KJ Dreyoger, for many years maintained the closest ties with German bankers and industrialists—Stinkes, Krupp, Mine and others that brought Hitler to power.

The post of Minister of Defence was occupied by Forrestal to implement the programme of unbridled arms race, dictated by the interests of Wall Street, to conduct military budgets providing billions of orders and profits to monopolies.

Forrestal's successor as defence secretary, Johnson, was formerly a director of Consolidated Valti Eyrkraft Corporation. During the war, the firm received government orders for \$4.875 million, and its net profit was many hundreds of millions of dollars. In addition, it received from the government of the United States built on a state-owned account factories.

Stuart Symington, the current Minister of Aviation of the United States, was president of Emerson Electric, a major radio and electrical equipment company, Emerson Electrics, from 1939 to 1945. During the war, he built a huge aircraft factory on the state account. His firm earned many millions of dollars on military supplies, in 1948 he got the decision from Congress to bring the number of American combat

aviation to 70 groups, which means giant orders for aviation corporations! The deputy minister of aviation is Arthur Burrows, the owner of a large Chicago trading firm, Sire Roback, and the assistant minister is the former chairman of Hudson Bay Mining and Smelting and the head of other large companies, Cornelius Vanderbilt Whitney, who belongs to one of America's richest families. John Brown, Chairman of The County Island Corporation and a member of other financial firms, is an assistant minister. The government organisation, the Army and Navy Munitions Council, which is responsible for major military and economic affairs, is headed by Carpenter, vice-president of the Remington Arms Company, and his closest aide is former National Association of Manufacturers Chairman Stuart Kramer.

General Marshall's successor as Secretary of State, Dean Acheson, is one of the owners of a major law firm, Covington, Barling, Acheson and Company, closely associated with the financial groups of Rockefeller, Morgan and DuPont, the National Association of Industrialists' envoys hold a number of diplomatic posts abroad. They include the Ambassador to England Lewis Douglas, former chairman of the largest insurance firm, Muchuel Life Inschrens; Ambassador to Holland Hermann Baruch, brother of the famous financier and warmonger Bernard Baruch; Ambassador to Poland Stanton Griffiths, a member of the Hamphall and Neuer banking house, chairman of the executive committee of the Paramount Pictures film company and director of the rubber monopoly Le Tyre and Rabber; Ambassador to Greece Henry Grady, former president of the steamer company American President Steam-Ship Lines, and many others.

Life all again confirms the words of Lenin, who emphasized that "... nowhere is the power of capital, the power of a handful of billionaires over the whole society

manifested so crudely, with such open bribery as in America”<sup>[59]</sup>

In the modern conditions, when all state and political life of the United States is held under the sign of unbridled militarization, the personal street of financial capital and military is of particular importance for monopolies. There is a merging of the financial oligarchy with a militaristic clique, filling the highest positions in the state apparatus.

By entrusting senior government positions to its special proxies, the financial oligarchy of the United States willingly uses military representatives as their clerks. Hence the alliance of dealers and militarists, which holds in his hands the entire state apparatus of Washington. Representatives of the military hierarchy, closely associated with monopolies, fill not only agencies related to the armed forces, but also American intelligence, the State Department and a number of other agencies.

The process of splicing the military with diplomacy American journalist Johannes Steele characterized as follows: “The dominance of the military ministry over the State Department is now complete. The State Department is now just an addition to the military ministry and serves as civilian camouflage.”

Admiral Lehi, one of the most extreme reactionaries in America, is the Chief of Staff of the Commander-in-Chief of the United States Armed Forces and is one of the three or four individuals who make up Truman’s inner circle and have the greatest personal influence on him. General Marshall headed the State Department.

In China, where Washington’s aggressive policy collapsed so clearly, breaking down the wall of resistance of the Chinese people, the head of the special American mission under Chiang Kai-shek was General Wedeier. Military officials head many U.S. embassies, and 13 Latin American countries host U.S. military missions.

---

<sup>[59]</sup> V.I. Lenin, Soch., Vol. XXIV, ed. 3, p. 375.

All the conscientious observers of modern American life note the continuous militarization of the country, covering public life, the press, science, culture. The pernicious influence of military action on American science is particularly evident. Militarists, in the hands of which the leadership of scientific activity is given, force scientists and scientists to deal exclusively with problems of military importance. As a result of the gross and in most cases of incompetent intervention of militarists, American science, which had previously found herself in crisis due to the omnipotence of monopolies, is even more sneering.

The personal union of the monopolies and the military is taking place in another form. Militarists who retire find themselves warm jobs in the form of extremely lucrative posts in large capitalist firms, for which they are especially valuable for their "connections" in the state apparatus, as well as their experience in suppressing any protests from subordinates. A number of retired generals and admirals received prominent positions in oil concerns, aviation companies, and so on. General Leslie Groves, who led nuclear plants during the war, became vice president of Remington Arms. General Somerwell was promoted to president of the largest coke and chemical company, Coppers, and General Hugh Minton was promoted to vice president of the same company. Admiral Ven Moril took over the Jones & Laughlin Steel, Admiral Halsey became director of International Telephone & Telegraph, and Counter-Admiral Harold Blaine Miller took over as director of the American Petroleum Institute's Information Department. According to American journalists, "Wall Street sparkles with caps with gold braids."

How do the "golden galloons" win the special location of the owners of Wall Street? Vice-Admiral Emory Land, one of the retired military, warmed by the affection of financiers, bought their love, saying during the war at a meeting of bankers in New York:

"Every organiser of workers should be shot."

In addition, bankers feel grateful to Land for her generous shipping contracts, on the basis of which most of the state shipping fund is worth \$21 billion. passed for nothing into the hands of speculators. The bankers thanked Land for his well-paid post as president of the Air Transport Association.

The militarisation of the United States is also reflected in the fact that monopolies maintain the closest contact with the militaristic clique operating in the state apparatus. Robert Condon, president of the College preparing the corporation's workers for economic mobilisation, said recently that "the armed forces and industry for the first time in the history of the United States began cooperating in mobilising the economy for war before the war began."

One of the organs of this contact of monopolies and military is the National Arms Council, which is part of the military department. According to journalist James Allen, this council "has become an extremely influential body, having an impact on many parts of the state apparatus and on the economy as a whole. Even if it had limited its activities to its intended framework—planning and procurement coordination for the armed forces, the National Arms Council would still have enormous power as a central body, which is governed by giant military contracts. However, its activities go beyond these limits and extend to the area of industrial mobilization, which has traditionally been the function of civil bodies even in wartime."

In mid-1948, the National Arms Council had at its direct disposal in addition to the government arsenals 423 military-industrial enterprises built during the Second World War and bypassed the state in 7 billion dollars. It also manages the creation of large reserves of various materials and equipment with military purposes.

The union of businessmen and the military in the political institutions of the United States is a form of merging of the top of the financial oligarchy with the state apparatus, engendered by the modern aggressive course of American



imperialism. "The imperialist governments become the executive apparatus of the most influential groups of this oligarchy, the financial and trade representation, acting on its behalf and seeking to influence international relations in accordance with its interests. This is just an even more developed and aggravated process of merging the monopoly economy with the political organs of imperialism at a time when it becomes more and more difficult to overcome the contradictions of the capitalist system—a process, the essence of which is brilliantly revealed by Lenin's analysis."<sup>[60]</sup>

The omnipotence of the financial oligarchy, the undivided mastery of the union of the largest businessmen and the militarists who are in their service—this is the true image of the so-called "American democracy." The myth of the notorious "American way of life" as a supposedly "free" and "democratic" social order, flies into smoke at the first contact with the cruel capitalist reality.

The American financial oligarchy has completely subjugated the entire apparatus of state power. It turned into fiction the already scanty rights of the masses. In terms of the depth of the fall and insanity of the bourgeois pseudo-democracy, the United States is undoubtedly ahead of all capitalist countries.

The financial oligarchy of the United States runs the country through deception and violence. The scanty constitutional rights and freedoms of the population are violated at every step. Every manifestation of progressive activity and thought is persecuted. The Commission of Inquiry on Anti-American Activities has long earned the infamous notoriety of the modern Inquisition. The American secret police—the Federal Bureau of Investigation - operates by the methods of the Gestapo. The court has been turned into an instrument of reprisal against the progressive

---

<sup>[60]</sup> Boleslav Bierut, *Two Worlds, Two Ways*, "For a Lasting Peace, for People's Democracy!" of May 1, 1949.

elements of the population. The persecution of the communists is becoming more and more widespread, and in this shameful business the federal government and the state authorities, the court and the secret police, businessmen and Black Hundred organizations are competing. Spy mania, a form of war hysteria and war psychosis, jeopardizes every American who dares to openly express thoughts that displease the Wall Street moneylenders and their political clerks. Anti-labour and anti-union laws nullify the basic civil rights of the working class. The persecution of blacks, the “test of loyalty”, medieval processes—these are the everyday life of the current American pseudo-democracy.

The Civil Rights Conference, convened in July 1949 by progressive American leaders, describes the order in the dollar kingdom:

“In the middle of the night, Americans are lifted out of bed and require lists of their organisations. When they refuse to do so, they are thrown into prison on the basis of vague sentences... No feels safe in his home from the unofficial terror of night-time raiders in the south or the official terror of the police.

The requirements of the conference resolution provide some, albeit incomplete, list of violations of the most elementary legitimacy in modern America. The resolution condemns Truman’s “loyability check,” in which an increasing number of civil servants are fired on the basis of outstanding allegations. The resolution calls for an “immediate end to the persecution of Communist Party leaders for preaching and disseminating the party’s social, economic and political agenda,” annulments of justice minister Clarke’s descriptions of subversive organisations, the termination of all court cases brought under a “loyability check” order, and the reinstating of employees dismissed for their political beliefs. The resolution requires the repeal of state-sponsored laws and the repeal of the Mundt-Ferguson bill in the National Congress, which penalizes progressive political activities; the creation of a special committee to

restrict the activities of the Federal Bureau of Investigation and prohibit the bureau from “acting as a political body like the Gestapo in the future.” The resolution calls for the dissolution of the commission of inquiry into anti-American activities and the termination of all pending cases against persons who resisted the Commission’s attempts to deprive them of their rights; termination of expulsions for political reasons, repeal of Hobbs’ bill (providing for the arrest and imprisonment of “undesirable aliens”); repeal of the Taft-Hartley Act; equal political rights for black people and the abolition of the electoral tax, which prevents poor blacks and whites from voting in the southern states.

Progressive forces of the United States are engaged in a decisive struggle against the omnipotence of financial oligarchy, against the pernicious, anti-people internal and foreign policy of the union of dealers and militarists. Their activities are met with sympathy and support in the widest population. The political situation in the United States is indicative of the growing division of this country into two main factions: “the imperialist, which is now roaring on the stage, and the democratic one, for which the future is.”<sup>[61]</sup>

## 6. From the “Monroe Doctrine” to the “Truman Doctrine”

The current heralds of American aggression claim that their policy is merely the implementation of the so-called “Monroe Doctrine”. In fact, there is a considerable distance between the “Monroe Doctrine” and the Truman Doctrine.

As you know, the “Monroe Doctrine” was formulated by the American President, Virginia planter James Monroe in his annual message to Congress in December 1823. This message said:

---

<sup>[61]</sup> V.M. Molotov, Thirty Anniversary of the Great October Socialist Revolution, p. 23.

“As for the Governments that have declared their independence and retained it and whose independence we have recognized after a long discussion and on the basis of fair principles, we cannot but take any attempt by the European Power to intervene in their affairs - for the purpose of oppressing them or establishing any control over them—other than to displaying an unfriendly attitude towards the United States.”

In Europe, the tone was set by the Holy Union, which united reactionary monarchies in its ranks. The English bourgeoisie led an aggressive policy in both hemispheres by methods of brutal violence and cunning, vile deception. In this environment, uninvited North American guardians of Latin American people were easily joined by the selfless defenders of weak nations, and the slogan “America is for Americans” gained a certain popularity. But by the end of the 19th century, when capitalist monopolies with their aggressive and aggressive lusts came to the forefront in the United States, the “Monroe doctrine” became the strongest weapon of openly aggressive, offensive politics.

In 1895, there was an Anglo-American conflict over Venezuela. Venezuela appealed to the United States for support against Great Britain, which wanted to seize the disputed area located on the border between Venezuela and British Guiana. U.S. Secretary of State Olney told the United Kingdom:

“At present, the United States actually dominates this continent, their will is the law for those to whom they extend their patronage... This is because the boundless natural riches of the United States, with their isolation, among other reasons, make them the master of the situation on this continent, virtually invulnerable to all other states.” Thus, in the 19th century, the imperialists of the United States made the “Monroe Doctrine” the banner of their aggressive policy. The old formula “America for Americans” was openly replaced by the formula “America’s continent for

the United States” or, more precisely, “Western Hemisphere for Wall Street.”

In this century, the “Monroe doctrine” is used by American politicians in such a very beneficial sense. This is also the purpose of so-called pan-Americanism, which is nothing more than an expression of the same formula “America is for the United States”.

At the end of the last century, U.S. Secretary of State Hay put forward the slogan “open doors.” Initially, this slogan was addressed to China. Subsequently, American politicians extended the “open door” requirement to all other countries. American monopolies have taken advantage of decisive economic positions, especially in Latin American republics. The Republic of Central America was entirely in the hands of American exporters. Fruit company United Fruit Company is actually the executor of the fate of these republics, which are not for nothing called “banana”.

Thus, the “Monroe doctrine”, which was originally proclaimed as a means of protecting the Latin American republics from the capture of the European colonial powers, has long since become a tool for the destruction of the sovereignty and independent state existence of Latin America.

Back in 1920, Argentine jurist Mareno Quidland wrote in the New York Times:

“The Monroe Doctrine served as a fine tool by which the United States tried to separate America and set America apart.”

This role was played by the “Monroe doctrine” in particular during the period between the two world wars. The policy of the United States Department of State in the 1920s towards Latin American republics was not without reason given the expressive name of the “big stick policy”.

However, this interpretation of the “Monroe doctrine” is already yesterday. The current formula, “Western Hemisphere for the United States,” has been replaced by a new formula, “The Whole World for the United States.”

American imperialists proclaim a crazy slogan: "The 20th century is the century of America." The delusional claims of American monopolies to world domination are at the heart of the entire foreign policy of the United States in the current post-war period.

In July 1949, when discussing the aggressive North Atlantic Treaty in the U.S. Congress, reactionary senators Robert Taft and Ralph Flanders proposed to extend the "Monroe doctrine" to... Western Europe. The senator from Nevada Malone and this did not seem enough: he proposed to extend the "Monroe doctrine" "to the whole world." This episode shows how stretched the idea of the "Monroe doctrine" in the current heralds of American imperialism, which are not considered not only with geography, but also with elementary logic.

Shortly after the end of the Second World War, the American imperialists proclaimed the so-called Truman Doctrine, declaring it a natural extension of the "Monroe Doctrine". Progressive Americans, exposing the deception of the ruling circles, rightly pointed to the great distance that lies between the current policy of the United States and the policies they pursued in the 1920s. The current policy of Wall Street is strongly aggressive, dangerous to the world, and all attempts to present it as peace-loving, defensive are doomed to failure.

The aggressive policy embodied in the Truman Doctrine was formally proclaimed in a message delivered by President Truman at a joint meeting of the United States House of Representatives and Senate on March 12, 1947. The policy announced in Truman's message on March 12, 1947, was heralded by Churchill on March 5, 1946. In the American city of Fulton, the British former prime minister gave a speech in the presence of President Truman, who had read the contents of the speech in advance and endorsed it.

Churchill's Fulton speech was extremely aggressive. It was an open proclamation of the policy of establishing Anglo-American world domination, and the old bison of British

imperialism agreed that England was assigned the role of “junior partner” in relation to the stronger American imperialism. Churchill’s Fulton speech made an open call for the creation of an Anglo-American military alliance against the USSR. Speaking with the blessing of Truman, Churchill proclaimed a “crusade” against communism and threw a cry to unite all forces of international reaction in the struggle against the forces of democracy and socialism.

Churchill’s plans were exposed by Comrade Stalin in his interview with the Pravda correspondent published on March 14, 1946.

“It should be noted,” said Comrade Stalin, “that Mr. Churchill and his friends are strikingly reminiscent of Hitler and his friends in this regard. Hitler began the war with what proclaimed racial theory, declaring that only German-speaking people represented a full-fledged nation. Mr. Churchill begins the war, too, with racial theory, arguing that only English-speaking nations are full-fledged nations designed to decide the fate of the world. German racial theory led Hitler and his friends to the conclusion that the Germans, as the only full-fledged nation, should dominate other nations. English racial theory leads Mr. Churchill and his friends to the conclusion that nations that speak English as the only full-fledged should dominate the rest of the world.

In fact, Mr. Churchill and his friends in England and the United States present a kind of ultimatum to non-English speaking nations: recognize our domination voluntarily, and then everything will be fine—otherwise war is inevitable.

But nations shed blood during five years of brutal war for the freedom and independence of their countries, not to replace Hitler’s domination with Churchill rule.”

Referring to Churchill’s declared anti-communist campaign proclaimed by the warmonger, Comrade Stalin stressed that the growth of communist influence in the countries of Europe, where fascism used to prevail or where there was a fascist occupation, cannot be considered an

accident, that this growth is quite a natural phenomenon. "The influence of the communists grew because in the hard years of the domination of fascism in Europe, the communists were reliable, courageous, selfless fighters against the fascist regime, for the freedom of peoples."

Finally, speaking of Churchill's call for the use of force against the camp of socialism and democracy, Comrade Stalin recalled the history of the military intervention organized by Churchill against the Soviet people in 1918-1921. Churchill then tried to stop the wheel of history with the help of the notorious campaign of 14 states, but was completely defeated.

"I don't know," Comrade Stalin concluded, "whether Mr. Churchill and his friends will be able to organize a new military campaign against Eastern Europe after the Second World War." But if they succeed—which is unlikely, because millions of "ordinary people" are on the guard of the cause of peace, it is safe to say that they will be beaten in the same way as they were beaten in the past, 26 years ago."

The plan outlined in Churchill's Fulton speech was then more specifically proclaimed in Truman's message to Congress on March 12, 1947, justifying the need to allocate \$400 million. As a "aid" to Greece and Turkey for the year ending June 30, 1948, and to send "American civilian and military personnel" to the two countries to "assist" and "monitor financial assistance," Truman proclaimed an openly expansionist course of American policy. He actually reproduced all the main points of Churchill's Fulton programme: the claim to Anglo-American world domination under the leadership of the United States, the crusade against communism, the support of the forces of reaction around the world, the preparation of military aggression against democratic countries.

The hypocritical phrases that covered up this aggressive programme did not deceive the friends of the world or its enemies. The warmonger Churchill greeted Truman's speech.



Provocateurs of war in all countries enthusiastically spoke about the “turn in American politics.”

In Truman’s message of March 12, 1947, the rotten monarchist-fascist regime of the Athenian executioners of the Greek people was declared “democratic”. The Greek people, selflessly fighting for freedom and independence against the Athenian henchmen of Anglo-American imperialism, Truman called “armed minority” supposedly seeking to establish a “totalitarian regime” in the country.

Truman’s message stated that U.S. security requires a fight against the “growth of communism.” The same false reference to “U.S. security” the President argued the need to establish American domination in Turkey, a country located many thousands of kilometres from the American continent, but directly bordering the Soviet Union. The message contained a number of gross slanderous attacks against the countries of people’s democracies.

The first responses to Truman’s speech underscored the aggressive nature of the course he proclaimed. It was noted that Truman’s plan “gives a strong smell of oil”, i.e. related to the interests of oil monopolies operating in the Middle East, that it replaces the policy of peace with the policy of preparing a new war.

The Truman Doctrine caused a storm of outrage among democratic forces around the world. It was rightly regarded as a threat to peace, as a revival of Hitler’s delusional plans for world domination, which collapsed in the Second World War.

Progressive forces in America strongly condemned the Truman Doctrine. The U.S. Communist Party and the Communist Press, progressive trade union organisations, and democratic public organisations raised their voices against the dangerous course proclaimed in Truman’s message.

By showing the doom of this course, progressive Americans have exposed the true essence of the Truman Doctrine, which means abandoning fair international cooperation and replacing such cooperation with a policy of

diktat, a policy of imposing the will of American imperialism on other peoples and countries. In doing so, they strongly exposed hypocritical references to freedom and democracy, which are a cover for the aggressive, aggressive policy of American imperialism that tramples on the freedom and independence of peoples. Finally, representatives of the progressive camp in the United States noted that the “Truman Doctrine” comes from the pernicious for the cause of peace denying the possibility of peaceful coexistence of two systems—capitalist and socialist.

Speaking at a trade union rally in Manchester, England, in early April 1946, former U.S. Vice President Henry Wallace said:

“Now the government and congress of the United States are controlled by people who believe that in a world where capitalism and communism exist side by side, there is little hope for peace.”

The National Farmers Union of the United States, in its resolution, condemned the Truman Doctrine, stating:

“The government is also proposing to bypass the United Nations and in various parts of the world where our monopolists have economic interests, to support undemocratic regimes that violate all the basic principles of democracy in order to promote the formation of corporate imperialism in the world, more dangerous and vicious than any colonial imperialism of the past.”

In Truman’s message to Congress of March 12, 1947, the goals of granting loans to Greece and Turkey were formulated with such cynical frankness that the “Truman Doctrine” immediately became synonymous with American plans to support a worldwide response, an aggressive struggle against the forces of progress and democracy to gain world dominion. Further events showed that the notorious “assistance” of Turkey and Greece is entirely aimed at the maintenance and arming of the army, the construction of strategic roads, ports and airfields, the preservation by force

of weapons hated by the people of the monarchist regime in Greece, etc.

Characteristically, even when discussing Truman's bill in the U.S. Senate, then-Under Secretary of State Acheson said that loans from Greece and Turkey should be seen in essence not as loans, but as gifts not to be returned. This statement was made in response to perplexed questions from congressmen, from where these impoverished countries will take the funds to return their debts to America. The same principle of "gifts" was then applied on a larger scale in the Marshall Plan. In fact, we are talking about "gifts" provided at the expense of taxpayers to monopolies for whom the Truman Doctrine and the Marshall Plan are designed to clear a vast field for exploitation. This trait is extremely characteristic of the modern stage of parasitism and the rotting of capitalism.

The "Truman Doctrine" was a programme from the outset to fight for the forcible establishment of world domination by the Anglo-American imperialist bloc under the auspices of the United States. There have been known attempts to establish the world domination of any one Power, but these attempts have invariably failed. Nevertheless, adventurous politics and crazy ideas of world dominion reveal great survivability. The current American contenders for world hegemony are following in the footsteps of their failed German predecessors.

The "Truman Doctrine" is associated with the support of reactionary regimes and reactionary forces around the world. This side of the Truman Doctrine is of great concern to its guides and supporters. Even the most sophisticated misinformation used by the reactionary American press is still incapable of presenting black whites in the eyes of the average American and vice versa. Despite all the tricks of the colossal apparatus of poisoning of consciousness of people, which has the American reaction, millions of people in the United States cannot fail to see that the name of their country is covered by the most shameful and vile crimes in

Greece, China, Turkey, South Korea, West Germany, Japan and many, many other parts of the world.

The bet of American diplomacy on the blackest forces of reaction all over again and again comes out, although they try to hide it, as hide a secret disease. For the bet on reactionary regimes and anti-people forces in all countries is inextricably linked to American expansion. This expansion can find allies and servants only among the rehearsed reactionaries. In modern Europe and Asia, in Latin America and Africa, reactionaries have no roots in the popular masses and cannot count on any support from them. Hence the corruption of the servants of reaction—they are willing to look for patrons and masters in the world market, they go to the service of those who pay more.

The conductors of the Truman Doctrine are well aware that they cannot find common ground with peoples and genuine representatives of their will and interests. Therefore, all their manoeuvres are only aimed at strengthening the increasingly shaky base of reactionary forces, deceiving the masses and thus prolonging their tragedy and increasing the number of victims.

The Truman Doctrine was a proclamation of an ideological war against the forces of social progress around the world. This trait attracted to her the hearts of notorious reactionaries. Under the banner of the war against communism, all the fascists and half-fascists rushed from all their feet.

The kinship of souls between the American and German imperialists facilitates their collusion among themselves. Modern American politics, which is embodied in the Truman Doctrine and the Marshall Plan, is betting on the rebirth of German imperialism.

The Truman Doctrine, as well as the German-fascist theory of “living space,” expresses the aggressive aspirations of monopolistic capital.

American imperialism is the heir to ideological and political armour, which until recently was in the hands of the

Nazis. The conductors of the Truman Doctrine revive and disseminate cannibalistic racial theory and geopolitical delusions. In diplomacy, they practice the tactics of the facts, sabre-rattling, methods of blackmail and extortion.

“The main features of the Truman Doctrine in relation to Europe are:

1. The establishment of American bases in the eastern Mediterranean basin with the aim of asserting American domination in this zone.

2. Demonstrative support of reactionary regimes in Greece and Turkey as bastions of American imperialism against the new democracy in the Balkans (providing military and technical assistance to Greece in Turkey, providing loans).

3. Continuous pressure on the states of the new democracy, expressed in false accusations of totalitarianism and in the desire for expansion, in attacks on the foundations of the new democratic regime, in the constant interference in the internal affairs of these states, in support of all anti-state, anti-democratic elements within countries, in the demonstrative cessation of economic ties with these countries, aimed at creating economic difficulties, delaying the development of their economies, and disrupting their economies.<sup>[62]</sup>

This policy feeds on the greedy imperialist lusts of the financial oligarchy, which seeks to preserve excessively bloated monopolistic super profits and to increase them further. At the same time, the American policy of unceremonious interference in the internal affairs of other peoples gives rise to the increased fear of the ruling camp of the United States of America before the rise of the forces of socialism and democracy around the world.

The methods that American imperialism used to host in the Central American republics are now trying to apply to European countries such as Greece. The objectives that used

---

<sup>[62]</sup> A. M. Zhdanov, On the international situation, pp. 31–32.

to be set for Venezuela or Paraguay are now being pursued against Italy and France. The former arsenal of American expansionism and American aggression has been supplemented by innovations such as the global system of naval and air bases, such as the notorious policy of standardization of weapons, as an unprecedented increase in the influence of the militaristic clique, as “atomic diplomacy”, which has already gained a high-profile ill-for-good glory, as anti-communist hysteria, designed to cover up the policy of infringing on the very basics of the most foreign countries.

The imperialist plans of World Domination of Wall Street are fully supported by right-wing socialists, who are actively involved in the struggle for the implementation of American expansion and the enslavement of other countries. These socialists in words and lackeys of imperialism in fact try to cover up the plundering essence of new programmes to achieve world domination of false socialist and false democratic phraseology. They try to poison the consciousness of the working class with a poison of disbelief in their strength and split its ranks. In words, promising long-overdue reforms in the economic and social fields and democratic foreign policy, they actually protect the privileges of the exploitative minority and freedom of action for all reactionary, pro-fascist and even openly fascist forces within the country and pursue an imperialist course in the international arena. Faithfully serving the interests of the money bag, they slander the Soviet Union and try to denigrate in the eyes of the peoples its noble liberation role, its unselfish assistance to the countries following the path of new democracy.

The current American expansionism is dealing with a world that has undergone considerable changes over the past decade. Today’s Europe is not what Europe was at the time of Munich. And present Asia is not the Asia that existed at the beginning of the Sino-Japanese war. As a result of the defeat of the main hotbeds of world fascism and world

aggression, the forces of peace and democracy, which have a reliable support in the face of the Soviet Union, have strengthened and matured.

Adventurous plans to forcibly establish American world domination are met with an ever-increasing rebuff of the camp of democracy and socialism led by the powerful Soviet power. The Soviet Union uses its increased authority in international affairs to solve post-war problems in the interests of lasting peace and security, in the interests of honest international cooperation on the basis of democracy and equality of large and small peoples, to thwart the insidious imperialist plans of American contenders for world domination and their accomplices.

The Soviet Union is a powerful bastion of anti-imperialist and anti-fascist policies. This policy is unchallenged by the countries of popular democracy, which broke out of the power of imperialism with the decisive help of the country of victorious socialism. It is supported by workers of all countries, including the United States, the peoples of colonial and dependent countries, who are fighting strongly against imperialism.

## **7. Racism and Cosmopolitanism in the Service of American Expansion**

The poisoned ideological weapons of American imperialism are the delusional idea of racial superiority of the Anglo-Saxon race on the one hand, and the propaganda of cosmopolitanism on the other. Anglo-Saxon racism and cosmopolitanism are two sides of the same coin, two forms of imperialist ideology that serve the crazy Anglo-American plans of world domination.

Dollar imperialism has a wealth of experience in inciting racial strife. The ruling classes of the United States were fattened by the inhuman exploitation of the Negroes, who for centuries were brought by English merchants from Africa and

exploited by the planters of the South as slaves. Slavery of millions of negroes, whose inhuman gruelling work created the legendary riches of slave owners, was the soil on which the poisonous flowers of racism flourished. The dark, imperialist cannibalistic idea of racial superiority of the “white” race and above all the Anglo-Saxons played a very definite official role. It was supposed to give some semblance of justification to the bloody and inhumane social order based on the enslavement of the hard-working black population. On the basis of slavery of blacks formed a cannibal racial theory, which became a poisoned weapon of the exploitative classes of the United States. On this basis, there have been a great-great-belief that justifies racial and national oppression, violence and arbitrariness.

The idea of these views is given, for example, quoted by Marx in the third volume of “Capital” a speech delivered on December 19, 1859 at a rally in New York under the banner “Justice to the South” by one of the defenders of slavery in the United States, O’Connor’s lawyer. To the loud applause of those gathered, he said:

“... Nature itself has ordained the negro to the position of a slave. He is strong and strong at work; but nature, which gave him this strength, denied him both the ability to manage and the desire to work. He was denied both! And the same nature, which did not endow him with the will to work, gave him a master so that he forced this will and made him, in the climatic conditions for which he was created, a useful servant both for himself and for the master who controls them. I affirm that there is nothing unjust in leaving the negro in the position that nature has placed him in; there is nothing unjust in giving him a master to rule over him; and the negro is not deprived of any of his rights, forcing him to work for this and deliver a fair reward to his master for the labour and talents that he uses in order to manage him and make him useful both for himself and for society”.

After the formal abolition of black slavery as a result of the civil war between North and South in 1861-1865, the



American bourgeoisie actually maintained a complete national inequality and national bent over the black population, which constitutes about one tenth of the population. However, in the post-Civil War period, the idea of the supremacy of the Anglo-Saxon race became even stronger in the spiritual arsenal of the dominant reaction.

As the United States has become more and more active in the arena of world imperialist politics, the dominant classes were increasingly spreading chauvinism, inciting racial hatred against other peoples, unbridled the wildest, animal instincts, domestically the growth of capitalist exploitation was accompanied by the spread of all kinds of national oppression, not only to the Negroes, but also to Jews, "Mexicans, immigrants from Slavic countries, from Italy, etc.

The oppression of the Negroes, taking monstrous forms, is one of the most heinous and shameful aspects of modern American life. Progressive forces of the American people rightly consider racial discrimination to be the most shameful phenomenon of the public order of the United States, and the struggle against it is a sacred duty of every honest and decent person.

The most shameless and vile oppression of the 13 million blacks living in the United States manifests itself in a variety of forms. Discrimination against blacks is resolute in all areas of economic, political and cultural life. As a rule, the work of blacks is limited to the most poorly paid professions. Racial discrimination is manifested in the fact that blacks are paid significantly less for the same work than whites. In the South, blacks are deprived of the most basic civil rights. The electoral tax in the southern states deprives the political rights of nearly 10 million voters, including almost all blacks. In Louisiana, only 6% of the electorate participated in the 1944 election. In 1946, The Governor of Georgia, Tolmedge, declared that as long as he was in power, no negro would have access to the ballot box. In the southern states, killing black whites is generally not punishable. Lynch's wild trial is thriving to this day.

After the end of the civil war, the Negroes began to seek salvation from slavery in the flight to the North. But in the northern states they were waiting for unbearable rot, disenfranchisement, arbitrariness.

Here, black discrimination begins with so-called housing segregation: blacks are forced to live apart from whites, in special neighbourhoods—black ghettos. Such ghettos exist throughout the North: in Chicago; Philadelphia, Cleveland, Pittsburgh, Cincinnati, Indianapolis, Atlantic City and other cities. New York City, home to more than half a million blacks, is a well-known Harlem.

Black neighbourhoods are the most overcrowded slums. Harlem is one of the most overcrowded places in the world. In Detroit's black ghetto, 60,000 blacks who arrived between 1940 and 1944 were settled in attics, basements, warehouses, even stables. The condition of the black ghetto in Chicago is as follows in one report:

“With the exception of two or three houses, the rest are the skeletons of buildings on which paint is only the object of memories... Cleaning and washstands are unusable, and the water supply is in a state that threatens health... Very often there are rooms that cannot be used because of the dampness of the roofs and the faulty latrines above the head.”

According to the 1940 Housing data, of the 31.6 million homes inhabited by whites, 4.9 million were in high need of repair, and 1.1 million of the 3.3 million homes inhabited by blacks, or a much higher percentage. Blacks pay several times more for housing in these slums than whites. At the same time, blacks receive far less for their work than white workers. Blacks in the North are the cheapest and most low-skilled workforce. In an effort to preserve this reserve of cheap workers, entrepreneurs stubbornly close the path to qualifications for blacks. Many trade unions, led by reactionaries, do not allow blacks into their ranks. Other trade unions create special sections for blacks. They are

denied access to most hotels, many public places: theatres, restaurants, etc.

Blacks are met with racial discrimination at every turn. The number of schools and hospitals in black areas is several times lower than in white areas, although taxes are levied on blacks. In fact, for the vast majority of blacks, access to education is closed tightly. Because of the complete lack of health care, the prevalence of diseases and epidemics among blacks is several times higher than among the white population.

The squalid exploitative philosophy of the white slave-owners was summed up quite colourfully by one Texan businessman who stated:

“Keep a negro starved, so that he just does not fall off his feet, and dress him so that he can barely cover his nudity, or he will hold his nose and proclaim that he is no worse than other people.”<sup>[63]</sup>

American obscurantists have created an extensive network of pogrom organisations specializing in the persecution of blacks as well as Jews. The Ku Klux Klan is best known among these organisations. Gangs of the Ku Klux Klan organize lynchings and black pogroms. At the same time, they have the direct support of the authorities. In all major American cities, the Ku Klux Klan has its own local groups, and in the southern and partly Midwestern states, this black-and-powered organisation is closely associated with the Democratic Party apparatus and local authorities.

The racial hatred that pervades all the pores of the domestic political life of the United States has long been transferred by the American imperialists into the sphere of international relations.

One of the most ardent imperialists in the White House, President Theodore Roosevelt, who held this post in the first decade of the 20th century, intimidated Americans with

---

<sup>[63]</sup> See Cary McWilliams, *The Troubled Land*, p. 298.

“black” and “yellow” danger, underpinning racist delusions of the claim of American monopolies to world domination.

American (as well as English) racists were in many ways teachers of Hitler’s issuers. Long before the advent of fascism in Europe, they developed a mean technique of setting crowds of dark, disadvantaged people on black people, systematically and incessantly pouring into the heads of the white population, that, they say, “all the fault of the Negroes.” Characteristically, the theoretical justification of the aggressive policy American racists developed long before their Hitler followers. Thus, it is known that the notorious Hitler’s “geopolitician” Gaushofer named among his teachers the American imperialist Alfred Mehan.

After the Second World War, when the masters of the United States—the plutocrats of Wall Street—put in order the struggle for their world domination, racism and chauvinism gained unprecedented distribution. The most nefarious ideas of Hitlerism are fully assimilated by the current ruling elite of the United States. Racial issuers, robberies of “geopolitics”, the notorious “theory of living space”—all this is firmly in the everyday life of the American reaction. The theory of the supremacy of the Anglo-Saxon race was officially proclaimed by the warmonger Churchill in his Fulton speech. In literature, cinema, in the press, on the radio propaganda of the notorious “American way of life” is accompanied by incitement of rabid hostility to other nations. An example of this kind of literature is the 1948 book by Cornell University professors Pearson and Harper, *World Hunger*. This book proves that due to soil depletion, our planet can feed only 900 million people out of 2,250 million people living on the globe. On this basis, the authors call on scientists to develop a “programme of population reduction of the world,” primarily in relation to the most populous countries of the world—China, the Soviet Union, etc., and they emphasize that the edge of the struggle should be directed against “communist ideology, claiming that there is no overpopulation on the globe.” The

emergence of such, let me say, literature in the American market shows that the racists of the United States are ready to outsold their German-fascist associates.

The flip side of the delusional theory of the supremacy of the Anglo-Saxon race is the preaching of cosmopolitanism, which aims to ideologically disarm the peoples of Europe and Asia, to break their will to resist American aggression. At the same time, if Anglo-Saxon racism is mainly for domestic consumption, then cosmopolitanism, on the contrary, goes primarily to export. It is exported to Europe and imposed on its peoples on a par with American chewing gum and pork stew supplied under the “Marshall Plan”. Modern cosmopolitanism is designed to cover up the extortionate appetites of Anglo-American imperialism with treacherous reasoning that, say, the idea of national sovereignty is “obsolete” and should be archived, as if in the interests of all peoples of the globe to voluntarily recognize the Anglo-American supremacy, that historical development supposedly goes towards the creation of the “United States of The World” and “world government”.

Cosmopolitanism has its basis the world’s capital bonds, which keeps peoples in slavery and oppression, Lenin wrote:

“Imperialism means the overgrowth of the framework of nation states by capital, it means the expansion and aggravation of national oppression on a new historical basis.”<sup>[64]</sup>

Modern cosmopolitanism expresses the tendency of imperialism towards world hegemony, to the violent struggle of the imperialists for world dominion. In our time, the bearer of this trend is Anglo-American imperialism. Therefore, the current cosmopolitanism acts as the reverse side of the ideology of racial superiority cultivated by the Anglo-Saxon imperialists. Cosmopolitanism and bourgeois nationalism are the two manifestations of the same deity. This deity is a golden calf whose religion knows not only

---

<sup>[64]</sup> V.I. Lenin, Soch., Vol. 21, ed. 4, pp. 371–372.

national borders, but also national interests. This religion is associated with the corrupted morality of predators embodied in the bourgeois commandments: “money does not smell”; “where it is good, there is the fatherland.”

The inseparable link between chauvinism and cosmopolitanism is particularly evident in the activities of right-wing socialists, who are loyal to American imperialism and at the same time pursue and defend the policy of the wildest oppression of foreign countries and peoples.

Thus, Bevin, addressing the peoples of Western Europe, does not skimp on advice to abandon national sovereignty in favour of aggressive blocs operating under the flag of “European unity.” And at the same time, Bevin acts as the most ardent defender of British imperialism, in whose interests he stifles the national liberation movement in Malaya, Burma, India, the Middle East, and the African colonies. Bevin, together with Churchill, organised a criminal intervention against the Greek people, who are bleeding to death in the struggle against the Anglo-American enslavers and their monarchist-fascist henchmen.

Leon Blum combines the zealous propaganda of the cosmopolitan betrayal of France’s national interests and the servitude low-worship of Americanism in all its forms with the protection of the colonial war of the French colonisers against the Vietnamese people. The Belgian right-wing socialist Spaak, one of the pillars of the notorious “European unity” and at the same time a zealous defender of the aggressive campaigns of the colonial powers in Indonesia, Indo-China and elsewhere, takes the same position. The leader of the German right-wing Socialists Kurt Schumacher crawls on the belly in front of Anglo-American imperialism and at the same time stirs revanchist passions, not yielding to Goebbels himself in terms of rabid propaganda of racism and chauvinism.

At the second session of the General Assembly of the United Nations, the head of the Soviet delegation, A. Ya. Vyshinsky, speaking at a meeting of the Political Committee

on October 6, 1947, fully exposed the treacherous sermon of denial of state sovereignty, which was delivered at the session by Spaak, McNeil and other representatives of the Anglo-American bloc. Noting that Spaak calls “the idea of state sovereignty” such epithets as “political veil,” “old, out of fashion idea,” “old reactionary idea,” Vyshinsky showed that Spaak only repeats the doctrines of reactionary states, which during the League of Nations were preaching “super-state.” At the same time, A. Y. Vyshinsky revealed the true motives of this sermon:

“The development of capitalism and, especially, the entry of capitalism into its highest stage—in the era of imperialism, carries the desire for domination and annexations. But this is causing increased resistance in peoples awakening to national identity. This resistance can easily grow into dangerous speeches and other measures against foreign capital... But countries seeking economic domination, expanding their economic and political influence are hampered by the state sovereignty of other countries.”<sup>[65]</sup>

This is where the desire to put an end to state sovereignty and the national independence of peoples arises. For the state sovereignty of other countries is a barrier to the implementation of expansionist plans.

“State sovereignty,” said A. Y. Vyshinsky, “is a banner of independence and struggle of many, many countries against the predatory appetites of capitalist monopolies.”

The interests of these monopolies are inspired by the cosmopolitan propaganda of Spaak, McNeill, Bevin, Ettley, Blum, Schumacher and other right-wing socialists, calling for the discard of “all attributes of national sovereignty”.

American imperialists proclaimed a campaign against the national sovereignty of peoples. They declared the freedom and independence of nations, especially small ones, an

---

<sup>[65]</sup> "Delegations of the USSR, Ukrainian SSR and BSSR at the second session of the General Assembly of the United Nations Organization", Gospolitizdat, 1948, pp. 313–314.

“obsolete concept.” In this respect, they are not at all original. Here’s what you can read, for example, in a book published more than thirty years ago:

“Only very large states still mean something, all small states live using contradictions between the great powers... Sovereignty, i.e. the freedom of world-historical decisions, is concentrated in very few places on the globe. The day has not yet come when there will be one herd and one shepherd, but the days when numerous, small and medium-sized shepherds drove their herds through the pastures of Europe without any control have passed.”

So wrote the well-known preacher of German imperialism of the time of the “Second Empire” Wilhelm Hohenzollern Pastor Friedrich Numann in the book “Middle Europe”, published in Berlin in 1915, But Even Naumann was not the author of the theory of the extinction of national sovereignty. He, in turn, sympathetically referred to the salesman of English imperialism Cecil Rhodes, who at the end of the last century said that now is the time to “think continents.” Cecile Rode tried not only to think on continents, but also to plunder the whole continent - Africa - and turn it into a colony of the English Empire. However, the “black continent” was still out of touch with Rhodes. By the end of the last century, in addition to England and other colonial powers, in particular France and Germany, had entered the continent. The activities of Cecil Rhodes in South Africa prepared the Anglo-Boer war, which ended in a pyrrhic victory for England, because it showed the world a beastly guise of British imperialism.

Friedrich Naumann, with the crude straightforwardness characteristic of the German imperialists, blurted out the background of the claims of individual powers to world domination existing in the era of monopoly capitalism. He wrote:

“The spirit of large-scale capitalist concentration and supranational organization has taken possession of politics.”



Indeed, the large-capitalist concentration, or, more precisely, the formation and development of large-capitalist monopolies, is at the heart of the struggle for global dominion in the modern era. The largest monopolies are becoming crowded within the national framework. They seek the economic exploitation of many countries, and if they can, the whole world. The economic expansion of monopolies takes on solid ground only when it is linked to the establishment of certain forms of political dependence. For free countries and free peoples never agree to become the objects of economic exploitation of foreign monopolistic capital.

The insatiable appetites of large and large monopolies aimed at capturing rich sources of raw materials, profitable markets and capital applications generate and feed the adventurous policy of world domination, no matter what ideological clothing it is wearing. English imperialist Rode spoke of “thinking on continents.” The German imperialists of the Wilhelm and Hitler times demanded the creation of “large economic territories.” Now the ideas of fascist “geopolitics” have migrated over the ocean. Whatever false democratic masks American expansionists hide, their struggle for world hegemony is an archaeological idea, deadly hostile to the blood interests of peoples, their aspirations for freedom and independence, democracy, peace and socialism. This is the inevitability of the complete collapse of any plans for world domination.

Anglo-American imperialists use a treacherous cosmopolitical ideology, because it justifies any national treason, any espionage, sabotage, anti-people activities. Under the guise of false chatter about universal culture and science, about the “world government,” about the United States of Europe and even the world in fact spread and planted cringe before the corrupt science of the dollar and rotting bourgeois culture, belief in charlatan myths about the notorious “American way of life”, plying against any blackmail of the wall.

Cosmopolitan servility and subservience to foreignism are rooted in disdain for their own people, disbelief in its strength, fear of its awakening—all these characteristic features of distant and alien people, outdated, but clinging to the power of the exploiting classes.

In the marshalled countries of Western Europe, cosmopolitanism serves as a smokescreen, under the guise of which the ruling cliques in bulk and retail trade the remnants of national sovereignty, provide The American aggressors with military bases, carry out their orders to stifle domestic industry.

In the countries of popular democracy, the defeated, but far from yet far from finished forces of reaction justify with the slogans of cosmopolitanism its transition to espionage and sabotage methods of struggle against popular power, its transition to the service to American and British intelligence. Bourgeois cosmopolitanism in modern conditions fulfills a very important task for the international reaction. It serves as a means of smearing the crucial fact of the modern age that there are two systems in the world: the camp of socialism and democracy on the one hand, and the imperialist reaction camp on the other. Cosmopolitanism seeks to hide the social, class contradictions between the two camps, to undermine faith in the advantages of socialism over capitalism, and thus to demoralize the least stable elements.

“Agents of foreign intelligence are strenuously looking for weaknesses and vulnerabilities among some unstable strata of our intelligentsia, bearing the stamp of the old disbelief in their strengths and infected with the disease of servility towards everything abroad. Such people easily become food for foreign intelligence services.”<sup>[66]</sup>

The decisive exposure of cosmopolitanism, the eradication of such survivals of capitalism as servility and

---

<sup>[66]</sup> G. Malenkov, Information report on the activities of the Central Committee of the All-Union Communist Party (Bolsheviks), p. 30.

servility to foreignism, strikes a blow at the insidious calculations of the American imperialists, who are weaving intrigues against our homeland.

Anglo-Saxon racism and its reverse side—cosmopolitanism—are resolutely rejected by peoples who have only recently experienced the monstrous consequences of the rulership of the German fascist racists and who are guarding their freedom and independence.

## **CHAPTER THREE. IN AN ENHANCED CIRCLE OF CONTRADICTIONS**

### **1. “Cursed Issues” of American Capitalism**

The Second World War and its immediate consequences greatly exacerbated the contradictions of American capitalism. They find their clear expression, first, in the contradiction between the increased production capacity and the narrow base of the domestic market, which is further narrowed by the monopoly policies of unbridled decline in living standards and, therefore, the purchasing power of the masses of the American population; secondly, in the contradiction between the insatiable thirst for capital to maximize profits and the limited potential of profitable capital application within the country. This stems from Wall Street’s increased struggle for U.S. markets and U.S. capital applications. This struggle unfolds against the general background of further rotting of American capitalism and further aggravation of the general crisis of capitalism. It therefore inevitably generates acute economic and political conflicts.

Even Marx showed in *Capital* with his theoretical analysis, which summarized gigantic historical material, that under the capitalist mode of production, the conditions for direct exploitation and the conditions for its implementation do not coincide, not only in time and place, but also in concept. Under imperialism, as decaying or parasitic capitalism, this scientific conclusion of Marxist economic theory acquired a special meaning, since the contradiction between the social nature of production and the private capitalist form of appropriation reaches an unprecedented acuteness.

In the collective work of American bourgeois economists under the widely read “Funding for American Prosperity” (1945), Harvard Professor John G. Williams calculated that when returning to the level of people’s income, which was in

1939, unemployment would be inevitable between 15 million and 20 million people. According to the Labour Trades Union Congress, a return to the pre-war level “would create 19 million unemployment in the United States. These figures exceed even the scale that unemployment took during the devastating and devastating crisis of 1929-1933.

By telling their economists about “full employment,” they are prepared to welcome the education of a large army of unemployed, because from their point of view, rising unemployment is an excellent means of weakening the labour movement and successfully pushing the living standards of employed workers.

But they are very concerned about something else, namely the threat to high profits. Maintaining profits requires maintaining a known level of production. For the time being, the reduction in production can be offset by higher prices. But this method has its limits, beyond which further reduction of production is associated with such an increase in costs, which cannot be stopped by any increase in prices. The inflating of prices causes an undesirable consequence in the form of a reduction in the capacity of the domestic market. Therefore, the question before American monopolies, which have a significantly grown and concentrated production apparatus, with increasing sharpness the question is: *where to sell goods?*

Even during the war, official American economists and statisticians calculated that in order to maintain the level of employment achieved during the war, the United States should increase its annual exports of goods to \$25 billion.

The significance of this figure is easy to understand when you consider the following circumstances. The total volume of world exports in 1937 was 15.3 billion dollars. Before the war, the share of the United States in world exports was 13.1%, England—11.9%, Germany—9.4%.

Between the two wars, from 1921 to 1939, the United States exported an average of \$3.6 billion per year. This accounted for 4.3% of the country’s gross domestic product.

So, raising U.S. exports to \$25 billion. would mean its growth almost seven times. American expansionists understand that such growth is thought of only if the industry of other countries whose working class is doomed to unemployment is stifled. No wonder in the American press the problem of increasing exports is cynically referred to as the problem of “exports of unemployment”.

In 1946, the export of the United States reached 10 billion dollars, which was 4.9% of gross production, and in 1947—15.1 billion dollars, or 6.6% of the country's gross output. In two years, the export amounted to \$25.1 billion, or 5.8% of the country's gross output.

U.S. exports reached the largest in 1947. It decreased by 18% in value terms and by 23% in physical terms compared to 1947.

Thus, the export of the United States is still half the level that American economists dreamed of during the war. Nevertheless, the level of American export that has already been achieved creates acute contradictions in the capitalist world.

Customized by the spectre of the impending crisis of overproduction, American monopolies in every way inflate the export. At the same time, they do not allow the flow of foreign goods into the United States, taking care of the safety of their monstrous super profits.

Between 1921 and 1939, the united States imports averaged \$2.9 billion. 3.4 per cent of gross output per year. In 1946, imports amounted to \$4.9 billion, or 2.4% of the country's gross output, and in 1947—5.6 billion dollars, or 2.5%. In the two post-war years combined, the import of the United States was equal to 10.5 billion dollars, or 2.4% of the country's gross output.

Thus, in two years, the gap between the export and import of the United States amounted to a round sum of about 15 billion dollars. In the post-war period, not only did the amount of American exports increase significantly, but also its share in the country's gross output increased. At the

same time, the share of imports into the country's gross output not only did not increase, but, on the contrary, significantly decreased, namely—from 3.4 to 2.4%.

U.S. trade is becoming increasingly one-sided. Therein lies the undeniable contradiction. On the one hand, the United States seeks to widen the export failure by preventing the appropriate importation; on the other hand, the rest of the capitalist countries, especially those in Western Europe, are forced to import but are not able to export enough goods. Hence the chronic dollar famine in these countries, which has become a huge obstacle to the restoration of world trade. This double contradiction is largely caused by the “Marshall Plan”, which, however, is not only unable to improve the situation, but, on the contrary, further exacerbates its contradictions.

That's one side of the problem. The other side is no less important.

Above, data showed that American monopolies are tossing huge capital. The growth of monopolies, the increase in their capital and the multiplication of their profits all mean an increase in their annual savings. These savings should find themselves a profitable application field. In other words, the question is: *where to take capital?* Alvin Hansen, a professor of political economy at Harvard University, an economic adviser to the Federal Reserve, wrote in “America's Role in the World Economy,” published in 1945:

“In good years, savings in the United States account for about 20 percent of national income, or \$140 billion. national income of about 28 billion a year. Find a satisfactory and profitable use... it is not easy for such a huge sum within the country.”

Back in the period between the two world wars, American capital scoured the world in search of areas for the most profitable investment activities abroad. American diplomacy helped him in every way.

This connection of American foreign policy with the interests of monopolies in the field of capital export was very figuratively expressed by General Smedley Butler: "America's trouble is that when the dollar earns only 6%, it becomes restless. He goes overseas to get 100%. The flag follows the money, and the soldiers follow the flag."

Now American monopolies, who got rich in the war and in the post-war period, need even more foreign spheres of capital application for the most profitable use of increased savings.

When it comes to excess goods and excess capital, it is necessary to give a full account of the purely relative nature of this surplus.

Describing the excess capital that arises in the most developed capitalist countries in the era of imperialism, Lenin wrote:

"Of course, if capitalism could develop agriculture, which is now terribly backward from industry, if it could raise the standard of living of the population, which remains everywhere, despite dizzying technological progress, half-starved and impoverished, then the excess of capital could not be out of the question. And such an "argument" is put forward by petty-bourgeois critics of capitalism. But then capitalism would not be capitalism, for both the uneven development and the half-starved standard of living of the masses are the fundamental inevitable conditions and prerequisites of this mode of production."<sup>[67]</sup>

Of course, if the United States were to set goals such as raising the standard of living of the population, eliminating the insecurity and uncertainty of the future of millions of people, involving millions of unemployed people in the productive process, then no surplus of goods and excess capital would be out of the question. It would not be necessary to speak of such a surplus even if the United States were ready to really help the economic recovery of the

---

<sup>[67]</sup> V.I. Lenin, *Soch.*, Vol. 22, ed. 4, pp. 228-229.



ruined countries of Europe by providing them with loans and loans on normal economic foundations, without interfering in their internal affairs, without imposing bonded economic conditions and a certain course of domestic and foreign policy.

But then capitalism would not be capitalism. The American monopolies strongly reject both of these paths.

They reject the first of these paths, because they consider the low standard of living of the working masses of America to be the main condition for their super-profits.

The second of these paths is equally vehemently rejected because for monopolies other countries are either competitors or exploited; and in both cases, American monopolies are not only not interested in rebuilding other countries, but, on the contrary, they seek to use the weakening of these countries to enslave them in a comprehensive manner.

But thus, as will be shown further, the policy of the ruling circles of the United States, determined by the will of monopolists, creates an enchanted circle of contradictions.

American imperialists are looking for a way out of these contradictions on the path of adventurous policy of unbridled expansion, threatening the blood interests of peoples, including the American one. This is a policy of aggression and preparation of a new world war, meeting growing resistance around the world from the masses, ready to fight for lasting peace, freedom and security.

## **2. United States of America as a Moneylender**

The provision of loans on fair commercial basis, which does not violate the equality of the parties, is not part of the calculations of Wall Street bankers. They're interested in something else. They consider the export of capital as one of the most important means of external expansion. They directly attribute the granting of credit to a policy of world

domination that is incompatible with respect for the national sovereignty of other peoples.

Even during the war there was no shortage of frank statements that dollars would be the most important means of pressure in international negotiations. Even then, the defenders of the idea of world hegemony of the United States hoped that the granting or denial of credit would be a reliable tool for the implementation of their foreign policy plans. Wall Street officials have become even clearer since the end of the war.

Thus, the chairman of the American Chamber of Commerce Jackson, speaking before the congress of the National Council of Foreign Trade in New York on November 13, 1946, said,

“We must throw the brunt of our economic power on the scales of international relations.”

Jackson openly called for the use of American exports of goods and capital to strengthen capitalism around the world and fight against all trends towards socialism. Praising the State Department’s policy, he called for the use of American “economic leverage” for this purpose.

In this spirit, not only individuals but also official bodies speak. The Commission of the Post-War Economic Policy of the American House of Representatives, in a report submitted in November 1945, openly advocated the use of loans to foreign countries as a means of obtaining both economic and political concessions. The commission’s report states:

“Since the benefits of the United States’ loans and the like are our best tool for negotiating and obtaining political and economic concessions to stabilize the international situation, the Commission proposes to channel economic policy towards this goal. It is particularly concerned that the property rights of American firms should be properly protected.”

On what basis do American monopolies agree to place their excess capital abroad?

To get an answer to this question, it is necessary, of course, to turn not to verbal assurances, which in an uncertain tone speak about the readiness of the United States to “help” the ruined countries of Europe, but to the true language of facts. The facts give a clear answer to the above question.

American monopolies are not newcomers to the export of capital abroad. The United States has embarked on the path of capital exports much later than European countries—England, France, etc. But in this field, as in a number of other relations, they tried to quickly catch up. On the eve of World War I, the amount of American investment abroad was less than the amount of foreign investment in the United States. In other words, the United States was still a debtor country then, not a creditor country.

In 1914, the amount of American investment abroad did not far exceed the amount of investment that Britain had in 1855.

As a result of the war of 1914-1918 there were major changes in the world capital exports. Germany has lost its previous investment abroad. Foreign investment in England and France has been significantly reduced. But the export of capital from the U.S. has grown enormously. By increasing its overseas investment at a much faster rate than England, the United States ranked second in the world in terms of capital exported, and in 1929 almost equalled the size of its foreign investments.

The United States and England became the main centres of financial exploitation of the world, and hegemony in this case passed to overseas moneylenders.

Describing the situation created in this regard after the First World War, Comrade Stalin pointed out:

“... The general conclusion is that the circle of the world’s major exploiting States has been reduced to the last degree compared to the pre-war period. Previously, the main exploiters were England, France, Germany, partly America, now this circle has shrunk to the last degree. Now the

world's main financial exploiters, and therefore its main creditors, are North America and partly its assistant, England.”<sup>[68]</sup>

In the years leading up to World War II, the largest market for capital applications from the United States was still the countries of the American continent. At the same time, the export of capital from the United States to European countries, mainly to Germany, has increased dramatically.

Lenin called the export of capital parasitism squared. “The export of capital, one of the most significant economic foundations of imperialism,” he wrote, “further reinforces this complete detachment from the production of the rantier-layer, which imposes an imprint of parasitism on the entire country, living the exploitation of labour of several overseas countries and colonies.”<sup>[69]</sup>

This characteristic is fully confirmed by the example of the United States. Between 1922 and 1932, the United States received more than \$9.2 billion. tributes from the countries where the American capital was exported. In 1929, the income from foreign capitals was five times higher than that of the United States from foreign trade.

The export of capital by the United States is notable for its peculiarities. First of all, the leading place in this export belongs to the so-called direct investments. These include buying up controlling stakes in foreign enterprises, organizing industrial and other firms in foreign countries, setting up branches or subsidiaries there by American monopolies.

What are the size and structure of American investment abroad in the post-war period? This can be seen from data published by the U.S. Department of Commerce in August 1948. All U.S. investments abroad amounted to \$28.8 billion at the end of 1947. Of that amount, \$16.7 billion was \$16.7 billion. was private investment and the rest was investment

---

<sup>[68]</sup> J. V. Stalin, Soch., Vol. 7, pp. 268–269.

<sup>[69]</sup> V.I. Lenin, Soch., Vol. 22, ed. 4, p. 263.

by the United States government. In 1946, the amount of investment was \$20.7 billion. Of these, private firms owned \$15.6 billion and the remainder owned by the U.S. government. Increased investment by the U.S. government abroad by \$7 billion. was mainly due to the \$3.1 billion that the United States contributed to the International Bank for Reconstruction and Development and the International Monetary Fund, as well as the \$2.850 million provided by the Loan England.

According to the Wall Street Journal, the sharp increase in U.S. private investment abroad is mainly the result of direct investment in foreign offices and subsidiaries of U.S. firms. Thus, oil companies alone invested \$455 million in 1947. to their foreign affiliates.

According to a report on the global economic situation published by the United Nations secretariat in July 1949, in 1948, the total amount of loans and subsidies from the United States to foreign countries, as well as direct investments by American monopolies abroad, amounted to \$6,693 million. Direct investment in U.S. monopolies increased from \$1.230 million. 1947 to \$1.498 million. in 1948, almost half of this amount, or rather 45%, was invested in colonial and semi-colonial countries, with the vast majority of American investment going to oil fields. Direct investments differ significantly from loans and other forms of credit. They are the most direct way to ensure economic domination of American monopolies. This was quite frankly stated by the American Bankers Association in a memorandum published in February 1945 in connection with the financial plans adopted in Bretton Woods. The memorandum emphasized that direct investment has the advantage of being followed by “care” (saga) and “management”.

When it comes to the leading place of direct investment in American capital exports, it is important to bear in mind that direct investment is by no means the only or even the predominant form of application of American capital abroad.

The loans provided by American banks and the Government are very high. But the fact is that these loans, their nature, their direction are also determined by the interests of monopolies that own enterprises and branches abroad.

Next. American capital is primarily directed into the extractive industry. In other words, he is most willing to organize or buy up raw materials. This is evidenced, for example, by the following figures.

As of the end of 1940, U.S. investments abroad in the extractive industry amounted to more than \$2 billion, and in manufacturing—less than 2 billion dollars. Meanwhile, the domestic ratio was quite different. Manufacturing assets in the United States exceeded \$47 billion, while the mining assets were \$7.27 billion, nearly seven times less. These figures are quite remarkable. They reveal a trend that is characteristic not only of the United States, but also of other modern major capitalist powers. The tendency is to put hard work in the extractive industry on the shoulders of the population of backward, poor and dependent countries. Cheap working hands and cheap raw materials—that’s what are in the eyes of modern monopolists less economically developed countries and people inhabiting them.

The German imperialists twice tried to turn a number of neighbouring countries into an agricultural and raw appendage to the Reich by force of arms. The imperialists of other powers achieve the same goal through gold, blackmail, bribery and deception, without giving up the use of force to expand their positions.

In “Notebooks on Imperialism, Lenin, writing out Schulze-Gavernitz’s statements about the desire of European capitalism to dump physical labour on the shoulders of black humanity, noted in the margins of his record: “NB “Europe” is a rantier (rides on *Negroes*).”<sup>[70]</sup>

---

<sup>[70]</sup> V. I. Lenin, Notebooks on Imperialism, p. 397.

“Riding on the Negroes” is one of the characteristic features of the moneylender state. At the same time, of course, it is necessary to keep in mind not only negroes in their own sense of the word, but also all other peoples, on which the imperialists try to put the most black work on the extraction of raw materials, necessary monopolies in huge and growing masses.

This trend is not unexpected for the United States. On the contrary, in this country “riding on the Negroes” has a particularly strong tradition—traditions of slave-owning, preserved until now in the ideology of the dominant classes in all its ugly nudity.

Thus, the American export of capital serves as an important tool for capturing the sources of raw materials. Characteristically, this circumstance is openly recognized not only by representatives of monopolistic circles, but also by the leaders of foreign policy of the United States. Thus, back in October 1946, Under Secretary Clayton said that special support for Washington deserved the investment of American capital in the enterprises producing raw materials. He said:

“As the development of the most important industries in the U.S. depends on overseas raw materials, it becomes clear... that raw materials are important for national security.”

Such statements, citing national security, are highly symptomatic. For American monopolists scouring the world in search of all that is bad, the national security of the United States is linked to the situation in the most remote places of the globe. If we look more closely at the geographical points that are listed, it is not difficult to notice that it is about areas and areas directly related to oil, colour and rare metals, uranium (raw materials for atomic bombs) and other important types of industrial raw materials.

So, the capital of Wall Street is rushing primarily to capture raw materials sources. The strong smell of oil comes from all of Washington’s politics. During the discussion of the so-called “assistance” programme of Greece and Turkey,

many facts were cited that revealed the specific oil aspect of the programme. Senator Johnson, for example, said that five major U.S. oil companies have used the State Department “as a parcel boy” in the past three decades in their fight to obtain concessions for the expansion of middle and Middle Eastern oil resources.

Referring to these five largest oil monopolies, Johnson said:

“We can expect that in order to protect their \$2.1 billion invested abroad, the “big five” will exert constant firm pressure on the State Department to change or direct international diplomacy in a way that is best for it.”

It is well known by what means the markets of raw materials, in particular oil, are being seized. Scandalous revelations in this area have become a kind of domestic phenomenon in the United States. Recently, one of the deprived shareholders of a large oil company, a certain Moffet, made another revelation about a gift of almost 7 million dollars, which was received by King Ibn Saud for granting a concession to an American firm. Moffett also gave many other odorous details of the hosting of American oil monopolies.

But in addition to bribery, blackmail, bribes and corruption in all its kinds, the seizure of raw materials is connected with the phenomenon, which is no longer related to the field of political morality, but to the field of power policy. Behind the dollar goes the flag - primarily for the dollar, invested in the extraction of raw materials. Back in 1944, Harpers Megezin wrote in an article titled “Arab Oil and American Imperialism”:

“The American oil pipeline in the Middle East without the patronage of American political forces, without garrisons, without military ports, without air bases, without readiness to meet by force any challenge is madness.”

The programme proclaimed here is undoubtedly entirely divided by the monopolistic circles of the United States. In the light of this programme, the meaning of the assertions of



the American oil community that the world oil centre is moving from the Caribbean Sea and the Gulf of Mexico to the Mediterranean Sea and the Persian Gulf is also clear. The flag follows the oil interests with particular haste. Proof of this - the whole Greek-Turkish scam, in which the current foreign policy of Washington is so deeply tied.

Above, it has been noted how the preachers of rampant American expansion around the world claim that this expansion is necessary to protect capitalism from the dangers it poses. But businessmen mean quite specific things, namely the interests of their profit, which are the most sacred for them.

People talk about it most frankly. Leo Welch, Treasurer of the Standard Oil of New Jersey, speaking at the national foreign trade council congress in New York on November 12, 1946, stated:

“The dangers that threaten capitalism have been created over a number of years, but it is necessary to find ways to eliminate them and recapture now some of the lost positions... If we miss this opportunity and do not develop the directives necessary to improve the statute of private American investment, the violations of their rights, which are now taking place, will become permanent. American private enterprise now faces an alternative: either strike and save its position around the world, or sit back and watch their own funerals.”

If we leave aside the inevitable verbal husk, without which businessmen are not without it today - complaints about non-existent “violations of the rights” of oil leviathans, etc.,—we have a very frank call for expansion in the whole world in the name of unhindered occupation of American monopolies on all continents and in all countries.

In front of the general public, the preachers of American expansionism are trying to mask their plans for world domination with the shattered banner of the struggle against communism. Needless to say, they are the least likely to claim originality in this respect. But the camouflage efforts

of the current contenders for world hegemony are even less than the same attempts of their not-so-long-standing predecessors. For the whole world sees that under communism in this case all the desire of peoples to preserve their independence and independence from foreign monopolistic sharks, ready to swallow the whole world, is implied.

The owner of the American financial oligarchy abroad has already developed certain samples.

Wall Street monopolies seek to turn their “benevolent” countries into a commodity appendage of the highly developed industry of the United States. By supplying cheap raw materials, the people of these countries at the same time should buy surplus goods of American industry. The result is “the ugly, one-sided development of the economies of countries that are in bonded dependence on the dollar. This dependence tends to grow and expand continuously. This fact is so striking that it is recognized by people far from the desire to expose the master of American monopolies.

Thus, in one of the editions of the League of Nations, published in 1945, “Industrialization and Foreign Trade”, it is said:

“Countries dependent on foreign firms sometimes complain about the direction of foreign capital, which gives their economy a unilateral character characteristic of the colonial economy.”

Even this deliberately vague and softened statement contains in fact an acknowledgement of the fact that the domination of foreign firms condemns entire countries, formally independent, to the actual transformation into colonies.

The consequences of the unilateral development of raw materials in a number of Latin American republics are well known. Poverty, savagery, and the predatory exploitation of natural resources are traits inherent in the management of the American monopolies. These monopolies turn entire countries into producers of coffee, sugar, bananas, non-

ferrous metals, oil, etc. By firmly holding decisive positions in the main economic sector, American monopolies are in a position to dictate their will to other countries. They overthrow and appoint governments, prohibit or permit the construction of railways, unceremoniously resolve all issues of the internal life of these peoples. But first of all, American monopolies hinder the economic development of dependent countries, the creation of heavy industry in them, and any attempts to somehow move forward along the path to economic independence and independence.

The ownership of American monopolies leads to colonial-type economic relations. This relationship is characterised by the fact that the dependent country is increasingly chained to the chariot of American imperialism, which sucks out of it vital juices.

It is significant that the income received by U.S. capitalists from foreign investments exceeds the very amount of these investments. Further, an increasing portion of imports to the United States from Latin America are in order for interest on U.S. investment in those countries. During the nine years from 1930 to 1938, all U.S. imports from Latin America were \$4.253 million. Of that amount, \$1.313 million was interest on bonds and income from U.S. investments.

This is how one Chilean author in Chile portrays:

“95% of copper mined in Chile is owned by American companies, 60% of nitrate is produced in American-controlled enterprises. Of every dollar we pay for nitrate, 85 cents remain in the United States to pay debt, dividends, freight, insurance, transportation costs, storage and commissioners’ services.”

But Chile is no exception. Other Latin American republics are no less dependent on Wall Street. We are no longer talking about the small republics of Central America, which are in full bondage at the American fruit trust United Fruit Company.

Let's take a country like Venezuela. Its main wealth—oil—is seized by the monopolies of Wall Street. Rockefeller Oil Trust manages the entire wealth of the country.

On May 5, 1946, President Truman of the United States announced a plan to militarize Latin America. This plan, in addition to the existing 75 Military Bases of the United States in these countries, included the creation of a unified army and navy under the auspices of the United States, standardization of weapons and military materials on the American model, unification on the same model of training in the armies, the use of human reserves of Latin American countries. Under the plan, the cost of maintaining armies would be borne by Latin American governments, and the United States would be responsible for arming, training and administering the armies. The plan marked a further step towards the complete enslavement of Latin American countries and was strongly condemned by the entire progressive community.

"The Yankees," wrote the Uruguayan newspaper *El Debate*, "speak of the "military defence" of American republics under the leadership of the United States, while the only danger that threatens them comes from the excessive imperialism of the ruling class and the plutocratism of the United States."

"We need hoes and ploughs," the Brazilian newspaper *Jornal de Debates* wrote on June 27, 1947, "and Marshall offers us rifles and machine guns. We export products that can serve as food for our hungry people, and in return we receive from the United States not tools for productive work, but weapons to protect the luxurious life of Wall Street magnates and capitalist democracy."

Uruguayan public figure Rodney Arismendi, in his book "The Invasion of the Dollar in Latin America", notes that the United States, under the hypocritical flag of "pan-Americanism", has a policy of total hardening and strangulation of Latin American republics. He concludes that Yankee imperialism treats 130 million Latinos only as "blood

and muscle,” as cheap working hands in peacetime and cannon fodder in case of war. Showing that Washington’s policy towards Latin America, referred to in false official speeches as “good neighbourly,” is in fact an attempt to implement the notorious theory of “large-scale territory” borrowed from German imperialists, Arismendi writes: “The rich inexhaustible bowels of Latin America represent almost a huge dollar. Hundreds of thousands of workers mining and transporting minerals destined for processing at U.S. monopolies are killed in mines and mines. In most Latin American countries, the undivided dominance of these companies rests on the bones of Indians. All asphalt, bauxite and vanadium in South America are mined in the United States. The same can be said about almost all of Latin American iron ore, almost 9/10 copper reserves, about 7/10 silver, about 2/3 of zinc, about half of oil, about half of manganese and platinum, more than 1/3 of lead and 1/10 tin”.<sup>[71]</sup>

The author cites a number of documents describing the aggressive policy of Wall Street monopolies in Latin America. In one of the documents of the United States Chamber of Commerce, a demand for vigorous government intervention is put forward to “eliminate all restrictions and obstacles that exist in foreign countries in the field of trade with the United States. This should include excessively high and unreasonable customs tariffs that limit controls on foreign exchange rates, foreign exchange transactions, import and export quotas.” In another document of the same chamber, Latin American countries’ measures to protect their industry are condemned as “hostile and discriminatory”. American monopolies require “the right and opportunity to engage in commercial activities on an equal footing with the citizens of Latin American countries”, “personal control” over the

---

<sup>[71]</sup> R. Arismendi, *The Dollar Invasion of Latin America*, State Foreign Literature Publishing House, 1948, p. 124.

activities of all enterprises where they have invested, equal taxes with local entrepreneurs.

Under the flag of “equal opportunity” American monopolies seek full freedom of hands to enslave weak countries. Arismendi writes: “Every step of the Latin American country to its industrial and agricultural development is met with resistance of the dollar, blocking the path to social progress and to freedom. Any desire for the liberation of a worker buried on plantations, dying of unbearable labour in the mines, scorched by the sun in the nitrate fields, or suffocating from lack of air in refrigeration plants, comes across the calculations of super profits, compiled by some predator in the New York skyscraper.”<sup>[72]</sup>

The report on the global economic situation, published by the United Nations secretariat in July 1949, provides some data describing the results of the hosting of Wall Street monopolies in Latin America.

The report notes that during the war, when competition for foreign and mainly American goods weakened somewhat, Latin American countries were able to develop industries, including textiles. But after the end of the war, American monopolies again increased pressure on these countries, as a result of which in the first one and a half post-war years the growth of production activity in these countries slowed down, and since 1947 there has been a continuous decline in industrial and agricultural production. In Argentina, for example, the production of bread crops decreased by 27% in 1948 compared to 1947, and feed grain by 38%. In Brazil, coffee production declined by 40% in 1948 compared to the pre-war years. Mexico, Chile, Colombia and other Latin American countries have also experienced sharp declines in agricultural production.

The decline in production was accompanied by a sharp drop in exports from Latin American countries, which met with strong competition in world markets from American

---

<sup>[72]</sup> R. Arismendi, *The Dollar Invasion of Latin America*, pp. 126–127.

exporters. Thus, in 1948 and early 1949, Argentina was forced to reduce exports of cereals, mainly wheat, by 50%. Brazil reduced meat exports in 1947 compared to pre-war times by 30%, and exports of cotton and textiles decreased by 60% in 1948 compared to 1947, while in Mexico cotton exports decreased by 40% during the same period. Exports of sugar, bananas and other agricultural products from Latin American countries also fell.

The diplomatic relations between the United States and Latin American countries are of a sharply expressed exploitative nature. The United States sells manufactured goods and equipment to these countries at exorbitant prices, and buys raw materials from Latin American countries at exorbitant prices. This leads to a very unfavourable trade balance for Latin American countries. Thus, in 1947, the export of the United States to Latin America amounted to 4,077 million dollars, and imports from these countries - only 2,933 million dollars. The passive balance of Latin America's foreign trade with the United States was thus \$1.144 million in 1947. In 1948, Latin American countries were forced to reduce trade with the United States, but nevertheless the passive foreign trade balance of Latin American countries with the United States amounted to \$830 million. The result of the increased exploitation of the dollar by imperialism is the further increase in poverty in Latin America. In all Latin American countries, real wages of workers are falling, prices are rising, and the profits of monopolies are increasing. According to official data, the price level in 1948 continued to increase to 292 per cent in 1937: Bolivia 725, Brazil 360, Chile 466, Colombia 292, Cuba 280, Mexico 377, Paraguay 409, Peru 345, etc.

The countries of Latin America show a picture of unprecedented economic backwardness. The level of national income per capita is extremely low. Per capita food consumption is at a hungry level. The production of basic necessities for the population is at an extremely low level.

So, in 1947, the production of shoes in Peru provided only 0.26 pairs of shoes per capita per year.

In August 1949, the United Nations Economic Commission for Latin America published a report that summarises the hosting of American monopolies in these countries. These monopolies seek to prevent the industrialization of Latin American countries, artificially slow down the development of their economies and leave them in the position of suppliers of cheap agricultural and industrial raw materials. American investment not only does not contribute to the development of the economies of the United States dependent on the United States, but, on the contrary, hinder its development. The report shows that Latin American industry consists mainly of agricultural processing plants and mining, oil and ore, industries. The report notes that “foreign capital invested in production in Latin America is concentrated mainly in the processing industry for raw materials and food, which are used for export or final processing by foreign-owned firms”.

This policy of American monopolies aims to prevent the industrialization of Latin America and to consolidate their position as suppliers of raw materials to the United States industry, the position of agricultural and raw appendages to the economy of the imperialism of the dollar. Insurmountable obstacles to the development of industry in Latin American countries are the lack of foreign exchange to buy equipment, low purchasing power of the population, as well as the difficulty of purchasing industrial equipment in the United States. American monopolies do not sell new equipment to Latin American countries, so much of the small investment that has been made in industry has been spent on the purchase of technically obsolete and worn-out equipment in the United States.

The newspaper Democracia, published in Rio de Janeiro, in July 1947, made a statement exposing the American power in Brazil. Noting that the Brazilian press is filled with the broadcast programme of American goods, praising the



“Truman Doctrine” and the principles of American “democracy,” the newspaper wrote:

“In 5-10 years we will be speaking, mixing English with our native Portuguese. We will eat and dress using only American goods, and at the same time we will obviously continue to talk about independence. First there was American cinema, then American literature, and then everything else came. It turns out that we have neither our own industry nor our trade, that we represent the country of slaves, which should accept everything that it needs and does not need. This Kind of Americanization eventually becomes intolerable.”

In any Latin American country there is an agency of the United States, obedient to the will of its masters. This agency everywhere strives to suppress any movement of progressive forces seeking independence, to free from dollar bondage.

In the policy of enslavement pursued by Washington in relation to Latin American countries, attempts to destroy the organised labour movement that oppose imperialism play a significant role.

Facts such as Washington’s support for reactionary and pro-fascist governments in a number of Latin American countries:

Brazil, Paraguay, Nicaragua, El Salvador, Ecuador, Venezuela and the Dominican Republic are well known.

In November 1948, when President Venezuela disobeyed the oil monopolies of the United States, he was overthrown by order and with the help of the United States.

These are the examples by which Wall Street political closers are embellishing their future relations with European countries.

No wonder it is said that appetite comes during meals. American monopolies, accustomed to hosting the Western Hemisphere, as at home, are now trying to extend the same mores to the whole world. A big role in their calculations is

played by the fact that the United States currently holds a lucrative position in the global capital market.

If in the period between the two wars American bankers had to reckon with the competition of British financiers when exporting capital, now the situation has changed. As you know, immediately after the war, England itself made a contract in the United States and on quite difficult conditions. The war significantly weakened England as a junior partner of the American imperialists in the field of capital export. In the post-war years, the United States increasingly pushed Britain out of the most lucrative areas of capital application. This is one of the foundations of the aggravation of Anglo-American contradictions.

According to official data published in July 1949 by the United Nations Secretariat of the World Economic Situation, investments by United States oil firms in the Middle East increased by 800% in 1948 compared to 1947. American oil monopolies are seizing oil sources in all areas of the capitalist world, unceremoniously pushing back their British competitors. This can be seen from the fact that English monopolies were able to invest in two years—1947 and 1948—only 200 million dollars. oil fields in foreign countries. In the post-war period, British monopolies increasingly resorted to capital exporting in cooperation with other countries, in particular with Holland and Belgium.

According to the same report, American monopolies are taking over capital controls in areas previously under English control. In the post-war period, the United States provided \$2,814 million in loans to Asian and Far East countries, while Britain was able to provide only \$236 million.

The Wall Street makes extensive use of its exceptional position in the global capital market for expansionist purposes.

Even during the war, American economists closely linked the problem of capital export with rampant expansionist policies and crazy ideas of world domination of the United States. For example, Columbia University professor Nathaniel

Peffer, in his book “America and Its Place in the World,” candidly wrote that the United States could impose its will on other countries on their post-war order.

“Of course, America can do it,” Peffer argued, “it has the power to do so. It will be the only source of free capital after the war. By providing loans or denying them, it can put pressure on every country and force all or almost all other countries to be submissive.”

Thus, the American imperialists did not make much secret of the fact that they intend to use the provision of credit as a tool to fight for their world hegemony. The dollar became a symbol of economic and political enslavement of foreign countries, violation of their independence and sovereignty, subordination of peoples to the will of the American imperialists. Finally, the dollar has become synonymous with the policy of preparing and fomenting a new world war, an arms race, the scrapping of adventurous military blocs, the seizure of military bases around the world, specific blackmailing atomic diplomacy, crazy plans of world domination.

In the current aggravation of the general crisis of capitalism, the export of capital and its attendant export of goods play a huge role in the struggle of Wall Street monopolies for economic and political enslavement and enslavement of other countries, for the forcibly establishment of world rule of Anglo-American imperialism.

### **3. Wall Street in Hitler's Footsteps**

As soon as Hitler's Germany signed the death sentence on its “axis” allies on the Soviet Union, representatives of American monopolistic circles openly proclaimed a course to establish their world hegemony. They hurried to take the place of the German monopolistic top, whose chain dog was Hitler, without even waiting for this place to be vacated as a

result of the defeat of the German war machine by the Soviet Army.

At the height of the Second World War, in July 1942, an American magazine printed a report note from Downey, a consultant to the chairman of general Motors. The note was entitled "America in the Post-War World."

This note is characterized as an indicator of the goals pursued in the Second World War by influential American monopolistic circles. The thoughts outlined in it serve as the starting points of the post-war programme of American monopolies. The essence of their programme is the struggle for the hegemony of the United States of America **over the whole world.**

While the peoples of the anti-Hitler coalition shed their blood to bury Hitler's plan of world domination, and at the same time any other plans of world domination, Downey claimed: "The real war is just a struggle for control of the world. It probably represents one of a series of wars, the first of which took place in 1914-1918. The Anglo-Saxons must either govern the world or be governed."

On the basis of this philosophy of history, With permission to say, Downey concluded that the world domination of the Anglo-Saxon race, which, he said, should be able to dictate the conditions of peace in accordance with its own. He wrote:

"The successful end of the war must have a consequence of the armed peace established by the Anglo-Saxons."

As you know, as the end of the war approached in America and England, the voices of people who, like Downey, advocated the need to establish an Anglo-Saxon, or, more precisely, American, peace, multiplied. These people reasoned like this. There was a time when peace and order for humanity were provided by the Roman world—*pax romana*. Then came the time when Great Britain took the dominant place, the era of the British world—*pax britanica*. Now the time has come for the American world—*pax americana*.

Within the American world, the British Empire must take a subordinate place, the place of a “junior partner.” And this part of the program of American imperialism was very clearly expressed in a note by Downey in 1942. He wrote:

“The British Empire is as much a part of our defence system as Panama, Cuba, Hawaii, the Philippines, Alaska, the Aleutian Islands, islands in the Atlantic Ocean and our newly acquired bases are. Since we are involved in the defence of the British Empire, we must have equal rights in the development of its resources.”

And he came to the following conclusion:

“England needs an older partner to help it lead the world. That is the role America will play in the years to come.”

Downey’s reasoning is an example of the aggressive ideology that was widespread in the ruling camp of the United States during the war and especially after the war. One could cite a lot of the same or similar arguments belonging to American monopolists and their stewards—senators, journalists, economists, sociologists.

American imperialists claim to be the natural heir to colonial possessions, the former owners of which so shamefully went bankrupt.

The crazy idea of American world rule, developed during the war in unofficial speeches, after the war became the official programme of the American government.

The post-war course of United States foreign policy was established by the country’s true master, the National Association of Industrialists.

In October 1945, a conference was held in the small resort town of Absecon, near Atlantic City, convened at the initiative of the leaders of the National Association of Industrialists. It lasted three days and took place in deep secrecy, and subsequently no report was published about its results.

The conference was attended by 66 industrial and financial tycoons of the United States. Among its participants

were former President Herbert Hoover, Lamont and Irene Dupont, Chairman and Board Member of one of the world's largest chemical and explosives companies, Dupont de Nemours. The Rockefeller Group was represented by Winthrop Aldrich, the head of the country's largest bank, Winthrop Aldrich, and Morgan's group, a well-known banker, Eugene Meyer, who is also a publisher of The Washington Post. General Motors, General Electric and others also participated in the conference.

Despite the secrecy surrounding the Absecon conference, some information about its goals and outcomes was brought into the press. According to these reports, the tycoons of American capital discussed the ways of influence of the United States "on the economic and political evolution of the world." In other words, they developed the basics of the foreign policy of the United States, determining the direction of the policy of the struggle for world domination, which was immediately implemented by their clerks in the government. At the conference in Absecon, which took place behind seven castles, far from the public eye, the main line of "atomic diplomacy" was outlined. The official authorities had only to accept this line to steady leadership, which they did rigorously.

The speeches of the current rulers of the United States of America openly and cynically proclaim a claim to America's leadership in the world. On December 19, 1945, Truman's message reads:

"We must recognize that the victory we have won has placed on the American people the burden of constant responsibility to lead the world."

The idea of world supremacy has become an official doctrine in Washington. This idea finds expression in conversations and speeches about ideological leadership of the world, then about moral leadership, then, finally, simply about the global hegemony of the dollar country. But the meaning of all such speeches is more or less the same.

The twentieth century is declared the century of America. Back in 1945, John Foster Dulles told a meeting of the Industrialists Association that the United States should take on the "moral leadership of the world." After a while, on February 10, 1947, Dulles made a statement in Chicago that since the collapse of the Roman Empire, no country had the same power as the United States. This statement, as boastful as it was crazy, took the warmonger to call for a policy of force to achieve the foreign policy goals of Wall Street monopolies.

In February 1947, General Marshall, as Secretary of State, spoke at Princeton University and taught young students, "You have to understand the special position that the United States now occupies in the world in geographical, military and scientific relations, and the consequences that follow. Developing a sense of responsibility for the world order is the great duty of our generation."

An official State Department pamphlet entitled "American Foreign Policy" was published in 1947, emphasizing that the United States had risen "to the position of an outstanding leader in world affairs."

George Kennan, who heads the Foreign Policy Planning Council, which develops the main course of the State Department, published an article in the magazine *Forane Affairs* in 1947, signed by the letter X. The main content of the article boils down to the assertion that America must "fill all the corners and crevices available to it in the repository of world power."

The United States News magazine published an article, "USA in the Role of a World Policeman," which stated, "Circumstances force the United States to take on the bulk of the work but to establish police oversight of the world. Part of the reason for the demands of police supervision is that our military expenditures continue to be high. The new role of police surveillance requires active activities of a kind that the United States has not normally engaged in in the past. The U.S. is taking on new commitments in all parts of

the world...” Noting that “Britain is forced to give up a number of its police responsibilities”, the author of the article stated that “the United States now has a tendency to move beyond its borders” and that “the United States, with a powerful bombing force and a worldwide network of air bases, has the opportunity to provide police surveillance over the world without the assistance of any other power...”

The post-war course of American foreign policy is characterized by such features as: the replacement of international cooperation on the basis of the equality of the parties by the policy of force, diktat, illegal unilateral actions; the so-called “hard line” towards the Soviet Union, which is nothing more than an attempt to isolate it on the international stage; the adventurist policies of the Cold War against the Soviet Union and the countries of popular democracy; economic enslavement of temporarily weakened war-torn countries and unceremonious interference in their internal affairs in order to establish the global hegemony of the dollar; support for the most reactionary anti-people forces in the world; unapologetically hostile to the national independence and sovereignty of peoples; the policy of folding aggressive military blocs, an unbridled arms race, a policy of aggression and a new war.

After the defeat of fascist aggressors, the centre of the world reaction moved to the United States. The ruling circles of this country have moved to openly expansionist policies aimed at economic, political and ideological enslavement of Europe and the world. This policy was embodied in the Truman Doctrine, the Marshall Plan, in the entire post-war course of American imperialism, which was met with increasing resistance from peoples.

The course of the struggle for world domination, taken by the ruling circles of the United States in the post-war period, is closely related to the course of struggle against the entire camp of democracy and socialism, led by the Soviet Union, against anti-imperialist forces around the world. The monopolies in Washington’s top government positions



cynically acknowledge that the purpose of their policies, embodied in the Truman Doctrine and the Marshall Plan, is to save the capitalist system in Europe.

And in this respect, the American imperialists do not shine originality. They are only following in the footsteps of Hitler, who also claimed to be the “saviour” of the capitalist system from the “communist threat”. The only difference is that the current overseas “saviours” of capitalism take on this ungrateful cause in an even more unfavourable situation, because as a result of the further aggravation of the general crisis of capitalism after the Second World War, the position of the bourgeois system is further undermined, the world front of capitalism is further weakened. The rottenness of the capitalist system has never been so clear, it has never been so clear that in this age all roads lead to communism. The case, of course, does not change at all that capitalist slavery is usually found under more benevolent names, such as “Western democracy,” “Christian civilisation,” “freedom of enterprise,” etc.

As the balance of power between the proponents and opponents of capitalism in a number of countries in Western Europe and Asia is becoming less favourable for the bourgeoisie, it has clinging to the American programme of “saving” capitalism from anti-capitalist masses. This programme is connected with the refusal of the ruling circles of Western European countries from national sovereignty and independent foreign and domestic policy, with the economic and political enslavement of these countries by American contenders for world domination. The European bourgeoisie, which already has experience of collaborating with Hitler’s invaders, is going further along the path of betrayal of national interests and cringe before the dollar.

“Just as the Nazis, preparing for rogue aggression, covered themselves with their anti-communism in order to ensure the ability to oppress and enslave all peoples and, above all, their own people, the modern ruling circles of the United States mask their expansionist policies and even their

attack on the vital interests of the weaker imperialist rival, England, with imaginary defensive anti-communist tasks.”<sup>[73]</sup>

Anti-communist orientation emphasizes the deeply reactionary nature of American plans for world domination and reveals their absolutely inaccurate character. The struggle for the fear of capitalism is even more hopeless in our age than, say, the struggle to save feudalism in the 19th century. This is an attempt to reverse the wheel of history, doomed to the most shameful collapse. People around the world have had many occasions to see what lies beneath the banner of anti-communism. Already in the early years of the Soviet Union, the idea of a crusade against the world’s first socialist state of workers and peasants was put forward by the most rabid representatives of the imperialist reaction, the most irreconcilable enemies of peace between peoples. Even then, numerous Malbrukov campaigns against the young Soviet republic ended in failure. It was a collapse not only military, but also moral and political. Peoples all over the world saw that these campaigns threaten not only the existence of the Soviet republic, but also their own freedom and independence.

Then the struggle against communism was proclaimed by Hitler, acting on behalf of not only German, but also American, British, French monopolists. Under the flag of the struggle against communism, Hitler came to power in Germany. Under the same flag, he built his aggressive unit, preparing the Second World War. No wonder the main diplomatic document of this bloc was called the “anti-Comintern pact.” But Hitler cruelly deceived all who gave him political credit under the anti-communist bill. It led Germany to the greatest national catastrophe in its history. Hitler’s patrons from the camp of international reaction relied on fascism as a ram in the struggle against the Soviet Union, against the progressive labour movement of European peoples and against the national liberation movement of

---

<sup>[73]</sup> A. A. Zhdanov, On the international situation, p. 13.

colonial peoples. But fascism did not live up to those expectations.

The Second World War, prepared by the forces of international reaction and unleashed by fascist aggressive states, led to the defeat of fascism and to a powerful rise of democratic forces around the world. The forces of social progress, led by the great socialist Soviet power, destroyed the snake nests of fascism in Europe and Asia. In the interests of the monopolies of Wall Street, who became ill in the war, the champions of American imperialism go further in their plans for economic and political enslavement of other countries. These plans are aimed at using brute pressure, blackmail and promises of economic assistance to force temporarily weakened European countries to renounce national sovereignty and move to the position of Washington vassals.

American monopolists—as well as their older and younger English brethren—are increasingly shouting about what they seem to be cramped within the national framework. They seek to break national boundaries. But in today's social order, overcoming national borders inevitably means ultimately ignoring other people's borders, interfering in the internal affairs of close and distant countries, encroaching on the sovereignty of other peoples.

American imperialists are increasingly unceremoniously interfering in the internal affairs of European countries. They are conceding military and political blocs aimed at turning the countries of Western Europe into a springboard for American aggression, and the peoples of these countries—the Landsknecht of American imperialism. But European nations do not want to turn into cannon fodder American imperialists, and give their countries under the battlefields.

It is characteristic that even some rabid imperialists in their moments of enlightenment cannot fail to see this circumstance. Thus, sometimes even reactionary publicists express serious fears lest international imperialism miscalculate with the third world war even more than with

the second. They fear that the third world war may lead not to the destruction of the Soviet Union, as the current warmongers dream about, but to the falling away from the capitalist system of all of Europe and Asia, of the entire Old World. Such a herald of the interests of American monopolies, like Lippmann, in one article sarcastically that the Americans would soon have to build capitalism in one country.

Of course, such confessions do not prevent the servants of American financial capital, like Lippman, to participate in the black business of preparing a new war, in conducting an adventurous policy of force, the policy of aggression. Nevertheless, these confessions are curious as evidence of the weakness of the imperialist camp, which cannot be denied by even its most ardent adherents and defenders. A sign of the weakness of the imperialist camp is the fact that The American contenders for world domination are hostile to the idea of peaceful coexistence of two systems—capitalism and socialism. They rattle with weapons, proclaim a “crusade” against communism. Trying to mask their true goals with ridiculous accusations of other countries, including the Soviet Union, in aggressive intentions, provocateurs of the new war incite military psychosis, openly make criminal calls to attack other countries, demand a growing arms race. From the camp of the Anglo-American imperialist bloc there are constantly open calls for war, poisoning the international atmosphere. Often such appeals are characterized by robberish frankness. Thus, the well-known anti-Soviet slanderer Edward Crankshaw, a former employee of the British military mission in Moscow and a correspondent of the magazine “Observer”, in a book published in New York in early 1948” calling for war against the Soviet Union, wrote: “This war would make the United States and England joint masters of the world. If we went down this path, we could put the globe in a bag and live in luxury at the expense of loot.”

Until recently, such criminal appeals were made by Hitler's robbers. Now they are distributed in America and England.

Unbridled propaganda of a new war in a number of countries, and especially in the United States, is a factor that poisons the modern international environment. The arsonists of the new war act as a tool of slander and provocation. Fresh bloodthirsty calls for aggression, for the use of weapons to resolve international disputes, they cover up the wails of the imaginary danger allegedly threatening their countries from the Soviet Union, the countries of popular democracy.

The spread of military hysteria by agents of imperialism pursues a number of goals. In terms of domestic policy, the military psychosis they inflate is accompanied by an arms race in the United States, which is already generating huge profits for Wall Street monopolies, and a savage backlash aimed at effectively outlawing the working class and all the country's generally progressive elements. In terms of foreign policy, the incitement of military psychosis is aimed at intimidating the faint of heart and making concessions to the aggressive aspirations of American imperialism through Hitler's tried methods of blackmail, extortion and provocation. That's why American imperialists are so shouting about the "inevitability of a new war." Increased anxiety, uncertainty and military hysteria in the public circles of Western European countries "... is now one of the main tactical tasks in deploying the aggressive policy of the Anglo-American bloc in Europe."<sup>[74]</sup>

The September 1947 meeting of representatives of the nine communist parties of European countries in Poland in a declaration on the international situation stressed the importance of exposing and countering plans of imperialist expansion and aggression along all lines. Communist parties,

---

<sup>[74]</sup> Statement of the USSR Ministry of Foreign Affairs on the North Atlantic Pact, Gospolitizdat, 1949, p. 10.

which grew up as a result of the anti-fascist war into the largest political force, lead all democratic anti-imperialist forces of Europe to successfully counter and thwart plans of imperialist aggression.

The carriers of imperialist designs dangerous to the cause of peace consider the Soviet Union the main obstacle to achieving its goals. They spare no effort in their desire to denigrate and slander in the eyes of world public opinion the just and noble Soviet policy of peace and friendship of peoples.

The ruling circles of the United States, England and France, having embarked on the path of the policy of aggression and preparation of a new war, everywhere and everywhere seek the isolation of the Soviet Union. At the same time, the current rulers of these countries at every step blatantly violate the obligations they have made under a number of international agreements and treaties concluded during the war and immediately after its end. Suffice it to recall the violation by the United States, England and France of the decisions of the Tehran, Yalta and Potsdam conferences of the leaders of the three great powers, the Anglo-Soviet Treaty of Friendship and Mutual Assistance, concluded in June 1942, The Franco-Soviet Treaty of Friendship and Mutual Assistance, concluded in 1944” “The so-called “new direction” of the foreign policy of the ruling circles of these states is that they *have returned* to that *old anti-Soviet course* of foreign policy, which was built on the isolation of the USSR, which they adhered to in the years leading up to the Second World War, and which almost did not do civilisation of Europe before the catastrophe.

Fascinated by aggressive plans of world domination, the ruling circles of the United States and Great Britain did not understand that the so-called “new direction” of their policy, not only cannot they strengthen their political and economic positions, but will also be condemned by all peace-loving peoples, and will be condemned by all the proponents of the

strengthening of universal peace, which constitute the vast majority in all countries.”<sup>[75]</sup>

The Soviet foreign policy, supported by the forces of democracy around the world, does not allow the American attempts of economic and political enslavement of Europe and Asia to be realised. Reactionary plans for American world domination are met with growing resistance from peoples around the world. The growth and strengthening of the forces of democracy and socialism, the invincibility of which was proved by the Second World War, the further aggravation of contradictions in the camp of capitalism, the strengthening of its decay and parasitism—all this clearly shows that the age of capitalism is coming to an end, that in the modern era all roads lead to communism.

#### **4. Under the Sign of a Growing Economic crisis. The American Version of Hitler’s Programme: Guns instead of Oil**

Already the first period after the end of the Second World War brought a significant reduction in the production of American industry in comparison with the level achieved during the war. It was clear, however, that incomparably greater difficulties lay ahead for the American economy. For the first post-war years were distinguished by special conditions, which in many respects favoured the expansion of the American monopolies. But these were conditions of a transitory and, moreover, transitory order.

These include such facts as the fallout from the world market of such large exporters as Germany and Japan, the need to eliminate military destruction in a number of European countries, the increased demand for food as a result of the post-war devastation, the need to renew the

---

<sup>[75]</sup> Statement of the USSR Ministry of Foreign Affairs on the North Atlantic Pact, p. 31.

basic capital of the industry, which was not produced during the war. For a while, the crucial for the problem of marketing was not the capacity of the market, but the possibility of credit, and this created huge advantages for American monopolies, which have not only excess goods, but also excess capital.

Immediately after the end of the Second World War, monopolists and their minions argued that the crisis was nothing more than a ghost made up by malicious agitators to intimidate good Americans. But soon speeches about the threat of crisis began to be heard from the official stands. American monopolies began to seek salvation from the crisis by creating a military-inflationary environment. With the help of their obedient clerks at the helm of the state apparatus, they are conducting a frenzied arms race, especially in the field of nuclear energy and aviation. American monopolies are trying to create a replacement for wartime demand. In pursuit of super profits, they seek not only preservation, but also increased military spending. No wonder American government economists, such as the authors of the report of the Economic Council of the President of the United States for the first quarter of 1948, cynically acknowledge that the increase in Washington's military spending is "a special version of the old alternative to "gun or oil".

To this recognition can only be added that the shameful reservation about the "special option" is clearly superfluous. Nothing "special" in American politics of the arms race and the enslavement of Europe cannot be found even under the microscope. No, this is an old version of Goering's "old alternative." This is a revival of the politics of Hitler's Germany with all its features.

The cost of the military programme increases from year to year. In 1947/48 (the budget year in the United States begins July 1), the "defence needs" amounted to about \$10.648 million. The military budget for fiscal year 1948/49 was approved by Congress at \$15.2 billion, representing 36.1



percent of the total U.S. national budget for that year. In the coming years, the spending on the armed forces decided to bring to 22.5 billion, but the appetites of American militarists are truly insatiable. The Joint Chiefs of Staff of the United States Armed Forces requested \$30 billion in military spending in fiscal year 1949/50.

As early as 1948/49, military spending, together with foreign policy expenditures at the service of the struggle for world domination of the United States, reached approximately \$28 billion, which is more than 70% of the total state budget. Military expenditures of this magnitude in peacetime are unprecedented in the history of any country. They provide American nuclear and aviation trusts, chemical and other monopolies with an influx of lucrative orders paid for from the state treasury, i.e. at the expense of the entire population of the country.

The draft budget of the United States for the 1949/50 budget year, published in Truman's message to Congress of January 10, 1949, defines the state spending of the United States in the amount of almost \$42 billion. (1.7 billion more than in the fiscal year ending June 30, 1949). Of those \$42 billion. direct military expenditures amount to \$14.3 billion. This figure is \$2.5 billion, or 21%, more than the corresponding figure in the 1948/49 budget year. At the same time, the President's message indicates that "spending on national defence in the 1950/51 fiscal year may increase significantly relative to the level set for 1949/50." However, the sum of \$14.3 billion the whole set of military expenditures is by no means exhausted. It should be added \$6.7 billion. so-called "international military affairs and finance," \$3.5 billion. for "indirect military purposes" and, finally, about \$1.5 billion. to supply military materials to countries participating in the aggressive North Atlantic Alliance and to other countries whose weapons are supposedly necessary for the United States. If we take into account all the indirect military expenditures contained in the draft budget, it turns out that out of the total budget

projected of \$42 billion. \$29.8 billion, or 71%, represents America's direct and indirect military expenditures in the 1949/50 budget year.

Thus, the United States has spent huge sums on military expenditures for the past two years, not only far exceeding the expenditures of the first post-war years, but also much closer to wartime expenditures. At the same time, there is a rapid increase in the size of the United States armed forces. According to official data cited in the Secretary of Defence's report and the President's budget report for 1949/50, the total number of U.S. armed forces increased from 1,380,000 officers and soldiers in early 1947 to 1,604,000 as of December 1, 1948, an increase of 16.1%.

The President's message notes that the military forces provided for by the 1949/50 budget are the largest in comparison with those the United States has ever held in peacetime. Along with the increase in the number of armed forces, the number of trained reserves increases by 44.8%—from 655,000 on December 1, 1948 to 949,000 in 1949/50. At the beginning of 1947 there were about 50 aviation groups, and as of January 1, 1949, according to Airforce Time magazine of January 8, there were already 60 air groups, with the Minister of Aviation Symington demanding an increase of the Air Force by September 1, 1949 to 70 air groups.

Huge budgetary expenditures on the military must provide profitable orders to American arms factories and fulfill the role with which the "Marshall Plan" is clearly not coping—to delay the onset of the economic crisis in the United States.

Reactionary American journalist Stuart Allsop candidly revealed this purpose of the arms race budget: "The purpose of the Truman programme," he wrote, is to create a range of pillars for the American economy and the American social system. The purpose of these pillars is to prevent the entire building from suddenly collapsing, as happened during the Great Depression" (i.e. during the crisis of 1929).

Another American journalist, David Lawrence, even more candidly wrote about these “supports” in an article titled “Our unpreparedness for a sudden world” in the magazine he published, *United States News and World Riche*. Recalling that the billions spent by the United States on unbridled arms races support “business activity” at a certain level, Lawrence writes that if the current tension of international relations is eased, “the entire economic structure of the United States may suddenly lose its footing, leading to economic shifts in immeasurable strength and intensity.”

The same Lawrence makes a curious confession.

“The United States,” he writes, “never really recovered from the economic shock of 1929 took part in the largest industrial operation that history has never known.” For American monopolists and their minions, the war against its incalculable victims is only the “largest industrial operation.”

American reactionaries frankly spoil that the most important “pillars” of American capitalism are the arms race and preparation of a new war. They recognize that, contrary to the false claims of their official propaganda, American monopolists fear lasting peace more than anything else. That is why they so loathe the consistent and decisive policy of peace pursued by the Soviet Union.

But the creation of a military-inflationary environment cannot solve those fundamental contradictions of American capitalism, which lead it into the abyss of economic crisis. Describing a similar policy pursued before the Second World War by the aggressive fascist governments of Germany and Japan, Comrade Stalin said:

“For what does it mean to put the country’s economy on the rails of the military economy? This means giving the industry a lopsided, military direction, to expand the production of war-related items, not related to the consumption of the population, to reduce production and especially the market for consumer goods, and therefore to

reduce the consumption of the population and put the country before the economic crisis.”<sup>[76]</sup>

The presence of inflation in the United States is so undeniable and generally accepted, that the topic of inflation does not go away from the columns of the press, and demagogic statements about the need to fight inflation were prominent in the election campaign of 1948 Ruling Camp—American monopolists consider an important guarantee of further growth of their profits the increase in the tension of the international situation, inflating military hysteria and military psychosis, monstrous inflating of espionage and similar methods of influence on public opinion, poisoning not only the political atmosphere of the United States.

Economic crises of overproduction, unfolding against the backdrop of the poverty of the masses, are caused by the internal laws of the capitalist system of the economy. Their main reason is the main contradiction of capitalism - the contradiction between the social nature of production and the private capitalist form of appropriation. At the same time, there is no doubt that the greedy and short-sighted policies of American monopolies are exacerbating the growing crisis in the United States. The politics of the arms race could not save and really did not save American capitalism from the crisis.

Since the beginning of 1949, the signs of the economic crisis have been growing continuously. These include falling wholesale prices and stock prices, stockpiling in warehouses, rising unemployment, declining orders and declining production levels. The growth of economic difficulties naturally attracts the attention of the American people and their democratic organisations. The National Committee of the Communist Party of the United States, at its plenum held April 23-24, 1949, noted that “the American people are

---

<sup>[76]</sup> J. V. Stalin, Questions of Leninism, ed. 11, p. 567.

facing the beginning of the economic crisis that has been developing in the United States since the end of last year.”

This estimate is corroborated by data from the end of 1948 and the first half of 1949. 199 (1935-1939- 100), in November—195, in December—190, in January 1949—187, in February—185, in March—181, in April—179, in May—175, in June 169 and in July—162.

In a report to Congress on the economic situation of the United States in the first half of 1949, President Truman was forced to acknowledge that “the decline in industrial production was rapid and by June industrial production had fallen by 13% compared to the high point it reached last fall.”

In the second quarter of 1949, the decline in production also covered the major sectors of the heavy industry. In May, steel smelting decreased by 22% compared to mid-March. The Journal of Commerce described the steel industry as “one of the sharpest declines in the history of the steel industry, which has long been known for sharp fluctuations in supply and demand.” The index of non-ferrous metals and products from them for May 1949 was 25% lower than the index for May 1948. In May 1949, the consumption of cotton by American textile factories fell to its lowest level since 1939. The production of wool fabrics continues to be almost 40% below the highest point reached after the war.

The deteriorating economic situation has led to a significant increase in unemployment and falling wages. According to the Ministry of Labour, which undoubtedly paints the situation, during March 1949, the average working week in the manufacturing industry decreased from 39.4 to 38.9 hours, and the average weekly wage fell by almost \$1 per month, and by \$1.64 compared to 1948. According to U.S. trade unions, the number of fully unemployed exceeds 5 million, the number of partially unemployed—12 million. Forchen magazine, noting the increase in unemployment in February, reported that the layoffs affected not only shoe and textile plants, but also locomotive and car-building

plants, oil fields in Texas and anthracite mines in Pennsylvania.

According to the Ministry of Labour, from mid-April to mid-May, 320,000 workers were laid off in manufacturing industries, and 1,700,000 people have lost their jobs since September 1948. In the state of New York, more than 535,000 workers receive or request unemployment benefits. This is the highest figure since the introduction of the unemployment benefits system in 1937. However, this figure does not reflect the actual situation, as many categories of workers are not covered by the unemployment system. In the State of New York, a worker receives unemployment benefits for a maximum of 26 weeks. After that, he is deprived of benefits. In many states, this high is even lower. The ruling monopolies seek to shift the brunt of the growing crisis on the shoulders of the masses. This is evidenced by the data on the increase in unemployment, about the decline in wages, about the reduction of incomes of farm workers. The continuous fall in wholesale prices for agricultural products, which benefit not consumers but trade monopolies, is ruining farmers. As a result of the fall in wholesale prices, the net income of farmers, according to the Ministry of Agriculture, in 1949 will be 10% less than last year's level. It is easy to see that this decrease in income will primarily hit the unsecured segments of American farming, the 3 million farmers who have an average annual income of \$400, or just over \$1. a day.

In the wake of the fall in the prices of stocks and other securities, a wave of bankruptcies swept, the number of which is increasing. According to the statistics office of Dan and Bradstreet, 3,753 firms went bankrupt in the first five months of this year, compared with 2,080 firms in the corresponding period last year. The liabilities of the bankrupt firms amounted to \$204 million. compared to \$85 million. same period last year.

The decline in incomes of the population leads to a reduction in the domestic market. One of the symptoms of

the impending crisis is the growth of inventories. At the beginning of 1946, there were \$26 billion worth of goods in warehouses. By the end of 1948, this amount had more than doubled to \$55-56 billion.

The decline in demand for durable goods is very significant. The Executive Committee of the Electrical Trades Union, part of the Congress of Manufacturing Trade Unions, issued a statement in April 1949 stating that “due to the lack of demand, warehouses are clogged with washing machines, radios, refrigerators, vacuum cleaners and other consumer metal products.”

Only one indicator still shows no signs of falling: it is the size of profits of American monopolies. But just a high level of monopolistic super-profits is a factor that accelerates the onset of collapse and foreshadows a special severity and depth of the crisis, the severe consequences of which will fall entirely on the shoulders of the working masses of the population.

Thus, the facts leave no stone unturned from the myth of post-war American “prosperity” assiduously propagated by the minions of dollar imperialism and, above all, by right-wing socialists.

In fact, the post-war period brought not only the fabulous growth of profits of American monopolies, but also the rapid growth of contradictions of American capitalism, the continuous increase in difficulties, indicating the approach of the new economic crisis.

Until recently, the ruling camp of the United States was considered a sign of a good tone to be ironic about the fact that, say, Marxists predict the inevitability of the economic crisis in the United States and talk about its possible consequences on an international scale. Now such an irony has disappeared from the pages of the American press and from the speeches of officials.

In early 1949, the French stock exchange newspaper *La Que Francaise* quoted a major American businessman who wished to remain anonymous. “We don’t want a crisis or a

war,” he said, “but if we have to choose, we will choose war.”

The fact is that the American imperialists are afraid of peace, because peace poses a threat to their super-profits. Therefore, they would like to “choose war”, hoping with the help of war to hide the monstrous ulcers and criminal ugliness of the obsolete capitalist system from the masses. But the criminal designs of the traffickers of death are meeting with growing resistance from peoples around the world, including the American people.



## **CHAPTER FOUR. THE MARSHALL PLAN IS EUROPE'S ECONOMIC AND POLITICAL PROGRAMME**

On June 5, 1947, a speech by then-Secretary of State General George Marshall at Harvard University marked the beginning of a new chapter in the history of the post-war expansion of American imperialism, a chapter known as the Marshall Plan. This plan already has abundant literature. In addition to countless newspaper and magazine articles, the Marshall Plan focuses on the voluminous official editions that have appeared on both sides of the Atlantic.

In America and in a number of European countries, the Marshall Plan has taken an extraordinary place on the front foot of political life, obscuring the most pressing issues. Around him, passions are boiling, legends are being created, and there is a special hype that in the countries of "Western democracy" is designed to create the appearance of people's participation in the solution of the most important state issues, while in reality things are done behind his back, against his will and against his vital interests. The "Marshall Plan" advert is on the broad foot. In this case, Americans have used a long-term experience of advertising consumer goods - toothpaste and cars, improved lifts and chewing gum. Moreover, European governments, by virtue of the agreements they signed, formally pledged to praise the notorious American aid as manna heavenly. The hype surrounding the Marshall Plan is intended to give the impression that the only cloud clouding the horizon of "benevolent American aid" is the negative attitude towards the Marshall Plan by the Soviet Union, the countries of popular democracy and communist parties. In thousands of frets repeats the same piece of slanderous fiction, as if the Soviet Union does not want to restore Europe, and the Communists want to create chaos and devastation in all

countries to use the discontent of the masses for their own purposes.

To find out the true essence of the “Marshall Plan,” we must turn to the facts of reality.

### **1. At the Origins of the “American “Aid” Plan”**

The Truman Doctrine, proclaimed in the President’s message to Congress on March 12, 1947, immediately gained a very bad reputation. Officially heralded in it the goal - “curbing communism”—made it difficult to deceive the masses even the most devoted squires of American imperialism from the camp of right-wing socialists. It became clear to Washington’s foreign policy planners that it was necessary to find another, more suitable skate. The idea of “world-class recovery,” the idea of American “assistance” in the recovery of war-torn European countries, was taken as such bait.

The calculation was simple. Dealers from the State Department, suffering one setback after another, decided to express for their own purposes the thirst for economic recovery and peaceful labour, which, of course, was observed in the post-war period in Europe. It was one of the most shameless speculations in the history of imperialist diplomacy.

The slogans of “economic recovery” and the supposed “selfless American aid” were thrown out by the State Department to European right-wing socialists, similar to the way a dog is thrown a bone. False socialists such as Bevin, Blum, Spaak, Schumacher and others immediately began to gnaw this bone with great zeal, using false American ambassadors to deceive the masses.

The Marshall Plan was born between the two sessions of the Council of Foreign Ministers of the four powers devoted to the German issue: the Moscow session, held in March 1947, and the London-based Proclamation of the “Truman

Doctrine” in November-December 1947. This fact not only predetermined the impossibility of reaching an agreement on a peaceful settlement with Germany: it showed first-hand who was to blame for the impasse created in the German question.

Immediately after the failure of the American delegation to the London session of the Council of Foreign Ministers, on 19 December 1947, President Truman presented to Congress the first official version of the Marshall Plan. Thus, Washington’s politicians confirmed that the failure of the London session was predetermined by them, because the “Marshall Plan” was the exact opposite of the policy of cooperation between Western powers and the Soviet Union. Finally, a month before Marshall’s Harvard speech, his then deputy, Dean Acheson (who succeeded him as secretary of state in early 1949), spoke in Cleveland at a meeting of Mississippi Valley cotton planters. He said a “European recovery plan” was needed, emphasizing the need to use Germany and Japan as the main bases of “recovery” in Europe and Asia.

In a Harvard speech, Marshall, in a very general and uncertain way, proclaimed the United States’ willingness to “help the European world embark on the path of recovery.” He said: “Europe’s need for the next three to four years to import food and other essential goods from outside - mainly from America - is so far beyond its current cost that it needs significant additional assistance, otherwise it will have to endure the most severe economic, social and political challenges. It would be, however... wrongly and little useful if the U.S. government itself embarked on a programme for Europe’s economic recovery.”

Stressing that “the initiative must come from Europe,” Marshall noted that “some agreement must be reached between the countries of Europe on the needs posed by the situation and the role that these countries themselves will assume in order for any action that can be taken by the United States Government to be implemented accordingly.”

Finally, Marshall emphasized that “this programme should be put together and meet the support, if not all, of a significant number of European countries.”

Marshall’s speech contained the same hypocritical phraseology as Truman’s speech, which outlined his doctrine. Marshall said he was referring to a restoration that “provides a political and social environment in which free institutions can exist.” He immediately threatened “all governments that will try to obstruct reconstruction.” In an attempt to intimidate the Soviet Union, the countries of popular democracy and democratic forces around the world, Marshall at the same time bypassed the question of the organisation of the United Nations, although the participating countries, including the United States, pledged to implement any plans for economic assistance through its organs.

Marshall’s speech in all its style was little different from the stencil performances of American politicians. But the European accomplices of American expansion had to portray it as some kind of “new word” compared to the bankrupt Truman Doctrine. As reported by the press, on the initiative of Bevin Marshall said a week later in an interview published in the press that his plan extends to all countries “to the West of Asia.” In doing so, he tried to give the impression that his proposed plan did not preclude the participation of the Soviet Union. However, as the New York Times reported on June 18, 1947, Marshall’s goal was to “open a door to Russia that Washington was sure Russia would not enter.” At the same time, Assistant Secretary of State William Clayton, a major cotton speculator, said that in his opinion, the Soviet Union does not need American help.

On June 16, 1947, the governments of England and France invited the Soviet government to participate in the discussion of “assistance” to European countries by the United States in connection with the June speech of the Marshall. The meeting of the foreign ministers of the Soviet Union, England and France, convened on this proposal, took place in Paris in late June and early July 1947.

The Soviet view was that economic assistance from the United States could only benefit the recovery of European countries if it was not accompanied by interference in the internal affairs of the peoples of Europe, an infringement on their national sovereignty and economic independence. At the same time, the Soviet side assumed that each country's own efforts should be crucial in the post-war reconstruction, while outside support should be subordinate.

"The Soviet delegation believes," V. M. Molotov pointed out, "that the internal measures and national efforts of each country should be crucial for European countries, not the calculations for foreign support, which should be subject to the subordinate importance. Even in the most difficult conditions, the Soviet Union has always counted, first of all, on its own forces, and, as you know, it is moving forward on the path of the steady rise of its economic life."<sup>[77]</sup>

The representatives of England and France took the opposite position at the Paris meeting. From the very beginning, they declared overseas "assistance" a "decisive factor" in the recovery of European economic life. Hence, it was concluded that the American "leadership" in relation to Europe was necessary, and Britain and France assumed the role of Washington's commissioners for European affairs. Specific proposals by Britain and France called for the creation of an appropriate "steering committee" with broad powers to interfere in the internal affairs of European countries.

Explaining the true nature of the plan, V. M. Molotov at the Paris meeting on July 2, 1947, pointed out:

"Thus, the issue of American economic assistance, of which nothing is known to date, has served as an excuse for the British and French governments to now seek the creation of a new organisation, standing over the European countries and interfering in the internal affairs of the countries of Europe up to the definition of the main industries. At the

---

<sup>[77]</sup> V.M . Molotov, Foreign Policy Issues, p. 475.

same time, Britain and France, together with their close countries, claim to dominate the organisation or, as the British draft says, in the so-called “steering committee” for Europe.”<sup>[78]</sup>

V. M. Molotov strongly condemned this course of interference in the internal affairs of European countries, taken by representatives of England and France on behalf of overseas guardians. Asking where such a course could lead, Molotov said:

“Today they can press Poland—produce more coal, at least at the expense of limiting other branches of Polish industry, as such-and-such European countries are interested in it; tomorrow they will say that it is necessary to demand that Czechoslovakia increase the production of agricultural products and reduce its engineering, and will propose that Czechoslovakia receive machines from other European countries wishing to sell its goods more expensive; or, as the newspapers recently wrote, will force Norway to abandon the development of its steel industry, as it is better satisfied with some foreign steel corporations, etc. How can small countries and less powerful states protect their national economy and state independence in this situation?”<sup>[79]</sup>

Referring to the question of Germany and its resources put in the Franco-British proposals, V. M. Molotov stressed the importance of the reparation problem, as it was proposed to direct German resources to other purposes, while the fair reparation requirements of the allied countries affected by German aggression remain unsatisfied.

V. M. Molotov further pointed out: “On the other hand, nothing is being done to accelerate the formation of a German government that could better take care of the needs of the German people. On the contrary, in the western zones of Germany the policy of federalization of Germany continues, as well as the line to the ever-increasing

---

<sup>[78]</sup> V.M. Molotov, *Foreign Policy Issues*, pp. 473–474.

<sup>[79]</sup> V.M. Molotov, *Foreign Policy Issues*, pp. 474–475.

separation of western German territory from the rest of Germany, which is incompatible with the actual restoration of Germany as a single democratic state, part of the family of peace-loving states of Europe.”

Bevin and Bido, like the Washington politicians behind them, had previously hoped for the inconclusiveness of the Paris meeting. Moreover, there is no doubt that the governments of the United States, England and France conspired in advance behind the back of the Soviet Union. The Paris meeting of the three foreign ministers opened with an English proposal, which the New York Times commented on June 29: “The English proposals are so exactly in line with Washington’s proposals that you unwittingly conclude that they are based in part on negotiations with Under Secretary of State William Clayton in London before Bevin arrived in Paris. And finally, the English plan exactly coincides with the French proposals put forward by Bido, and thus brings both of these countries to the camp of opponents of the Soviet Union.”

On 2 July, the meeting of the foreign ministers of the Soviet Union, England and France ended inconclusively. At once, the representatives of England and France launched a tumultuous effort to establish a “steering committee” and to piece down the bloc of those European countries that were ready to be sent on the way to submission to orders from outside. Nine States, the Soviet Union and a number of Central and South-Eastern European countries, have refused to participate in this venture, which is clearly incompatible not only with national sovereignty but simply with the preservation of the national dignity of freedom-loving peoples who reject anyone’s claim to world domination.

On the contrary, the ruling circles of Western European states began to show readiness to itti on any conditions set by American benefactors. The Marshall Plan was still in its infancy when Bevin, Bido and their associates declared it the foundation of Europe’s economic recovery. The governing politicians of many Western European countries expressed

their acquiesce with the “generousness and unselfishness” of the United States, and the right-wing Socialists were quick to declare the Marshall Plan a truly socialist event. There is no god but a dollar, and Marshall and Bevin are his prophets. Under this cry all the orthodox “Marshallists” united. On 12 July, a conference of representatives of countries that agreed to participate in the Marshall Plan was hastily convened in Paris. The so-called “Organisation of European Economic Cooperation” was established at this conference. The executive committee of the five countries took over as the governing position of the organisation, with the help of which Britain and France were able to impose their will on the rest of the Marshall Plan. Further, at the Paris conference, the Western European countries fully agreed on the role that American politicians had assigned west Germany to the “Marshall Plan”, i.e. with the de facto rejection of reparations, recognition of Germany’s split and recognition of West Germany’s priority over other countries in restoring its economic, first and foremost, military and economic potential.

The statements of American politicians left no doubt about the role given to western Germany in the Marshall Plan.

On June 25, 1947, then-Undersecretary of State Dean Acheson, speaking at the House Of Representatives Loan Commission, stated, “The American government sees the restoration of German production as the basis of a plan that will be developed by European countries in accordance with the Marshall proposal.”

On June 30, 1947, U.S. Secretary of Commerce Harriman said at a press conference that one of his tasks was to “help recruit merchants and industrialists who will travel to Germany to contribute to the industrial recovery of this country.”

On October 9, 1947, The Banker General Draper, who defined the economic policy of the American occupation administration in Germany, formally declared: “Our policy is



to encourage private enterprise and private initiative. This was the reason why the United States resisted the nationalization of Ruhr's coal mines."

William Thorpe, Assistant Secretary of State for Economic Affairs, said: "The increase in German production is a necessary part of any German recovery programme; it should create opportunities for grandiose investment of foreign capital in Germany."

French journalist Georges Soria reports that when, during the conference of 16 countries at Ca d'Orsay, he and other colleagues told officials of the French Ministry of Foreign Affairs that the adoption of American conditions meant a loss of economic independence for European countries, he received this answer: "What can we do? We don't have a choice. Soon we won't have a single dollar left... We are a state with which we are no longer considered, etc., etc."

"All this gave off a familiar scent of Munich ... - writes Soria. "The same spirit that brought France to Munich re-emerged in the behaviour of these people who were in charge of French politics. These people put up with the prospect of the economic enslavement of France in the same way as the Munichites in 1938 agreed to yield to Hitler's demands."<sup>[80]</sup>

At the Paris conference of 16 countries, representatives of Western European governments, forgetting about the national honour and losing the elementary sense of shame, in a rushed declaration of their needs and asked for dollars. The humiliation of the situation of Western European countries, which have become beggars, was so conspicuous that even the most vehement defenders of the Marshall Plan could not help but notice it. Thus, even the English Labour weekly *New Statesman* and *Nation* wrote in September 1947:

"Here the United States acts as a very rich and generous old maiden. At her feet spread 16 dangling tramps, and each

---

<sup>[80]</sup> Georges Soria, *Will France Become an American Colony?* State Publishing House of Foreign Literature, 1948, p. 85.

of them asks for help to heal their wounds. One tramp flaunts a stump of his wooden leg. Another asks for alms, showing off his terrible wounds. But before we start to lavish the bounty, our American benefactor sticks a needle in the leg of one of the beggars to make sure it's real or artificial. She then examines the stinging wounds of another beggar to make sure it's not a Hollywood prop."

Formally, the United States was not represented at the 16-country Paris conference. In fact, nothing was done at this conference without Washington's knowledge and consent. During the conference in Paris, a kind of American command post was established, headed by then Deputy Secretary of State Clayton and with the participation of such Wall Street confidants as the American ambassador to England Douglas, the American ambassador to France Cafferkey and political adviser to the American military administration in Germany Murphy. Clayton kept going from Paris to Washington, to London and back.

In the end, as a result of all the bickering and counting, the Paris conference identified the needs of 16 countries for U.S. aid of \$29 billion. four years. This amount, however, was not to the taste of the ocean. Clayton flew to Paris immediately. Once again, the world witnessed a humiliating spectacle, as on Clayton's orders representatives of 16 European countries quickly reduced their bid to \$22 billion. Journalists wrote that it was worth the cotton speculator Clayton to knock his fist on the table, as all the calculations of Western European rulers, their experts and economists flew upside down. A good illustration of the depth of the fall of the bankrupt European capitalism!

But the new amount was then found to be exaggerated in Washington. President Truman's committee, Harriman, slashed the four-year aid programme to \$17 billion. This sum was named in Truman's message to Congress of December 19, 1947, which was the first official statement by the American government on the Marshall Plan.

The results of the 16-country Paris Conference were published in a two-volume edition consisting of general and technical reports and published in September 1947. Of course, these “plans” were a typical example of a game of numbers, devoid of any real basis and had the sole purpose of creating the appearance of some “solid” justification for the applications for dollars, which were the essence of all the works of the Committee of European Economic Cooperation.

Even in the honey time of the “Marshall Plan” the ruling circles of the European bourgeoisie perfectly understood that for the countries of Western Europe this plan is tantamount not only to the transition to the fairway of American expansionism, but also the loss of national independence. Thus, the body of the English fat-sums weekly “The Economist” in the front of October 14, 1947 wrote about the so-called “study” of the report of the Paris conference in the United States.

“The prospects for solving the issue of American aid contain something tragic... What can this test lead to? European experts will be reproached for making the report error-prone and overly optimistic. European governments will be pressured to every aspect of their policies. They will be pressed, they will be reminded, they will be taught. Everywhere and everywhere they will be required to guarantee, or in any case, they will be offered guarantees such as American control over the implementation of American aid, American guardianship, political modification of individual governments, rejection of plans for nationalization. All this will be a condition of American assistance. Meanwhile, in the ears of every government, Molotov’s bitter words about the loss of national sovereignty will be heard in the ears of ...”

Reality very quickly exposed the legend that the “Marshall Plan” is a “departure” from the “Truman Doctrine” with its aggressive and reactionary course. In fact, the Marshall Plan was conceived from the outset as a means of

extending the Truman Doctrine to all those European countries whose rulers would be willing to join Wall Street. At the second session of the United Nations General Assembly in the autumn of 1947. the head of the Soviet delegation, A. Y. Vyshinsky, in his first speech to the plenary, recalling that the Resolution of the General Assembly of 1 December 1946 proclaimed that aid to other countries “should never be used as a political weapon”, described the “Marshall Plan” as follows:

“The Marshall Plan is, as is now evident, only a variant of the Truman doctrine adapted to the conditions of post-war Europe. In putting forward this “plan”, the U.S. government apparently hoped, with the assistance of the British and French governments, to put European countries in need of assistance before having to give up their inalienable right to manage their economic resources, to plan their own national economy, and hoped to put these countries in direct dependence on the interests of American monopolies seeking to prevent the looming crisis from accelerating exports to Europe of goods and capitals.”<sup>[81]</sup>

The governments of 16 European states have embarked on the path of Marshallisation. Let's decipher that number. It includes Iceland and Luxembourg, states with fewer populations (122,000 and 300,000 inhabitants) than the average area of any major European capital. There are not many countries or peoples who fought against fascism among the participants of the Marshall Plan. But the beauty and pride of the family of “European cooperation” are fascist Portugal and Arche-based Turkey - yesterday's accomplices of Hitler, Switzerland, which during the war an appendage of the German military economy, Sweden, which supplied Germany with strategic raw materials, Eira, which served as a nest of fascist espionage and intrigue. On behalf of Greece,

---

<sup>[81]</sup> Delegations of the USSR, the Ukrainian SSR and the BSSR at the second session of the General Assembly of the United Nations Organization ", p. 17.

the “Marshall Plan” involves the monarch-fascist puppets of Washington from the anti-people clique of Tsaddaris-Sofulis. The honourable place is left for Franco, and the question of his inclusion in the “common family” is only a matter of tactics, but not of principle.

Subsequently, the number of participants of the “organisation of European economic cooperation,” as from mid-April 1948 began to call themselves the marshalled countries of Western Europe, increased to 19 due to the inclusion of Bisonia (the united Anglo-American zone of occupation of Germany), the French zone of occupation of Germany, the Free Territory of Trieste.

One of the insidious calculations of the American imperialists in the nomination of the “Marshall Plan” was to try to tear the countries of popular democracy from the Soviet Union. It was a rough calculation, worthy of the robberish diplomacy of the dollar: to try with the help of dollar bait to return to the camp of imperialism the countries of Central and South-Eastern Europe, who broke with this camp and embarked on the path of the construction of socialism. This calculation is thwarted, we can say, at the very threshold. The betrayal of Tito’s clique in Yugoslavia pleased the imperialists, but the situation of this clique of traitors in a country where it is held only by savage terror and monstrous deception, does not bode well for its imperialist masters. But a huge blow to the camp of imperialism is a confident economic rise and strengthening of popular democratic regimes in Poland, Czechoslovakia, Bulgaria, Hungary, Romania, Albania. This was the first—but far from the last - failure of the Marshall Plan.

## **2. The Economic Basis of the Marshall Plan**

The policy embodied in the Marshall Plan could only grow on certain economic grounds. It could only arise in the capitalist world after the Second World War, which further exacerbated the general crisis of capitalism.

The Second World War, as a consequence of the uneven development of capitalist countries, in turn led to a further increase in this unevenness.

However, the production apparatus of The Western Europe was directly affected by the war to a small extent—incomparably less than the national economy of the Soviet Union, a large part of which was looted by Nazi robbers, and much less than Poland, Romania, Hungary. Of the 16 countries on the Committee for European Economic Cooperation, five were neutral, Iceland and Luxembourg were considered belligerents, but of course they did not participate in the war. If, despite this, the economy of Western European countries after the end of the war was in a very poor state, the main reasons for this fact are the rottenness of the foundations of capitalism and the anti-people policy of the ruling classes.

According to the International Economic Survey, presented in early 1948 by the economic department of the United Nations General Secretariat, coal production in the United States in 1947 was 133% of the 1937 level. Production of cast iron and ferroalloys in the United States was 142% pre-war. In other countries, excluding the Soviet Union, it was 61%. The corresponding figures were 147% for the United States and 65% for the rest of the world; 153% for the United States, 80% for the rest of the world. In 1937, the share of the United States and Canada in the world production of fuel and energy (excluding the Soviet Union) was 45.6%. By 1947, this share had increased to 54.5%. During the same period, Europe's share fell from 40.4 to 29.2%. Finally, the production of American agriculture during the war, under the influence of increased demand, increased by one third compared to the pre-war period, while the agricultural products of the capitalist countries of Europe not only in 1947, but also in 1948 significantly lagged behind the pre-war level.

A 1948 review published by the United Nations Economic Commission for Europe collected official data from individual

countries, no doubt embellishing things. According to these data, in France the level of industrial production in 1946-1948 fluctuated between 79 and 108 % compared to 1938, in Belgium—between 89 and 115%, in Holland—between 74 and 112%. However, these data do not give a proper picture of the reality.

The fact is that 1938 was a year of deep decline in production. A number of capitalist countries were struck by the crisis of overproduction, during which it was then interrupted by the war.

In 1938, the overall industrial production index of the entire capitalist world was 93% of the level of 1929. In the United States, industrial production in 1938 was 72.3% compared to 1929, in France—66, in Belgium—70, in Holland—89.8%.

Comparing the level of 1920, taken as a percentage of 1913, with the level of 1946-1948, taken as a percentage by 1938, the authors of surveys of the post-war economic situation published by the bodies of the United Nations, come to the conclusion that in a number of countries, including England and France, the recovery is now faster than after the first world war. But this conclusion distorts the reality. It obscures the most important, the most important thing.

Comparison with 1913 means comparison with the year when industrial production reached a high level. Suffice it to recall that in the 23 years before the First World War, from 1890 to 1913, world industrial production more than doubled, the volume of industrial production of England increased by 60%, France - almost doubled. And over the next 25 years—in 1938 compared to 1913 - industrial production in England not only did not increase, but even slightly decreased, and in France fell by about 8%!

Thus, the decades leading up to the First World War were a time of rapid industrial growth, and the gap between the two world wars was a time when the industry of such major capitalist countries of Western Europe as England and France

trampled on the spot, showing the world the rottenness of its foundations.

The tendency of such comparisons becomes even more obvious when we recall that in 1914 the First World War broke the cyclical movement of the capitalist economy in the stage of maximum pre-crisis rise, whereas in 1938 the world capitalist economy was in a state of overproduction crisis, which caused a significant drop in industrial production in a number of large countries.

Comparisons from 1938, beneficial for England and France, is much less profitable for countries such as Germany and Italy. According to the same survey, Italy had industrial output in 1946-1948. 61 to 87%, and in the three western regions of Germany the level of industrial production in 1946-1947 did not rise above 37%, and in 1948 amounted to only 51% compared to 1938. But this is not the only one. A number of other circumstances need to be taken into account. In all capitalist countries, the war left a legacy of inflationary whistling. Inflation everywhere, both in America and in Europe, has become an additional means of enriching monopolies and reducing the living standards of the working masses. In Western Europe, rampant inflation, coupled with the speculative black market rampage, has been a factor contributing to the general devastation and chaos in the national economy.

Further, the economies of Western European countries are such that they are forced to import a large part of the food and raw materials they consume. For this import they paid, first, by exporting finished products of their industry and, secondly, with their income from foreign (primarily colonial) investments, as well as from shipping, insurance and banking operations. The lion's share of these revenues was clearly expressed parasitic character and had its source of ruthless exploitation of colonial, dependent and economically weak countries, including the agrarian countries of South-Eastern and Central Europe, after the Second World War broke out of the loop of imperialism.



The colonial crisis and the national liberation struggle of the colonial peoples severely reduced the old incomes of the colonial Powers. Opportunities for exporting manufactured goods have been severely reduced due to a drop in production. Meanwhile, adventurous foreign policy, waging colonial wars in Indonesia, Indo-China, Palestine and elsewhere devoured huge sums in currency. Particularly sharp contradictions arose from here for England, which as a result of the adventurous, aggressive policy of the Labour government, fulfilling the will of Churchill and the bankers of the City, got into a quagmire of tangled problems of balance of payments, exports and imports. But this fact is of considerable importance for such countries as France, Holland, Belgium. It is enough to give such a calculation. Of the total deficit of Europe's balance of payments in 1947, calculated by the United Nations Economic Commission of \$7.6 billion, \$7.2 billion. countries that are part of the Committee for European Economic Cooperation. This is the problem of the so-called Dollar Deficit of Western European countries.

On the other hand, the United States not only did not suffer any damage from the war, but also expanded its foreign sources of enrichment. Revenues of American monopolies from foreign investments increased in comparison with pre-war levels, to American firms and banks transferred a significant share of income on freight, insurance and other transactions, previously flowing to the capitals of Western European states and especially to London. This is generally true of the further aggravation of the uneven development of capitalist countries as a result of the Second World War. The close connection of this phenomenon with dollar famine in Western Europe cannot be denied even by economists who stand entirely on bourgeois positions. For example, the United Nations report on the global economic situation in 1945-1947 states, "This shift in the distribution of global production capacity is at the heart of the existing dollar famine."

As stated in the previous chapter, after the end of the war, American capitalism found itself in an enchanted circle of intractable contradictions. The volume of American industry in the immediate aftermath of the war was significantly reduced from the level reached during the war. But the domestic market has shrunk further due to the limited consumption of the masses and the systematic decline in their living standards. Looking for an exit, American monopolies in the post-war period greatly inflated the export.

Here is a table illustrating the dramatic change in the share of the United States in world exports compared to other capitalist countries, which in the post-war period are also seeking to boost their exports: By capturing world markets, the United States at the same time does not allow the inflow of foreign goods into its domestic market. Figures in the previous chapter show that in the two post-war years of 1946 and 1947, the gap between the export and import of the United States amounted to a round sum of about \$15 billion. In these years, not only has the amount of American exports increased to a great extent, but its share of the country's total gross output has increased. At the same time, the share of imports into the country's gross output not only did not increase, but, on the contrary, significantly decreased, namely from 3.4 to 2.4%.

The foreign trade of Western Europe is a very different picture. They import more than they take out. The gap between imports and exports to Europe from non-European countries has widened considerably compared to pre-war times. In 1938 it was \$1.8 billion, in 1946 it was 5.1 billion, in 1947 it was 7.5 billion dollars and in 1948 it was \$6.2 billion. prices each year. If we express this gap in prices in 1938, it will be 3 billion dollars for 1946. and for 1947, \$3.3 billion Comparison of these figures shows that the passive trade balance of Western Europe in relation to non-European countries is not only associated with a reduction in exports and an increase in imports. This increase is also attributable

to unfavourable price changes in European countries. Prices of goods imported from 8 non-European countries have increased much more than the prices of European exports. According to the calculations of the United Nations Economic Commission for Europe, the prices of goods imported into Europe from overseas increased by an average of 37% between 1946 and 1948, while the prices of Western European exports increased by only 19% during the same period.

	1938		1916		1917	
	in USD million	share in world exports (in%)	in USD million	share in world exports (in%)	in USD million	share in world exports (in%)
World exports (excluding the USSR)	22648	100	31,177	100	44302	100
Including:						
USA	3,057	13.5	9502	30.5	14475	32.6
England	2300	10.1	3877	12.4	4582	10.3
Canada	951	4.2	2213	7.1	2755	6.2
France	875	3.8	852	2.7	1788	4.0
Argentina	438	1.9	1183	3.8	1587	3.5
Belgium-Luxemburg	727	3.2	677	2.2	1405	3.2
Brazil	298	1.3	962	3.1	1154	2.6

In 1938, France's imports from the United States exceeded its exports there by \$80 million; after the war, France's trade balance against the United States grew many times, reaching \$762 million. 1947 and \$509 million. in 1948, Italy imported more from the United States in the post-war years (1947 and 1948), which was exported to the United States, by \$444 million and \$297 million, respectively, whereas before the war its trade with the United States was only \$14 million. The trade balance of Holland with the United States increased by more than 8 times compared to the pre-war one, Belgium to Luxembourg by 10 times, etc. At the same time, the share of imports of Western European

countries by the United States has increased and their share of the total export of these countries has fallen. The figures for France are indicative. In 1937, imports from the United States to this country amounted to 9.5%, and in 1947 - already 32.7% of the total amount of its import. In the opposite direction, the situation with the export has changed. Exports from France to the United States were 6.4% in 1937 and only 4.2% of French exports as a whole in 1947. Of the total liabilities of the French trade balance, which amounted to 132.2 billion francs in 1947, almost 60%, or more than 78.7 billion francs, fell in the share of trade with the United States.

According to a report by the International Bank for Reconstruction and Reconstruction, Marshallised countries spent more than a quarter of their gold and currency reserves (\$2.8 billion) from the end of the war to December 1947, including \$1.8 billion. in gold, floated into the safes of American banks.

This is the overall economic background on which American policy is implemented, embodied in the Marshall Plan.

The aggravation of the uneven development of capitalist countries in the end of the Second World War led to a significant change in the balance of power between the United States, on the one hand, and the Western European states on the other. The United States, on the one hand, and the capitalist countries of Western Europe on the other, found themselves in an unequal position. And the wolf laws of capitalism know one thing: the weak are beaten, exploited, enslaved, made a tool for achieving the darkest and most greedy goals.

American imperialists allow themselves sometimes quite frank language. For example, in the American magazine "Ness Business" for July 1947, an article entitled "Our geo-economics" was published, the meaning of which is summed up in the following statement: "Our weapons are the

economy, and never has there been a country as well prepared for economic war as the United States.”

Reassessment of their forces is typical for blind-born reactionaries. In this case, we are interested in another, namely, the open recognition that the United States is not bringing economic peace to the peoples, but economic war. The weapon of this economic war was the “Marshall Plan” filed under the hypocritical banner of the “European Reconstruction Programme.”

### **3. Myth of the “Plan” and the True Essence of the Case**

It is no coincidence that American politicians and their European stewards have called their brainchild a “plan.” This name, as well as another lush name—“European recovery programme”—is used to falsify the true essence of the matter. It was meant to give the impression that an element of order and resilience would be introduced into the world of capitalist anarchy and disorder.

A senseless, obsolete anarchic economic system based on the private property of omnipotent monopolies mercilessly grinds down the hopes of ordinary people for a somewhat tolerable and secure existence. They see the whole absurdity of a system in which there are more than enough workers, raw materials, production capacities, and yet unemployment and shortages of goods, poverty and hunger are rampant. At the same time, the whole world sees the enormous advantages of the planned management of the national economy in the Soviet Union and the undoubted successes of the countries that have escaped from the orbit of imperialism and followed the path of people’s democracy. Advertising of the charms of an entrepreneurial spirit and private initiative sounds like a mockery for tens and hundreds of millions of people, all initiative and enterprise of which is

inevitably limited by the painful search for any job that gives a piece of bread.

But the fact of the matter is that as long as the selfish interests of the capitalist monopolies dominate, as long as the working masses are not the masters of their lives, but remain a simple instrument in the hands of the rapacious knights of unlimited profit, until then all the talk about curbing economic anarchy, about introducing what something reasonable and planned principles in the economic life of society remain a deliberate deception, for planning under capitalism is like hot ice. The right-wing socialist servants of imperialism engage in shameless deception when they try to instill in gullible people that while maintaining the capitalist system, the power of the bourgeoisie, and private ownership of the means of production, it is possible to somehow curb the anarchic element of the capitalist economy and subordinate it to the planned principle. And the history of the “Marshall Plan” fully confirms this.

It was argued that it was enough for European countries to overcome the narrow limits of their national interests, to renounce state sovereignty, to develop a “general recovery programme” and to send a reasonable application for dollar loans and subsidies overseas. Then, the apostles of the “Marshall Plan” assured, the overseas deity—the dollar—will put its stamp on the programme of European restoration, and it will become a solid basis of life for a number of years. The golden rain of dollars, they broadcast, will begin to systematically fertilize the drained soil of the Old World, and it will again be able to feed the hungry and drink thirsty. Dollar grace will descend on believers in the humanity of American monopolies, and this grace will not cease to flow until the whole programme of European recovery is fulfilled. Life cruelly disappointed those who were inclined to believe in any degree such fables. Life has shown that the Marshall Plan, as a product of the anarchic system of capitalism, further deepens the contradictions of this system, exacerbates its inherent chaos and disorder.

This was evidenced by the ancestral torments of the “Marshall Plan.” As we have seen, representatives of the 16 participating countries in the first stage of the notorious “European economic cooperation” on Clayton’s formidable shouting with miraculous speed reduced their application from \$29 billion. 22 billion for 4 years. Then, in Truman’s message to Congress of December 19, 1947, the four-year bid was given an even lower figure of \$17 billion, while as a result of the continuous price increase in the United States, the real purchasing power of the dollar fell significantly over that period of time.

But the misadventures of the vaunted American “aid” did not end there. Rather, they only really began here.

Or rather, they only actually began In early January 1948, the Truman government took at the suggestion of the chairman of the Senate Foreign Relations Committee Republican Vandenberg a very important decision: it excluded from the bill on “assistance” the amount of 17 billion dollars, designed for a four-year term, and limited only to the proposal to allocate \$6.8 billion. for the first 15 months of the Marshall Plan. As a pretext, the argument was put forward that, they say, the Congress of this composition is ineligible to oblige future congresses to continue the implementation of the “Marshall Plan”. Vandenberg said that “as a result of the \$17 billion exemption, future congresses will not be in any way bound by the appropriations they will provide for the Marshall Plan programme.”

This ludicrous argument was made only to mask the real reasons why the American Government had decided to deprive the Marshall Plan of the last semblance of a plan. There were two such reasons.

The first reason was the growing negative attitude towards the Marshall Plan and the costly course of aggressive foreign policy among the general American population. The United States News wrote in January 1948 that “members of Congress returning to Washington from the areas where they live report that the general public is beginning to oppose the

Marshall Plan, as many voters believe that the government's external agenda means setting high prices in the United States, lacking some goods, and delaying tax cuts." Given the rise of such sentiments of the masses, the Truman government and the congressmen who are going with it at the same time decided to make a gesture to the voters and to cover the huge sum of \$17 billion in silence.

The second reason was that American monopolists, seeing Western European bankrupts at their feet, were not interested in helping them rise up. On the contrary, the imperialists of the dollar decided to tighten the noose of dependence on the neck of their customers from the Old World. And for this purpose, one of the perfectly suitable means was to create a climate of uncertainty and instability, creating a situation in which American "benefactors" each year re-decide whether to "help" a country depending on its "behaviour."

Since the beginning of 1948, the Marshall Plan bill has been discussed extensively and slowly in the commissions and both houses of Congress. Congressmen, so quickly passing any reactionary laws, such as the Taft-Hartley Act, were happy to show that they are not in the rush to "rescue" European bankrupts. The Senate Foreign Relations Committee, which began consideration of the Marshall Plan on January 8, 1948, did not close on February 5. During this discussion, there was much curious about the Marshall Plan, how the United States ruling circles imagine its goals and objectives.

The Senate Foreign Relations Committee recommended limiting it to \$5.3 billion. for the first year, including this amount and the notorious military "assistance" of Greece, Turkey and China.

At the end of March 1948, the bill on assistance to foreign states reached the House of Representatives on April 3, this bill became law.

But the amount of appropriations under the "Marshall Plan" for the first year has not yet been resolved. The relevant bill continued to wander through the commissions of



the American Congress. In June, he came under the millstone of the House Appropriations Committee. The Commission has cut allocations by a quarter. Originally accepted amount of \$5.3 billion was reduced to \$4 billion. 15 months.

Characteristic is the reasoning presented by the most modern ruler of the destinies of Western Europe, the arch-reactionary chairman of the Appropriations Commission, Taber, a Republican from the state of New York. He sharply criticised the Marshall Plan for its ambiguity.

“There is no Marshall Plan,” he said, “it’s just a colloquial term, and we see that those who shout most in support of it are the least aware of it.”

The speeches of Taber and his colleagues from the Appropriations Commission caused even some commotion.

Marshall testified before the Senate Appropriations Committee and said the cuts risked the failure of his entire programme, which reduces “the faith of Europeans in the United States.” The Senate committee heeded the admonitions. While the House of Representatives committee approved \$4 billion. for 15 months, the Senate committee allocated the same \$4 billion for 12 months. Finally, the result of a compromise between the two houses of Congress was a straw solution: \$4 billion allocated. must be spent in 15 months, but they can be spent in 12 months if the administrator for the implementation of the “Marshall Plan” and the president decide that it is necessary.

Humiliating for Western European countries, when discussing appropriations under the “Marshall Plan” was even longer in 1949 than in 1948. It was not until August 9 that the Senate decided to approve the appropriations in a total of about 10% less than the government’s bill. The bill was then submitted to the conciliation committee to work out a compromise between the decisions of the Senate and the House of Representatives.

In 1948, the hosts of the United States pursued quite certain political goals. These goals are to further humiliate and hurt the European countries involved in the Marshall

Plan, to keep them under continuous fear and anxiety, to make them even more compliant and compliant.

But this exposed the deceptive nature of the promises that the agents of the Marshall Plan in Europe, including the British and French foreign ministers, so willingly made. Thus, it was confirmed that hopes that this plan can serve as any solid foundation on which one can build certain economic calculations are vain. The illusion that this plan has some final shape is in vain. In fact, this program of American expansion is abundantly equipped with the trappings of rampant American advertising and American bluff. And in fact, where is the promised solidity and strength, if the fate of the plan as a whole and each of its figures individually depends on the volatile opportunistic calculations of American businessmen, frightened by the growing crisis, from the election manoeuvres of congressmen, the shameless demagoguery of the corrupt press, and other similar reasons—the factors are not only low-respected, but not amenable to any preliminary accounting?

Thus, the American contenders for world domination openly demonstrated the intention to keep their European counterparties in constant anxiety and under constant fear of stopping the flow of much-needed dollars. But it was confirmed once again that the Marshall Plan was by no means a plan for economic assistance to the United States, which had been rich in war, to European countries affected by the war. That's not the content of it.

The objectives of the Marshall Plan are economic and political subordination of Western European countries to American monopolies, and to renounce their sovereignty and independence to please the tycoons of American capital.

Economically, the Marshall Plan means: American control over industry, foreign trade, the monetary and financial system of Western Europe; turning these countries into a market for stale American goods and suppliers of scarce raw materials for the United States; the resulting growth of major industries in Western Europe and rising unemployment;

further deterioration of the extremely difficult current situation of the working masses.

Politically, the Marshall Plan means the split and dismemberment of Europe and the establishment under American rule of a military and political bloc of Western European states against the Soviet Union and the countries of popular democracy; turning the western part of Europe into a military-strategic springboard for American aggression; the division and dismemberment of Germany and the transformation of its western part into a basic military-industrial arsenal and military base for the imperialist adventures of American monopolies; imposing on European countries under the guise of an “American way of thinking” of foreign forms of political life, signifying the uncontrolled mastery of monopolies, the omnipotence of large capital, barely covered by the undivided domination of reaction and obscurantism in political and public life; persecution of all progressive elements under the guise of the smokescreen of anti-communism borrowed from the Nazis.

Taken together, this means an attempt to actually destroy the national independence and sovereignty of the Marshallised countries.

Life has shown how right the Soviet Union and the People’s Democracies were when they resolutely rejected the Marshall Plan as incompatible with national sovereignty, national dignity and national honour of peoples who value freedom and independence. Forces of the anti-imperialist camp fighting to undermine imperialism; for democracy and socialism, unanimously condemned the plan for the economic and political enslavement of Europe, put forward by the American expansionists. The communist parties, leading the struggle of the masses against imperialism, began to explain the true essence of the “Marshall Plan”, to fight the illusions and deceptions spread by the right-wing socialists, and to expose the machinations of the agents of American imperialism.

A huge role was played in explaining the true content of the “Marshall Plan” as a tool of American contenders for world domination, the information meeting of some communist representatives held in Poland at the end of September 1947; Parties. In A.A. Yudanov’s report “On the international situation” was given a deep Marxist-Leninist analysis of the further aggravation of the general crisis of capitalism after the Second World War, the new alignment of political forces and the formation of two camps on the international scene. A section of the report on the analysis of the American plan to enslave Europe was brilliantly exposed by the “Marshall Plan”.

In a number of reports by the leading figures of the communist parties of the People’s Democracies, the attitude of these countries to the “Marshall Plan” was fully explained. The states of people’s democracies, freed from the yoke of imperialism, resolutely rejected the enslaving plan of Wall Street and embarked on a course to restore and further develop their economies through the mobilization of the peoples’ own efforts, with the all-round and disinterested support of the great Soviet Union.

The speeches of the representatives of the Communist Parties of France and Italy, the two largest countries of the western part of the European continent, clearly expressed the will of the working class and all democratic forces of these countries to protect national independence from the attacks of American imperialism and its minions. Jacques Duclo, secretary of the Communist Party of France, said in his report:

“Despite the fact that our opponents are trying to assure that America’s help cannot be dispensed with, there are sentiments in France that are deeply hostile to US expansionism. By speculating on this aid, they are trying to force us to agree to the fact that, taking advantage of our economic difficulties, the United States subjugates France and turns it into a bridgehead for reaction in Europe. We are

fighting against this policy, and we must undoubtedly strengthen it even more.

Without a doubt, European countries can, through their own efforts, mutual consent and trade exchange, ensure their recovery without the help of the United States”<sup>[82]</sup>

Luigi Longo, one of the leading figures of the Italian Communist Party, stated in his report:

“The Marshall Plan is the main tool in the fight against the democracy, freedom and independence of our country.

Our party’s position on aid from abroad and on relations with the United States is clear. It boils down to the following: the protection of Italian freedom and independence, the protection of peace, the relationship of friendship and cooperation with the USSR and with the countries of the new democracy. We need America, but America needs us. We need American help, but we also need economic cooperation with all other countries, especially eastern European countries. We are against any plan to tie our hands and put us in a foreign bondage. The Italian Communist Party has exposed the “Marshall Plan” as damaging to our economy and dangerous to our national independence...”<sup>[83]</sup>

The declaration of the conference on the international situation assessed the “Marshall plan” and formulated the tasks of the Communist Parties in the struggle against the plans of imperialist expansion and aggression.

“The Truman-Marshall Plan,” it was said in the declaration, “is only an integral part, the European section of the general plan of the world expansionist policy pursued by the United States in all parts of the world. The plan for the economic and political enslavement of Europe by American imperialism is complemented by plans for the

---

<sup>[82]</sup> "Information Meeting of Representatives of Some Communist Parties in Poland at the End of September 1947", p. 174.

<sup>[83]</sup> "Information Meeting of Representatives of Certain Communist Parties in Poland at the End of September 1947", p. 300.

economic and political enslavement of China, Indonesia and the countries of South America. Yesterday's aggressors—the capitalist magnates of Germany and Japan—are being prepared by the United States of America for a new role—to become an instrument of the US imperialist policy in Europe and Asia.”

Communist parties, progressive trade unions and a number of other democratic organisations of Western European countries have put on a great deal of work to expose the “Marshall Plan” and the right-socialist minions of the American imperialists, to unite all democratic, progressive, patriotic forces, ready to put an effective resistance to the treacherous plans of the imperialist reaction.

#### **4. Conditions of “Assistance.” First Hints**

In September 1947, the “fruits of labour” of the Paris Conference of 16 marshalled countries were presented to the overseas “benefactors.” President Truman appointed three committees to examine materials from Europe and to advise the Government of Washington on economic assistance to foreign countries.

The main role was played by a committee headed by Harriman, made up of major dealers and experts from Wall Sgrit. It included: Owen Young of General Electric (after whom the Young Plan was named in 1931), Randolph Baggess of the National City Bank, Hoffman of the Studebaker Corporation, John Collier of the Gudron Rubber company”, etc.

This was announced on November 10, 1947 by Marshall in a statement made at the joint meeting of the Senate and House of Representatives Foreign Affairs Committee. The recommendations were then replicated in Truman's message to Congress on 19 December. Finally, a bill drafted on the same basis with a number of amendments introduced during

the discussion was passed by Congress on April 3, 1948, and became a “law on providing economic assistance to foreign states.”

The Harriman Committee report was the first official document by the U.S. government that openly acknowledged the military and political nature of the Marshall Plan. Proponents of this plan tried hard to create the impression that it is a purely economic matter. In the report of the Harriman committee, this version was dropped. It proclaimed the following:

“The interests of the United States in Europe go beyond the economy. They are both strategic and political. We all know that there are two competing ideologies in the world today...”

The report went on to argue that capitalism “must now meet the minimum needs of the population and as soon as possible revive the hope that hard work can achieve a higher standard of living. If these countries fail to improve their situation, they may be forced to turn in the opposite direction.”

Leaving aside the purely phraseological ornament of the “democratic system” and “high standard of living”, the statement meant that the headquarters of the American dealers who developed the foundations of the “Marshall Plan” stated in public: this plan pursues in Europe not only certain economic, but also political and military-strategic goals, these goals are connected with the struggle with “two rival ideologies”. The Marshall Plan is the tool by which American monopolies intend to save capitalism in Western Europe, no matter how hateful it may be to the working masses. Thus, Harriman’s committee, with the rudeness of businessmen discarding all the wraps, openly recognized the interventionist and aggressive nature of the “Marshall Plan”, its irreconcilable hostility to the principles of freedom and independence of the peoples of Western Europe. The report of the Harriman Committee and Marshall’s recommendation strongly rejected the timid desire of

representatives of 16 Western European countries that American assistance would contribute to the development of the productive forces of these countries. American fat-sums regarded this wish as a dangerous for their own interests desire to strengthen the competitiveness of European countries in the world market. The first paragraph of the Harriman committee's report read: "Sixteen European countries should refrain from rapidly expanding and modernizing industry or broad mechanization of agriculture. The attempt by the Europeans to make too much investment, public or private, will very soon hit the targets pursued by the aid programme."

Thus, the first paragraph of the Report of the Harriman Committee clearly disclosed the purpose of the programme of American "assistance" to Europe. In particular, Harriman's committee stated that Western European countries had nothing, for example, to do shipbuilding, since it was more profitable for the United States to sell ready-made vessels to them. American monopolies decided not only to save the foundations of the capitalist economy of Western Europe, but also to get rid of European competition. They decided to use the economic and financial difficulties of Western European countries to impose bonded conditions of American control on them under the guise of "assistance" and to ensure their dominant position in European markets.

This is also the purpose of Wall Street's chosen monopolies as a form of "assistance"—in the form of commodity supplies. Bankrupts of European capitalism have held out hope that they will receive dollars under the "Marshall Plan" that they will be able to use at their own discretion to buy goods where they will be more profitable. The Chairman of the Committee of European Economic Cooperation, Englishman Franks expressed these aspirations in a memorandum sent to the Under-Secretary of State of the United States Lovett. Franks requested that the United States, along with commodity supplies, provide European states with free dollar loans so that European countries



would be allowed to spend these dollars outside the United States and, finally, that European countries be given the right to sell on the world market a portion of goods supplied by the United States, as well as goods that will be manufactured by European states from American raw materials.

The Report of the Harriman Committee and Marshall's statement of 10 November showed that American monopolies strongly rejected all these claims of their European clients. U.S. experts said that the flow of U.S. goods to Europe will help to maintain the situation in the United States. At the same time, they warned the State Department that if the commodity form of "assistance" was not chosen, the amount of American exports would be between \$4-5 billion in 1948, which would be almost halved from 1947. Marshall fully agreed with this approach, saying that by "helping them, we are helping ourselves."

Marshall's assertion was in full accordance with Truman's statement at the opening of the special session of Congress. Truman told congressmen that if no action is taken, "we may cause depression, from which our economic system, as we know it, may not recover."

Thus, six months after Marshall's Harvard speech, touted by all the footmen of American imperialism and above all by right-wing socialists as a model of selflessness and nobility, United States officials explicitly recognized that they viewed the notorious "help" of Europe as a means of saving American capitalism from the impending economic crisis. The "Marshall Plan" turned out to be an attempt by American monopolies to delay the impending economic collapse by burying European states by turning their economies into a mere appendage of American capitalism. The Marshall Plan was presented as an attempt by American monopolies to support American exports in order to sell Europe not what it really needed, but goods that were not marketed on normal terms.

Harriman's committee called for the creation of a special centralized government organisation in the United States to oversee the implementation of the "assistance" programme. Further, from the report of the Harriman committee and from Marshall's statement, it became known that the countries receiving American "assistance" would have to host the special commissioners of the United States Government to oversee the implementation of the "assistance" programme, and these "observers" would in fact have extremely broad competences. The American press hastened to report that under the guise of "observers" for the implementation of the "Marshall Plan" in Western European states will arrive a whole army of special inspectors, numbering at least 4-5 thousand people and including financiers, economists, customs officers, tax officials, insurance, agronomists, representatives of publishing houses, press, radio, as well as military specialists and intelligence officers.

The publication of the Harriman committee's report fully confirmed the assessment of the "Marshall Plan" which was given from the outset by representatives of the anti-imperialist camp of democracy and socialism. In the ruling circles of Western European countries, this report has created a mood of anxiety and confusion. The British Communist Party's body, the Daily Worker newspaper, wrote on November 11 that the most common reaction to the report of Harriman's committee on "helping" Europe was anxiety, loosely concealed by polite official phrases.

"The report," the paper pointed out, "is in fact a U.S. refusal to meet many of the most pressing needs of 16 countries, as well as a carefully crafted plan for direct American interference in their affairs. While the demands of other countries have been curtailed, the report openly states that Germany's aid "may be higher than it was established in Paris." The report acknowledges in the most unambiguous

terms that the plan is in fact the development of the "Truman Doctrine."

The newspaper went on to emphasize that the Marshall Plan was a "malicious attack on the independence of European countries."

Marshall's statement outlined not only a long-term aid plan, but also a temporary "emergency assistance" plan for France, Italy and Austria, as well as a funding plan for the Bison.

The interim plan fully reflected the establishment of American monopolies on the priority of Germany's economic recovery. This was already evidenced by the amount planned to provide "assistance" under the temporary plan. Bison was slated to release \$500 million, almost as much as France, Italy and Austria combined. This sum was officially motivated by experts referring to the fact that, they say, the rapid restoration of the unified western zone and above all Rura is important for the restoration of the whole of Europe. Harriman spoke much more frankly, noting that in Bisony, "the United States will deal with itself," so that they can easily turn Ruhr into a new forge of American aggression in Europe.

Already, the "temporary aid" law, approved by the U.S. Congress on December 15, 1947, provided for special conditions for the provision of "assistance." It was found that before any goods were provided to any country, "there must be an agreement between such a country and the United States subject to the limitations and conditions of this law." The list of these restrictions and conditions took 14 paragraphs. It demanded that the recipient country "take the economic measures necessary to increase its ability to achieve a self-sufficient economy." Such a broad formulation of this "conditions opened up the possibility for the United States to actively interfere in the economic life of the recipient countries."

Further, the law stipulated that recipient countries would have to have special accounts in their currency for

goods that would not be paid in dollars. Funds from these accounts can be used “only for purposes that can be agreed between the country and the Government of the United States.” It was pointed out that the balances in these accounts could only be used domestically under an agreement with the United States Government. The law further required that a country receiving “assistance” “provide full and continuous notification by all available means within such a country (including government press and radio) regarding the purpose, source, nature and size of goods provided under the Act.”

The recipient country must “provide information quickly on the distribution and use of the products provided at the request of the President.” The law prohibited recipient countries from “exporting from such a country goods obtained under this law, rock continues to be in need of them ... except for an export to which the U.S. government agrees.”

The law contained conditions that effectively opened the gates of the recipient countries for all kinds of “investigators”.

Finally, the law stipulated that the President of the United States had the right at any time to stop providing “assistance” if he found that the terms of the agreement were not being met, or when he found that “assistance is no longer necessary or desirable” or “if he finds that, because of the changed conditions, the assistance provided on the basis of this act is not in the national interest of the United States.”

The “temporary assistance” law, passed by the American Congress and signed by the President on December 16, contained two additional amendments to support the response introduced by the House of Representatives in December 1947. The Second Amendment stated that the U.S. president would stop providing assistance to France and Italy if a Communist-influenced government came to power. Communist parties, which lead the front of the struggle for

democracy and peace, against the imperialist reaction and warmongers, have already initially explained to the masses the predatory and anti-popular essence of the “Marshall Plan”.

In France and Italy, communist parties that unite the colour of nations and enjoy the support of millions of workers in the city and the village, as well as trade unions, the General Confederations of Labour, which comprise the majority of the proletariat, have stood up for the national interests of the peoples. In France, the Communist Party, exposing the dangers associated with the “Marshall Plan”, explained to the masses of workers, peasants, intellectuals the fatality of the way in which the country was led by the “American Party”, representing a diverse conglomerate of politicians united by fear of the masses. The Communist Party of France plucked masks from de Gaulle and his fascist party, which tried to cover up their betrayal of the interests of the country and served American imperialism with the fascist demagoguery borrowed from Mussolini and Hitler. The French Communists showed the true face of right-wing socialists like Leon Blum, whose “third way” turned out to be the path of black treason and cringe before the imperialism of the dollar. The French Communist Party and the General Confederation of Labour explained to the masses on the facts of reality the harmful effects of American “assistance” on the economic, political and cultural life of the country. The first consequences of the surrender of the ruling circles of France before the imperialism of the dollar were the crisis of the aviation industry, which American dealers proposed to wind down for fear of competition, the crisis of French cinema, sacrificed to Hollywood, the pharmaceutical industry and a number of other industries. At the same time, from the very first steps of the American “power” France began to be flooded with murky flow of overseas “ideological” products in the form of false information of American agencies, works of corrupted reactionary literature, stupidizing and corrupting films, etc. in the article ““Marshall Plan” and France, placed

in the newspaper “For a lasting peace, for popular democracy!” On February 15, 1948, Jacques Duclos wrote: “The American imperialists want to turn France into a tool of reaction against democracy and an operational base for war, but the French people led by the working class will not allow France to fall under the will of dollar magnates.

Of course, “official” France is in the camp of warmongers, it is relegated to the state of the guns of the American imperialists, but the real France, working and republican France, is in the camp of democracy and peace, it is inspired by the indomitable will to fight, I will have the last word.”

In Italy, the Communist Party and the General Confederation of Labour began to systematically explain to the masses the anti-popular nature of the policies of the de Gasperi government, the policy of the clerical reaction camp, which could only be held in power with the direct and open support of American imperialism. Italian communists mobilized the masses to fight against the enslavement of the country by overseas monopolies, against its transformation into a colony of American imperialism. And in other countries of Western Europe, communist parties, leading the resistance of the masses to imperialist plans, opposed the “Marshall Plan” policy aimed at ensuring the interests of the masses.

Thus, at the end of January 1948, the Communist Party of England issued a statement in which the “Marshall Plan” was exposed as an event designed to subdue the politics and economies of Western European countries to American control, to create a Western anti-Soviet bloc with West Germany as its industrial military base and to prepare for a future war against the Soviet Union and the countries of popular democracy.

Noting that the plan poses a serious threat to British independence, the Communist Party statement emphasized that “there is growing concern among the people as the true

meaning of the plan begins to emerge. This is especially true in large shipbuilding areas, where the decline in steel supply to shipyards is seen as a result of the government's desire to act in accordance with the wishes of Americans." In addition to the fact that Marshall's assistance is accompanied by political and economic conditions, the statement said, it is fraught with limitations. For example, the aid provided to England will only make up for a fraction of the dollar deficit, so that by the end of 1952 the standard of living in England will still be below pre-war. Britain will receive mainly goods that the United States wants to throw into the European market, such as tobacco, while the requirements for industrial equipment and materials have been drastically reduced.

The statement went on to say that the U.S. wanted the right to interfere with the recovery plans of other countries, as exemplified by their advice to European countries to reduce capital construction costs, the statement noted Marshall's admission that Bevin had discussed the terms of the Anglo-Soviet trade agreement with him.

The British Communist Party warned in a statement that the United States would also demand that they be given the right to control foreign and strategic policy; that in exchange for its "power" the United States will require the countries receiving this "assistance" to bring their foreign policy in line with the United States, maintain the number of armed forces that the United States deems necessary, and provide part of its territory as bases for the U.S. military. "The purpose of this American policy is," the statement said, "to strengthen the reactionary capital in all European countries, to prevent the true restoration of Europe and to make the governments of all countries receiving this assistance, participants in the crusade against the Soviet Union and the countries of popular democracy." The statement ended with a call for the British people to reject the "Marshall Plan" and adopt a course of foreign and

trade policy aimed at strengthening peace and independence for England.

On January 12, 1948, the Chairman of the Communist Party of Austria, Koplenig, issued a statement on the negotiations on Austria's accession to the Marshall Plan, which stated: "It is now clear that the Marshall Plan is nothing more than an attempt by American imperialism to counter the severe economic crisis threatening America and to subordinate most European countries to its influence in economic and political relations. For Austria, the "Marshall Plan" means perpetuating the economic crisis, freezing a large part of our industry, new unemployment, perpetuating the low standard of living of workers, in short, bringing Austria into a state of long-term dependence on American imperialism. The "Marshall Plan" further means strengthening reactionary forces throughout Europe and reviving fascist elements. In Austria, you can already see it now. Finally, the Marshall Plan aims to strengthen and mask the imperialists' preparations for war and to create a bloc against the countries of socialism and popular democracy. There is no doubt that Austria's accession to the Marshall Plan is at odds with the independence and sovereignty of our country."

The Communist press of Western European countries, exposing the imperialist and exploitative essence of the "Marshall Plan", cited striking facts, indicating a blatant betrayal of national interests by bourgeois governments, which went to the service of the imperialism of the dollar. Thus, the Dutch communist newspaper *De Waarheid* on January 12, describing the "Marshall Plan", wrote: "The adoption of the "Marshall Plan" means not only the loss of our independence and the subordination of a foreign power, which will make its laws for Holland. It means the destruction of our economy in the broadest sense of the word."

Referring to the United Press report, the newspaper indicated that Holland from America would be due to receive



Holland in the next 15 months. First of all, it is 25 thousand *tons* of fresh fruit, mainly apples, and 75 thousand *tons* of dried fruit. In addition, The Netherlands promised 218,000 *tons* of fat and oil and only 63,000 *tons* of artificial fertilizers. Before the war, Holland exported a large amount of oil and dairy products. The adoption of the “Marshall Plan” meant undermining the Dutch fruit industry and oil exports, the newspaper wrote: “Our predictions about shipbuilding have been firmly based, as Marshall demands that the entire programme of new shipbuilding be eliminated. We can expect to receive a paltry amount of ore, but we will not get the metal scrap that our domains need. Our metalworkers will not receive steel, but we are promised finished products.”

As the economic and political conditions of the Marshall Plan became apparent, the natural discontent of the broad masses of the masses against the policy of surrender to American imperialism pursued by the ruling cliques of these countries grew in Western Europe.

### **5. Conditions of “Assistance.” American Law of April 3, 1948 “On Providing Economic Assistance to Foreign Countries”**

Further specification of the objectives of the “Marshall Plan” and the conditions of American “assistance” was contained in Truman’s message to Congress of December 19, 1947. Pointing out that the restoration of Europe is (substantial “and from the point of view of the interests of our own economy”, the President stated: “However, our deepest interest in the restoration of Europe is due to the fact that it is necessary for the preserved civilization based on the American way of life.”

The struggle of all the democratic forces of the war-torn countries in Europe to preserve the sovereignty and independence of these countries in the message was falsely declared “opposition to the restoration of Europe.” as

maritime transport, banking, and income from investments abroad.” As you know, Western European countries have lost most of these sources of income, which have passed into the hands of American monopolies. Not only did Truman not say whether to return these lost sources of high income to Western European countries, but, on the contrary, a programme was planned to consolidate that loss and perpetuate the dependency of those countries. Recalling the need to maintain the “appropriate level” of trade shipping and shipbuilding in the United States, the President’s message indicated that the goods would be transported on U.S. ships; Well, that’s it. With regard to the shipping of Western European countries, the message stressed the need to reduce or postpone all “projected shipbuilding plans in participating countries.”

The Marshall Plan, of course, did not open up the prospect of returning their former investments abroad to Western European countries. On the contrary, Truman’s message called on American capitalists to invest in countries in Europe that have undergone American “assistance.” An increasing share of Europe’s financial needs “must be met by the resumption of private financing.”

Under these conditions, it is not surprising that the masterminds of the Marshall Plan dismissed the idea of even restoring the pre-war standard of living of Western European peoples. The U.S. State Department said in a statement that by the end of the Marshall Plan, the living standards of Western European populations would not reach the level of 1938: “In the view of the executive branch, such a rapid improvement in the standard of living in Europe cannot actually be achieved.”

In Truman’s message, the United States’ relationship with the countries of the Americas was hailed as the model by which the future relations of the United States with Western Europe should be built. In other words, Western Europe has been openly asked to follow the path of Latin

American countries undergoing brutal colonial exploitation by the North American financial oligarchy.

The President's message has already drawn up a simple economic calculation underlying the Marshall Plan. It was about giving Western European countries dollar loans in order to artificially maintain the speculative level of prices for goods in America and the profits of large monopolies. The dollars required for this operation must be extracted by tax. The President's message said, "The people of the United States will have to limit their needs somewhat." For some time, there has been a deep struggle in American business and politicians over which body or agency should be involved in implementing the Marshall Plan. The proposal to place this task on the State Department was dropped, with a characteristic reference to the unity of the "strategic, political and economic" objectives of the Marshall Plan. Finally, the law of April 3 decided to create a new special organisation - the "Office of Economic Cooperation" - under the direction of the administrator and his deputy. At the same time, a National Advisory Committee was formed composed of the Secretary of State, the Minister of Finance and the Minister of Commerce, the Chairman of the Federal Reserve Office and the Export-Import Bank and the Administrator, as well as a 12-member Public Advisory Council to assist the Administrator. At the same time, the law provided for the appointment of a special representative of the United States in Europe, who is required to coordinate the activities of special U.S. missions established in each country participating in the "Marshall Plan". The Foreign Assistance Act mandates that the administration harmonize the implementation of the "Marshall Plan" with U.S. foreign policy, and "in order to strengthen and ensure the success of U.S. foreign policy," the administrator of the European Reconstruction Programme and the Secretary of State are required to fully inform each other of their activities; their differences they are obliged to pass on to the President at his final decision.

Hoffman, the former head of the Studebecker Automotive Trust, was appointed administrator of the Marshall Plan. The former Minister of Commerce Harriman was appointed as the representative of the American government to the Committee of European Economic Cooperation in Paris, effectively the American protector in Western Europe.

The Administrator for the implementation of the Marshall Plan was given wide powers. On February 27, 1948, the American magazine United States News and World Travel published a review of "What the United States receives for assistance to other countries" which, among other things, stated, "The Administrator for the implementation of this programme should actually become a leader between" people's business relations. He will be able, for example, to tell France whether to restore railways or improve highways. It will be able to decide whether to mechanize farms. It will determine who will get the equipment for the coal industry in the first place—England or Ruhr, and he will be able to immediately stop the flow of dollars in the event that countries do not adhere to its terms.

The nature of international trade will be determined by its decisions. It will have the right to decide where to buy the forest - in Finland, Sweden or Canada; which wheat to prefer in the dollar-currency markets, Canadian or American; who should supply Cotton to European textile factories—Brazil or the United States."

Thus, Hoffman does not have to complain about the lack of rights.

The demand for unconditional subordination of European countries to the pointer of overseas bosses is laid out by the American seal with increasing frankness and unceremoniousness. Thus, the American magazine Fortune wrote in August 1948:

"The economic union means not only the removal of customs barriers, the promotion of universal reversibility of currencies, etc. Belgians and Dutch have already seen that

the removal of customs barriers gives relatively small results if there is no common financial policy and control over industry. The economic union demands a positive and general renunciation of sovereignty in economic affairs.”

The law of April 3, 1948 regulates the relationship between the United States and the countries participating in the Marshall Plan in great detail. More precisely, it imposes certain obligations on these countries in relation to the United States. In this respect, the Foreign Assistance Act has no precedent in world legal practice: it is a law passed by the legislature of one country, but valid for other, formally sovereign states.

The law stipulates that each member country of the Marshall Plan, in addition to the commitment to cooperation, adopted by it on the report of the Committee of European Economic Cooperation, must conclude a separate agreement with the United States guaranteeing the implementation of a certain policy.

What is this policy?

The Marshall Plan country is required to submit “to the approval of the administrator for the implementation of the law at its first request and when he deems it necessary to implement the objectives set out in this act, the specific plans that the country intends to implement in large part with the funds provided to it under this law; such plans should include plans to increase coal production, steel production, food, and vehicle development...” The significance of this requirement is clear. In words, American monopolists do not skimp on the assurance about the need to “create in Europe a healthy economy, not dependent on emergency assistance from outside.” At the same time, in fact, in blatant contradiction to these pious wishes, they establish the strictest control over those investments in the “Marshall Plan” countries that are absolutely necessary to ensure their economic independence. Control exercised by authorized American monopolies to eliminate any possibility of European competition means for Western European

countries a practical prohibition of any significant investment, modernization and development of critical sectors of the national economy. Finally, this control also means prohibiting any nationalization of certain sectors of the economy. Harriman and Hoffman have repeatedly publicly denounced any attempt at nationalization.

The chairman of the International Relations Commission of the National Association of Industrialists, Kohler, speaking to the Senate Foreign Relations Committee at the end of January 1948, frankly explained what Wall Street's financial sharks expect from the Marshall Plan. Calder said U.S. "assistance" should not be provided unless recipient countries "provide sufficient assurance of fair treatment of foreign investments by U.S. private firms in those countries or in their holdings." Western European countries should not be allowed to "directly or indirectly impose emergency taxes on exports from the United States or the assets of American citizens in those countries."

In other words: no nationalization, no attempt to curb the predatory appetites of the prey knights on the one hand; full space for hosting American businessmen in Western Europe, both at home or perhaps as in Nicaragua or Venezuela, on the other hand. This is the content that is invested in the Marshall Plan by the true masters of the United States. It is this programme that serves as a guide for diplomats, administrators, observers and other wall street clerks and envoys.

By law of April 3, 1948, each country participating in the "Marshall Plan" must commit to "financial and monetary activities necessary to stabilize monetary circulation, to create or maintain the normal exchange rate of its currency, and to then quickly balance its budget and generally restore its monetary system or build confidence in it." Through such controls, the United States is able to dictate to Western European countries its will to issue monetary issues and exchange rates, as well as to the domestic policies of those countries, including wages and prices. American

monopolies, while pursuing a policy of inflation and rising prices, at the same time require Western European countries to pursue deflationary policies. This is done with the expectation of further aggravation of dollar famine in the countries participating in the “Marshall Plan” forced to expand trade with the states of the dollar bloc. The April 3 Act formally obliges countries participating in the Marshall Plan to jointly “encourage and facilitate the expansion of the exchange of goods and services with each other and with other countries, and to work together to remove customs barriers to development... this commitment gives the United States full control over the foreign trade policy of Western European countries. This control is used in the self-interest of American monopolies, which under the banner of “freedom of trade,” “removal of customs barriers” and so on seek to stifle European industry. Congress carefully gave the administrator special rights in the division of Europe and the creation of an economic iron curtain between its western and eastern parts. The April 3 act has a special clause to restrict trade in marshalled countries with the Soviet Union and other Eastern European countries: “The Administrator should refuse to the countries involved in the plan, as it is practically possible, to supply goods or products that are intended for any European country not participating in the plan, in the event that the United States does not issue export licenses to these countries for export or national security.”

The list of such goods is kept in the U.S. Department of Commerce and is secret. Apparently, this is one of those “state secrets” under the pretext of protecting which the Truman government carried out shameful anti-communist laws, written off from Hitler’s designs. Formally, we are talking about goods with “potential military value.” It is easy to understand, however, that in today’s conditions any product can be summed up under this rubric. The crude casuistry of American law is intended to undermine any normal trade between Western and Eastern

Europe. Thus, a precondition for a country's participation in the Marshall Plan is its unequivocal support for the American policy of dividing Europe. This reveals the hypocritical nature of one of the main provisions of the report of the Committee for European Economic Cooperation on the need to restore trade between Eastern and Western Europe. Hoffman, Harriman and other Wall Street commissioners left little doubt that American monopolies want to disrupt all trade and all economic ties between Marshallised countries and Eastern Europe.

Another article of the law of April 3 states that when the administrator considers that it is in the "national interest of the United States to prohibit the export of any goods to any country that is wholly or partially in Europe and not participating in the plan," government officials or bodies that the president authorizes prohibit the export of equipment, equipment for the production of military materials, etc., "should take the action necessary to prohibit the export of such goods to such goods." Characteristically, these restrictive points were proposed by a member of the House of Representatives, Mundt, the author of the arch-reactionary bill on the prohibition of the Communist Party, regarded by the widest circles as a bill of quite fascist type. In making his amendments, Mundt made it clear that they were directed against the Soviet Union and the Eastern European countries of popular democracy.

At first, the European puppets of American imperialism tried to argue that restricting trade with Eastern Europe only applies to goods made from materials derived from the Marshall Plan. American monopolists also destroyed this illusion spread by their European stewards. On June 30, 1948, Hoffman, speaking at a press conference in Washington, left no doubt that he claims unlimited control over the entire export of Western European countries to the eastern part of the continent. Recalling that the United States does not export certain goods to Eastern Europe for "strategic reasons," Hoffman said that "unless goods are



exported by the United States, they should also not be exported by countries participating in the Marshall Plan.” The Commissioner of American Monopolies for Western European Countries has unceremoniously made it clear that he views these countries as American colonies. English newspapers reported that Hoffman’s response “caused great confusion in London.” The reasons for this confusion are clear. Hoffman tore the veil with his rude frankness. Meanwhile, its European clients would prefer to hide this shameful degree of dependence on the United States. They would like to hide the truth about such a complete loss of independence, for this truth cannot but cause outrage among millions of Europeans. The April 3 Act requires the “Marshall Plan” countries to use such “effective and appropriate use” of their own resources, which, in order to further expand the programme, must ensure that measures are taken to identify and appropriately use assets and income that belong to the citizens of that country and are located in the United States, in their territories or in their possessions.”

Thus, the law provides guarantees against any kind of competition from foreign capitalists in the United States by establishing control over the use of their dollar income and assets in that country. But it deprives some of Western European countries of the possibility of receiving an influx of dollars from their citizens living in the United States. The April 3 law requires Marshallised countries to create favourable conditions for “sending to the U.S. by sale, exchange or other means for the purpose of creating reserves or for other purposes for a purpose for a specially conditioned period of time on reasonable terms and in reasonable quantities of such materials that the U.S. needs due to the inadequacy or possible depletion of the U.S. own resources and which will be available in participating countries after establishing a reasonable need for these materials for their own needs and exports.” This provision of the law means that the United States, by

creating strategic reserves for a new aggressive war, can require any Marshallised country to supply them with the strategic materials that that country or its overseas possessions possess. At the same time, the Marshall Plan is the responsibility of the Marshall Plan administration to decide whether these raw materials are needed for their own production or whether these raw materials are needed for their own production. This further means that the economic relations between the colonial powers and their colonies are largely in the hands of the United States.

The Harriman Commission listed technical diamonds, cobalt, copper, tantalite, zinc, tin on the list of U.S. raw materials of interest to the United States in the Belgian Congo; in the French colonies of bauxite deposits in French Guiana, chromium and nickel in New Caledonia, graphite and mica on the island of Madagascar, lead in Tunisia and Morocco, and manganese in Morocco. The Dutch West Indies have bauxite and tin resources. The richest in terms of strategic materials are the British colonies: in Southern Rhodesia there are asbestos and chromium, in Northern Rhodesia—cobalt, copper and bathadium, in British Guiana—bauxite, in Nigeria—cobalt and tin, in Burma—lead and zinc, on the Gold Coast—technical diamonds and manganese, on the island of Ceylon—graphite, in Malay—tin. Speaking in the Senate in January 1948, the administration's representative on the issue of calculations for strategic materials stated: "From a financial point of view ... for us it is almost indifferent whether we will: a) provide less assistance in the form of loans and more in the form of subsidies, with the return of some of these "subsidies" with strategic materials (thus, the subsidy actually turns into a loan), or b) to provide more assistance in the form of loans, followed by reimbursement, as usual, in dollars (partly received from us for the raw materials we purchased) or in special cases strategic materials."

The law specifically stipulates the obligation of the countries participating in the "Marshall Plan" to agree with

the U.S. on a “minimum list of necessary materials... where the United States is already in need or may experience it in the future because of its limited resources. Participating countries must supply these materials to the U.S. at world market prices in order to ensure that the U.S. industry has access to such materials in a fair share, either as a percentage of world production, or in absolute quantities...”

Further, the April 3 law requires the Marshall Plan countries to open a special account in its currency for the amount agreed with the United States if assistance is provided to the country. These amounts are to be stored or used in consultation with the Marshall Plan Administrator “in order to stabilize the country’s domestic cash flow and financial situation, to stimulate productive activities, as well as to discover and develop new sources of wealth, or to implement other expenditures in accordance with the objectives stated here, including the U.S. local currency administrative costs related to activities under this law...” This article conveys to the United States a very serious means of controlling the entire area of the financial policy of the marshalled countries.

Further articles of the law require that countries receiving assistance from the United States report at least quarterly on the use of the country’s funds, goods and services, and that, under the Foreign Assistance Act, those countries provide “rapid representation at the request of the United States of any information that may be useful to the United States.”

The April 3 act authorizes the administrator to implement the “Marshall Plan” to stop providing assistance if, in his view, the participating country “does not comply with the agreements it has signed... or to other purposes the assistance it has received because of this law.” But even in the absence of any breach of contract, the administrator has the right to stop providing assistance at any time, “unless, due to a change in circumstances, it is no longer in the national interest of the United States.” And in case the

circumstances change quickly, “the termination of aid to any country under this section will apply to all deliveries planned by the aid programme for the country and not yet produced.” In excess of all these bonded and humiliating conditions, there are other safeguards in the law of 3 April that ensure the special interests of monopolies.

Of great importance is the provision of the law, which by which the administrator of the Marshall Plan must by all means ensure that at least 50% of the total number of goods supplied is transported by the U.S. Merchant Navy; this condemns the trade fleet and shipbuilding of a number of European countries to the swell. Another critical provision of the law is that the administrator of the Marshall Plan, based on the plans he approved, guarantees U.S. firms up to \$300 million in overseas investments. 14 years. The law stipulates that if the U.S. Secretary of Agriculture declares the presence of surplus agricultural products, Administrator Hoffman is required to purchase these products only in the United States. It is stipulated by law that if a member country of the Marshall Plan takes any step with respect to property, contract or concession belonging to an American citizen in that country, and the U.S. Government supports the latter's claims, the participating country must, as a precondition for assisting it, agree to transfer the dispute to the International Court of Justice or other court of law determined by mutual consent. For example, Congress has adopted a special amendment on the mandatory purchase of milk powder by Western European countries in the United States for \$65 million. Milk powder is imported even to countries such as Austria, which has a developed dairy economy.

The flour industry, seeking to provide orders to mills, has achieved a rule that at least 25% of U.S. wheat exports to Europe should be flour. But the supply of agricultural machinery for European countries was limited until July 30, 1949, amounting to only \$75 million.

The April 3 law shows that American monopolies are associated with the “Marshall Plan” very far-reaching calculations. Speaking on the radio on 18 June 1948, Senator Vandenberg stated that the “Marshall Plan” was “the best investment we can make.” The benefits of this “investment,” according to the designs of American monopolies, should be, on the one hand, in the stretch of the growing economic crisis in the United States and, On the other hand, in the comprehensive economic and political enslavement of Western European countries, the Defenders of the Marshall Plan, speaking in the United States, usually assure that this “plan” will, they say, promote “economic activity” in the United States, “give an opportunity to free themselves from surpluses”, will remove from workers the threat of unemployment, and from entrepreneurs—the threat of loss of profits and capital, the inevitable economic crisis.

The reference to the value of the Marshall Plan for crisis tightening is particularly common when the plan is objectionable. For example, when discussing the “Marshall Plan” in the House Appropriations Committee, Deputy Agriculture Secretary Dodd said, “I think you’re going to see one of the greatest crashes in commodity markets if this programme is curtailed.”

The same argument was made by commission member Mahon, who said that the “Marshall Plan” allowing the implementation of American surpluses of agricultural goods, makes it possible to avoid an “immediate fall in the price of agricultural products.” Another member of the commission, Cannon, said that without the “Marshall Plan” the prices of U.S. agriculture products would have fallen and “we would be in the midst of a depression.”

The intimidation of the crisis as a means of campaigning for the “Marshall Plan” is in itself quite eloquent, but the hopes for the fear of the crisis with the help of the “Marshall Plan” are clearly built on the sand. After all, the funds for its implementation are taken not from super-profit monopolies, but from the already departed pockets of American

taxpayers. And this inevitably means a further narrowing of the domestic market, i.e. an even greater aggravation of the chronic disease of American capitalism.

Of course, for American monopolies, the Marshall Plan is a profitable investment. Its profitability is determined by the fact that capital is given by the state, and profits go to monopolies. This procedure is familiar to corporations on wartime. Now American firms have once again received a large and profitable customer in the person of Hoffmann-led "Office of Economic Cooperation." Its demand is regarded in monopolistic circles of the United States as an ersatz of a known part of military demand, which left them with the sweetest memories and unquenchable longing. Another part of the wartime demand is to replace the dizzying costs of the weapons programme announced by President Truman. No wonder the government authorities in Washington constantly take for one bracket the cost of the arms race and the "Marshall Plan." Thus, the report of the Economic Council under the President for the first quarter of 1948 states: "The Plan for the Reconstruction of Europe and the Defence Plan must be considered jointly, as they entail the same economic consequences."

Indeed, the economic nature of these expenditures is very close, because it is about the consequences for American economic life. Billions of dollars are pumped out of taxpayers' pockets, which then go to the accounts of the monopolies of the military industry, cotton merchants, grains, egg powder, car kings, etc.

A number of statements by officials showed with full clarity that the "Marshall Plan" is an inseparable whole with adventurous military plans of nuclear diplomats and generals of the State Department and the military department. As early as early 1948, the speeches of the famous warmongers—the then Secretary of National Defence of the United States Forrestal and the financier Baruch—were very frankly revealed the connection between the notorious "European reconstruction programme" and the creation of an

aggressive military bloc under the supreme leadership of the United States. Speaking to the Senate Foreign Relations Committee on January 15, 1948, during a discussion of the Marshall Plan, Forrestal said: "I am sure that Marshall intends to demand compensation from European nations for American assistance to provide military bases for the United States armed forces. I hope that my ministry will be tasked with coordinating the armed forces of the 16 countries covered by the Marshall Plan."

In other words, Forrestal acknowledged that the Marshall Plan involved the transformation of Western Europe into vassals of the United States, and these vassals were obliged to provide their armed forces to the full disposal of the American imperialists.

A few days later, on January 19, speaking at a meeting of the same commission, Baruch recommended that the countries of Europe "unite in a political, economic and defensive alliance" and that the United States and "equally thinking" countries "provide mutual guarantees to the countries entering this alliance against aggression." "By the word "guarantees,"" Baruch said, "I mean a firm promise to go to war for joint protection if any of them are attacked."

The reference to the "attack" is, of course, only for the diversion of eyes, as well as talk of the supposed "defensive" nature of the military alliance. Who does not know that imperialist aggressors always talk about the "defensive" purposes of their military preparations?

Two weeks later, a representative of America First, a former member of The Fish Congress, addressed the same Senate Foreign Relations Committee. This rabid fascist thug demanded the creation of a Western European military bloc against the Soviet Union. Fish called for immediate addition to the "Marshall Plan" with military agreements with Britain, France, Italy and Spain - especially with Spain as a fascist state - with Belgium, Holland, Switzerland, the Scandinavian

countries and maybe Canada, the South African Union, Australia and New Zealand.

Finally, Professor Mardon of the University of Iel, invited to a meeting of the same Senate committee on February 4 as an expert, proposed to include the countries of Western Europe, which, in his words, “threatened by communism” in the United States in the position of new states. He said that “the Marshall Plan in its current form is too expensive, it will cause tension in the American economy.” At the same time, according to Mardon, the “Marshall Plan” will not achieve the goal, because it “will promote the spread of communism, not weaken it.” As a way out of the situation, Mardon proposed to end the independence of Western European countries as independent states and turn them into new states of the United States.

The following months were filled with a feverish diplomatic romp over the Marshall-Baruch-Fish programme, a Washington-led military and political bloc of Western European states opposed to the Soviet Union and the countries of popular democracy.

The administrator for the implementation of the “Marshall Plan” Hoffman, speaking on May 13, 1948 in the Senate Appropriations Committee, said: “We are like a banker, we can say that we will not give our dollars if you do not do this and that.”

“This and that” in Hoffmann’s rich language, as further experience has shown, covers a wide variety of economic and political demands. These include, for example, the devaluation of the franc and military bases in Greenland, the London diktat on the dismemberment of Germany and Britain’s abandonment of the sterling bloc, the maintenance of the horde of American advisers in Turkey and participation in the military Western Union. Hoffman’s reference to a banker can hardly be deceived: under normal circumstances, the banker does not make such demands to the debtor. But that’s the point, that Washington is not acting as a banker in our time, providing loans on normal terms” but as a global



moneylender, demanding for its dollars the full economic and political subordination of the countries participating in the “Marshall Plan.”

Hoffman somewhat fleshed out his views on England in a conversation with the New York Daily Mail correspondent James Bruff in early May 1948. I expect the same principles that I would apply to my own private enterprises to apply. I also look forward to regular reports from British leaders on recovery successes.”

Just a few decades ago, foreign loan sharks allowed themselves to speak in such a tone only with sultan Turkey, this “sick man” of Europe. American monopolists without any embarrassment consider Western European countries as bankrupt, which should be taught mind-mind.

The casuistry and chicanery of the law of April 3, 1948 could not overshadow from the democratic public of Western Europe, as well as from the progressive forces of the United States the true aggressive essence of the “Marshall Plan”. As the most important provisions of the American Foreign Assistance Act became public, resentment and outrage grew over the terms of the Marshall Plan. In the United States, the Communist Party, a number of progressive trade unionists and public organisations, the Progressive Party, which nominated Henry Wallace in the November 1948 presidential election, unequivocally denounced the “Marshall Plan” as a direct extension of the Truman Doctrine, as the embodiment of imperialist policies inspired by the reckless plans for the peaceful establishment of the world domination of American monopolies. In the marshalled countries of Europe, millions of ordinary people, even before the implementation of the Marshall Plan, perfectly understood its real nature, its incompatibility with the economic and political independence of peoples, with lasting peace and international security, on April 15, 1948, the plenum of the Central Committee of the Communist Party of France adopted a 17-point national recovery programme. The first paragraph of the programme read: “It is necessary to

terminate the agreements and treaties that involve France in the policy of war pursued by the imperialist camp; those treaties and agreements that make foreign credit dependent on the conditions leading to the elimination of the country's national independence; those treaties that bind France to its former adversaries and separate it from its allies ("Marshall Plan," Brussels military agreement, alliance with West Germany). France must be actively engaged in the struggle being fought by the Soviet Union and the world's peace advocates for a just democratic and lasting peace based on respect for inter-union treaties and the charter of the United Nations."

The elections in Italy, held on April 18, 1948, were an impressive demonstration against the enslavement of Western European countries by the imperialism of the dollar, held on April 18, 1948. Priests from the pulpit cursed the People's Front, communists and socialists. American reactionaries organized a campaign of sending letters to Americans of Italian origin with threats and intimidation. The American ambassador to Italy unceremoniously interfered in the election campaign, discarding any diplomatic decency. On the eve of the elections on April 18, 1948, Marshall officially declared that in the event of an electoral victory of the coalition of socialists and communists, the American "assistance" of Italy would be stopped immediately. During the voting all sorts of falsifications of the real will of the people were allowed: many monks and priests voted several times, and so on. Despite this, more than 8 million votes were cast for the Popular Front, which strongly opposed the "Marshall Plan", for an independent foreign policy, for friendship with the Soviet Union and the countries of popular democracy. The colour of the Italian people firmly rejected the policy of burying the country with American imperialism. Speaking in parliament on June 10, 1948, the leader of the Italian Communists, Palmiro Togliatti, stated that the pernicious effects of the "Marshall Plan" were beginning to be understood by the part of the population that had allowed

itself to be misled until April 18. Noting that the “Marshall Plan” for Italy “contains the germ of a new national catastrophe, the size of which is hard to imagine,” Palmiro Togliatti said: “If indeed our country will be engaged on the path to war, we know what our duty is. The imperialist war must now be answered by war in defence of the peace, independence and future of our country.”

## 6. So-called “Bilateral Agreements”

The law of April 3, 1948, passed by the American Congress, required the countries participating in the “Marshall Plan” to conclude “bilateral agreements” with the United States on the terms of American “assistance.” In early June 1948, Hoffmann handed over to each of the 16 European countries drafts of such agreements. At the same time, according to the informed journalists, he openly admitted that the United States intends to receive as much as possible for its dollars.

Draft agreements have not yet been published, when the newspapers of European capitalist countries, especially English and French, began to bitterly lament that the most pessimistic expectations of the most visible European politicians were exceeded. A Reuters diplomatic observer reported on June 9 that the projects were “deemed unacceptable by each of the 16 countries in their current form.” According to him, the main objections were to the next one.

First, the tone of the projects was deemed too commanding. Secondly, it turned out that the commitments offered to European countries were unilateral rather than reciprocal. The following circumstance was cited as an example. The countries of Europe participating in the Marshall Plan must be tied up for four years, while the issue of United States participation must be re-decided by Congress each year.

Thirdly, the projects included such decisive United States intervention in the internal affairs of European countries, which goes far beyond what the American representatives were able to impose on European countries in Havana at an international conference on trade and the use of labour. However, even the Havana recommendations had not been ratified by any of the States participating in the conference. Finally, fourthly, the projects “give America extraordinary rights to impose devaluation on European countries without any reciprocal conditions.”

The last two paragraphs need some deciphering. With regard to the terms of international trade, the American side had stipulated the right to demand that any participant in the “Marshall Plan” reduce tariffs to a minimum and generally recognize the notorious principle of “free trade”, which meant in fact full freedom of seizure of European and colonial markets by American monopolies. The true meaning of the American demand for “free trade” is now well known around the world. The demands of “free trade” and “equal opportunity” are put forward by American diplomacy in the interests of the monopolies of the United States, seeking not only to stifle weaker rivals, but also to trample the independence of peoples. The true content of these claims was revealed by V. M. Molotov at the Paris Peace Conference in 1946.

“It is not so difficult to understand,” he said, “that if you give free rein to American capital in war-torn and war-torn small states, as the defenders of the principle of “equal opportunity” want, the American capital will buy up local industry, make its property the most interesting Romanian, Yugoslav and all sorts of other enterprises and become the master in such small states. In this situation, we can perhaps live to the point that in your homeland, turning on the radio at home, you will listen not so much to your native speech, as more and more American records and this or that English propaganda. There may come a time when in your home country, coming to the cinema, you will watch American

paintings sold abroad, and not those that are better quality, but those that are made more, but which are distributed and imposed abroad by agents of the strong, especially those who got rich during the war, firms and film companies.” Comrade Molotov pointed out that in the case of the implementation of the principle of so-called “equal opportunities” there would be nothing left of the independence and independence of small countries, if we consider the situation of the post-war period, when the American capital was gigantic, and a number of European countries suffered serious damage from the war. “Isn’t it clear,” said V.M. Molotov, “that such an unlimited implementation of the principle of “equal opportunity” in these conditions in practice would mean the real economic enslavement of small states and their subordination to the domination and arbitrariness of strong wealthy foreign firms, banks, industrial companies? Is it not clear that with such a “principles of equality” in international economic life, small states will live on orders, on prescription, on the orders of strong foreign trusts and monopolies?”

In today’s environment, the requirement of “free trade” and “equal opportunity” for economically strong and economically weakened countries means not only the exploitation of some countries by others, but also a threat to the economic independence, sovereignty and national existence of weaker countries. In the countries of the British Empire, this requirement is regarded as unceremonious pushback of England by the United States. With regard to currency devaluation, the draft agreement on the Marshall Plan required consent to the adoption of any American guidance in this area, which, of course, was not motivated by concern for the recovery of European monetary systems, but by the consideration of eliminating the possible competition of European countries in the world market of goods and capital.

The government press of Western European countries criticized the conditions of American “assistance” only for

taking a blind eye, for deceiving public opinion. Then it was solemnly announced about the alleged “concessions” reached during the negotiations, which in fact are of absolutely no significance. Agreements were signed, and Western European countries put on chains of bondage dependence on American monopolies.

The published texts of the agreements concluded under the “Marshall Plan” by the United States with Western European countries provide rich material for the characteristics of the latest forms of non-economic relations of domination - subordination on which modern monopolistic capitalism is based.

The bilateral agreement on the “Marshall Plan” concluded by Britain and the United States is such that during its discussion in the House of Commons, even some Labour MPs have amended the resolution to “ask governments to agree on the elimination of conditions that could lead to foreign control over Britain’s internal financial affairs and the infiltration of foreign interests into its colonies, as well as harm to the British Commonwealth of Nations.”

The fact that the agreement obliges England to establish the most favoured regime in its foreign trade with West Germany caused considerable concern in England. The ruling camp’s seal expressed fears that the condition wide-opened the door to German competition, which had been revived by American capitals.

Article Four of the agreement stipulates that revenue for American goods coming under the “Marshall Plan” must be contributed to a special fund that cannot be spent without the consent of the United States Government. According to the calculations of the press, this fund should amount to 300 million f. art, or \$1,200 million. per year. The fact that the use of this fund requires American sanctions is a very humiliating indication of the dependence of the British government.

Article Five imposes an obligation on England to supply the United States with materials on terms that must be agreed with the United States Government. It is easy to understand that this condition opens up new prospects for profit for American monopolies.

This article allows the United States to purchase in the British colonies for pounds of sterling materials for which they would have to pay in dollars. But this reduces the dollar revenue of England. Thus, the American “aid” designed to reduce dollar famine, in fact, exacerbates it.

The agreement stipulates that if the most important colonies refuse to join the agreement, the United States Government has the right to “change the form or duration of assistance to the United Kingdom”, i.e. this “assistance” is cut at its discretion.

Article Seven obliges the British government to provide the United States Government with detailed information. Thus, the Anglo-American agreement on the “Marshall Plan” was a further stage of London’s surrender to the “senior partner”, subordination of The interests of England to American monopolies.

Let us take, further, the agreement with France, the terms of which are typical for other countries. Its first article stipulates that the purchase of goods that France will produce “outside the United States should not harm the trade interests of the United States.” On this basis, American monopolies can prohibit France from trading with any other country. No wonder the French press reports that the Americans are forced to buy coal from them for 20 dollars. per tonne, while the French could get coal for \$12. The second article of the agreement stipulates that “products and products supplied by this agreement must be used for purposes consistent with the agreement, as well as for special purposes that the United States Government may outline.” This means that Washington can at any time order the French government to use any imported goods, such as the same coal, for certain purposes, say, for

the *production* of weapons and military materials. Further, the agreement stipulates that France is obliged to supply the United States with the types of strategic raw materials it needs. Thus, the reserves of bauxite, oil, nickel, chromium are available. both in the territory of France and on the territory of its overseas possessions, in fact come to the complete and undivided order of Washington. Article Six obliges the French government to provide “sufficient patronage to all citizens of the United States, any company, society, association established under American law. It should ensure that they have access to the exploitation of French resources on an equal footing with French citizens.”

The American demand for “equal opportunities” is already well known to European peoples as a requirement of total space for the economic and political expansion of American monopolies. Now this requirement is imposed on European countries. For example, in France, American companies, organized under the sixth article of the agreement, can easily crush their French competitors, having a huge advantage of financial power over them. No wonder the progressive French public protests against the terms of the agreement, calling it “the agreement on colonization of France.”

Article Eight obliges the French government to give the United States “information about its economy and any other information.” Thus, France is obliged to tell Americans any economic data, up to production secrets. In other words, the agreement wide open the door to the widest economic espionage, and the French government is not only deprived of the opportunity to take any measures against such espionage, but, on the contrary, is obliged to help and help him in every possible way.

Characteristically, as early as mid-June 1948, the Danish financial services body, The Financial Journal, in an attempt to object to American economic espionage associated with the Marshall Plan, wrote: “The extreme curiosity of the



commissions appointed to oversee the aid is disturbing. European foreign ministries and governments are so overwhelmed with the filling out of various American questionnaires that they have almost no time for another case.”

Newspapers in many Western European countries report circulars sent by American missions to individual enterprises, which are invited to provide detailed data on the nature of their production and trade activities.

Article Nine of the agreement with France provides for American citizens with interests in France to “recover damages arising from government measures that may affect their property or interests.” Thus, Americans get a “legitimate” basis for interfering in all issues of French economic policy. In particular, they have the opportunity to prevent the nationalization of any industry in which they can soon establish their own hotbeds.

Finally, the points contained in all the agreements that oblige European Governments to extend the most favoured regime not only to the United States but also to the territories they occupied, i.e. West Germany, Japan and Korea, are of particular importance. Such a requirement actually obliges France, England and other European countries to contribute to the first economic recovery of the former enemy countries, and, as everyone knows, it is not about the restoration of a peaceful economy, but about the restoration of the economic base of aggression - military-industrial potential. At the same time, not only is there no guarantee against the resurgence of the aggressive forces of German and Japanese imperialism, but, on the contrary, the entire direction of American policy in the former enemy countries contributes to the early revival of their imperialist and aggressive forces.

In light of these facts, it is not surprising that the Bureau of Economic Research of the General Confederation of Labour of France has characterized the notorious agreement under the “Marshall Plan” as “the taking of Americans in

their hands genuine control over French financial and monetary policy.”

This is the nature of the so-called bilateral agreements, which, according to an ironic note from a French newspaper, would be more correct to call one-sided. Indeed, the agreements were developed by Washington and then simply imposed on them by Western European governments. The democratic press of all Western European countries expressed indignation at the bonded terms of these “unilateral agreements” under the “Marshall Plan”, “The simple stroke of the pen put an end to the economic independence of the Netherlands,” wrote the Dutch communist newspaper *De Waarchaid*. “America has the right to devalue a guilder. We must provide the United States military industry with classified data about our industry.” “The agreement with the United States,” wrote Swedish communist newspaper *Nu Doug*, “is beneficial only to Americans, but Sweden, apart from a number of constraining its political and economic obligations, receives nothing under the “Marshall Plan.” In addition, we pledge to give the United States broad rights to exploit the country’s natural resources.”

*Nu Doug* pointed out that the Swedish-American bilateral agreement specifically stipulated an obligation to “encourage and facilitate the travel of American citizens to Sweden.” This, according to the newspaper, is “incompatible with the notion of the sovereignty of a country turning into a pawn in the political game that America is now playing.” After the signing of the bilateral Swedish-American agreement, the same newspaper wrote: “The Americans imposed the same obligations on Sweden as Greece and China, where they are waging war. The humiliating commitments signed by Sweden “subjugate our country and its policies to American control.”

In discussing the Marshall Plan agreements, after they were signed by Governments, pro-American politicians in European parliaments resorted to all sorts of gimmicks in an

attempt to gloss over the unsightly reality. For example, on 3 July 1948, at a meeting of the Norwegian Storting, Foreign Minister Lange made the argument that, say, all international cooperation is inevitably associated with the loss of national sovereignty. Such sophistry is not able, however, to smear the undeniable fact that cooperation between equal partners, like the sky from the ground, differs from the “collaboration” between the rider and the horse or from the “collaboration” between the boa constrictor and the rabbit swallowed by it.

When discussing the bilateral agreement on the “Marshall Plan” in the Italian Chamber of Deputies on July 8, 1948, the first speaker, Republican de Vita, spoke in favour of ratification of the agreement, saying that the “Marshall Plan” is not a weapon of war, but a tool of the struggle against communism. A few days after de Vita’s speech, vicious shots were fired at the leader of the Italian workers, Palmiro Togliatti. This heinous crime was the fruit of the entire policy of the ruling clique of Italy after the notorious “American” elections on April 18, 1948 - the policy of fascism of the internal regime and unconditional subordination to the State Department of the United States. The attempt on the life of Palmiro Togliatti caused a wave of popular indignation throughout Italy. For three days the whole economic life of the country was paralyzed. The strikes came to an end only after reports emerged that the life of an Italian labour leader was not in danger. An impressive demonstration of popular solidarity showed the American henchmen of the government of de Gasperi what the real feelings and moods of the Italian people are, what is their actual attitude to the policy of Marshallisation, the abandonment of national sovereignty, Italy’s involvement in the aggressive plans of American imperialism.

## 7. The Mechanics of the Wall-to-Wall Wall-Up of Western Europe

The law of April 3, 1948, the so-called “bilateral agreements” and, finally, the practice of implementing American “assistance” sufficiently revealed the mechanism by which American monopolies seek to implement the main goals of the “Marshall Plan” which is to economically and politically enslave Western European countries, in the creation of a military union of these countries for aggression in Europe.

Already, the very form of so-called American “aid” plays an important role in this regard. As you know, the funds under the “Marshall Plan” are provided to European countries in the form of so-called subsidies (gifts) and loans. Because the U.S. Congress has decided to approve appropriations for the year, the allocation of funds for grants and loans should also be made annually. European countries remain in complete ignorance not only about the total amount of funds they can rely on during the Marshall Plan, but also as to what proportion of these funds will be provided in the form of grants and what is in the form of loans.

The law of April 3, 1948, “assisting foreign states, which regulates the terms of “assistance” in great detail, leaves this issue completely open. The law gives the administrator of the implementation of the “Europe Recovery Programme” the right to provide assistance “free or on the terms of repayment of loans in cash, or in the form of loans, or on any other conditions that he may find appropriate.” Further, the law is limited to the indication that the administrator “can consult with the National Advisory Committee” on this matter, “if necessary, and the terms of reparation will be determined by the nature and purpose of the assistance provided and whether there are reasonable grounds for certainty that this reimbursement will be made”. Thus, in this regard, there is wide scope for the arbitrariness of American “guardians” who are given the additional

opportunity to demand their line of conduct from the countries participating in the “Marshall Plan”. The calculation underlying this “uncertainty” is extremely simple. On the one hand, the administrator of the Marshall Plan gets the opportunity to offer any marshalled country in the form of a gratuitous “gift” those stale goods in which American monopolies are interested. On the other hand, if a Marshalled country wishes to obtain the goods it really needs, the administrator can only agree to import them if that country agrees to pay for supplies from the United States in cash or to obtain a payment on the terms set by the United States. However, the adoption of such conditions means an even greater exacerbation of dollar famine for a country in need of imported goods. A similar method of influence may be used by the Marshall Plan administrator whenever a Marshall Plan country wishes to obtain production facilities, or if the materials or equipment it calls may enhance its competitiveness with the United States, or if the United States does not have a surplus of these goods, or in any other case.

The provision of so-called subsidies to European countries is used by supporters of the “Marshall Plan” for obsequious advertising of supposedly unprecedented generosity and selflessness of the United States. In fact, the cynicism of this lie is unprecedented.

The sums raised in European countries from the sale of goods coming into the subsidy account form a special fund with local currency. Its expenditure is entirely under the control of American representatives. This fund is primarily used to maintain large number of American personnel in the Marshall Plan countries and to extract the scarce types of strategic raw materials that these countries are required to deliver to the United States.

For example, in the so-called “Marshall Plan” agreement concluded by the United States with Italy, Article Four stipulates that Italy will open a special fund in lira corresponding to the dollar value of all Italian U.S. subsidies.

The funds in the lira will be used for United States administrative expenses in Italy arising from the "Marshall Plan", to pay for the cost of domestic transport, etc., and to "create and develop the production of materials in which there is or may be a shortage in the United States." The agreement with Denmark stipulates that the proceeds from the sale of American goods received in the form of "gifts" must be deposited into a special account. Part of the proceeds must be made available to the Commissioners under the "Marshall Plan" who will be at the American Embassy. The other part should be used to finance and expand production, as well as to explore the fields in which the United States is interested and which they would like to receive.

Under the terms of the "assistance" under the "Marshall Plan" there is a comprehensive and pervasive control of the American commissioners for the expenditure of the fund in local currency. This control gives envoys of overseas monopolies truly unprecedented opportunities to interfere in all government activities, to approve or prohibit any use of public funds, etc. Thus, these products should have special stickers stating that they represent a gift of a magnanimous America to European countries. Governments participating in the Marshall Plan have a special obligation to promote the high mental qualities of overseas philanthropists to the population.

In order to properly appreciate this mockery of the peoples, it should be taken into account that in the form of supposedly "free gifts" American monopolists return to Western European countries only a very modest share of the profit that they have received and still continue to receive at the expense of these countries.

This is particularly evident in countries such as Italy, Austria and the western regions of Germany. The calculations published in February 1946 by the Italian Democratic Press are known. Already by that time the American occupation authorities, hosting in Italy, managed to

pump out of this country material values totalling about 400 billion liras, which then corresponded to 4 billion dollars. And what huge sums were extracted by American monopolies from the Italian economy in the following period! In addition to the connivance of the government of de Gasperi, dutifully following the orders of Washington, Italian bankers and industrialists organized on an unprecedented scale the transfer of capital abroad. Wealth created by profit in the fascist war, speculation on the black market, currency transactions in the conditions of rampant inflation and similar ways of robbing the masses, a wide flow rushed abroad. According to a special investigation, in the two years to 1946 and 1947, 300 billion liras were exported and placed in banks in the United States and Latin America, and 200 billion liras were transferred to Swiss banks. This is comparable to these impressive figures, the data on the American "assistance" of Italy. According to Hoffmann, the administrator of the Marshall Plan, Italy receives \$703.6 million for the year from April 1, 1948 to March 31, 1949. This amount is; a pathetic handout compared to the values extracted by American monopolies and their improvised Italian economy.

Even more eloquent data about West Germany, which after the war became the new California for modern gold seekers from the environment of American monopolists. In February 1946, Nixon, the former head of the German cartel investigation department and the identification of German assets abroad under the American military administration in Germany, estimated at \$3 billion. only German assets abroad obtained by the American authorities. If we add to this the unbridled enrichment of American monopolies by exporting equipment of industrial enterprises, often unique, export of stocks of raw materials and finished products, seizure of German patents and other ways, the sum of 7 billion dollars. is rather understated for the assessment of the reparations secretly taken by American monopolies from Germany during the first period of occupation.

Since then, a new inexhaustible source of enrichment for American monopolies at the expense of West Germany has been the area of foreign trade. The activities of the notorious JAA (United Anglo-American Export-Import Agency) are characterized by the fact that this organisation, taking advantage of its monopoly position, buys German goods for nothing and resells them abroad at exorbitantly inflated prices. Truly the gold mine was the export of Ruhr coal, which gives hundreds of millions of dollars of net profit annually.

The organisation also has a lot of support for German vehicles, chemicals, cameras, etc. The amount of money they have released into circulation is many billions of marks. If we take into account the paltry amount of the exchange, it is easy to understand that the lion's share of the issued "Deutschmarks" is the net income of the American authorities. With this money, agents of overseas monopolies buy up houses, land, stakes in industrial enterprises and banks for nothing, pocketing an increasing share of the national property of the western zones of Germany. Comparable to these exemptions from the West German economy, the amount of "assistance" under the Marshall Plan. For the year from April 1, 1948 to March 31, 1949, \$437.4 million was allocated for the Bison. it is clear that this amount is only a tiny fraction of what the American authorities have extracted and continue to extract from West Germany.

But maybe countries like England, France, Holland, Belgium, get American subsidies really free of charge? It's never happened! The seizure of profitable markets, which were previously at the disposal of England, France and Holland, profit in the colonial possessions of these countries bring American firms huge and at the same time growing income. Suffice it to recall the extremely lucrative operations carried out by Americans in India, Indochina, Indonesia, Belgian Congo and other colonial countries. Thus,



in the case of other European countries, The American gifts of the Danes are a clear deception.

The second form of American “assistance” is loans. Through loans, American monopolies are tightening the noose of financial dependence of Western European countries. Usually, when making a loan between equal partners by mutual agreement, the height of interest, terms and ways to repay the debt are established. The apparently unequal situation of American creditors and Western European debtors is reflected, among other things, in the fact that European countries are still in the dark about the cost of loans and the way they are repaid. U.S. creditors consider it unnecessary not only to agree on this issue with European governments, but even simply to inform them of their terms. It doesn’t matter: these conditions are not subject to discussion or change! Whatever they are later, European vassals will be obliged to fulfill the will of their American suzerain.

In today’s environment, the export of American capital is associated with exclusively unceremonious interference in the internal affairs of foreign countries. Whereas in the past the moneylender countries set certain political conditions by lending to countries such as Sultan Turkey, South American republics, etc., now the same methods, sometimes in an even more undisguised form, apply to Western European countries.

This was discovered immediately after the end of the war. Already when loans to England and France in 1946, American moneylenders put forward conditions that embarrassed even the species of British and French government dealers. It is enough to recall the circumstances with which the granting of an American loan to France was connected. Leon Blum travelled to Washington, gave all sorts of assurances about the trustworthiness of French politics in terms of American imperialist interests. On his return to Paris, Blum gave cautionary speeches, the meaning of which was that if the French were not obedient enough, the

American uncle would slam the purse. After all these humiliations, it turned out that the promised Americans a loan of 600 million dollars. was largely a bluff, as this amount included mandatory purchases of the remnants of American property located in France, etc. In “Marshall’s Plan”, this is the most pronounced thing. Billions of dollars allocated from the state treasury, i.e. from the pockets of taxpayers, are intended to serve purposes, among which not the last place is to create conditions for the profitable application of American private capital, i.e. the funds of monopolies of Wall Street, in Western European countries. As mentioned above, the terms of U.S. assistance under the “Marshall Plan” stipulated in the April 3 act and the so-called “bilateral agreements” include full leeway for American private capital, special measures to shield American investment and protect the interests of their owners. Immediately after the conclusion of the “bilateral agreements” the press began to bring numerous reports about the organisation of branches of American firms in France, Italy and even in England, about the “fusies” of American firms with related European firms, which used to be their competitors in the world market, about buying up for nothing European enterprises by American trusts and bankers. Thus, the state power of the United States with its billions of dollars paves the way for the investment of monopolies. As in other cases, the state takes risks and costs, providing monopolies with parasitic super profits. Such an organisation of business is nothing but a adaptation to the conditions of peacetime of the mechanism of the period of war, which guaranteed monopolies unprecedented super profits at the state expense.

Wall Street monopolists take a special place in the western regions of Germany, considering them as promised land for American investment.

The Marshall Plan guarantees in dollars U.S. investments in Western Europe, as well as profits from them. U.S. firms are given the right to export from Western European

countries profits in dollars of up to 100% of their investments. To this end, the Marshall Plan provides for special guarantees of up to \$300 million. American firms on their investments in Europe.

Thus, the Marshall Plan frees American monopolies not only from the risks associated with the post-war environment, but even from the usual commercial risk. Its entire mechanism paves the way for the investment of American capital on the beginnings of colonization of European countries. But Western Europe, despite the depth of political decay and moral decline of its ruling classes, cannot be turned into a colony without the most harmful consequences for its industry and population. This is one of the deep contradictions of the Marshall Plan, which, however, is all woven from contradictions. American dealers express impatience that the countries of Western Europe are not fast enough in their terms to “ripen” as a field for the application of predatory American capital. Speaking at the Foreign Policy Association meeting in Minneapolis on January 18, 1949, McCloy, chairman of the International Bank for Reconstruction and Development (later appointed by the American “High Commissioner” in Germany), criticized the countries receiving assistance under the Marshall Plan for not being eager enough to create the most appropriate conditions for the flow of American capital. At the same time, he stressed that “American private investment abroad should be stimulated by all possible means, so that the period of need for intergovernmental financing is not delayed unnecessarily.”

The monopoly established by the “Marshall Plan” to export American capital to Western Europe leads to an even more unfavourable change in the balance of power between the dominant creditor on the one hand and the debtors who are subordinated and humiliated on the other. Loans are provided on economic conditions that in themselves prevent the actual economic rise of the debtor countries, which would help these countries to get rid of their debts in the

future. In other words, loans create debt bondage relationships.

Further, the range of supplies, the prices of goods and the one-sided nature of American trade occupy an important place in the mechanism of the European countries' hardening of the "Marshall Plan".

Naturally, in the post-war period, Western European countries needed primarily equipment and industrial raw materials for economic recovery, elements necessary to restore the basic capital of the industry and renew its working capital.

However, under the Marshall Plan, a very different range of supplies was imposed on these countries. In these deliveries, as you know, the first place is occupied by finished products of American industry, those stale goods, from which first of all want to get rid of American firms. Already in the proposal submitted to the U.S. Congress by the State Department on December 19, 1947, it was emphasized: "The government's proposed indicative import volumes provide for a significant reduction in the amount of capital works planned by the Committee of European Economic Cooperation."

The State Department's monopoly clerks can be seen in a statement from the House Foreign Affairs Committee: "If the United States achieves its stated goal and Europe becomes largely independent by the end of the recovery period, we should expressly recognize that we may face the threat of a united-state industry created by our own hands in the world markets."

The desire to put an end once and for all to the possible resurgence of European competition in the world market is what has been put forward as an official motive for reducing the supply of equipment needed for the industry of Western European countries. State Department documents entitled "Industry Reports on the European Recovery Programme" showed that in the U.S. import programme to Europe, drawn

up by the State Department, equipment that could help rebuild the industry is only a tiny fraction.

For example, the Marshall Plan programme provided that for 15 months, from April 1948 to July 1949, a total of \$7.5 billion in goods would be imported into the "Marshall Plan." to western Europe it is planned to import industrial equipment for no more than 2.3% of the total amount of loans, which, according to the authors of the plan, will be released by Congress. The State Department planned to move only \$161 million worth of equipment from the United States to Western Europe in 1948, while the Paris report called for the importation of capital equipment worth \$1.1 billion. Thus, the reduction was made by more than seven times. The changes made by American monopolies in the application of the so-called Committee for European Economic Cooperation are visible from the following table: This table shows that the import of finished steel products on American outlines far exceeds the applications of Western European countries. On the other hand, imports of scrap metal, crude and semi-processed steel, as well as equipment for the steel industry on American markets are much lower than the applications of Western European countries.

American steel monopolies have been strong opponents of the restoration of the Western European steel industry. Under the pretext of combating monopolistic practices in Western Europe, the State Department report made a strong demand that the European steel industry be subordinated to the interests of American monopolies. The countries participating in the Marshall Plan were required to submit to the United States all documents relating to the agreements between European steel trusts to buy ore, manganese and coke, as well as copies of all plans to expand and modernise European steel mills.

The British monopolists, trying to subjugate other Marshallised countries, decided in Paris to establish a "Technical Committee on Iron and Steel" from representatives of England, France, Belgium, Luxembourg

and Holland. Its aim was to “facilitate mutual consultations on raw materials, steel production and on programme to modernize and expand the steel industry.”

### Intended import

Subject of import	1948/1949		1949/1950		1950/1951		1951/1952	
	KEES	USA	KEES	USA	KEES	USA	KEES	USA
Steel in products (in thousand metric tons)	1272	1802	534	1769	300	1630	250	1152
Raw and semi-finished steel (in thous. metric tons)	2863	1266	2921	1266	3105	1266	3013	1208
Scrap metal (not from the USA) (in thousand metric tons).	1514	146	1878	125	2206	115	2346	115
Equipment for the steel industry (from the US) (in millions of dollars)	100	48	100	48	100	48	100	48

Fearing the creation of a European monopoly led by England, the State Department in its report demanded that the committee’s activities be carried out only for a period of time until there is a shortage of steel. The report also called for “all agreements and other activities of the committee to be brought to the attention of the United States and modified when required.” Thus, American monopolies have expressly declared their desire to achieve complete domination in the European steel market. The case was not limited to the fact that American monopolies severely cut the supply of industrial equipment. It is important to note that any reduction in the amount allocated primarily has the consequence of a reduction in the supply of machines to Europe.

Finally, even the small amount of American equipment that enters Western Europe is intended mainly for the European branches of American firms. Thus, the city of London’s review of the Industrial Court wrote in September 1948: “Some hope of obtaining American

equipment in the account of funds released under the Marshall Plan is mainly where there are conditions for the participation of American entrepreneurs. But it should be borne in mind that such American companies as Standard Coal, General Motors, Union Carbide already have plans to develop their own enterprises, either directly or through British firms and merged companies. They are likely to take advantage of the share of appropriations released by Congress, which is intended for the implementation of capital construction plans.”

American metropolises supply industrial equipment primarily not to countries affected by Hitler’s aggression, but to the western zones of Germany, where they are the full masters of the situation and very quickly take over the hands of industrial enterprises.

American goods imposed on Western European countries are stifling the local economy with their competition. Under the Marshall Plan, cars are widely imported into countries with their own automotive industry. As a result, the developed automotive industry in Italy and France is experiencing a desperate crisis. Everyone who knows the structure of the American economy knows that the automotive industry is always the first victim of overproduction, hitch in sales, crises. That’s why American monopolies will find new markets for cars. The fact that the car tycoon Hoffman heads the Marshall plan is not only symbolic, but also purely practical. According to the American press, by December 15, 1948, permits were issued to buy goods under the “Marshall Plan” “worth \$4.058 million. Of this amount, \$1,846 million is \$1.846 million. food, tobacco and cotton. Only \$382 million was spent on machinery, less than 10% of the total cost of U.S. supplies. The sum, not many less (\$347 million), absorbed the payment of the ocean freight; Coal and cotton, commodities that the United States is particularly interested in exporting, have been particularly interested in the supply of raw materials

because the U.S. industry has found alarming growth on every ton of coal transported across the ocean.

Deliveries of American tobacco “and European markets have forced to pay even especially zealously serving Washington Turkish seal. At the end of May 1948, the government newspaper *Jumhuriyet*, bitterly lamenting the “sad picture”, wrote: “Our tobacco industry, and therefore the entire economy of the country is rapidly going to a crisis that is difficult to overcome, because by sending to Europe under the guise of “Marshall Plan” cheap Virgin tobacco and banning the import of Turkish tobacco into Germany, America is dealing a terrible blow to our tobacco industry, and therefore to our entire economy...” The next reactionary newspaper, recalling Turkey’s merits as a “guardian against communism,” expressed bewilderment at the “policy of boycotting Turkish tobacco in Germany,” where it is being replaced by shoddy American cigarettes, playing the role of a kind of speculative currency in the black market of the western regions. State goods are imposed on all Marshallised countries.

Throughout the post-war period, the pages of the English press, for example, did not leave complaints about the forced range of American supplies for England - first on a loan of 1946, and then under the “Marshall Plan.” As early as early 1948, newspapers reported that of the total value of the “Marshall Plan” deliveries for four and a quarter of the year, amounting to 900 million f. art, more than half are for such goods, which are not necessary. These include: tobacco, oil, egg powder, dried and fresh fruit. The total amount of these four articles, as the newspapers wrote, is approaching 600 million f. It turned out, for example, that almost \$50 million is imported into England. sugar, mainly from American sugar mills in Cuba, although sugar could also be obtained from British dominions. Hoffman’s office sent about the same amount of fish to England. Newspaper paper, which England could receive from Sweden, Norway and



Finland, is imported under the “Marshall Plan” from the United States of America.

American monopolies are not only not inclined to supply European countries with the machines and raw materials necessary for the development of production. They have consistently pursued a policy of pumping out the raw materials these countries need for their industrial development. They take out from the western areas of Germany, for example, a metal crowbar. The scrap, according to the press, often includes machines and industrial equipment that could well be used to restore peaceful production.

Determining the range of goods for European countries, American monopolists are guided solely by self-interested considerations about the preservation and further growth of their exorbitant super profits, possible only if the monopolistic domination of the world market.

The example of Sweden is typical in this regard. According to press reports, the country was slated to deliver \$28.4 million worth of goods under the Marshall Plan during the first year, including coffee for \$2 million, tobacco for 2.1 million, furs and leathers for \$8 million, \$6.9 million in cars, \$1 million for paper yarn, \$4.7 million for petroleum products.

At the same time, the goods that Sweden needs most—bread, coal, steel for construction and shipbuilding, heavy machinery—account for only a sixth of the total supply under the Marshall Plan.

In this regard, the newspaper Gothenburg Handelsidning wrote that the significant reduction in U.S. shipments of shipbuilding steel to Sweden and other countries covered by the “Marshall Plan” is not due to the fact that there is no steel in America, but because the United States “for political, economic and military reasons intends to significantly reduce the export of shipbuilding steel to Europe”, as the increase in such supplies would be “directly contrary to the desire of the United States to further

increase the trade of European countries.” This European supply policy, deliberately designed to artificially create a hungry diet for major industries, carries with it the threat of strangulation and, therefore, unemployment for industrial workers. Swedish industrialists say that as a result of this policy, shipyards will be forced to significantly reduce construction or even completely stop work.

Western European countries have always extracted significant revenues from shipping, and for some of them, especially for England and Norway, sea transport has been one of the serious sources of foreign exchange earnings. The policy of American monopolies is aimed at preventing the restoration of this source of income. The report of the so-called Committee of European Economic Cooperation planned to increase the tonnage of the merchant fleet of the countries covered by it from 32 million. *t* in 1947 to 39.2 million in 1951, and tankers from 11.1 million *tons* in 1947 to 14.4 million in 1951. However, the State Department decided to prevent the construction of new vessels in marshalled countries and to transfer to them the supply of the “Marshall Plan” part of the American ships, while quiet, to protect the interests of American ship-owners from competition. The pernicious impact of the forced supply range under the Marshall Plan is compounded by the equally disastrous impact of high prices. The Marshall Plan creates a monopoly not only in the capital market, but also in the commodities market. American dealers got a unique opportunity to sell their goods at fabulously high prices. This monopoly of speculators of American commodity exchanges has already cost European peoples dearly.

Of the total amount of American loans granted in 1946 to England, this country lost only on the increase in the prices of American goods about a billion dollars, i.e. more than a fourth of the total amount of the loan. Belgium buys American wheat for 350-375 francs per centner, while it has the option to buy European wheat for 320 francs. Such facts

are reported by the press of Western European countries literally daily.

For the whole era of monopolistic “capitalism” is typical “non-equivalent exchange between industrialised and backward countries, between metropolises and colonies. Now, in the context of the aggravation of the general crisis of the capitalist system, non-equivalent exchange becomes the rule for relations between the United States, on the one hand, and the countries of Western Europe on the other. By depriving Western European countries of their markets, the Marshall Plan, however, pushes them away from sources of supply where goods can be bought on the most favourable terms.

Thus, the Marshall Plan is designed to consolidate the economic dependence of Western European countries on the United States and to increase this dependence year after year. At the end of 1947, the American ambassador to Oslo proposed to turn the Norwegian industry into a supplier of semi-finished products for American enterprises. This proposal is extremely typical of the lusts of American monopolists, who would willingly turn the industry of the whole of Western Europe into a kind of sweatshops in the service of the dollar.

The Marshall Plan not only ignores the pressing economic needs of Western European countries, but also prevents them from being met at every turn.

First, it shields Western Europe from Eastern Europe with an iron wall, while as soon as the widespread development of trade between both halves of the European continent could open the way out of the impasse to Western European countries. For only by such exchange on a mutually beneficial basis, the countries of Western Europe could find a market for their industrial goods and at the same time find a source of food and raw materials for the industry at prices much lower than the American ones.

Secondly, every week and every month brings more and more evidence of the harmful effect that European

economies have on the fact that American monopolies on the basis of the “Marshall Plan” impose their stale goods on these countries, and at the most unfavourable conditions. In Italy, France and elsewhere, the press continuously reports on scandals caused by the fact that the industrial enterprises of these countries are forced to buy American coal and pay for it two to three times the price at which these enterprises can get coal, for example, from Poland.

Such egregious facts, and many of them, provide a fairly clear answer to the question of who is to blame for the economic chaos and devastation in Western European countries.

American monopolists believe that not only the growth of their fabulous profits, but even the preservation of the achieved level is connected with the implementation of the programme of enslavement of European countries and the actual strangulation of their industry.

These are the objectives of the Marshall Plan in the economic field. This plan aims to stifle national industry, to turn Western European countries into economic underhangers to American monopolies. The deprivation of economic independence of these countries is also closely linked to their political enslavement.

This attempt is not new. At one time Hitler’s imperialists tried to turn the countries of Europe into agricultural and raw materials appendages of the German industry. This idea was carried out under the flag of Hitler’s notorious “new order” in Europe. Currently, American monopolies are essentially reviving the same plans to turn the industrialized countries of Western Europe into suppliers of raw materials and markets for industrial products for the United States, this policy inevitably creates an enchanted circle of contradictions. From the very first steps, it led to an unprecedented decline in the living standards of the masses of Western European countries and, above all, to an increase in unemployment. The reactionary nature of the “Marshall Plan” as a programme of turning Western European countries

into agricultural and raw materials appendages of American industrial monopolies is becoming more and more visible. Finally, the great impact on the Western European economy is the fact that the United States, seeking to sell its surplus to Europe, at the same time strongly prevents any significant import of European goods into America. Hence the huge dollar deficit in the balance of payments of Western Europe. The undeniable contradiction is that the United States seeks to expand its export by not allowing the appropriate importation, and Western European countries are forced to import, but at the same time do not have the opportunity to export enough goods. The Marshall Plan is largely caused by this double contradiction. At the same time, it perpetuates this ugly position.

The one-sided nature of American trade is becoming one of the levers of the Western European countries. Overseas dealers do not find in Europe the goods they need, except for raw materials—primarily strategic. Not wanting to buy European goods, they seek to buy in bulk the countries of Western Europe—with their cities and industrial enterprises, parliaments and kings, conservatives and pseudo-socialists, and above all with their military bases and young people as cannon fodder. This is the equivalent required by American shakers in exchange for egg powder and old cars. These simple truths cannot be obscured by the pathetic gimmicks used by the conductors of the Marshall Plan. Nor can they be silenced by the drumbeat of false propaganda aimed at concealing the actual objectives of the plan. Therefore, the policy that comprises the contents of the Marshall Plan inevitably faces growing resistance on both sides of the Atlantic. In the United States, progressives clearly see the demise of this policy in terms of the fundamental interests of the American people. Henry Wallace, in one of his speeches, gave the following assessment of the “Marshall Plan”: “The programme of Europe’s reconstruction will not be a programme to fight hunger, but will only perpetuate it. Europe’s recovery

programme will not contribute to recovery, but will postpone it indefinitely. The European reconstruction programme reduces the European standard of living compared to the pre-war one, while at the same time having the aim of restoring Germany as the great industrial centre of the European military bloc and restoring the power of European monopolies and landowners over the peoples of Europe. Europe's recovery programme will put Western Europe under Wall Street control. It bypasses the United Nations organisation and destroys it. It will strengthen, not soften, international demands. And because it leads to all this, Europe's reconstruction programme is doing a great deal of damage to the hopes and needs of the American people."

As the validity of the Marshall Plan is clarified, its implementation is causing growing resistance from the peoples of Western European countries. The working masses of these countries cannot fail to understand that the implementation of this programme threatens their freedom and independence, their national existence. At the same time, they see how the Soviet Union, and with its help and the countries of popular democracy successfully restore their national economy, overcome post-war difficulties. The victorious procession of the great Soviet power along the path of true economic prosperity shows all peoples the opportunity and necessity of irreconcilable struggle against animal imperialism instead of resigned subordination to its dark forces.

"The Marshall Plan" on closer inspection turns out to be a new edition of Hitler's crazy plans for world domination. The people who made incalculable sacrifices in the fight against Hitler's enslavers do not intend to put their necks under the yoke of new, overseas lords. They know that the forces of democracy are enormous and their cohesion, activism and vigilance depend on the collapse of the hateful plans of the imperialist reaction.

## 8. Colonial Expansion of the United States of America

The “Marshall Plan” system of clogging up Western European countries with American monopolies is designed to undermine the positions of these countries in the colonial world. The Marshall Plan is the most important weapon of colonial expansion of American imperialism. The colonial expansion of the United States is now taking place in the conditions of further sharp aggravation of the colonial system crisis as a result of the Second World War and the defeat of fascist aggressors by the Soviet Union. The mighty rise of the national liberation movement in colonial and dependent countries increasingly jeopardizes the rear of the imperialist system. The national liberation movement in colonies and dependent countries has acquired a much greater scope, strength and political maturity compared to the rise of the national liberation movement after the First World War.

World-historical significance is the victory of the Chinese people over the rotten arch-reaction of the Communicative regime and its American masters. The masses of China, led by the working class and its hardened in historical battles by the communist avant-garde, toppled the evils of internal reaction and international imperialism. Established on October 1, 1949 in Beijing, the People’s Republic of China opens a new page in the lives of the 475 million Chinese people, who make up a quarter of the world’s population. Indonesia, Indochina, Burma, Malaya are the scene of a decisive struggle against imperialist rot. The liberation movement of the peoples of the colonial countries has never had the support of hundreds of millions of people as it is today.

A characteristic feature of the national liberation struggle at the present stage is the increased share and leadership of the working class in colonial and dependent

countries, the growing influence of communist parties among the masses.

Trying to maintain their dominance over the peoples of colonial and dependent countries, imperialist predators resort to all sorts of manoeuvres. They seek to split the forces of the national liberation movement by means of violence and deception. For this purpose, in particular, a new tactical manoeuvre is being put in place- providing the colonies with formal, fictitious independence in order to preserve and strengthen the de facto dominance of imperialism economically, politically and militarily under its guise. But neither violence and colonial wars, nor the alliance of colonizers with the native large bourgeoisie cannot break the will and perseverance of the peoples of colonial and dependent countries in the struggle against the imperialists. Therefore, all the manoeuvres of the imperialists in the colonies can only complicate the cause of liberation of enslaved peoples, but cannot lead to an end to the national liberation struggle. On the contrary, the violence and deception of the colonizers have the end result of further exacerbation of the colonial crisis. Against this background, the colonial expansion of the United States is unfolding, aimed at the redistribution of colonial possessions in favour of American imperialism, to the seizure of colonies of Western European countries. The law of April 3, 1948 and the so-called bilateral agreements require Marshallised countries to grant the notorious “freedom of trade” and “equal opportunity” to American monopolies. This condition of the “Marshall Plan” caused particular concern in England, for the dominant classes of which the empire has long been a source of huge income. Economic ties and non-economic withdrawals from the countries of the empire have long been the essential pillar of English capitalism. However, for other Western European countries—for France, Holland and Belgium - the actual transfer of their overseas holdings to the supremacy of



American monopolies means a huge economic and political weakening.

Commenting on the so-called bilateral agreement on the Marshall Plan, the British press was forced to admit that the agreement “opens the door of the empire to American trade interests.” It would be more accurate to say that the doors of the British Empire are wide open to American expansion. A characteristic of modern capital exports by the United States is that the American dollar is designed to crack the gates of colonial empires, especially the British as well as the French. Countless facts, daily reported by the press, show first-hand how the export of American capital is used to infiltrate the spheres of influence of other capitalist states, to capture decisive positions in the economies and policies of countries such as India, Malaya, Indo-China, Indonesia, the Arab East, African colonies, etc.

After the end of the war, the infiltration of American capital into the colonial world intensified. American imperialists began to speak frankly about the British Empire as a “sick man”, similar to the Ottoman Empire of the last century, claiming their rights to “inherit” this “sick man.” Thus, the fascist American journalist Carl von Wiegand, who during the war spoke in defence of Hitler’s Germany, wrote: “The British Empire goes back in history. The lush spectacle of British power, fame and greatness that has blinded the world for more than two centuries is coming to an end. America is the natural heir to the prerogatives of power and world leadership that have been in the hands of the British Empire for so long.”

During the war and in the post-war period, American monopolies, taking advantage of the weakening of their British competitors, captured important economic positions in the Countries of the British Empire. On the economic, penetration of monopolies of Wall Street into the countries of the British Empire gives the following table: As can be seen from the table, imports from the United States to the countries of the British Empire increased more than five

times compared to pre-war time. Before the Second World War, imports from the United States to these countries accounted for about three-fifths of English, and in 1947 it was more than one and a half times higher than English. American imports to Canada were four times as much English before the war, and in 1947 it was twelve times larger. American "import to India before the war was almost five times less English, and in 1947 it exceeded English. After the end of the war, England significantly expanded its export compared to the pre-war level. But the sale of British goods is unthinkable, firstly, without a certain import from colonial countries and, secondly, without the appropriate policy of credit and investment. The terms of the "Marshall Plan" open wide space for undermining both of these pillars of English exports and, therefore, the modern British economy as a whole.

Washington's policy is committed to making room for American goods and capital in the British Empire. To this end, measures are being taken to weaken England's economic ties with its possessions. The argument is that the Marshall Plan should not be used to provide credit to non-European countries. Under this pretext, American monopolies impose their heavy foot on the area of relations between England and the so-called sterling zone. The presence of the Anglo-American bloc does not eliminate or resolve Anglo-American contradictions. The imperialist rivalry between the United States and England manifests itself in a wide variety of forms and in various parts of the world. Canada has long been more of an American dominion than an English one. Australia is fully included in the military-strategic plans of American imperialism. In Iran, there is a fierce struggle of British and American oil monopolies. Oil permeates all the policies of the United States and England in the Middle East, particularly in Palestine. In Arab countries, the struggle between The British and American imperialists has become a form of violent coups and political assassinations (Yemen, Syria). Intelligence of both powers weave against each other

continuous intrigues in countries such as Egypt, Iraq, Saudi Arabia. In India, American imperialists take over economic positions step by step, in Greece they encourage demands for the “return” of Cyprus. In the Far East, American policy is aimed at ousting England, to capture its positions in China, Japan, etc. But everywhere where the waves of the national liberation movement threaten the very existence of the colonial system of exploitation, the two powers join forces to suppress the masses. In the same way, they stand united against the forces of democracy and progress in Europe.

	Import from England		Import from the USA	
	1938	1947	1936-1938	1947
	(in million dollars)			
All countries of the British Empire (except Great Britain Including:	1150	2300	750	3900
To Canada	114	173	450	2100
Australia	192	288	66	230
New Zealand	96	173	22	78
Union of South Africa	198	370	76	420
India	169	365	35	400

American imperialism considers itself the heir to the British Empire. But at the same time it does not ignore the colonial possessions of other Western European countries. The American capital is increasingly infiltrating Indonesia, Indo-China, Belgian Congo. In Indonesia, in 1922, Rockefeller firm Standard Oil received a stake in the development of oil sources on the island of Sumatra. Since then, American monopolies have seized hundreds of oil sources in Indonesia. They also own several refineries. American rubber plantations in Indonesia have a total area of up to one million acres. The lion’s share of the plantations belongs to the companies Goodrich Rubber Company and United States Rubber Company. In addition, American firms buy almost all rubber from Dutch planters.

By providing “assistance” to The Netherlands as part of the Marshall Plan, the United States demanded unhindered access to Indonesian raw materials. American monopolies have developed a plan for the “economic reconstruction” of Indonesia, i.e. adapting the country to its interests. U.S. investment in Indonesia is growing steadily. In 1946 they accounted for less than 10% of all foreign investment in the country, and now reach 40%, exceeding half the English and two and a half times the Dutch investment. U.S. firms are mining nickel ore on Celebes, seizing new oil fields in Sumatra, Borneo and New Guinea, tin and lead deposits on the Billiton Islands and Bank. In Java, Borneo, Celebes, and New Guinea, American aviation companies built their airfields. Economic expansion is complemented by the active intervention of the United States in the Indonesian question: the assistance of the Dutch colonizers in their fight against the Indonesian Republic, hypocritical “mediation” in order to enslave the Indonesian people. American monopolies consider Indonesia as a base for penetration into other countries of Southeast Asia - Malaya, Vietnam, Burma, India, Pakistan.

Since the Second World War, the American capital has been established in the Belgian Congo, exporting all uranium ore products and controlling tin and copper mines. The share of exports from this colony to the metropolis decreased from 84% in 1939 to 63% in 1947. At the same time, the United States has become a major supplier to the Belgian Congo. In 1939, imports from the United States accounted for 7%, and in 1947—38% of all imports; imports from Belgium, by contrast, fell from 48% in 1939 to 27% in 1947. Colonies of Western European countries attract special attention of American imperialists as sources of raw materials and as military-strategic bases. In November 1947, several reports of the House of Representatives, headed by Herter, were published “to assist foreign countries.” Already, these documents have called for countries participating in the Marshall Plan to provide

assistance to the United States because of the alleged “depletion of American natural wealth.” Under this pretext, the United States was to supply “metals and strategic minerals” whose deposits are located in particular in “territories of colonies controlled by the countries of Western Europe”.

Further, the documents of the Herter Commission outlined this perspective:

“In the event that, for political or other grounds, it would be ill-timed to attempt to directly obtain mineral rights, a combination of private American capital involved in the operation, with partial government assurance, with supplies for the creation of reserves in the United States would compensate for a large portion of the costs of some of the loans provided under the Marshall Plan, and could also provide for the payment of interest on previous loans.” In other words, colonies with their reserves of strategic raw materials were declared a kind of collateral of European debtors coming to the disposal of American moneylenders. The report of the same commission specified that it was the United States that should first receive from France, Belgium and Holland: 20 thousand *tons* of lead, 30,000 *tons* of zinc, 2,000 *tons* of cobalt, 15 thousand *tons* of chromite, 20 thousand *tons* of copper, 2.5 thousand *tons* of tin, 50 thousand *tons* of bauxite.

As you know, chatter about the alleged depletion of U.S. natural resources is systematically used as a cover for another attempt by dollar magnates to pocket other people’s sources of raw materials. It is worth remembering the periodic outbreaks of complaints about the depletion of American oil resources. In fact, the American capital seeks a monopoly capture of sources of the most important raw materials and, above all, strategic.

In order to implement this plan, the United States has already agreed to buy up most of the world’s stockpile of rubber at the disposal of British monopolies. In the circles of British monopolists, this hunt for strategic raw materials is of

great concern and concern. The Times Review of Industries noted in September 1948 that “some entrepreneurs producing these raw materials are concerned. They explain their dismay that if there comes a time when it may be necessary to expand the production of these materials to meet the needs of a certain buyer, this buyer, having accumulated stocks, will not only stop buying, but may even become a trader of these materials.” Thus, Washington’s policy openly aims to have a monopoly on uranium reserves. In an article titled “The United States Is Trying to Buy Uranium Ore,” London’s Daily Express wrote:

“The American government purchased more than 10,000 *tons* of uranium ore in 1947; of this amount, it could spend only a tenth of that amount on the manufacture of atomic bombs or experiments.”

Therefore, we are talking, on the one hand, about the accumulation of stocks of this important strategic raw material and, on the other hand, an attempt to monopolize these stocks so that they cannot fall into the hands of other countries.

In February 1949, the Canadian newspaper The Daily Tribune published a story under the headline “Wall Street captures our uranium wealth.” This article reported that Canada supplies the United States with at least 500,000 f. of uranium ore per year. The paper estimates that \$87 billion worth of energy could be sourced from the uranium ore supplied by Canada to the United States over the past seven years. The American Trust, whose name is kept secret, buys Canadian uranium ore for less than \$3. per pound. The cost of electricity derived from one pound of uranium ore, provided that only half of it can be used in the process of obtaining energy, is 25 thousand dollars.

The newspaper went on to write: “The world’s most valuable metal, called the raw material of the atomic age, is secretly seizing from Canada foreign monopolies, shouting about the impending “threat of war.” Our uranium ore is sold to foreigners at such a low price that such a deal should be

called theft. While our workers, farmers and entrepreneurs are encouraged to kneel and pay tribute to the Marshall plan, the government behind us is providing the Yankees with “atomic” assistance worth approximately \$80 billion.” Based on the Marshall Plan and its direct continuation, the North Atlantic Treaty, Western European countries are required to provide military bases to the American expansionists on their own territory and on the territory of their colonies.

As you know, U.S. naval and air bases are spread around the world, many thousands of kilometres from the United States. Their aggressive value is undeniable. They exist in the Arctic and Italy, Greece and Turkey, Japan, Austria and West Germany, Iran and Egypt. They were established in North Africa and Saudi Arabia. As early as early 1948, the press reported that the American government, in exchange for “assistance” under the “Marshall Plan”, made a number of demands, including the revision of the Anglo-American Treaty concluded on September 2, 1940, granting the Americans the right to 99 years of construction and use of a naval and air base in British Guiana. It was further reported that the Americans offered England to sell them to colonies with valuable bauxite deposits, as well as the island of Jamaica. From France they want to buy French Guiana, the islands of Guadeloupe and Martinique, from Holland - Dutch Guiana and the islands of Curacao. They obliged Denmark to make Greenland available to them.

A new phase of American colonial expansion was heralded by President Truman on January 20, 1949, in a speech he delivered when he assumed the presidency after the November 1948 election, listing the four main goals of American politics, and Truman declared one of those goals to “help backward areas in their economic development.” Commenting on Truman’s statement, the press of American monopolies explained that the “backward areas” include the countries of Africa, the Middle East and the Far East, as well as India and Pakistan. Consequently, the new “Truman Plan”

refers to the colonies and dependent countries of Asia and Africa, which are under the control of the marshalled countries of Western Europe. Thus, the new "Truman Plan" turns out to be a direct continuation of the old "Marshall Plan": turning the colonial powers of Europe into their vassals, American monopolies declare their intention to completely take over their colonies.

Immediately after Truman's speech, a spokesman for the British Foreign Office said that the British government "intends to pay special attention to the president's statements about the development of backward areas" and that Truman's statement on this issue "largely coincides with the policy of England." A few days later, Bevin, speaking at the London Association of Foreign Journalists, said: "We welcome Truman's statement! We will unite and merge all our knowledge, abilities and resources!"

Thus, the Labour government of England accepted Washington's order to be enforced. The ruling circles of England have to put up with the role of a junior partner, because they only with the help of American imperialism expect to keep their dominion over the colonial peoples. Other colonial powers in Europe - France, Holland, Belgium - are even less able to resist American appetites. Shortly after Truman's speech, the French Communist Party body, *The Journal*, reported that the French ambassador to Washington, Henri Bonnet, had told the press after a conversation with U.S. Secretary of State Acheson that the French government "considered it necessary" to join the American plan to "develop" the "backward areas" outlined by Truman in his acceptance speech.

"This programme," Humanite wrote, "provides in particular the participation of American capital in the exploitation of the Overseas Territories. The establishment of strategic bases in Africa to be provided to the American imperialists continues at an accelerated pace." The reason that prompted the French government to make such a decision is the fear of the national liberation



movement of the masses of the people in the French colonies.

The official sign of Truman's colonial plan—"helping backward areas in their economic development"—is as hypocritical as other well-to-do formulas used to cover up the predatory expansion of American imperialism. "In fact, the dominance of Wall Street does not cause economically weak countries development, but artificial preservation of their backwardness, unprecedented exploitation and ruin. At the 16 Latin American countries' conference in Montevideo on April 25-May 7, 1949, it was revealed that American capital investments would be made exclusively in the raw materials industry, as well as in the light and food industries. The fact that the new colonial "Truman plan" carries to backward countries can be judged by the fruits of the hosting of the imperialism of the dollar in Latin American countries. The Colonial "Truman Plan" is a programme to extend Wall Street monopolies in Latin American countries to all colonial and dependent countries.

Truman's speech on January 20, 1949 outlined two main ways to "develop" backward countries: 1) providing "scientific and technical assistance" and 2) "encouraging investment in areas in need of development" with "guarantees to capital contributors."

American monopolies have developed a detailed programme of action aimed at the systematic seizure of colonies and spheres of influence. To this end, it is planned, first of all, to send to backward countries numerous detachments of intelligence officers under the banner of "scientific and technical assistance" missions, economic survey groups, etc. Their official task is to study the needs of backward countries in American "aid." In reality, their job is to pave the way for American economic and political infiltration into these countries. American intelligence officers must discover weaknesses in the positions of the colonial powers, establish contact with the local authorities and the exploiting elite of the indigenous population. Their

tasks also include identifying the most profitable areas for the investment of American capital.

Following this preparatory work, the forced export of American capital to the colonies and other backward countries is planned. According to estimates published in the American press, this export of capital may amount to \$2 billion a year. To encourage the export of capital, Truman proposed granting the Export-Import Bank the right to guarantee private investment in the industry of backward countries.

The American press quite openly connects the new plan for the accelerated colonial expansion of Wall Street with the aggressive policy of dollar imperialism, which found its expression in the “Marshall Plan” and the North Atlantic Treaty. On the other hand, the monopoly press advertises the colonial “Truman Plan” as a means of “solving the long-term economic problems of the United States,” that is, simply speaking, the problems of the economic crisis.

The colonial powers of Europe, with the help of American arms and diplomacy of “good offices”, are waging predatory wars in the colonies, and their Washington benefactors are seizing more and more tasty morsels in the colonial world. European powers are dragging chestnuts out of the fire for American guardians. By their behaviour, the European metropolises compromise themselves even more in the eyes of the peoples of the colonial countries, while American conductors often try to remain in the shadows. But the language of American tanks and airplanes is much more eloquent than the unctuous speeches of dollar diplomats.

For the peoples of the colonies and dependent countries, the “Marshall Plan” brings a doubling of oppression, for the press of brutal American exploitation joins the colonial regime of the European powers.

The colonial Truman Plan, closely related to the Marshall Plan, aims not only to seize colonies and dependent countries, but also to suppress the national liberation movement in these countries. The implementation of this

plan will inevitably cause a further growth and aggravation of the contradictions between the imperialist powers and, at the same time, an increase in the resistance of the colonial peoples, an intensification of their struggle for freedom and independence.

## **CHAPTER FIVE. THE POLITICS OF UNLEASHING A NEW WAR**

### **1. “German Map” of American Monopolies**

A truly sinister role is being played in the American expansion plans of West Germany.

The heavy industry of the Ruhr has served as an arsenal of German aggression twice in a quarter of a century. After World War II, the American imperialists took a firm course towards rebuilding the Ruhr arsenal, which John Foster Dulles declared “the economic heart of Europe.” Speaking to the Senate Foreign Relations Committee on January 20, 1948, Dulles stated that “the United States is now a Western European government, in fact even the most powerful European government, since it controls the Ruhr, the economic heart of Europe.” This instigator of a new war heralded the continuation of the old, pre-war tradition of collusion of American and German monopolies, the tradition of adventurous intrigues of the arms manufacturers, the tradition of conspiracy against the world.

American imperialists cover their adventurous policy in the German question with false references to the needs of “European reconstruction”. Harriman’s committee put forward a policy provision to restore Germany’s “productive power and purchasing power and purchasing power through Germany, the productive power and purchasing power of the whole of Central Europe.” During the discussion of the Marshall Plan, John Foster Dulles proclaimed that “West Germany should be included in the reconstruction of Europe as quickly as possible.” The then U.S. Secretary of State Royce told a Senate committee that “Germany should be given the opportunity to address European countries as a market for its growing products and as a supplier of the goods it needs.” In another speech, he announced that “Germany will be a participant in the European

reconstruction programme.” In November 1947, the chairman of Chase Nation Bank, Aldrich, speaking at a meeting of the American Bankers’ Association in Atlantic City with support of the “Marshall Plan”, demanded to do everything possible to “encourage direct investment by American firms in the factories and industrial equipment of Western Europe.”

At the same time, Aldrich stated that “the prerequisites for the restoration of German industry are quite clear—they include the economic unification of the three western zones and the creation of central German bodies for these zones, the competent leadership of German industry, the termination of reparation deliveries, the creation of a healthy currency, credit and monetary systems and the establishment of direct contact between German industrialists and foreign buyers of their products.”

Thus, in this speech, one of the owners of Wall Street was planned a programme to create a puppet “government” in the western zones of Germany and establish with it American control over the three western zones. Bridges, chairman of the U.S. Senate Appropriations Committee, said additional appropriations could be made to the U.S. occupation authorities in Germany “if the United States has full economic control in the Anglo-American zone.” In other words, the American expansionists set out to become the full masters of the Bison, and then in all three western zones of Germany, to turn these zones into an economic and strategic springboard for their expansion in Europe.

The law of April 3, 1948 “on economic, cooperation” included West Germany among the countries participating in the “recovery of Europe” programme. In addition, the American Government unilaterally demanded that enterprises be dismantled in accordance with the agreements of the anti-Hitler coalition of powers on reparations. Article 115 of the Act of 3 April states: “The Administrator of the European Reconstruction Programme will require the Secretary of State to obtain the consent of the countries concerned that the capital equipment, which is scheduled to

be removed as reparations from the three western zones of occupation of Germany, will be left there if the abandonment of it in Germany is most effective for the purposes of the restoration of Europe.”

Thus, in the “Marshall Plan” the western zones of Germany from the very beginning were assigned a privileged position. The course was taken on the first-turn restoration of the military and economic potential of German aggressive imperialism. Applications serving this purpose were preferred over any applications of countries affected by German aggression. The proverbial issue of the turn, around which the so-called organisation of European economic cooperation is particularly heated with passion, is invariably resolved in favour of Ruhr and to the detriment of other participants in the “Marshall Plan”. The western regions of Germany account for the largest percentage of appropriations under the “Marshall Plan”, they receive a fourth, if not more, of all appropriations for Western Europe.

American policy aimed at reviving the aggressive forces of German imperialism is contrary to the vital interests of all European countries. But the ruling circles of England, France and other Western European states, interceding in the chariot of dollar imperialism, betray the national interests of their countries.

The Marshall Plan marked a complete break with the policy towards Germany that was proclaimed in the joint decisions of the Allied powers taken during the war and immediately after its end. During the war, the powers of the anti-Hitler coalition agreed that after defeating Nazi Germany it would be necessary for some time to occupy its territory in order to create a guarantee that “Germany will never again be able to violate the world peace,” as stated in the decisions of the Yalta Conference. At the same time, the objectives of the occupation of Germany were defined: the destruction of German militarism, the eradication of Nazism, the elimination of Germany’s military-industrial potential, the severe punishment of war criminals, the reparation of

the damage inflicted on Hitler's Germany to the victims of its aggression, the democratization of the political and social life of the German people, as well as the adoption of other measures, which, as indicated in the decisions of the Yalta Conference, "may be necessary for the future of the world."

In both Yalta and Potsdam's decisions, it was proclaimed that the Allies did not intend to destroy or enslave the German people. The Allied Powers stated that they were "giving the German people the opportunity to prepare for the reconstruction of their lives in the future on a democratic and peaceful basis" so that they could "take a place among the free and peaceful peoples of the world" over time. The Allies, for their part, pledged to prepare a peaceful settlement for Germany in order to end the state of war in Europe. The programme planned at that time in the joint decisions of the allied powers was a programme of demilitarization and democratization of Germany. This policy corresponded to the fundamental vital interests of all peace-loving peoples seeking lasting peace and security, for its implementation was intended to destroy the most dangerous hotbed of aggression in the heart of Europe, as for many decades was a militaristic, imperialist Germany. But the ruling camp of the United States and Great Britain set itself completely different goals. While the war was going on, these targets were masked, after the end of the war the masks were dropped. The dominant monopolistic circles of the Anglo-Saxon powers saw in the defeat of Germany not a means to achieve lasting peace, but the elimination of a dangerous competitor in the world market, the elimination of a serious rival in the struggle for world domination. Therefore, the decisions of the Yalta and Potsdam conferences were the subject of fierce attacks from aggressive Anglo-American circles. Reactionary press on both sides of the Atlantic from the beginning did not hide their dissatisfaction with these decisions, and the extremely reactionary authorities of Hirst immediately took them under heavy fire. After the end of the war, when the United States

and the Coming in their fairway, Great Britain broke with the policy of honest cooperation of peace-loving peoples and took an openly expansionist and aggressive course, hostility to Yalta, and Potsdam's decisions became something of a testament to the political trustworthiness for the leading politicians of these countries.

As a result of the turn towards the political course, which was expressed in the notorious "Truman Doctrine" and "Marshall Plan", the Western powers began to draw a line in the German question that had nothing to do with the previous agreements between the Soviet Union, the United States, England and France. The place of agreed policy in the German question was taken by the separate actions of the Western powers. The objectives of the occupation of Germany, solemnly proclaimed in joint decisions of the allied powers, were forgotten. Moreover, the Western powers took a course against Germany, which is the exact opposite of the objectives of the occupation that were proclaimed in Yalta and Potsdam.

The adventurous bet on the revival of German imperialism, which was at the service of the interests of American expansion in Europe, from the very beginning was at the heart of the "Marshall Plan". If for the time being this goal was kept in a certain secret, then it began to be proclaimed quite openly.

Lewis Brown, chairman of Jones Manville Corporation, part of Morgan's financial group, has already provided insight into the valid objectives of the Marshall Plan in Germany. This Morgan envoy visited Germany at the suggestion of the American Governor, General Clay, who asked him to write a report for the military ministry. Brown spoke to influential politicians and business people in the United States, interviewing the most reactionary political leaders and monopolists of Germany, as well as England, France and other Western European countries. The German Report he presented was sent to government agencies and senior officials of the United States military administration in



Germany a few months before publication. In fact, it was an official directive, binding. It was published as a book in the autumn of 1947, on the eve of the London session of the Council of Foreign Ministers.

Brown openly declared the united States' involvement in the war against Hitler's Germany a mistake. The American government made a real mistake by refusing to accept "the surrender of the wreckage of the only political regime that could maintain the appearance of a political structure in Germany", i.e. refusing to make peace with the ersatz government of Denica, created at the time of Hitler's defeat, which invited Britain and the United States to conclude a separate peace to continue a joint war against the Soviet Union.

Since these "mistakes" could no longer be corrected, Brown demanded that the German military-industrial potential of the industrial magnates that brought Hitler to power be re-established. He wrote: "Only industry leaders who have spent their entire lives connected to a manufacturing machine know how to make it work."

The programme, planned by Brown, provided for the restoration of the entire network of German monopolies. At the same time, he proposed to provide German industrialists with American loans to ensure the undivided dominance of American monopolies in the economy of the western zones of Germany. To revive the system of German monopolies under the supreme tutelage of Wall Street, Brown proposed to give German industrialists the opportunity to re-establish their ties abroad.

Not content with securing the monopoly of the United States in West Germany, Brown demanded the restoration of Germany's dominant position in Europe, intending to use it as a support in the struggle against the forces of democracy and socialism. It is this goal, according to Hisin, should serve the restoration of German trusts and cartels in the form of a system, all the levers of control of which should be at the disposal of Wall Street bankers.

Brown, in his "Germany Report," outlined a programme to expand German exports by half compared to its pre-war volume. He wrote that the "Marshall Plan" would not yield positive results until the policy towards Germany was fundamentally revised in its intended direction. In his opinion, Ruhr should be turned into a large branch of American trusts, which, being in the heart of Europe, will be able to dominate the entire Western European economy by establishing a system of cartel ties and exporting industrial goods.

Brown's programme thus involved the restoration of the German cartel heavy industry at the expense of other Western European countries, especially at the expense of England and France. Brown advised the U.S. Congress not to allocate funds under the "Marshall Plan" for these countries unless they agreed that Wall Street was a full host in Germany.

American policy in Germany has set itself the goal of splitting and dismembering this country, turning its western part into a reserve of German militarism and reaction, put at the service of the dollar. The American authorities, together with their Anglo-French partners, thwarted demilitarization and denazification in West Germany. They violated the agreed decisions of the Allies to destroy the military potential of Germany and to collect reparations from her.

Taking the course of reviving German imperialism as their auxiliary unit in the struggle for world hegemony, the American ruling circles began to be weighed down not only by the programme of demilitarization and democratization of Germany, outlined in the Potsdam decisions, but also by the commitment to a peaceful settlement with Germany. The American expansionists understood that the agreed preparation by the four Powers of the peace treaty with Germany, provided for by the Potsdam Agreement, would inevitably create difficulties for their self-serving plans and dangerous intentions for the world. For it is well known that the Soviet Union, faithful to the agreements of the Allied

Powers, demands that the peace treaty with Germany contribute to the demilitarization and democratization of that country and create effective guarantees against the resurgence of the hotbed of aggression in the centre of Europe. It is also known that these demands of the Soviet Union find the most lively support in all countries that were victims of Hitler's aggression.

American expansionists initially tried to find a way out of the difficulty by putting forward a plan to conclude a "separate peace" of Western powers with the puppet government of western Germany created by them. Then, however, the plan of former President Herbert Hoover was rejected as too straightforward. A plan was put forward to replace the peace treaty, which could only be prepared through the joint decisions of the four Powers, by a unilateral occupation statute that the Western Powers could impose on the German people.

The Soviet Union, faithful to the commitments made in Potsdam, in December 1946 proposed to begin the preparation of a peace treaty with Germany. This issue was discussed at the Moscow session of the Council of Foreign Ministers, held in March-April 1947.

"The Soviet government believes," he said, "that the preparation of a peace treaty with Germany should no longer be postponed...

The question of a peace treaty with Germany is, as we all understand, a question of the fate of Germany and, along with this, a question of the complete restoration of peace in Europe. This peace treaty is needed not only by Germany. All the peoples of Europe need it, and not only Europe."<sup>[84]</sup>

The Soviet government proposed not to put the issue of education further on in accordance with the decisions of the Potsdam Conference of the German democratic government. A peace treaty with Germany would open the possibility of ending the occupation of that country and removing the

---

<sup>[84]</sup> VM Molotov, Foreign Policy Issues, pp. 509-510.

occupying forces of all four powers from its borders within a certain period of time.

However, representatives of the other three powers rejected Soviet proposals to prepare a peace treaty with Germany. The London session of the Council of Foreign Ministers was disrupted by the order of the American delegation, which appeared at the session with a pre-prepared opposite plan for Germany, a plan to split the country and turn its western part into a colony of overseas monopolies.

To implement this plan, on April 20 - June 1, 1948, a separate London meeting of the United States, Great Britain and France was held, with the participation of the Benelux countries on the German issue. The London meeting itself was an open violation of the Potsdam Agreement, which was entrusted to the Council of Foreign Ministers of the four powers, the Soviet Union, the United States, Britain and France. The events scheduled for the London Meeting constituted a further flagrant violation and the actual failure of the Potsdam decisions on the demilitarization and democratization of Germany.

At the London meeting, representatives of the three Western powers rejected even purely verbal recognition of Germany's political and economic unity and openly set a course to end the division of the country. Immediately after the meeting, a pre-prepared separate monetary reform was carried out in the western occupation zones of Germany. The introduction of the so-called "Western Brand B" in the western sectors of Berlin, undertaken with the aim of disrupting the economy of the Soviet zone of occupation of Germany, gave rise to the notorious Berlin question, around which the enemies of the world have since weaved endless intrigues. U.S. officials forced their British partners to hand over the Ruhr heavy industry to their full disposal, and this illegal transaction was filed under the sauce of imaginary establishment of "international control over Ruhr." At the London meeting, decisions were taken on the political

separation of the western part of Germany, the convening of a specially selected constituent assembly and the formation of a puppet government from representatives of the German reaction serving Western powers.

At the London meeting, the policy of international cooperation was opposed by another, opposite course. This is the course to eliminate the four-party control mechanism in Germany, the course to turn the western part of Germany into a protectorate of Anglo-American imperialism, an economic and strategic foothold of American expansion in Europe, a core of the Western military bloc against the Soviet Union and the countries of popular democracy. The Press reported that the issue of the occupation statute was a significant part of the London negotiations. But the communique on these talks, published on 7 June, hinted at this circumstance in deliberately vague terms. The communique only said that the people of the western zones would have the “right to create a political organisation and institutions that enable them to assume such responsibility for the governance of the country, which is compatible with the minimum requirements of occupation and control.” It soon became clear that it was behind the modestly sounding phrase about minimum requirements. The contents of the London-based draft occupation statute soon became known. According to the draft, the entirety of power is maintained indefinitely by the occupation administration, while the German population is given the only “right” to submit to this unrestricted and unregulated authority. This idea means the refusal to prepare a peace treaty with Germany. Thus, the end of the state of war and the end of the occupation are postponed for an indefinite time. By virtue of the occupation statute, the German people are deprived of the right to national unity, which is the inalienable right of every people. Further, the German people are deprived of the right to independent state existence. The puppet ersatz-governments, which are made by the Western powers, are nothing more than a mockery of

the legitimate desire of the German people for an independent state structure, a cynical game and a pathetic parody of such a device.

The occupation statute deprives the German people of economic independence. It transmits to the foreign authorities for an unlimited time all the issues of economic life in West Germany on which the existence of the population depends.

To cover this unheard of arbitrariness, the occupying authorities of the Western powers instructed their German puppets to play the comedy of drafting a "constitution". To do this, a self-styled "parliamentary council" was created, gathered in Bonn. The main purpose of the Bonn "law-making" was to deceive the German people, to divert their attention from the simultaneous occupation statute, which is designed to replace indefinitely any constitution, any laws.

Unsurprisingly, the American imperialists and their Anglo-French junior partners would like to prolong the occupation of Germany indefinitely. They view the German problem not from the point of view of ensuring peace and security, but from the point of view of German enslavement and its transformation into a source of young ladies for Anglo-American monopolies, on the one hand, and a springboard for American aggression in Europe on the other. In order to achieve this dual goal, American monopolists seek primarily to strengthen the positions of their German counterparties from the Ruhr monopolies that have been undermined by the defeat of Hitlerism. The failure of the peace settlement with Germany is necessary for the American imperialists for their policy of reviving the Ruhr arsenal, which is illegally removed from international control and turned into the sphere of full host of American monopolies.

The restoration of the Ruhr arsenal under American control is the main part of the entire "Marshall Plan." American monopolies need Ruhr coal and metal in order to economically dominate the whole of Western Europe. They

need Ruhr as a forge of weapons for military adventures. Finally, they need West Germany as a supplier of cannon fodder.

Dangerous for the cause of peace plans of American dealers in relation to Ruhr were exposed by the Soviet Union. In a note dated March 6, 1948, the Soviet government stated that the extension of the “Marshall Plan” to the Bisionia and the Ruhr region “expresses the desire of certain American circles to restore Germany’s military and economic potential” and use it to implement its expansionist plans. The Soviet Union has consistently advocated the demilitarisation and democratization of Ruhr and the control of the four allied powers.

The Ruhr was discussed back in Potsdam. At the Moscow session of the Council of Foreign Ministers, V.M. Molotov on March 19, 1947, announced that at the Potsdam Conference, the Soviet government made a proposal that the Ruhr industrial region be subordinated to the joint control of four powers, for which it was proposed to create an appropriate Control Council of representatives these powers. The representatives of the United States and England then did not object to this proposal, since it naturally followed from the decisions taken in Potsdam. However, at the request of the British Foreign Minister Bevin, the question of four-way control over the Ruhr industrial area was postponed and referred to the Council of Foreign Ministers.<sup>[85]</sup>

At the Paris session of the Council of Foreign Ministers in July 1946, the Soviet delegation proposed a decision on the Ruhr question in accordance with the decisions of the Potsdam Conference. The head of the Soviet delegation V.M. Molotov said:

“... The Ruhr, as the main base of Germany’s military industry, must be under the vigilant control of the main

---

<sup>[85]</sup> See V.M. Molotov, *Foreign Policy Issues*, pp. 393–395.

allied powers ... ensuring the interests of the future peace and security of peoples.”<sup>[86]</sup>

At the Moscow session of the Council of Foreign Ministers in March-April 1947, the head of the Soviet delegation, V.M. Molotov, said:

“The Soviet government is still insisting on its proposal for four-sided control over the Ruhr industrial area. This proposal is intended to ensure the development of Germany along a peaceful democratic path using the economic resources of the Ruhr, primarily in the interests of the German people, but at the same time in the interests of the other peoples of Europe.”

At the London session of the Council of Foreign Ministers in November and December 1947, the Soviet delegation again raised the issue of establishing four-party control over Ruhr. The head of the Soviet delegation, Comrade V. M. Molotov, said:

“The German economy, say, the Ruhr industry or other German industry, should be allowed to become dependent on foreign capital and be used as a base for reviving Germany’s military-industrial potential or as a support for the reaction in Europe.”

Thus, the Soviet proposals on the Ruhr issue were aimed at eliminating the threat of reviving the main base of German imperialist aggression and ensuring that The West German industrial capacity was used for peaceful purposes. But this is the least of the American monopolies embodied in the Marshall Plan. Representatives of the United States and the ruling circles of England and France, floating in the fairway of American politics, have consistently rejected the Soviet proposals for Ruhr. These proposals were opposed by a policy aimed at turning Ruhr into a European branch of Pennsylvania, this kingdom of American kings of coal, steel and military industry. This is connected with the course of revival of the Ruhr arsenal of German aggression, the revival

---

<sup>[86]</sup> V.M. Molotov, *Foreign Policy Issues*, pp. 63–64.



with the help of dollar loans of the economic and social base of German imperialism as a vassal and Landsknecht of American monopolies.

Back in July 1948, the administrator for the implementation of the "Marshall Plan" Hoffman, urging American capitalists to invest \$300 million in industrial enterprises in Western Europe, made no secret of the fact that much of the investment is intended for the industry of West Germany. The representative of the United States to the so-called Council of European Economic Cooperation Harriman said shortly afterwards: "I have every reason to start the flow of private capital to Germany in the near future." The Vice-President of the International Bank for Reconstruction and a number of other Wall Street trustees, after the separate conference of Western powers in London on the German issue, expressed satisfaction with the confidence that the course planned at this conference to create a puppet West German state would open wide opportunities for the flow of American loans into the heavy and military industry of Ruhr.

For their part, representatives of the German financial oligarchy that brought Hitler and his gang to power appealed to their overseas friends to invest their capital in the West German economy. Thus, the former head of the Reichsbank and Hitler's economic dictator Halmar Schacht in September 1948 published in the newspaper "Echo der Voch" a series of articles under the headline "American investments are better than loans", where he wrote: "The problem can be greatly alleviated if instead of the envisaged loans in the European economy partially invested American capital. We can only rejoice that American industrialists will give us such help." The calls of Mine, one of the main German war criminals who appeared before the international tribunal in Nuremberg after the war ended, did not go unanswered. Soon there were reports in the press that the all-powerful "National Association of Industrialists", having received freedom of action from the American government in Bisionia, intends to

form a huge fund of 3.5 billion dollars. to buy up West German industry.

Anglo-American imperialists rob West Germany to the ground. The Anglo-American Export-Import Agency pumps hundreds of millions of dollars into bottomless safes of overseas monopolies. It buys the products of German workers for nothing and sells it at high prices on the world market. Goods imported into Germany are valued at exorbitantly inflated monopoly prices. Huge sums of occupation expenses are recorded at the expense of the German people, which thus falls into the loop of debt bondage. American monopolies turn the western zones of Germany into a stronghold of the "Marshall Plan". The endless extension of the occupation opens the door to unlimited host. The so-called bilateral "Marshall Plan" agreement was signed by Clay on behalf of West Germany. It was Clay's treaty with Clay, an ideal case that American monopolists would willingly extend to the whole of Western Europe. The National Association of Industrialists, in making plans to take over the West German industry, demanded the abandonment of decartelization, the implementation of the reparation programme, from all projects of "socialization" that were put forward by English Labour for charlatan purposes. In fulfilling the will of their masters, the Anglo-American authorities of Bisionia on November 10, 1948 issued law No. 75 on the "reorganisation of the German coal and metallurgical industry." According to the law, "assets of the coal and metallurgical industry, as well as control over property are transferred to The German hands", i.e. thus to the tycoons of trusts and concerns, which a decade and a half ago brought to power Hitler's robbers. Now they act as compradors of American monopolies, subagents of Wall Street. Law No. 75 provided for the creation of German companies in the coal and metallurgical industry in West Germany, and the owners of enterprises are allowed to sell shares free of time. Thus, the former German owners got back their property, and American monopolies acquired

ample opportunities to take control of shares in coal and metallurgical companies in West Germany. These companies are now subordinate to two German “guardianship offices” working under the direction of the respective Anglo-American control boards. This is how the concentration of monopolistic capital is unprecedented.

The penetration of American monopolies into the West German industry is happening at a rapid pace. In early April 1949, Generals Clay and Ro-Bertson officially announced the authorization of private foreign investment in the West German industry. Almost simultaneously, a secret meeting was held in New York on American investment in German industry. It was decided to create an association of American industrialists interested in investing in the German economy, which included representatives of such firms as General Motors, Dupont, United States Steel, General Electric and other American businessmen in Germany headed by the powerful financial groups Rockefeller and Dupont. Dillon, Reed and Company, which has a wealth of experience in terms of relations with German monopolies, plays a special role.

The growing interest of Wall Street in West Germany determines the entire course of American policy towards Germany. The bourgeois press openly expresses the fear that the end of the occupation of Germany could lead to such a dangerous, from its point of view, the continuation, as the triumph of the democratic forces of the German people. From the point of view of the American imperialists and their Anglo-French accomplices, it would be terrible if the German people were able once and for all to drive away the Rourary magnates of steel and coal, to eliminate the concerns of Krupp and Thyssen, to end the omnipotence of German monopolies, who are the most suitable counterparties for Wall Street.

The American policy of turning Germany into a hotbed of turmoil and anxiety, a hotbed of new internal and international complications is opposed by the consistent

peaceful policy of the Soviet Union, which stands guard over the Potsdam decisions on democratization and demilitarization of Germany. Consistently and consistently defending the principles of democratic peace, in line with the interests and aspirations of all peoples, the Soviet Union strongly advocates a reasonable and just solution to the German problem.

In June 1948, a meeting of foreign ministers of eight states—the Soviet Union, Albania, Bulgaria, Czechoslovakia, Yugoslavia, Poland, Romania and Hungary—in Warsaw contrasted London's imperialist programme of German enslavement and the resurgence of its aggressive militarism in the service of Wall Street with a democratic way of solving the German problem. The statement of the foreign ministers of the eight states spoke about the need to establish for a certain period of time control of the four powers over the heavy industry of Ruhr, on the formation in accordance with the Potsdam decisions of the interim democratic peace-loving German government, on the conclusion of a peace treaty with Germany, so that in a year after that the occupying troops of all powers were withdrawn from the country.

In his report on the 31st anniversary of the Great October Socialist Revolution, V. M. Molotov said:

“It is clear that the Soviet Union insists on accelerating the development of peace treaties for Germany and Japan in accordance with the way it was provided by the Allies' agreements. This means that the drafting of these peace treaties should be aimed at preventing the restoration of Germany and Japan as aggressive powers, and therefore should facilitate the demilitarisation and democratization of those States. In accordance with this, the Soviet Government insists on the complete disarmament of Germany and on the implementation of the well-known plan of international control regarding the Ruhr industrial area, as the main base of the German military industry..” But, at the same time, the Soviet government believes that it is impossible to stifle the

peaceful industry neither in Germany nor in Japan. It is necessary to give both the German and Japanese people the opportunity to provide for themselves with all that their own industry, which serves peaceful needs, can give them.

If we are to be true to the commitments we have made with regard to the peace settlement of Germany and Japan, we must follow that path. Only those who want to prolong the occupation of Germany and Japan without end, regardless of the legitimate interests of their peoples, can evade the implementation of these international agreements.”

As the American imperialists meet with their policy of aggression, the policy of unleashing a new war of increasing resistance from the increased and strengthened democratic forces resulting from the Second World War, they attach increasing importance to the western zones of Germany as their most important springboard in the centre of Europe.

The U.S. plan for Germany's western zones has become particularly accelerated since the signing of the North Atlantic Treaty. On April 4, 1949, the treaty was signed in Washington, D.C., and on April 8, a joint communication was published in Washington by the foreign ministers of the United States, England and France on the future of the western German state. Two days later, the text of the occupation statute was published, approved by three ministers in Washington. Finally, on 13 April, the contents of the Washington decision to reduce the reparations and dismantling programme in West Germany became known.

In a joint message from Acheson, Bevin and Schumann, it was announced that the three ministers “discussed in Washington the whole range of issues currently facing Germany and came to a complete agreement.” It was noted that the ministers approved and decided to transfer the text of the occupation statute “in a new and simpler form” to the German parliamentary council in Bonn, that “an agreement was reached on the basic principles governing the exercise by the allies of their rights and obligations, as well as the

system of tripartite allied control.” It was further reported that the ministers agreed to stop the dismantling of military factories and to establish their own control body in the Ruhr.

The decisions taken in Washington constituted blatant lawlessness. They showed once again that the Western powers are trying without any legal justification to seize the resolution of the issues of The fate of Germany in their own hands. In the preamble to the occupation statute approved in Washington, three Western governments said they were acting in the exercise of some “supreme power belonging to the governments of France, the United States and the United Kingdom.” In reality, however, there are no international agreements that give the “supreme power” to the three Western governments. This power belongs only to the four powers that signed the Declaration of June 5, 1945.

The decisions taken in Washington on the German question meant a further step towards the completion of the dismemberment of Germany, a further step towards the creation of a puppet West German state from the three western zones of occupation. The published text of the occupation statute showed that it is indeed “simplified” to the very last degree. The leaders of the occupation administration of the Western powers, who received the title of “high commissioners”, concentrate in their hands all the power in Trizonia. On the basis of the second article of the occupation statute, the occupying powers retain the right to control all internal affairs of the western zones of Germany, not to mention the sphere of external relations. This article is formulated so “elastic” that the occupiers can decisively interfere in all the activities of the puppet German authorities. The puppet government of the hastily cobbled together “German federal republic” does not receive even a shadow of real power. He is assigned the role of an obedient executor of the orders of the occupation authorities. Thus, the West German state will be governed in practice by the Anglo-American-French authorities and will serve as an object of exploitation for the Anglo-American imperialism.

In Germany, the publication of the occupation statute was met with a storm of indignation. Even corrupt German politicians from the western zones, who had long been in the American service, had to dissociate themselves from the policy of the occupation statute. This ostentatious opposition could not, of course, smear the lackey role of those German politicians, especially the Schumachers, who have long been clearing the way for the enslavement of western Germany by Anglo-American imperialism. Their “protests” against the occupation statute were only a manoeuvre designed to deceive the masses.

Finally, Washington concluded a conspiracy on the fate of the heavy industry in western Germany. Crimean and Potsdam decisions on the reparation issue, which included the dismantling of a number of German enterprises that were not necessary for the peaceful economy of the country, and the transfer of their equipment in the form of reparations to countries affected by German aggression, were immediately met with bayonets by American monopolies, especially those who had “interests” in Germany. These circles carried out the above article 115 of the Economic Cooperation Act, which authorized the administrator of the “Marshall Plan” to seek the dismantling of the West German heavy industry on the pretext of using them to “restore Europe”. After the adoption of the law on “economic cooperation” by the U.S. Congress, the State Department has developed a lot of activity in this direction, and the implementation of this article of the law was actually transferred to the hands of American dealers, who are co-owners of German concerns or have special views on the heavy industry of Ruhr and Rhine. As early as September 10, 1948, the Administrator for the implementation of the “Marshall Plan” Hoffman at a press conference, referring to the mentioned article of the law of April 3, announced the creation of an industrial committee to consider “the question of which West German industrial enterprises currently scheduled for reparations would be

important for the European recovery programme if they were left where they are, and would continue to operate.”

The composition of this committee soon became known. Its chairman was appointed by the president of M. A. Hannah Company “George M. Humphrey, and members - President of the International Harvester Company John L. McKeffery, President of Westinghouse Electric Manufacturing Company Guilm A. Price, President of the largest engineering company” Cincinnati Milling Machines Company “Frederick W. Geyer (at the same time he is the director of the Central Trust Company, which was created by General Dawes, who is responsible for the transfer of millions of American dollars to pre-Hitler Germany), President of the General Motors Company, part of the Du Pont financial “empire”, connected by cartel agreements with the German chemical trust, Farbenindustry, Charles E. Wilson.

Thus, the composition of the Humphrey committee did not leave the slightest doubt about the nature and direction of his actions. A revision of the fate of the West German military arsenal was handed over to the American companions of the group, Thyssen, Schnitzler and other German monopolists who brought Hitler to power and armed his hordes. At the same time, the diplomacy of the dollar, acting on the basis of the “Marshall Plan”, forced the governments of London and Paris to give the Humphrey Committee complete freedom of action. On October 27, 1948, the Department of State issued a joint statement by the United States, England and France, which said:

“The three governments agreed that some parts of the reparation lists needed to be reviewed to determine the extent to which the individual plants on these lists could have better served the needs of Europe’s reconstruction if they had been left in Germany rather than removed and rehabilitated elsewhere.”

In this statement, the plentiful references to the “restoration of Europe” are intended to conceal the essence of the case of the illegal refusal of the Western powers to



implement their adopted reparation programme, which is aimed at helping to rebuild the countries that were victims of Hitler's aggression. The failure of the reparation programme was, of course, not the interests of "rebuilding Europe" but the interests of restoring the US-German monopolies of the heavy industry and ensuring their dominant position in Western Europe.

Humphrey's committee visited Germany and "examined the situation" at 381 plants. On 6 December 1948, the English Ministry of Foreign Affairs began a meeting of Humphrey's committee with English and French representatives to compile a list of German industrial enterprises, which should be removed from the list of enterprises to be dismantled in the reparations. On January 12, 1949, Humphrey's committee submitted a report to the Administrator of the Office of Economic Cooperation, recommending that 148 plants be retained in Germany completely and a dozen more in part. All these are heavy industry enterprises that played an important role in arming Hitler's Germany. The recommendation of the Humphrey committee was approved by the administrator, who suggested that the Secretary of State obtain the consent of the British and French governments to preserve these plants. As a result of the Washington agreements, it was announced that the United States, England and France had agreed to drastically reduce the dismantling and export of industrial plants from West Germany. Another 159 plants were removed from the list of dismantled enterprises. These include 32 metallurgical, 88 metal processing plants, 32 chemical and 7 non-ferrous metals plants. In addition, the French Government has decided to release 40 plants in its zone of occupation from dismantling. At the same time, the previous restrictions in heavy and light engineering, the production of electrical equipment, synthetic ammonia, precision and optical devices, non-ferrous metals, vanadium, and restrictions on tractor production have been lifted. In violation of the Potsdam Agreement, the United States,

England and France allowed Hitler's industrialists in the western regions of Germany to bring the production level to 85,000 *tons* of aluminium, 33 million ball bearings, to resume the production of light machines, some types of heavy machinery, vanadium, chlorine, ammonia, heavy tractors. They are allowed to build vessels with displacement of up to 7,200 *tons*, to purchase tankers abroad with a displacement of up to 10,700 *tons* and a total displacement of up to 100,000 *tons* and cargo ships up to 7,200 *tons* and a total displacement of up to 300,000 *tons*.

However, it is the peaceful industries that are in The Bison in the paddock. They are deprived of raw materials, they are suffocated by English and American competitors. But the industries associated with military capabilities are rapidly being deployed.

After the signing of the North Atlantic Treaty, the official and official seal of the Western powers openly spoke about the impending arming of Germany. Thus, the official of the French Ministry of Foreign Affairs, the newspaper "Le monde" on April 6 wrote:

"Whether you like it or not, the North Atlantic Treaty provides for the future arming of Germany, and it is as true as the fact that every egg contains a fetus." This statement reveals the role given to German imperialism in the conspiracy against the world that found its embodiment in the North Atlantic Treaty.

## **2. The Policy of Splitting Europe under the Flag of "European Unity"**

Separating the marshalled countries from the rest of the continent was an important step in the policy of splitting Europe pursued by the Anglo-American bloc. In accordance with the hypocritical customs of Anglo-American politics, which seeks to portray white as black and vice versa, this

divisive action has been proclaimed “the foundation of a united Europe.”

The policy of dividing Europe is primarily detrimental to Western European countries in terms of their vital economic and political interests.

Western European countries have always had a large and profitable market in Eastern Europe for industrial goods and a reliable source of food and raw materials. Of course, the countries of popular democracy will no longer be the targets of predatory possession of foreign monopolies and colonial exploitation of foreign capital. But these countries, which have embarked on the path of broad industrialization, can represent a wide market for machines and equipment of Western European production. On the other hand, these countries, moving quickly towards the restoration and modernization of their agriculture, could deliver food and raw materials to Western European states on increasingly favourable terms.

It is clear from this that Washington’s supposed rupture of traditional ties, which have always existed between Western European countries and their neighbours on the continent, greatly increases the instability of the Western European economy and creates a number of additional difficulties for it.

Politically, the division and dismemberment of Europe, enshrined in the Marshall Plan as one of its fundamental conditions, greatly diminishes the resistance of Western European countries to American pressure and dictatorship. The farther the countries of Western Europe, obeying” the order of the Anglo-American bloc, go on the way of opposition to the countries of popular democracy and the Soviet Union, the more they fall into political and economic dependence on the imperialism of the dollar. The governments of Western European countries are increasingly abandoning their own domestic and foreign policy, and are increasingly becoming pawns in the hands of Washington businessmen.

One of the first fruits of the Marshall Plan was the formation of the Western Union, a bloc of five countries—England, France, Belgium, the Netherlands and Luxembourg. The five countries concluded a 50-year treaty on mutual assistance and collective defence in Brussels on March 17, 1948. Like the Organisation of European Economic Cooperation, the Western Union was created at the direct instruction of Washington; The United States has its own observers in the governing bodies of this union. The founders of the Western Union from the very beginning ruled out the possibility of participation in this union of the countries of the People's Democracy and the Soviet Union. In doing so, they have shown that the Western Union was not created to unite peace-loving countries and not to ensure lasting peace in Europe.

The Brussels pact cannot be seen as a treaty of a defensive nature. Western Union statesmen, beginning with Bevin, openly acknowledged that the establishment of the union meant an important change in the policies of those countries. Indeed, the creation of the Western Union meant that the governments of the participating countries, especially England and France, had finally broken with the policies pursued by the anti-Hitler coalition during the Second World War, with policies aimed at rallying the forces of all peace-loving nations, on the eradication of fascism and preventing the resurgence of aggressive forces after the war. The creation of the Western Union meant first of all a complete change in the policy of England and France in the German question, their break with the joint decisions of the four allied powers against Germany, which were adopted by the Yalta and Potsdam conferences. The establishment of the Western Union meant the refusal of the governments of England and France from the policy aimed at preventing the resurgence of aggressive Germany. Meanwhile, it was this policy that found expression in the twenty-year treaties of friendship and mutual assistance signed by the Soviet Union with England in 1942 and with France in 1944. Reactionary

American politicians began to agree to the fact that, they say, the border of security of the United States passes through the Rhine or even the Elbe.

The Anglo-American policy of dividing Europe was a direct continuation of the policy of the Western powers they pursued in the period leading up to the Second World War. Then the rulers of the fate of England and France gladly picked up the proposal of Hitler's robbers to implement the removal of the Soviet Union from the decision of European affairs. Western powers have set a course for the isolation of the Soviet Union in the international arena. In doing so, they unleashed the hands of Hitler's aggression. They began their impure game, being sure that Hitler would remain a tool in their hands. But this path led them to the disgrace of Compiègne and the plans of the British government to resettle in Canada.

The creation of the Western Union meant that England and France moved to a dangerous policy for peace-loving peoples, aiming for their domination over other peoples of Europe. To achieve this goal, they are ready to use yesterday's aggressor. This is evidenced by all the policy of the Western powers—the United States, England and France - in the German question. It is significant that even a mute mention of protection against possible German aggression was inserted into the draft pact only at the last stage of preparation. However, the text of the treaty leaves no doubt that the military alliance of the five countries can equally be directed against any State that was an ally in the Second World War. And that is bypassed by silence in the text of the treaty, it is openly proclaimed in the speeches of a number of statesmen of Western powers, as well as in aggressive statements of the American, British and French press, which trumpets at all intersections that the Brussels pact is directed against the Soviet Union and the countries of popular democracy.

Vandenberg's resolution on support of so-called regional military alliances adopted by Congress on June 11, 1948 was

a further step in the strengthening of the aggressive bloc. It has created a legal basis for the leadership of the United States in any aggressive adventure on the European continent.

The members of the Western Union, under the pretext of preventing the situation endangering the so-called “economic stability”, set a course of repressive policies towards the working class and the growing democratic forces of Western European states, as well as against the irresistibly growing national liberation movement of peoples in colonies and dependent countries. The Western Alliance is an alliance of colonial Powers that intend to use the now-established military and political grouping to preserve their age-old privileges in the colonies.

The Anglo-American policy of dividing Europe shows the true meaning of ranting about the “iron curtain separating Europe from Stettin to Trieste.” The real initiators of the division of Europe would like to build on the continent such an iron curtain, which would block the path of ideas of progress and social justice, which would serve as a reliable bulwark and a barrier against the realization of the real aspirations and aspirations of the multimillion-dollar masses, which were exhausted in imperialist captivity. But that is why the policy of splitting Europe inevitably leads to aggravation of social antagonisms within Western European countries and causes growing resistance of the masses. “The Union of Five Western European States is a military and political addition to the economic union of European countries, which was created to conduct the “Marshall Plan” in Europe. Both of these groups of European countries receive their direction from the ruling circles of the Anglo-American bloc, which is not interested in the implementation of the valid national-state or at least economic goals of all these countries, which are part of these groups, but pursues the purpose of strengthening and further expanding their own military-strategic and economic positions.

Just as the Marshall Plan is not aimed at a real economic renaissance of European states, but is a means of adapting the policies and economies of “Marshallised” countries to the narrowly self-serving and military-strategic plans of Anglo-American domination in Europe, similarly, the formation of a new grouping is not intended for the purpose of mutual assistance and collective defence of the western Union members, since, subject to the implementation of the Yalta and Potsdam agreements, these countries are not threatened by any aggression, but are aimed at strengthening and further expanding the dominant influence of the Anglo-American ruling circles in Europe, subordinating their narrow objectives to the entire foreign and domestic policies of the respective European States. The incompatibility of such political plans of the Anglo-American bloc with the interests of peace and with the principles of democracy in Europe is clear”<sup>[87]</sup>.

American expansionists are interested in the full weakening of their clients and vassals, whom they seek to make possible more compliant and obedient. But this inevitably leads to the escalation of contradictions both between the United States and the countries of the Western Union, and within the Western European grouping itself. During its existence, the Western Union has sufficiently discovered its anti-democratic, reactionary-aggressive, adventurous character. Numerous facts have shown that its goal is to strengthen and expand the influence of the Anglo-American bloc in Europe, to consolidate the political and economic dependence of Western European countries on the ruling circles of the United States. The creation of the Western Union represented a significant step towards the implementation of the Anglo-American policy of dividing Europe and burying its western part.

---

<sup>[87]</sup> Statement of the USSR Ministry of Foreign Affairs on the North Atlantic Pact, pp. 7-8.

The Western Union has become a number of permanent bodies. These include: the Advisory Council of Foreign Ministers of the five countries; Established in October 1948, the Standing Committee for the Study and Development of the European Federation; The Military Committee and Defence Headquarters of the Western Union, headed by British Field Marshal Montgomery and located in the French city of Fontainebleau.

“The haste in carrying out (all these organisational measures, including the establishment of the Military Headquarters in the current peaceful environment) is not a sign that the members of the new group are imbued with the desire for lasting peace in Europe. The fussiness of these activities is likely to indicate that that these are the aim of political pressure on some European countries, including the western part of Germany, to accelerate the involvement of these countries *in* the Western grouping through the hype surrounding all these measures, while at the same time contributing to the increasing anxiety, uncertainty and military hysteria in the public circles of European states, which is now one of the main tactical objectives in the deployment of the aggressive policy of the Anglo-American bloc in Europe.”<sup>[88]</sup>

Trying to give the impression of public support for the goals of the aggressive Western bloc and the American imperialism behind it, In May 1948, the so-called “European Movement” was a member of the Union of European Federalists, supporters of all sorts of plans of the United States of Europe, etc.

While the activities of the Western Union are largely behind closed doors, and the so-called Organisation of European Economic Cooperation provides only very limited information about its work, on the contrary, the Churchill-led “European movement” produces an incredible noise,

---

<sup>[88]</sup> Statement of the USSR Ministry of Foreign Affairs on the North Atlantic Pact, p. 10.



inversely proportional to its actual share. Hypocritical proponents of the “unification of Europe” under the auspices of Anglo-American monopolies often turn deep into history, expressing a desire to reveal the deep roots that the idea of “European community” has. Among the prophets of the Western Union, they include, for example, Dante, Hugo Groti, John Bellers, Jean-Jacques Rousseau, Napoleon. As historical prototypes of the united Europe, they recall the ancient Roman Empire and the medieval empire of Charlemagne. From Napoleon, a jump is made directly to Aristide Brian, who in the early 1930s came up with a plan to create a “European Federal Union.”

Such treatment with historical facts we find, for example, in the book E. and F. Boyd “Western Union”, published in London in 1948 and written on the instructions of the English Association of United Nations, whose honorary presidents are Ettley, Churchill and Lord Cecil. But such an interpretation of history has a significant flaw, which immediately catches the eye: there are no attempts to unite Europe under the boot of German imperialism, associated with the names of Kaiser Wilhelm II and Hitler. Meanwhile, these attempts are the true prototypes of modern plans to unite Europe under the boot of Anglo-American contenders for world domination.

At the end of the last century, William II repeatedly called for the unification of the “civilized countries” of Europe to jointly fight the oppressed peoples of the colonies. This call he repeated in particular during the boxing uprising in China, when, sending German troops to participate in a joint punitive expedition of European powers, he ordered them to act with the cruelty of Atilla.

Even during the First World War, Lenin exposed the essence of the slogan “United States of Europe.” This slogan was then preached by traitors of socialism from the camp of the Second International, including Trotskyists, trying to deceive the working class with the illusion that it is possible to eliminate rivalries, struggles and conflicts between

imperialist powers, their strong unification on a peaceful basis. Lenin revealed the treacherous nature of this slogan and explained that its actual content can be deciphered as a “cartel of imperialists.” Such a cartel cannot be durable, because the law of uneven development of capitalist countries in the era of imperialism inevitably changes the balance of power between individual imperialist predators, which makes armed conflicts between them inevitable. The further course of events and in particular the history of the Second World War was fully confirmed by this forecast of Lenin.

Between the two wars, the idea of the United States of Europe was supported by the French politician Aristide Briand. Briand dreamed of uniting the reactionary states of Europe for a joint “crusade” against the Soviet Union. At the same time, Briand was also referring to the joint opposition of European countries to American pressure. But since then the situation in Europe and around the world has changed radically. European capitalism is so weakened and its foundations so rotten that it expects to stay on its feet only with the help of American crutches. The current right-wing socialists are notoriously lying in an attempt to portray the so-called “Western European unity” as a kind of “third force” in the international arena, designed to serve as a buffer between the citadel of capitalism - the United States, on the one hand, and the world of socialism led by the Soviet Union—on the other. In fact, the theory of “third force” in the international arena is as false as it is in the domestic political context. In each single European country, right-wing socialists under the guise of the “third power” theory serve entirely as an imperialist reaction in its struggle against the camp of socialism and democracy, against the working class. On the international stage, “Western unity” fully serves the aggressive purposes of Anglo-American imperialism. The notorious “European movement” of Churchill -Bevin is one of the auxiliary farms of the imperialism of the dollar.

The declaration on the principles of European politics adopted by the Brussels session of the “European movement” begins with the following statement: “In a world dominated by political and economic associations of continental scale, European nations cannot hope that they will remain as independent economically and politically.”

This idea is not new, it has at least half a century of history. It is known that German imperialism twice tried to “unite Europe” by following this recipe. The current self-styled “unifiers of Europe” are in fact trying to achieve by hypocritical deception the same goal that Hitler had recently sought. Unsurprisingly, memories of Hitler’s attempt to “unify Europe” unwittingly come to mind even people who are supremely sympathetic to the plans of Churchill and his friends. Thus, commenting on the Brussels session, even the columnist of the British Broadcasting Corporation Patrick Ryan considered it necessary to remind that “if Hitler had won the war, he would have established a Western Union of the Nazi type”.

But in the name of what Churchill and his associates from both the conservative and right-socialist camps demand from the European peoples the rejection of freedom, sovereignty and independence? In the name of what Bevin, for example, on the eve of the Brussels session made such a cosmopolitan statement: “I am convinced that we are currently engaged in the creation of a European mindset instead of French, English, Scandinavian, etc.”

The “principles of European policy” developed in Brussels say: “To reassert some of the values that are under threat today...”

But what values are we talking about? In order to be left with no doubt about this matter, the declaration further reproduces that false demagogic phraseology about the “flourishing of the individual,” “promoting personal initiative and personal responsibility”, which has long been a erased coin in the hands of the defenders of modern monopolistic capitalism, which in fact means for the vast majority of the

population unheard of suppression of the human person, the destruction of any personal initiative for tens of millions of workers.

In late October 1948, the leadership of the Labour Party of England issued a pamphlet entitled "Both Feet on The Ground" in which the aim of the pan-European movement was declared: "to fill the vacuum between America and Russia."

Vacuum is airless space. A characteristic word in the lexicon of reactionary circles, frightened by the inexorable course of historical progress! Back in 1917, when Russia won the greatest revolution in world history, politicians of the old world spoke in horror about the vacuum, which, they say, was formed on the vast expanses of the former tsarist empire.

The expression "vacuum" re-emerged in the pages of the great European and American press a few years ago, when the robber Hitler's "new order" in Europe and the peoples of the European continent unequivocally demonstrated their determination to take their destiny into their own hands. The elimination of the former fascist and pro-fascist regimes in Eastern Europe, the victory of the masses - all this in the language of patented Western European and American "democrats" was called a vacuum. Churchill and Bevin, Byrnes and Leon Blum interpreted the vacuum to the east of the Stettin line. Newspapers and radio commentators were swayed by this word.

Now these politicians are ready to declare a vacuum all the space between the United States and the Soviet Union. This, as in the mirror, reflects the poorly disguised fear of the defenders of the out-of-life capitalist system before the forces of the future, irresistibly growing on the old European continent. The collapse of the usual forms of public life, based on exploitation and rot, is tantamount in their eyes to the collapse of the world.

In the post-war years, when waves of popular anger made the ruling cliques in Italy and France tremble, another

completely false term was born, designed to hide the same fear of outmoded classes before the irrepressible course of historical progress: “internal aggression.” With reference to the need to save European countries from internal aggression, the Western Union was cobbled together. But this very term, invented to deceive public opinion, upon closer examination exposes its authors. For it is clear that this term is intended to cover up the insane fear of the anti-popular ruling cliques in front of the growing indignation of the popular masses, who no longer want to tolerate the obsolete economic and political system.

Thus, the proponents of European federalism call on peoples to give up freedom, independence and sovereignty in the name of one main goal: to save the exploitative system from the just hatred and indignation of the masses, for which it creates increasingly intolerable conditions of existence, bringing them poverty and hunger, crises and wars. In other words, the “European unifiers” demand that European nations give up freedom and independence for the sole purpose of helping the explorers tighten the noose around their necks. So, the United States of Europe is thinking as a kind of mutual insurance society against social progress, from the growing waves of the labour movement, and in the role of guarantor for the bankrupts of European capitalism is the American reaction.

Overseas guardians of the European reaction are well aware of the precariousness of its positions. Often they spoil it with rude frankness. Thus, the American journalist John Gunter in the article “In Today’s Europe” placed on February 2, 1949 in the New York Herald Tribune, noting as “positive” the fact that, they say, the “Marshall Plan” sends a flow of dollars to Europe”, makes an eloquent confession: “The negative point is that in the event of the termination of American aid to Greece, the Greek government would not last for ten days. As for the French and Italian governments, they would not have lasted more than a few weeks or months without American help.”

As we can see, the American imperialists know about the real feelings of peoples to reactionary cliques, which by the mercy of the dollar are kept in power in Western Europe. But the bankrupts of European capitalism are not only afraid of their own peoples, but they are a growing fear of the oppressed peoples of colonial countries. Noisy agitation for the “unification of Europe” is always accompanied by calls for joint action in the colonies. Thus, the declaration of the Brussels session of the Council of the “European Movement” emphasizes that “any form of unification must take into account the special ties that bind some nations with the overseas countries.”

These ties, it goes on, “should be preserved and expanded for the benefit of all.”

If we translate these words from the elitist-hypocritical language of the imperialists to a simple human language, it is not difficult to understand that it is a question of preserving and expanding the power of greedy European colonizers over the colonial peoples, who are fighting selflessly for the overthrow of the imperialist nest, for their freedom and independence.

Soil is increasingly burning under the feet of colonizers, especially in Asia. Fear fuels The British imperialists of the conservative and right-wing Labour forces in their romp to “unite Europe.” The appeals of Churchill-Bevin resonate primarily in other old colonial powers: France, Holland, Belgium. The ruling classes of these countries did not need any “community” as long as they sat firmly in the saddle in their metropolises and colonies. But times have changed. Events in Indonesia and Vietnam, Malaya and Burma, India and African colonies show that tens and hundreds of millions of colonial slaves have entered the unstoppable movement. European metropolises no longer expect to cope with this powerful one-on-one movement. Hence the longing for the sacred union of colonial slave owners, which would guarantee them the opportunity to exploit the peoples of colonial and dependent countries in the old way.

Plans for joint action in the colonies focus on Africa. The “Black Continent” is declared a natural addition to Western Europe, its breadbasket, a warehouse of industrial raw materials, a strategic rear. The term “Eurafrica” is common, meaning the union of the old Europe with the young, untouched African continent. Far-reaching projections of Exploitation of Africa are being developed, of course, with the help of American dollars.

Thus, behind the propaganda of the “European community” lies the desire to preserve by any means, at all costs the colonial rule of European countries. The insatiable thirst for colonial profit is behind the rant of the British imperialists and their accomplices from other countries about the “European community”.

The fussy activities of “European federalists” of various kinds are an integral part of the aggressive policy of international reaction, poisoning the modern atmosphere. The printing of the ruling camp makes no secret of the close relationship of the “European movement” with the “Marshall Plan” and with the organisation of European economic cooperation created for its holding, with the military-aggressive Western Bloc and the North Atlantic Treaty. The plans of the “European federalists” are riddled with hatred-ed hostility and blind hatred of Eastern Europe, the Soviet Union and the countries of popular democracy that reject American bondage.

The split of Europe and the unification of its capitalist part against those countries that follow the socialist path are openly proclaimed the main goal of “European cooperation” and “European federalism”.

They openly expressed their aggressive intentions at the address of Eastern Europe Malbruksi, who gathered at the Brussels congress of the “European movement”. They provided the podium to several reactionary emigrants from the countries of popular democracy. The well-known Raczynski, one of those who led to the death of the Polish state that existed before September 1939, spoke in bulk on

behalf of Bulgaria, Hungary, Romania, Czechoslovakia and Yugoslavia. Just as well, of course, this rogue could speak on behalf of the Moon, Mars and Jupiter. Raczynski, like the traitor to the Bulgarian people of Gemeto, called the Brussels delegates to march against Eastern Europe. These appeals, of course, found complete sympathy in the hearts of Churchill and his friends.

So it turns out that under the flag of European cooperation are forged not only plans to consolidate the division of Europe—the designers of the “European federation” would like to throw the countries of Western Europe into the abyss of military adventure against the Eastern European peoples, following the path of peace, democracy and socialism. To this end, the “European federalists” warm up a gang of traitors and traitors from the countries of popular democracy, encourage their espionage and saboteur work and even openly boast such unseemly deeds!

These evil enemies of true European unity sell their countries in bulk and retail to greedy American imperialism, for which the countries of Western Europe are no more like a strategic springboard, and the peoples inhabiting them are no more like cannon fodder in the struggle for the sadistic plans of forcible establishment of Anglo-American world domination under the auspices of the United States. The session of the so-called European Council in Strasbourg in August-September 1949 demonstrated that this organisation, which is the brainchild of Churchill- Bevin, is nothing more than one of the tools of the aggressive North Atlantic bloc, which is in the service of dollar imperialism. The lush decorations of the European Council, which is in fact nothing more than the American Council for European Affairs, are designed to serve as a screen, beyond which it is more convenient to weave intrigues hostile to the world. The powerful peace movement, which encompasses the growing population of Western European countries, is directed against the bankrupt rulers, who cover their failures



with the hype about the “unification of Europe”, against their capitulation policy towards the imperialism of the dollar, against participation in military and political adventures such as the Western Union and the North Atlantic Treaty with its appendage- the European Council.

### **3. From the Marshall Plan to the North Atlantic Treaty**

American monopolies feel the fragility of positions that they have managed to capture through economic and political penetration in other countries. The ground is literally burning under their feet. Using methods of blackmail and bluffing, dollar diplomacy was unable to weaken the camp of democracy and socialism, led by the Soviet Union and the countries of popular democracy. In Western Europe, large masses of workers, convinced of the true essence of the “Marshall Plan”, unite around communist parties. Even the most zealous representatives of dollar imperialism have to admit this. For example, Eric Johnston, the former chairman of the U.S. Chamber of Commerce and now a member of the “public advisory council” under the Marshall Plan administration, said on his return from his trip to Europe that communism was “spreading more and more in Western Europe despite the Marshall Plan” and that “there are more communists in Italy than before the April elections, and in France the economic situation of workers is worse than before the Marshall Plan”.

Washington’s reactionary policies have failed to prevent the growth of democratic forces in Western Europe and the development of the national liberation movement in the colonial world and, above all, in Asia. Increasingly convinced of the impossibility of achieving world domination by economic and political means alone, American monopolies are turning their heads on the path of fomenting a new world war.

In the early stages of the Marshall Plan, there was a clear desire of the American imperialists to chain the peoples of Western Europe in a chain of very specific military obligations to the overseas warmongers.

In the summer of 1948, the world press reported on the so-called military “Marshall Plan”: the State Department drafted proposals for appropriations of \$5 billion to \$8 billion over the next few years to finance the rearmament of Washington’s European satellites. At the same time, the United States Government, together with Canada, negotiated with the governments of the five Western Countries—England, France, Belgium, Holland and Luxembourg—to prepare the North-Atlantic Treaty, designed to tie the countries of Western Europe even more strongly to the chariot of American policy of aggression, the policy of unleashing a new war.

This crucial target of the Marshall Plan is not a surprise if we look at the background to the policies that have been embodied in it. Characteristically, even before the “Marshall Plan”, the governing circles of American monopolies closely linked the idea of open and unbridled aggression. For example, one of the actual fuels of the National Association of Industrialists, a major monopolist Virgil Jordan, during the war, talking about the direction of post-war American policy, put forward the following eloquent programme: “First, we will give all our economic power, for the purpose of reconstruction, in the unlimited disposal of all peoples who will be obliged to abolish all state expenditures on military needs and to carry out disarmament, which will bring their armed forces to the level of local police.

Then we will demand an unlimited right to constantly inspect and control all the industrial activities and equipment of these peoples and all areas of their public policy, which may have even the slightest bearing up with weapons and war.

Finally, we will produce, improve and stockpile in large quantities the best, largest atomic bombs for this most

important purpose; we will keep them ready wherever we have the slightest reason to expect secret evasion from fulfilling our conditions, and we will truly, quickly and without remorse, dump them where we meet resistance to our intentions.”

This cynical cannibalistic programme, put forward by one of the fuelled American monopolistic capital, was by no means only his personal opinion. On the contrary, Jordan only frankly expressed what is essentially the main goal of all post-war dollar diplomacy, which is under the guise of all sorts of hypocritical assurances and sanctimonious phrases. Already in the preparation of the North Atlantic Treaty, U.S. Senator Flanders, speaking at the University of Delaware, Ohio, launched a programme of aggressive war against the Soviet Union, in which he suggested Americans “take Germany as a starting point.” According to him, the ground forces of American imperialism “will consist of the peoples of European countries.” Under these conditions, Flanders assured American citizens, “a moderate amount of our human forces will be enough to fight.”

This speech is characteristic of the fact that it clearly expresses the adventurous calculation of American contenders for world domination—the expectation that the European nations will agree to carry chestnuts out of the fire for American plutocrats.

The preparation of the North Atlantic Treaty was conducted by dollar diplomacy under the guise of false phrases about “defence”, about the “security” of the United States, the protection of the “American way of life,” “Western democracy,” “Christian civilisation” and the like. This purpose is served by the flow of slander at the address of the Soviet Union, the faithful guardian of peace and security of peoples, which is portrayed by the official propaganda of Washington and the marshalled countries as an “aggressor” allegedly threatening the “security” of Western Europe and America.

Nearly three months before the signing of the North Atlantic Treaty, on January 14, 1949, the State Department issued a lengthy statement entitled: "Building peace. Collective security in the North Atlantic region." The statement, which was an attempt to justify the policy of smearing aggressive military alliances under the guise of imaginary concern for the "security" of the United States, gathered all the arguments in defence of the North Atlantic Treaty, invented to conceal its true essence. In the statement of the Ministry of Foreign Affairs of the USSR on the North Atlantic Pact, published on January 29, 1949, the complete failure of this argument was revealed and the valid meaning of the North Atlantic Treaty and its place in the Anglo-American plans of world domination were revealed. The North Atlantic Pact was another part of the aggressive policy of the Anglo-American contenders for world domination, which had its Fulton speech of the Churchill war arsonist, the proclamation of the Truman Doctrine, the Marshall Plan, the creation of the Western Union, Vandenberg's resolution on the "new direction" of united States foreign policy.

Already the creation of the Western Union was an inevitable consequence of the "Marshall Plan" as a plan of economic and political enslavement of Western Europe by the imperialism of the dollar. However, the formation of the Western Union was only one and not the main link in the system of activities included in the plans for the establishment of Anglo-American world domination. The imperialism of the dollar, giving England the first violin in the Western Union, retained the full opportunity to exert the necessary influence on the entire policy of this union. Further, at the end of 1948, the Treaty of Rio de Janeiro, concluded in Rio de Janeiro, providing the dollar's imperialism with a decisive influence on the policies of the vast majority of the countries of the American continent. The establishment of the Western Union and the conclusion of the inter-American pact were in the eyes of the American

imperialists the conditions that paved the way for the conduct of United States policy on a global scale. The North Atlantic Treaty, prepared by Washington's diplomacy and backed by the Western Union in Europe and the Pan American Pact in the Western Hemisphere, was the main link in the implementation of this policy.

The entire situation in which the North Atlantic Treaty was being prepared clearly demonstrated its role as the main weapon of the aggressive Anglo-American bloc in its struggle for the crazy plans of world domination. U.S. diplomacy has also attracted Scandinavian countries, Italy and Portugal, in addition to the Western Union, and it has been frankly emphasized that these countries are particularly valuable because they can provide the United States with very important strategic bases. The Seal reported on the impending inclusion of countries such as Turkey and Francoist Spain as participants in the treaty. At the same time, plans to prepare the "Mediterranean Treaty" and even the "Pacific Treaty" as the supporting tools of the North Atlantic Pact were reported.

"All of this shows," the Foreign Ministry said in a statement about the North Atlantic Pact, "that by creating the North Atlantic Union, the ruling circles of the United States and Great Britain are trying to involve, directly or indirectly, more states and this way to take them to their hands. To do this, resort to all permitted and illegal means. They use financial and other economic handouts. They promise to improve the economic situation to countries that, meanwhile, under the pressure of the "dollar policy" are falling into more and more economic difficulties. They intimidate the non-existent danger from the "potential aggressor" and at the same time resort to harsh means of pressure on small-state governments."

Thus, in the course of the preparation of the North Atlantic Treaty, it became clear that it was an expression of the Anglo-American bloc's desire to adapt to its adventurous plans of world domination the policies of malleable or

directly dependent on it governments of other countries. But this nature of the North Atlantic Treaty from the outset revealed its weaknesses, which inevitably must be made known.

The statement of the Ministry of Foreign Affairs of the USSR on the North Atlantic Pact was emphasized that it is one thing to create all kinds of groups and collect signatures under new and new treaties concocted in the bowels of the American and British ministries of foreign affairs, and quite another thing—the real achievement of those goals pursued by the masterminds of such groups and treaties. “The very creation of these groups and the signing of pacts does not eliminate the many tensions and contradictions that exist in life between the signatories of these pacts. Even within the Anglo-American bloc, the emergence of these pacts does not reduce the contradictions between the main partners, as the aggressive aspirations of both powers collide with each other at every turn. Moreover, it should be said that it is impossible to simply sign different pacts to eliminate the contradictions of interests between large and small countries that are part of these groups, when one partner or one group of states wants to profit at the expense of another partner or at the expense of another group of states, using all sorts of means of pressure and economic influence.

Nor should we forget that not all countries will agree to join these groups and not all States that have already joined them will agree unconditionally in all cases to submit to the Anglo-American diktat.

Is it possible, further, to ignore such an important fact as the recent huge rise of the national liberation movement in the countries of the East among the peoples, who have only now opened the opportunity to straighten their shoulders.

Finally, I must say about the Soviet Union and the countries of people’s democracies, which are realizing the

true will of their peoples and the great principles of friendship and equality in relations with other nations.”<sup>[89]</sup>

Like the Marshall Plan, the North Atlantic Treaty was conceived from the very beginning as a weapon directed primarily against the Soviet Union and the people’s democracies. The Soviet Union, leading the camp of democracy and socialism, is an insurmountable obstacle in the path of imperialist plans to establish world domination. Hence the irrepressible malice of the imperialists against the Soviet Union. At the same time, the North Atlantic Treaty, which aims to forge a military alliance under the tattered flag of the struggle against communism, means not only the preparation of war against the Soviet Union and the countries of people’s democracies, but, in essence, the declaration of war on all progressive forces of the Western European peoples, a course for the complete enslavement of the countries Western Europe by American imperialism.

The ruling circles of the United States and England tried to cover up the anti-Soviet orientation of the North Atlantic Pact with a false claim that it would be impossible for Western powers to cooperate with the Soviet Union. But back in February 1949, President Truman’s refusal to sign the Peace Pact with the Soviet Union once again showed the world that Washington’s ruling circles and their Western European cronies systematically thwart any attempt to resolve relations with the Soviet Union because they do not want peaceful cooperation with it.

Western officials openly acknowledged that the North Atlantic Treaty was directed against the Soviet Union and the countries of popular democracy. But at the same time, even the worst enemies of our country, like John Foster Dulles, cannot deny that the Soviet Union wants peace. The whole world knows that the great Soviet Power does not threaten any of the parties to the North Atlantic Treaty. It is clear

---

<sup>[89]</sup> Statement of the USSR Ministry of Foreign Affairs on the North Atlantic Pact, pp. 17-18.

from this that malicious fictions about the “Soviet threat” are intended only to cover up the aggressive objectives of the North Atlantic Treaty. The anti-Soviet motives of this treaty are completely groundless.

The policy of the North Atlantic grouping has finally exposed the Marshall Plan as a plan of aggression and preparation of a new war. This policy exposed the intricacies of the defenders of the “Marshall Plan” from the camp of the right-wing Socialists.

While the bloc of marshalled countries was coming together in the form of the Western Union, Bevin, Blum and other lackeys of American imperialism from the right-wing socialist camp tried to argue that Western European countries should unite to create a “third force” between the two largest powers: capitalist America and the communist Soviet Union. Now the lies of this propaganda, calculated “and the deception of the masses, is quite clear. The Atlantic Pact buried the legend of the “third force” supposedly served by the Western Union. The “third force” turned out to be nothing more than a mask under which the right-wing socialist footmen of American imperialism betray it to Western European peoples.

A year after the U.S. Congress passed a law on “economic assistance to foreign countries,” on April 4, 1949, Washington hosted the signing ceremony of the North Atlantic Treaty specifically summoned by the ministers of Western European countries. The text of the treaty, with the exception of secret articles, about the existence of which persistently wrote the press, was published on March 18. On 31 March, the Soviet Government sent a memorandum to the governments of the United States, England, France, Belgium, the Netherlands, Luxembourg and Canada, stating that the text of the North Atlantic Treaty fully confirmed its assessment, given in a statement issued by the Soviet Ministry of Foreign Affairs of January 29, 1949. Despite the many references to the Charter of the United Nations in the treaty text, the treaty was a flagrant violation of the



Charter. For the United Nations is meant to serve as a tool for preserving and consolidating peace, and the North Atlantic Treaty is an instrument of aggression and preparation of war.

The effective maintenance of peace by the United Nations implies the peaceful and friendly cooperation of the great Powers, which have the primary responsibility for the preservation of peace. But the North Atlantic Treaty creates and enshrines a certain "military and political group of countries, which include three great powers - the United States, England and France, while the Soviet Union is excluded from this group. This fact alone, more eloquent than any words and oaths, exposed the aggressive nature of the North-Atlantic Treaty, its direction against the Soviet Union and the countries of popular democracy. The North Atlantic Treaty was a flagrant violation of both the principles and objectives of the United Nations organisation and the obligations of the Governments of the United States, Great Britain and France, which they adopted under other treaties and agreements. These treaties and agreements are well known. This is the Anglo-Soviet Treaty of 1942 and the Franco-Soviet Treaty of 1944. Under these agreements, the great powers have been hard at cooperating to promote world peace and international security and to strengthen the United Nations.

The North Atlantic Treaty ended the rejection of the policy of collective security by a group of Anglo-American bloc countries. The conclusion of the North Atlantic Treaty meant the creation of a separate military and political grouping of countries seen by the Western powers as a kind of replacement for the United Nations. Smets, an elderly reactionary politician of the South African Union who is Churchill's mouthpiece, said frankly that the North Atlantic Pact "will actually be a replacement for the United Nations Security Council".

The countries participating in the North Atlantic Treaty have embarked on an arms race that has nothing to do with

the self-defence interests of those countries. These include increasing all military branches, developing a plan for the use of atomic weapons, stockpiling atomic bombs that are purely offensive weapons, building a network of air and naval bases, and so on. Three and a half years after the end of the war, the unified Anglo-American military headquarters in Washington, D.C., was established in 1948, the Military Headquarters of the Western Union, located in Fontainebleau, near Paris. The countries participating in the North Atlantic Treaty announced their intention to immediately establish a so-called defence committee to lead the further Americanisation of Western European armies. All these measures, which are by no means defensive in nature, lead to an increase in anxiety and anxiety, to the fanning of military hysteria; they will only be the arsonists of the new war. As a result of the policy of Marshallisation, advertised as a path to economic recovery, military budgets are growing rapidly in Western European countries. The burden of military expenditures depletes their already blood-bleed economy, depriving it of funds for real recovery and recovery. The number of armies is growing, and a significant part of the working population is distracted from productive labour. All this has led the countries of Western Europe to deepen economic collapse, exacerbate social contradictions, and increase poverty.

Under the guise of standardization of weapons, American guardians have received in their hands an additional means of sucking juices out of European countries, interfering in their economic life, and completely depriving them of their independence. The military industry of these countries is actually becoming a branch of the American military and economic machine. Overseas dealers sell their customers obsolete weapons at exorbitant prices. At the same time, the rearmament of Western European countries, by singing new young American monopolies, places a huge burden on the budget of the United States and thus leads to a further decline in the living standards of the working population.

According to the calculations published in the press, the rearmament programme of Western Europe should be between \$20 billion and \$30 billion, much more than all the appropriations under the “Marshall Plan”.

In making up the North Atlantic Treaty, the warmongers have not even been able to properly hide its adventurous nature. The sixth article of the treaty stipulates that any incident involving a vessel or aircraft in a wide area covering the Atlantic region between the North Pole and the Tropics of Cancer can serve as a reason for its activation. It is well known from history how war provocateurs fabricate such incidents when it seems to them profitable and desirable. Thus, the North Atlantic Treaty means that if overseas predators “make a crazy attempt to implement their adventurous plans for the forcible establishment of world domination, they will try to force the peoples of Western Europe—the British and French, the Danes and the Norwegians, the Belgians and the Dutch - to shed their blood in the interests of the predators of Wall Street. In accordance with the general establishment to provoke war, the organizers of the North Atlantic Treaty collect all the following fascism. They plan to revive German and Japanese imperialism.

The North Atlantic Treaty is designed to deter States and peoples who do not agree to submit to the dictates of the Anglo-American grouping of powers claiming world domination. But the complete failure of such claims was confirmed once again by the Second World War, which ended with the defeat of fascist Germany, which tried to implement the crazy plans of world domination. Equally unrealistic are the claims of the current Anglo-American imperialists who dream of forcibly establishing their world rule. The democratic public of the world rightly regarded the North Atlantic Treaty as a slightly updated edition of the notorious “anti-communicating” treaty of fascist aggressors, which led to the Second World War and the defeat of its initiators. Despite the difference in historical situation, both

treaties share one crucial circumstance: conspiracies of blind reactionaries, conspiracies against peace, against progress, against blood interests and the very existence of peoples. Like the “anti-Comintern” treaty, the North Atlantic Treaty is a conspiracy of warmongers. This cannot hide any imaginary peace-loving phraseology, which the initiators of the North Atlantic Pact abundantly appease their speeches. Characteristically, even this phraseology is a copy, often verbatim, of those demagogic statements, which were so willingly made by representatives of rogue fascist diplomacy. It is enough to cite some comparisons. The British Foreign Secretary, speaking in the House of Commons on 18 March 1949, defined the significance of the North Atlantic Treaty in the words: “This is a historic event and certainly one of the greatest steps towards world peace and security... This agreement marks the beginning of a new era of cooperation and understanding.” But just as touted Hitler’s Foreign Minister Ribbentrop in 1936 his brainchild - the “anti-American” pact: “The conclusion of this agreement is a historic event. This is a turning point in the struggle of all loving order and civilization of peoples against the forces of destruction... This agreement is a guarantee of world peace.”

Bevin went on to say of the North Atlantic Treaty: “This pact is a powerful defensive exercise. It is not directed against anyone. If we are accused of speaking out against a country or group of countries, I will simply say: read the text. There is no secret, there are no secret points.” The same was said at the time by the Foreign Minister of fascist Italy Ciano about the “anti-Comintern” pact: “The pact does not pursue any hidden goals. It is not directed against anyone... It is a tool embedded in the hands of peace and civilisation.”

The seal of the ruling camp of the Anglo-American bloc in all ways extolled the North Atlantic Treaty as a “protective shaft of 250 million people” against the “threat of Soviet aggression” and “communist invasion” of the Kingdom of

Hitler "Felkischer Beobachter" in November 1937 wrote about the "anti-American" pact the following: "The three-party agreement is a stronghold of peace. A dam of 200 million people is being created to protect world peace from Bolshevik destruction."

At the same time, American imperialists often throw away all embarrassment and very frankly determine the nature of their actions. Thus, the body of American stockbrokers "Wall Street Journal", designed for a limited number of readers—businessmen, commenting on April 5 in an editorial signing of the North Atlantic Treaty, frankly declared this treaty "a triumph of the law of the jungle over international cooperation on a global scale." The newspaper further acknowledged that "despite all the propaganda, the North Atlantic Treaty does nullify the principles of the United Nations..."

"The proponents of the North Atlantic Treaty," the newspaper continued, "may object to defining it as the law of the jungle. However, in-depth analysis shows that the cover of civilization, to which it is shrouded, is thin. It makes military power a decisive factor in international relations." While acknowledging that the North Atlantic Treaty is an expression of a policy of "brute force," the body said: "We do not mourn these events... We believe that the principle of the jungle underlying the Atlantic Pact is more in line with reality than the perfectly humane principle of the United Nations."

The law of the jungle rules the whole world of capitalism, all relations of imperialist predators. The fattened imperialism of the dollar feels like a master in the capitalist jungle. By suggesting fear at their weaker inhabitants, he growls about his appetites. He is ready to swallow the whole world... It inflates, reciting Lenin's prophetic words regarding the over-inflated and bursting German imperialism, words that have recently been re-affirmed.

The Wall Street Journal statement was colourfully confirmed by the speech of the American Congressman Cannon, chairman of the House Appropriations Committee. This Missouri representative, who belongs to the reactionary clique of southern Democrats, speaking on April 13, 1949 in the budget debate, openly spoke out about the rogue essence of the North Atlantic Treaty. Noting that the North Atlantic Treaty provides the American imperialists with the necessary bases for aircraft armed with atomic bombs, Cannon said, "We must hit Moscow and any other Russian city within a week of the outbreak of future war." Further, frankly spoiling the plan to use the peoples of Western Europe as cannon fodder for the aggressive purposes of American imperialism, Cannon stated: "We do not have to send our ground troops there (to Europe) in a future war, as it was during the last war. We must equip soldiers of other countries, and let them send their youth to their deaths, instead of sending ours."

Cannon's cannibalistic statement caused such a storm of indignation in Europe, as well as among America's progressive forces, that even reactionary American newspapers made clumsy attempts to disassociate themselves from this imperialist, who frankly spoke out about the true goals of the "Marshall Plan" and the North Atlantic Treaty. But these attempts to cover their tracks only confirmed that Cannon had expressed genuine imperialist calculations to the United States. In essence, Cannon only repeated what Virgil Jordan preached during the war, and after the adoption of the Marshall Plan, Senator Flanders and many other heralds of dollar imperialism. This is the true face of the North Atlantic Treaty, which is the logical conclusion of the Marshall Plan. In the masses of the people all over the world, this treaty caused indignation and indignation. The plenary of the National Committee of the Communist Party of the United States, held April 23-24, 1949, analysing the political situation, stated that the increased military danger resulting from the conclusion of

the North Atlantic Treaty had created a new phase of the struggle for peace, in which it becomes possible to unite in the struggle for peace the broadest masses of the people, regardless of political beliefs and party affiliation. "The masses of the American people and the working class are beginning to realize that the Cold War of Wall Street is pushing the United States to a military catastrophe from which the masses recoil with horror. And this creates new opportunities for the broadest unity of action against the warmongers, for the daily struggle of a united front on specific issues, for peace and against war. This new phase of a more intense struggle for peace also requires and makes it possible to mobilize the stronger resolve, energy and morale of the very masses of the American people." Further, the decision of the National Committee emphasizes the need to fight against the "false assertion of the imperialists that war is supposedly inevitable, and the need to strengthen the masses' confidence that they can emerge victorious in the fight against the arsonists of the war on Wall Street and prevent them from unleashing a new world war." The North Atlantic Treaty in the United States strongly condemned not only the communist vanguard of the American proletariat, but also the broadest progressives seeking peace and security. The sophisms of the initiators of the treaty could not hide its true essence from the progressive public. Expressing the opinion of this public, on 6 May, before the Senate Foreign Relations Committee, he spoke on behalf of the progressive party Henry Wallace, who described the North Atlantic Treaty as a military alliance designed for aggression, as a tool of interference in the internal affairs of Europe, as a violation of the Charter of the United Nations Organisation.

The leaders of the communist parties of France, Italy and other capitalist countries issued a serious warning to the American imperialists and their European servants. On February 22, 1949, at the plenum of the Central Committee of the Communist Party of France, the party's

secretary general Maurice Thorez made the following statement: “The enemies of the people, wanting to embarrass us, ask the following question: “What would you do if the Red Army occupied Paris?”

Here is our answer:

1) The USSR has never been and cannot be an aggressor towards any country. The country of socialism cannot, by its very nature, pursue the policy of aggression and war that is characteristic of imperialist powers. The Soviet Army, an army of heroic defenders of Stalingrad, never attacked any people. It fulfilled its glorious mission of liberating peoples from Hitler’s Germany, prompting the fervent approval of these peoples.

2) We base our position on facts, not assumptions. The current facts are as follows: the active cooperation of the French government in the aggressive policy of the Anglo-Saxon imperialists, the presence of a foreign headquarters in Fontainebleau, the transformation of our country and the Overseas Territories into bases of aggression against the USSR and the countries of popular democracy.

3) As this issue is raised, we will make it clear that this is the same. If all the French had worked together, loving freedom and peace, would not be able to return our country to the camp of democracy and peace, if therefore our people were involved against their will in the war against the Soviet Union and if under these conditions the Soviet Army, defending the cause of peoples, the cause of socialism, was forced, expelling the aggressors, to enter our territory, could the workers and the people of France behave in relation to the Soviet Army, otherwise than the workers and the people of Poland, otherwise.

This firm and courageous statement by Maurice Thorez provoked lively responses in France and around the world. The fury and insemination of the gravediggers of France, standing in power at the mercy of the imperialists of the dollar, showed that Thorez’s words hit the target. But millions of French workers, peasants, working intellectuals at



numerous rallies and assemblies fully agreed with the statement of the leadership of the Communist Party. Similar statements were made by the governing bodies and figures of the communist parties of other capitalist countries, which were involved by the American imperialists in their orbit. Exposing the warmongers, calling for the cohesion of all forces ready to defend the peace, the leaders of the communist parties said that if the imperialists did throw their states into the criminal adventure of war against the Soviet Union, the nations would meet as the liberator of the Soviet Army when it, pursuing the aggressor, entered their territory. These statements, which infuriated the reactionary camp, were a major contribution to the struggle for peace, against the plans for a new war.

In Western Europe, the masses strongly stated at numerous rallies and assemblies that the signature of governments under the treaty of war would not be their signature. Representatives of the widest segments of the population raised their voices against the criminal policy of military adventures, demanding the abandonment of this policy and stating that under no circumstances would they participate in the war against the Soviet Union and its liberator army. The proponents of peace warn the imperialist robbers that if they wage a new war, they will have against themselves the peoples of all countries who will not lay down their arms until the earth is cleared of imperialist contagion. "It is with the success of the peace camp that the warmongers are becoming increasingly infuriated. Every day the programme of the world's main adversaries is becoming more and more exposed. This programme involves the creation through violence and new wars of the world American empire, which must in scale surpass all the world empires of conquerors that have ever existed in history. It is no less than to turn the whole world into a colony of American imperialists, to bring sovereign nations down to the position of slaves.

What is the difference between the delusional designs of this kind of “Americanization” of all countries and continents from Hitler’s crazy plan - Goering about the “Germanisation” first of Europe, and then of the whole world? What is the difference between these plans and the equally crazy plans of Tanaka-Tojio about the subordination of the Japanese imperialists throughout Asia and the Pacific Basin? In fact, it is only because the aggressive programme of the arsonists of the new war exceeds the combined plans of their German and Japanese predecessors.<sup>[90]</sup>

---

<sup>[90]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, Gospolitizdat, 1949, pp. 19–20.

## **CHAPTER SIX. THE FAILURE OF THE “MARSHALL PLAN” AND THE GROWING ECONOMIC CRISIS IN THE CAPITALIST WORLD**

### **1. Economic Crisis in the Capitalist World**

Contrary to the calculations of American monopolists and their minions, neither the aggressive “Marshall Plan” nor the unbridled arms race could and really did not save the capitalist countries, especially the United States, from the onset of the economic crisis.

True to the usual tactics of all imperialists, the owners of Wall Street are looking for a way out of intractable internal difficulties and contradictions on the paths of foreign policy expansion and aggression.

However, the openly aggressive course pursued by American imperialism and its younger English partner, in the conditions of the current balance of power in the international arena inevitably fails after failure. This course could not but lead and really led only to a further aggravation of the contradictions of capitalism in the United States and in the entire bourgeois camp.

The most visible proof of the internal weakness of the imperialist camp is the complete failure of the “Marshall Plan”, which was presented by American monopolies and their footmen around the world under the false banner of the “Europe recovery plan”.

The infamous crash was the main strategic calculation of the “Marshall Plan” that this plan would undermine the economic recovery and growth of the Soviet Union and return the countries of popular democracy to the camp of capitalism. The political calculation of the imperialists that the “Marshall Plan” would “stop the growth of communism” would lead to a weakening of the class struggle in the marshalled countries. Finally, life overturned the economic calculations of the Anglo-American imperialists that the

“Marshall Plan” would provide them with sufficient markets for goods, capital applications and the arena of capitalist exploitation needed to ensure the fat super-profits of monopolies.

Contrary to the hopes of the Anglo-American financial oligarchy and the “healers of capitalism” among the right-wing socialists, the “Marshall Plan” not only did not resolve the imperialist contradictions in the camp of the Anglo-American bloc, but undoubtedly led to their aggravation. In an interview published on June 30, 1949, with the correspondents of Pravda and Izvestia about the results of the Paris session of the Council of Foreign Ministers, the Minister of Foreign Affairs of the Soviet Union, A. Y. Vyshinsky, noting Acheson’s untenable reference to the “successes of the restoration of Western Europe”, rightly stressed: “... Not about successes, but about the failures of the “Marshall Plan” should be talked about, if we consider the facts known to the world. Indeed, if the Marshall Plan was a successful plan, how can we explain that the author of this plan has been removed from the post of U.S. Secretary of State and replaced by another minister?” Less than two years after Harvard spoke to the now-retired Secretary of State of the United States, as newspapers of the ruling camp of bourgeois countries were filled with bitter confessions of the Marshall Plan crisis. Even the official agents of the Marshallisation of Europe were no longer able to hide the failure of the “Marshall Plan”, so this failure became obvious, so loud about it every day reminds the reality.

The Marshall Plan was conceived from the outset as a means of implementing the crazy plans of the world’s dominion of American financial capital. To achieve this basic goal, the Marshall Plan strategists outlined policies that were primarily to resolve the internal contradictions of American capitalism at the expense of marshalled countries. Addressing the American audience, the initiators of the “Marshall Plan” emphasized that, in their opinion, it would

provide the United States with markets for goods and the sphere of application for capital. Among Wall Street footmen, theories of “crisis exports” and “unemployment exports” were particularly popular. It was assumed that the crisis and unemployment could be taken to other countries like all other goods.

This theory, born of extreme ignorance and private self-interest, could not stand the test. The crisis and unemployment have proved to be very insidious “export goods”: when exported, they not only do not decrease in the United States, but, on the contrary, grow. The Marshall Plan, which plunged Western European countries into a bonded dependence on Wall Street, has moved the severe diseases of the American economy overseas at an accelerated pace. The “Marshall Plan” brought fat young ladies to American monopolies. But at the same time, it undoubtedly contributed to the further rapid deterioration of the economic situation of the United States.

According to the United Nations report on the global economic situation, industrial production in the United States in 1948 increased by only 3% compared to 1947, and in the first quarter of 1949 it fell by 5%, with this decline in engineering was 9%. In the second quarter of 1949, the decline in production in the United States increased. Industrial production was 18% lower in July than in October 1948, and at its lowest level since May 1946. From October 1948 to July 1949, steel smelting decreased by 28%, general engineering products by 21%, non-ferrous metals by 32%, and textiles by 27%. In August and September, the industrial production index experienced a slight seasonal increase (169 and 172), which was followed by a further drop in October - to 152. Thus, the volume of industrial production from October 1948 to October 1949 fell by 22%, characteristically, that in the first year of the crisis of 1929-1933, the fall in American industry production was 15%, and in the first year of the current crisis—22%.

It is particularly significant that, despite the subsidisation of U.S. exports under the Marshall Plan, the share of the United States in world exports decreased from 26% in the first quarter of 1948 to 21% in the last quarter of the year. Not only did 1948 not increase American exports, but on the contrary, the export of the United States decreased by 18% in value terms and by 23% in volume compared to 1947. In the post-war period, abnormally swollen exports played a major role in the U.S. economy. Thus, exports of cotton fabrics increased from 237 million square yards before the war to 1,471 million in 1947, coal exports from 11 million tons to 70 million, wheat - from 0.6 million. in 1948, despite the fact that coal production and cotton production in other capitalist countries had not yet reached pre-war levels, coal exports from the United States to Europe decreased by 20 million tons against 1947, and the export of cotton fabrics fell to 813 million square yards. In the first quarter of 1949, total U.S. exports were 23% below the post-war peak.

U.S. labourers from the American Federation of Labour and the Workers' Congress promised that the "Marshall Plan" would provide them with jobs. That promise turned out to be quackery.

The Marshall Plan not only failed to delay the rise in unemployment, but, on the contrary, accelerated it. Thus, one of the important articles of American export is industrial equipment. But as a result of the "Marshall Plan" its exports were almost eliminated, as American monopolies began to pursue a policy of banning trade with the Soviet Union and the countries of popular democracy and deny industrial equipment to Western European countries for fear of reviving competition on their part. According to the American trade union magazine March of Labour, out of almost \$2 billion. exports under the Marshall Plan at the end of 1948 accounted for only 60 million, or 3%. From April 1948 to April 1949, 200,000 workers were laid off in the electrical and engineering industries alone.

The progressive American weekly "National Guardian" bitterly stated that "the American embargo (ban) on trade with Russia, Eastern Europe and new China is worth the work of 3 million American workers who would have a job if trade between the West and the East was resumed." Unemployment is becoming an increasingly formidable problem in the United States. According to official data, the number of fully unemployed has doubled in the last year. According to the trade unions, the number of fully unemployed people reached 6 million, the number of partially unemployed exceeded 12 million. What happened in practice?

In the summer of 1949, the U.S. Department of Agriculture issued a statement in response to a large number of inquiries as to what impact the dollar crisis in England would have on U.S. agriculture. Noting that in the years leading up to the Second World War, Britain accounted for one-third of American agricultural exports, and during the war that this proportion rose to 45%, the Ministry of Agriculture acknowledges that The measures taken by England to reduce purchases in the dollar zone are a major blow to the marketing of American agricultural products. The growing economic crisis in the United States is evidenced by such facts as the growth of inventories, the reduction of trade turnover, fluctuations and falling stock prices, the fall in stock and wholesale prices of goods, which occurs despite the resistance of monopolists.

"The peculiarity of the current American crisis, by the way, is that it is brewing in an environment where American monopolies have put at the service of almost the entire economy of the capitalist world. With the help of the so-called "Marshall Plan" they artificially dissolve products that are not marketed domestically, and through the so-called foreign arms programme artificially load a number of industries. And what is the result? The ruling American circles have not spared the economy of the United States of America from the impending crisis. Instead, they did everything in

their power to pay the price for this crisis. At the same time, we must keep in mind that the economy of the capitalist countries of Europe is already in a state of decline. While the industrial output of the Soviet Union has increased nine-fold in the last twenty years, the industrial production of capitalist Europe as a whole has remained at the same level in these 20 years.”<sup>[91]</sup>

The official goal of the Marshall Plan was known to be the “economic recovery of Europe.” Life very quickly exposed this deception.

The complete collapse of the demagogic pillars of the “European recovery” is evidenced in particular by the report on the global economic situation for 1948, published in July 1949 by the secretariat of the United Nations. This report does not, of course, seek clarification of the true foundations of the processes taking place in the capitalist world. However, the actual material collected in it speaks for itself.

The report acknowledges that the economic situation of the capitalist world deteriorated in 1948:

“The second half of 1948 and the beginning of 1949 appear to represent a turning point in post-war economic development. For the first time since the end of the war, prices have fallen, output expansion has been delayed and the number of unemployed in a number of countries has increased.”

The nature of this turning point is undeniable: it is a turn towards another economic crisis of overproduction, unfolding in the midst of appalling poverty of the masses of the population of the bourgeois countries. Since the end of last year, the crisis has clearly emerged in the United States. At the same time, it began to cover a number of Western European countries. The same report notes that the problem of sales of goods has become particularly acute in the United States, Belgium, Italy and the western regions of Germany,

---

<sup>[91]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, pp. 29-30.



while per capita consumption in the capitalist world is much lower than the pre-war world.

The growing economic crisis in the United States casts a sinister shadow over the countries of Western Europe. It is known that the economic crises of overproduction are caused by the internal laws of capitalism. No policy can free the capitalist system from this monstrous ulcer. But the current crisis is affecting the countries of Western Europe in such circumstances, when its action is undoubtedly greatly accelerated and exacerbated by the policy of Marshallisation, tying these countries to the chariot of American imperialism. As a result, the fatal malaise of the American economy has a particularly detrimental effect on the economies of Western European countries.

The Marshall Plan strikes Western European countries as a blow after blow. It was touted as an economic recovery plan. In fact, it has brought an increase in economic difficulties, exacerbation of economic and social contradictions. Implementation of the “gun instead of oil” programme imposed on Western Europe by The American imperialists, increasingly beats the blood interests of peoples, condemning them to poverty and hunger, economic chaos and devastation.

The facts show that the notorious “assistance” under the “Marshall Plan” does not even cover the costs of Western European states for the arms race imposed on them by overseas guardians. The annual allocation to Western European countries under the Marshall Plan is about \$4 billion, while the major Marshallised countries spend more than \$1 billion annually on the arms race.

“Thus, one of the main functions of the Marshall Plan is in fact to ensure the forced militarization of the Western European economy”<sup>[92]</sup>

---

<sup>[92]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 20.

American trade and finance policy is designed to further tighten the noose of their economic enslavement and strangulation, thus trying to break the enchanted circle of contradictions of the Marshall Plan. After Western European countries put on the yoke of the “Marshall Plan”, their industry began to fever. 1948 passed in the economy of Western European countries under the sign of trampling on the spot, significant disruptions and declines in production. In countries such as Belgium, Italy, Sweden, Switzerland, industry, barely reaching the level of crisis 1938, faced difficulties in sales, which led to a reduction in production. 1949 brought a marked decline in industrial production in most Western European countries. So, in the first quarter of 1949 The industrial production index in England fell from 114 to 112 in the last quarter of 1948, in Belgium from 97 to 94, in Italy from 100 to 88, in Holland from 126 to 117, etc. The number of unemployed has doubled in the first three months of this year alone, and in some countries it has increased. In the first quarter of 1949, the number of fully unemployed in Italy, according to undoubtedly understated official data, reached 2 million, and in the western zones of Germany exceeded 1 million, not counting 1,800,000 people, transferred to part-time work week. In England, there were about 400,000 unemployed people in the first quarter of 1949. In Belgium, 7% of all workers were unemployed in March 1948, and 12% in March 1949.

Agriculture of Western European countries is still far behind the pre-war level. Thus, cereal production in 1948 was only about 87% of the average annual level of 1934-1938; In 1949, agricultural production in Western European countries continued to decline, although these countries continue to lack bread, fats and other agricultural products.

American imperialists arrogantly call Italy “the battleground for the Marshall Plan.” This is the title, for example, of an article by a certain Felix Perris in the journal Harpers Magazin for July 1949. According to the report, Italy’s industrial production reached only 92% of the 1938

level, while agricultural production reached 87%, while the country's population increased by 7% compared to 1938.

The link between the bleak state of industry and agriculture in Western European countries, the rising unemployment rate in these countries and the Marshall Plan is evident. called the unarmed eye. With limited domestic markets in Western European countries due to the impoverished population, the mass importation of American goods undermines and stifles domestic industry and agriculture. Newspapers are full of reports of how the influx of overseas goods coming under the "Marshall Plan" is causing production cuts, closing businesses, condemning tens and hundreds of thousands of people to unemployment.

But that's not enough. The flow of goods sold from overseas necessarily takes away from Western European countries their traditional foreign markets. Italian car factories, shipyards in Sweden have lost their markets in Western Europe, captured by American firms. Mines are closing in Belgium and many thousands of coal miners remain out of work as the import of American coal into France, Holland and Italy has displaced Belgian coal. The United Nations report on the global economic situation highlighted the extremely difficult situation in the textile industry of a number of countries as a result of the seizure of their position in world trade by American monopolies. Italy's textile industry barely reached 77% of pre-war levels in 1947, and in 1948 it began to reduce its production. Production also began in the textile industry in Belgium and France, which did not reach pre-war levels in 1948. The disorganisation of the Western European economy caused by the Marshall Plan is eloquently demonstrated by the fact that trade between Western European countries in 1948 was only 72% of the pre-war level. As a result of the disruption of inter-European trade, goods are not marketed and destroyed, while millions of people are in dire need. Thus, the Daily Herald reported on August 29, 1949, that in England millions of pounds of tomatoes are exported to the fields as fertilizer,

as they are not found in the market. In the Netherlands, dozens of tons of apples, pears and plums are dumped every day in the area of the city of Nijmegen: prices in the domestic market are low, and traders do not want to sell fruit at these prices to the population, and the export of fruit to Germany is prevented by the American authorities. The policy of severing trade ties with the Soviet Union and the countries of popular democracy is of great importance to the States of Western Europe. Trade of marshalled countries with Eastern Europe in 1948 It is useful to compare another figure: trade between the countries of Eastern Europe, developing on the basis of equality and respect for mutual interests, in 1948 amounted to 288% compared to the level of 1938. It would be a miracle that the opposite would be rather the opposite!

The first year of the Marshall Plan showed that this American policy was incompatible with the fundamental vital interests of Western European countries. Characteristically, not only communists and generally progressive-minded people, but also many representatives of capitalist circles of logic of things are forced to recognize the perniciousness of American politics.

An example is a report made by the French Senator Pellon on behalf of the Financial Commission of the Council of the Republic on the draft law on expenditures but investments in the 1949 budget year. This representative of the French major bourgeoisie acknowledged that France's Marshall policy "sets its main objective to increase agricultural production and industrial raw materials, both for domestic consumption and for exports; the production of finished products is of secondary importance, and it is now designed only to meet domestic needs."

Thus, as part of the "Marshall Plan" France has the role of an agrarian country, unable to export industrial products that can compete with American export. But the export of agricultural products and raw materials is completely utopian in the current conditions of the capitalist world market,

where there is a fierce struggle for the marketing of these goods.

“This will mean,” Pellan continued, “the closure of numerous engineering, energy, especially textile industries, layoffs of workers and undoubted unemployment.” Describing the “Marshall Plan” dictating the establishment to turn France into an agrarian country, Pellan stated that “this new orientation represents some analogy with the orientation that France wanted to impose in the first months of the occupation.”

In other words, the French bourgeois politician had to admit that the Americans impose the same “orientation” on France as Hitler’s occupiers!

In France, the pernicious consequences of the “Marshall Plan” carrying the collapse of the French industry, the poverty of the masses of workers of the city and village, the growth of tax burdens, the chronic financial crisis are becoming clearer.

In 1948, the budget deficit, according to preliminary data, reaches 65 billion francs. Preparations for war ruin the country. Inflation places a heavy burden on the country’s economy, as the number of banknotes in circulation is constantly growing, the “Marshall Plan” not only did not help to solve one of the main problems of the Western European economy—the problem of exports, but, on the contrary, led it to a hopeless impasse. The total export volume of Western Europe remains much smaller than before the war. The preliminary report on the four-year policy proposals submitted at Washington’s request by 19 Marshallised countries was, of course, a document that had nothing to do with a valid economic recovery programme. Such a programme is not in a position to give capitalist governments that serve the interests of large monopolies, torn apart by intractable contradictions and unable to cope with the economic element.

Even official agents for the Marshallisation of Western Europe had to admit this fact. The Secretary General of the

Organisation of European Economic Cooperation, Robert Marjolen, speaking at a press conference in Paris on January 5, 1949, explaining the report, emphasizing that this is “not a final report, but a picture as a whole, a statistical analysis that gives an idea of the data of the European problem”. In this document, first of all, the difference between the heads of individual countries caught the eye. Each country presented its calculations on foreign trade and finance, not worrying about the assumptions of other marshalled countries.

The economic interests of Western European countries collide at every turn. This is not surprising, since the countries of Western Europe have a more or less homogeneous economic structure and the condition for their normal economic development is the expansion of ties with the countries of Eastern Europe. Meanwhile, the Marshall Plan, splitting Europe into two camps and effectively prohibiting Western European countries from developing trade ties with their eastern neighbours, leads the industrial countries of the western part of the continent to hopeless contradictions. Attempts to resolve these contradictions give rise to continuous conflicts of interests of Western European countries.

Thus, as a result of the “Marshall Plan” Western European countries not only did not receive the promised increase in industrial and agricultural production, but, on the contrary, were faced with falling production and rising unemployment. It could not be otherwise, considering that under the guise of hypocritical phrases about the “economic recovery” of the countries of Western Europe, American monopolies have a policy of their comprehensive enslavement, seeking to deal with the competition of their industry in world markets, to turn these countries into colonial appendages of the American economy. The democratic public of Western European countries unanimously notes that the first year of the “Marshall Plan” brought Western Europe, as you would expect, to a broken

trough. Communist parties, exposing the deceitful boasting agents of Marshallisation imaginary successes, show the masses the true reasons for their deplorable situation. Expressing the thoughts of the leading people of all countries of Western Europe, the body of the Communist Party of France newspaper “Humanite” wrote: “The only way to honour the anniversary of the establishment of the organisation of European economic cooperation is to fight it to regain the independence of France, to force the retreat of the warmongers and to disrupt their plans, which are ruin and death. The Communists will do everything possible to ensure that all workers, Republicans of all persuasions and all faiths, all the real French are united in this saving activity.”

## **2. Catastrophic Decline in Living Standards in Western Europe**

The demagogic promise to raise living standards in Western European countries turned out to be as much a bluff as all other promises. In fact, the living conditions of western Workers in Western European countries have deteriorated dramatically as a result of the Marshall Plan.

According to the United Nations report, the vast majority of Western European countries continued to increase the price of consumer goods in 1948, and monetary wages increased to a much lesser extent, resulting in a decline in the real incomes of the working population. Rising prices with “frozen” or almost unchanged wages, a rapid increase in the number of unemployed, a decrease in the consumption of essential products—such is the picture.

Take England. The Labour government and reactionary trade union bosses claim they have managed to stabilize prices and the cost of living. On this basis, they defend their wage freeze policy, vigorously opposing workers’ demands for higher wages. But the version about price stabilization is refuted by the facts. In the six months from November 1948

to May 1949, the Oxford University Institute of Statistics estimates that the cost of the minimum amount of food needed for a week for a family of five increased from 42 shillings 6 pence to 48 shillings 8 pence in the six months from November 1948 to May 1949. The same amount of food in 1936 cost 23 shillings 9 pence. To determine the cost of living, the institute compiled a set of the simplest products necessary to feed a family of five people: a husband, a wife and three children aged 5 to 12 years. The calculations of the Institute of Statistics are based on the prices of standardized, and, moreover, absolutely necessary, food products; goods such as fresh fruits, early vegetables, biscuits were not taken into account at all.

In other Western European countries, the situation is not only not better, but even worse. According to the Financial Times, food rationing is maintained in all Western European countries except Switzerland and Belgium this year. In 11 countries, sugar issuance is rationed, and in Spain, for example, the norm is 72 grams per week. The worst is with fats. The issuance of fats is normalized in 13 countries, and in Italy, for example, the weekly rate is 69 grams. In the Nordic countries, Holland and Bisionia, meat production rates were lower in 1948 than in 1947. In 1948, the cost of living was more than twice the level of 1947. In Italy, there is still a card system for food.

In Holland, the population in May 1949 bought 15% less bread and confectionery and 17% less industrial goods compared to March. Consumption of meat and oil has also decreased significantly due to rising prices for these products. In June and July there was a further decline in the purchasing power of the population. During the first half of 1949, the population consumed 13% less oil than in the same period last year.

In the western regions of Germany, the vast majority of the population are terrified poverty and hunger, while the national disasters are preyed on by tiny handfuls of speculators and minions of Anglo-American monopolies.



Regarding Italy, the Chairman of the World Federation of Trade Unions di Vittorio, speaking at the session of the Economic and Social Council on 9 August 1949, cited the following facts: “In Italy, there are currently more than 2 million unemployed persons who are entitled to a six-month allowance of 220 liras per day, as well as 3 million pensioners receiving an average of about 4,000 liras per month. Thus, for each Italian family there is one unemployed person or a pensioner. In order to have a clear picture of the poverty of Italian workers, suffice it to say that, according to official data, the living wage for a family of four was set in January 1949 at 60,000 liras per month. Meanwhile, the average wage in Italy does not exceed 25-27.5 thousand liras per month.”

So, as a result of the “Marshall Plan” the living standards of the population of Western European countries not only did not rise, but, on the contrary, have drastically decreased. The impoverishment of the working masses with the further growth of parasitic incomes of insignificant bunches of monopolists was an inevitable consequence of the policy of Marshallisation. In turn, the catastrophic impoverishment of the masses undermines the foundations of any economic recovery, accelerates and exacerbates the development of a new crisis” The current crisis is growing at a time when even the most devastating consequences of war in the form of inflation, trade and credit disorders, when millions of people have been deprived of the most pressing means to life since the war, are not yet eliminated. It is clear that in such conditions the impact of the crisis is especially severe for the working masses. This is the special “merit” of the Marshall Plan.

### **3. Aggravation of Dollar Famine in Marshallled Countries**

At first, the initiators of the Marshall Plan repeatedly stated that the plan would enable Western European

countries to stand on their feet and get rid of chronic shortage of dollars within four years of their operation. In the language of the Marshallisers, it was called—to restore “self-sufficiency”, to return to a “balanced economy.” A serious blow to these rosy hopes was dealt on the threshold of 1948 and 1949, when the so-called Organisation of European Economic Cooperation, having collected four years of Marshallised countries, came to the extremely disappointing conclusion that at the end of the “Marshall Plan” in 1952, 19 of its participants would have an undisclosed deficit of \$3 billion. In other words, at the end of the Marshall Plan, the countries of Western Europe will be even more economically dependent on overseas moneylenders than immediately after the end of the war. This is the result predicted by representatives of the democratic public around the world, exposing the “Marshall Plan” as a tool of economic enslavement and political enslavement of Western European countries by the monopolies of Wall Street.

This scandalous result caused despondency in the camp of Marshallisers. Commenting on the deficit figure at a press conference in Washington on January 12, 1949, Margolen, Secretary General of the Organisation for European Economic Cooperation, declared that European countries face a dilemma: they “must either redouble their recovery efforts or reduce imports from the Western Hemisphere by about 40%.” At the same time, he added that, he said, the second option “will mean a social and political crisis in Europe.” Subsequent events have shown, however, that reality has prepared even more bitter gifts for marshalled countries. Britain, one of the largest marshalled countries, has been experiencing increasingly escalating dollar famines in recent months.

The dollar crisis is a reflection of the deep crisis of the entire economic system of English capitalism, its rottenness and parasitism. England’s changing position in the post-war world led to a sharp decline in revenues from British investment abroad, from shipping and other items of so-

called invisible exports. Against this general backdrop, the crisis of the British economy is driven by all the foreign and domestic policy of the Labour government, which in all follows the direction of the Conservatives and their leader Churchill. This Government, on the one hand, is on the guard of the exorbitant profits of monopolies; on the other hand, it burdens the budget with unbearable expenditures on the arms race” to maintain a huge armed force in peacetime” on colonial wars and unceremonious interference in the internal affairs of other peoples.

The governments of Western European states, especially England, wearing the yoke of the “Marshall Plan” on their countries, condemned them to the inevitable escalation of dollar famine. For the chronic shortage of dollars in Western European countries is generated by the entire United States foreign trade policy. By inflating exports to Western Europe” the United States at the same time strongly restricts its import from this part of the world. The policy of American monopolies leads to the systematic pumping of foreign exchange and gold resources from other capitalist countries. At the end of 1938, the united States gold reserves were \$14.5 billion, and at the end of 1948 it reached \$24.2 billion. In 1948 alone, it increased by \$1.5 billion!

The United Nations report on the global economic situation acknowledges that in 1948, this United States trade policy intensified the “cruel dollar famine in Western European countries.” In 1948, the export of the United States to Western Europe exceeded imports from these countries by 246%. Hence the sharply passive balance of Western European countries in trade with the United States. Their total deficit was estimated at a huge sum of \$3,247 million. For individual countries, the passive balance of foreign trade with the United States was: for England - 390 million dollars, for France—509 million, for Italy—297 million, for the western zones of Germany—862 million, for Holland—246 million, for Belgium and Luxembourg—200 million dollars. and so on, the Marshall Plan imposed unilateral importation

of American goods by Britain and other Western European countries without allowing them to be exported to the dollar zone. Together with the undermining of trade ties of Western European countries with Eastern Europe, this exacerbated the chronic dollar deficit in Western Europe and, above all, in England.

It is enough to give a few figures to get a visual picture of the essence of this contradiction. According to the U.S. Department of Commerce, the export of the United States in May 1949 amounted to 1,077 million dollars, while the import was only 539.4 million. The “scissors” between U.S. exports and imports amount to about \$0.5 billion. per month, i.e. about \$6 billion. per year. This amount far exceeds all appropriations under the Marshall Plan. Hence the inevitability of dollar famine in Western Europe, which also has to spend dollars not only in the United States, but also in other countries of the dollar zone, especially in Canada. Sometimes even representatives of the official circles of London are worried about the hopelessness of the prospects of the famine. Thus, on July 26, 1949, Douglas Jay, the Secretary of the British Ministry of Economic Affairs, stated that the shortage of dollars was a “protracted economic disease” that would probably last for a long time, perhaps 15 to 20 years.

The British government tried to cope with the situation by forcing the export. However, English export comes across ever-increasing obstacles. England faces particular difficulties in marketing its goods in dollar markets, i.e. in the United States and Canada. This is evidenced by the following figures: in the first quarter of 1949, English exports to the United States and Canada averaged \$47.6 million. a month. But in May, The English export to these two major dollar markets fell to \$44.4 million. It is particularly noteworthy that English exports to the United States fell from an average monthly figure of \$21.2 million. 14.4 million in May.

The British Finance Minister Stafford Cripps, speaking in the House of Commons in July 1949, noted that the most difficult problem of the British economy is now the “trade and payment balance with the dollar zone”. The dollar deficit is growing from month to month, from quarter to quarter. As a result, the foreign exchange reserves of England and the entire sterling zone fell to 406 million pounds by the end of the second quarter, compared to 471 million in the end of the first quarter of 1949. This installation was proclaimed in the White Paper of the English Government published in early 1949, which even bourgeois newspapers called a “gloomy document”.

However, in July 1949 the British Government announced the need to minimize the purchase of goods in the dollar zone and reduce all other expenditures in dollars. Cripps’s statement has caused extreme discontent among U.S. exporters of oil, wheat, cotton and tobacco, goods for which the growth of stocks is particularly alarming. The dollar crisis in England was the subject of long Anglo-American negotiations on financial issues that took place in the summer of 1949 American moneylenders put forward a demand for the devaluation of the pound sterling and other Western European currencies. At the same time, they pursued a dual goal: first, to get the opportunity to buy up the most profitable enterprises owned by the English, French, Dutch, Belgian capital both in the metropolises, and in the colonies; secondly, as a result of the restoration of reversibility, i.e. the free exchange of Western European currencies for dollars, it is possible to seize the markets of Western European countries.

President Truman’s National Advisory Board on International Currency and Finance, of which Acheson, Snyder, Hoffman, Secretary of Commerce Sawyer, Federal Reserve Chairman McCabe, and President of the Export-Import Bank Gaston are members, made a strong statement in a July 1949 report. for the devaluation of the currency in Western European countries, and above all in England. While

recommending this measure, the council referred to the need to restore the balance of payments of Western European countries in relation to the Western Hemisphere. In order to leave no doubt about what kind of “restoring the balance of payments” is being discussed, the council emphasized the need to attract large private foreign (ie, American) investment. According to press reports, we are talking about the investments of the American monopolies not only in the countries of Western Europe, but above all in their colonies. Underneath this formulation lies the greedy appetite of Wall Street, which is systematically tucking into the tidbits of the colonial economy.

The British government tried to resist the American demand for currency devaluation. British Finance Minister Cripps has repeatedly stated that “the government has no intention of devaluing the pound.”

The meaning of the Anglo-American struggle around the issue of the devaluation of the pound sterling was clear even the most sympathetic servants of Wall Street. Thus, the French newspaper “Comba” wrote about the American plan to devalue the pound sterling: “This is nothing but the removal of the last barrier in the face of an independent British economy to colonize the Western world by the United States.”

Sensing the weakness of their economic positions in negotiations with the United States, the British imperialists tried to expand the base of negotiations by attracting political issues. They tried to bargain concessions from the American Shylocks in exchange for services in the anti-communist struggle. As compensation for American “assistance” included, further, proposals of joint Anglo-American exploitation of colonies, where the already American capital is increasingly advancing on the position of English capital.

But all the efforts of the Labour rulers of England were in vain. The outcome of the struggle around the issue of devaluation once again clearly showed that the imperialism

of the dollar is in place in Western European countries, as at home. At the order of wall street monopolies, the British government on September 18, 1949, devalued the pound sterling, reducing its rate by 30% - from \$4.03 to \$2.80. Within a few days, the currency depreciation of more than two dozen capitalist countries followed. American monopolies were able to buy up the cheap industry of Western European countries and sources of raw materials in their colonies. U.S. exporters have been able to push their Western European competitors out of the global market even more successfully.

The devaluation of the currency brought a new catastrophic decline in the living standards of the working masses. The depreciation of the English pound sterling was also barely covered up by the heist of a number of colonial countries, to which England owes huge sums since the war.

At the same time, currency devaluation not only did not allow, but, on the contrary, exacerbated economic difficulties in the capitalist world. The obvious quackery for gullible people was Cripps' promises that the devaluation would alleviate England's financial crisis and reduce its dollar deficit. It is easy to understand that American monopolies are not in order to dictate to the British government the devaluation of the pound sterling, to increase British exports in an environment where American exports are falling month after month and there is a continuous aggravation of the struggle for markets. But the calculations of American monopolies are built on the sand: chasing exorbitant super profits, they lead a policy that further narrows the markets and, therefore, further deepen the economic crisis of overproduction in the face of unprecedented poverty of the masses.

The report on the distribution of American "aid" "and 1949/50, published on September 1, 1949 by the Council of the so-called Organisation for European Economic Cooperation, notes that the amount of "assistance" is insufficient to cover the dollar deficit. " The dollar problem

is not resolved,” the report concludes. The Secretary General of the Council, Marjolen, reported that the demand of Western European countries in dollars not only did not decrease compared to last year, but increased, as during the first half of 1949 the export of marshalled countries to the dollar zone fell sharply due to the economic crisis in the United States. This reduction was an average of 30%, and in some cases 50 or even 60%. The report by the Marshall Council notes that Britain and other countries in the sterling zone were the most affected by the decline in exports to the dollar zone. Their exports to the dollar zone cover only two thirds of their dollar needs.

The Marshall Plan was touted as a means of overcoming dollar famine in Western European countries. Life has shown that as a result of the “Marshall Plan” dollar famine in Western Europe not only did not disappear, but, on the contrary, even more aggravated. This is not surprising, if we bear in mind that in the arsenal of Washington’s foreign policy, the dollar deficit of Western European countries plays the role of one of those loops that are thrown by the American imperialists on the necks of the peoples of Western Europe. Wall Street monopolies don’t think about loosening that loop. On the contrary, they try to tighten it tighter and fix it more.

The ruling circles of Western European countries, especially the Labour rulers of England, expected that the “Marshall Plan” would allow the metropolises to get back on their feet in order to continue the exploitation of colonial possessions without hindrance. And in this respect, the Marshallists have suffered the most unpleasant disappointment. For American monopolies, the Marshall Plan proved to be a means of quickly seizing positions in foreign colonial empires. Until now, they have seized mainly markets in the colonial possessions of European countries. Now they are moving decisively to the next stage of their expansion—to capture the colonies as the most important areas of investment.



#### 4. Bankruptcy of American Politics in Germany

In the crazy plans of forcible establishment of Anglo-American world domination under the auspices of the United States, a special and extremely important place is given, as we have seen above, Germany, but Washington's adventurous policy on the German issue, supported by London and Paris, goes from failure to failure. As a result of the separate actions of the three Western powers, the economy of the western zones of Germany was in a protracted crisis. The resurgence of fascism in the western regions of Germany is causing growing outrage around the world.

The apparent bankruptcy of the separatist policy of the three powers in Germany forces their representatives to resort to manoeuvres. At the sixth session of the Council of Foreign Ministers, held in Paris in May-June 1949, representatives of the three Western powers first attempted to impose their policy on the German question to the Soviet Union. This was served by a memorandum introduced by representatives of the three powers on the first item on the agenda of the Session on The Unity of Germany. The memorandum proposed to attach the Soviet zone of occupation to the anti-people's Bonn constitution, drafted by a handful of corrupt German politicians under the dictation of the Anglo-American occupation authorities, and to extend the occupation statute to all of Germany, which is an illegal attempt to perpetuate the occupation of Germany and establish a colonial regime there. Thus, it was suggested that the Soviet zone should be subject to the dictates of the Western powers, which would untie their hands in solving any issues related to Germany. Naturally, this plan has failed completely. The Soviet delegation strongly rejected it, insisting on the implementation of historic Potsdam decisions.

As a result of the firm and consistent position of the Soviet Union, the ministers of the three Western countries

had to sign their position by the end of the Paris session. They had to agree to a communique built in the spirit of the Soviet proposals, in the spirit of the Potsdam Agreement, which has long been used by the press and Western officials.

At the same time, at the Paris session, representatives of the United States, England and France again refused to accept the Soviet Union's proposal for education, based on the existing German economic bodies in all four zones of occupation, the German-wide State Council, which would be an economic and administrative centre with governmental functions. The formation of such a Council of State would be the first step towards the establishment of a German-wide democratic government. Representatives of the three Western powers also refused to accept the Soviet Union's proposal to prepare a peace treaty with Germany and to withdraw the occupying troops from Germany within one year after the conclusion of the peace treaty. The world public rightly regarded the well-known positive result of the Paris session of the Council of Foreign Ministers as the success of the Soviet policy, which defends in the interests of peace and security of all peoples the principles of German unity on the basis of its democratization and demilitarization, on the basis of its transformation into a peace-loving democratic state. Representatives of the United States, England and France were forced to make certain concessions under the influence of the apparent failure of their policy in the German question, under the influence of the failure of the "Marshall Plan".

However, immediately after the Paris session, the President of the United States, Truman, Secretary of State Acheson and Secretary of War Johnson issued statements making clearly untenable attempts to present the results of the session as a success of Washington's bankrupt "hard policy". Already these boastful attempts have shown the insincerity and hypocrisy of American politics. The most aggressive henchmen of monopolies, engaged in planning American foreign policy, are looking for a way out

of the impasse on the way to further adventures in Europe and especially in West Germany. This is evidenced in particular by the information in the press concerning the memorandum on "political equilibrium in Europe" submitted to Acheson and Truman by State Department Adviser George Kennan and head of the Department of State Affairs for Germany and Austria, Robert Murphy. The authors of the memorandum proposed to turn the western zones of Germany into the economic and political centre of the whole of Western Europe, designed to become, according to their plan, "the governing force in Europe." To that end, the memorandum recommended, above all, a fundamental review of the Marshall plan's allocations in order to provide West Germany with the main means of drastically reducing the allocations to other Marshallised countries. The memorandum of Kennan -Murphy is aimed at England, whose plans the authors of the memorandum declare "a fraught danger to the world equilibrium."

After the Paris session, the Western powers began to continue their old hateful policy of dismembering Germany and restoring the German imperialist reaction. The comedy of elections, held in Trizonia on August 14, 1949, was an open demonstration of the most extreme German chauvinism, flourishing in the western zones under the auspices of the American authorities. These authorities together with their hirelings from fascist and pro-fascist German circles have built up a puppet West German state - a reserve of reaction and fascism in the heart of Europe. The creation of this puppet state was completed immediately after the August false elections.

On 7 September, a parliament of deputies who had been elected as a result of anti-democratic elections met in Bonn, the President was elected on 12 September, the Prime Minister was elected on 15 September, and on 20 September a false parliament approved a false government made up of yesterday's minions of Hitler's regime. On this day, three western zones of occupation of Germany were declared a

“state.” On the other day, 21 September, the occupation statute came into force, which stipulated that all the most important areas of German life - foreign trade, external relations, demilitarization, the fate of monopolies, Ruhr’s rule—remain in the hands of the Western powers. It is also envisaged that any West German constitution will be valid only under the occupation statute.

It is clear from this that the proclamation of the West German state was a gross deception designed to cover up the colonial enslavement of western Germany by American imperialism. At the same time, the formation of an anti-people’s separatist West German government hostile to the obligations imposed on Germany by the Potsdam Accords of the four powers was the end of Germany’s adventurous policy of splitting Germany, pursued by the three Western powers throughout the post-war period, completely breaking with both the Potsdam Accords and the decisions of the Paris session of the Council of Foreign Ministers. The West German state is assigned the role of the main base of the aggressive North Atlantic bloc, the role of the main Landsknecht in the service of American imperialism. This is evidenced by the fact that the “European Council” created by the imperialists has set one of its main tasks the inclusion of the West German state in its ranks. This puppet state is built on deeply anti-popular motives, hostile to the idea of unity of Germany, its democratization, its transformation into a peace-loving country. The Bonn constitution, concocted by The German orders of American imperialism, proclaimed the principle of federalism, i.e. the rejection of the idea of a single German state. At the same time, Ruhr - the vital state centre of Germany - is actually rejected from it and entirely given to American monopolies. The Bonn pseudo-state was created as a fiefdom of the American imperialists and their West German henchmen among the most active Nazis.

The proclamation of the Bonn pseudo-state showed that the Western powers do not want to give the German people their sovereign rights, that they do not stop at nothing in the

policy of violating their commitments. This created a new situation in Germany. The National Front of Democratic Germany, which unites the democratic strata of the German people, in its manifesto characterized the situation as a state of national disaster.

The end of the division of Germany by the creation of the Bonn puppet state caused in the German people a powerful movement for national unity and freedom, which was embodied in the formation of the German Democratic Republic. The Democratic Forces of Germany, feeling responsible to their homeland and to the world, took the cause of the future German people into their own hands. On October 7, the German Democratic Republic was proclaimed at a session of the German People's Council in Berlin. A democratic constitution was enacted with the participation of the entire German people, adopted by the German People's Council and approved by the German People's Congress, which was elected by the people by the general election on May 15-16, 1949. The Provisional Government was formed, led by Otto Grotevol. On 10 October, the Soviet Government announced the transfer to the Government of the German Democratic Republic of the functions of government, which had so far belonged to the Soviet military administration. The Soviet Union, as well as all the people's democratic states, decided to exchange diplomatic missions with the German Democratic Republic. The creation of the German Democratic Republic dealt a devastating blow to the insidious and treacherous plans of American imperialism regarding Germany. The proclamation of the German Democratic Republic showed that the German people did not intend to tolerate the criminal policy of the Western powers, which threatened its national existence. The National Front, under the sign of which the German Democratic Republic was born, put forward the following basic demands in its programme. Restoring Germany's political and economic unity by eliminating the separatist West German state, abolishing the Ruhr Statute and the

autonomy of Saar, and forming a German-wide government. The rapid conclusion of a just peace treaty with Germany on the basis of unconditional recognition of the Potsdam decisions on the democratization and demilitarization of Germany, as well as its obligations towards other peoples; withdrawal of occupation troops from Germany in a firmly established short period after the signing of the peace treaty.

Restoration of the full sovereignty of the German nation with recognition of the right to an independent foreign policy and to independent foreign trade. The National Front of Democratic Germany has declared its firm determination to fight for peace, against the involvement of Germany in aggressive military blocs, against the arsonists of the new war.

The creation of the German Democratic Republic was an act that is in full accordance with the historic decisions of the Potsdam Conference. This act is in the fundamental interests of the entire German people and the interests of world peace.

The whole world flew around the greeting of Comrade J.V. Stalin to President Wilhelm Peake and Prime Minister Otto Grotevol, in which the formation of the German Democratic Peace-loving Republic was called a turning point in the history of Europe.<sup>[93]</sup>

“There can be no doubt,” wrote Comrade Stalin in this historic message, “that the existence of a peace-loving democratic Germany along with the existence of a peace-loving Soviet Union excludes the possibility of new wars in Europe, puts an end to bloodshed in Europe and makes it impossible to enslave European countries by world imperialists”<sup>[94]</sup>

---

<sup>[93]</sup> Pravda, October 14, 1949.

<sup>[94]</sup> Pravda, October 16, 1949.

These historic words were greeted with deep satisfaction by all supporters of peace and democracy in all countries. In response to the historic greeting of Comrade Stalin, President of the German Democratic Republic Wilhelm Pieck and Prime Minister Otto Grotewohl, on behalf of the German people, solemnly promised “to do everything in order to continue to mobilize with even greater determination for the preservation and strengthening of peace the significant forces embodied in the German Democratic Republic “.

## **5. The North Atlantic Treaty is a Conspiracy Against the Peace and Security of Peoples**

One of the indisputable failures of the foreign policy of the United States was the exposing of the North Atlantic Treaty as a conspiracy of warmongers, as an adventurous venture against the peace and security of peoples, as a tool of direct, direct preparation of a new war by the American imperialists and their Western European satellites.

At first, American guardians and their European agents tried to hide the link between the Marshall Plan and Washington’s entire aggressive policy of preparing a new war. But they did not stay in these positions for long. Feeling that time is working against them, the imperialists are in a hurry. In the greatest rush, they built an aggressive North Atlantic bloc. The close and inextricable link between the Marshallisation of Western Europe and its involvement in a criminal conspiracy against the world has become apparent. The organizers of the North Atlantic bloc failed to hide its aggressive objectives, which are fundamentally hostile to the cause of peace and security of peoples. The battered phraseology, designed to portray the North Atlantic Treaty as a weapon of peace, has not achieved its purpose.

The following facts were revealed with complete evidence: 1) that the North Atlantic Alliance was not an instrument of peace but an instrument of war;

2) that it is directed by its edge against the Soviet Union and the countries of popular democracy, which not only strongly do not threaten anyone, but firmly and unshakably stand on the guard of peace between peoples; 3) that the North Atlantic Treaty carries the greatest dangers and disasters to Western European countries, because American militarists see them as a springboard of atomic war and as suppliers of cannon fodder in the war that they expect to wage on foreign soil, by other people's hands and on foreign account. Already the discussion of the North Atlantic Treaty in Western European parliaments and in the American Congress took place in the atmosphere of growing indignation of the widest masses of the people. Mass rallies and demonstrations were held in all the countries covered by the treaty, demanding that the North Atlantic Treaty not be annexed. Protests were held at many enterprises. In Italy, more than 8 million signatures were collected in an unprecedented period of time under popular protest petitions. At a meeting of the French National Assembly on July 26, Communist MP Isabella Clay posted a volume of petitions with hundreds of thousands of signatures to the Foreign Minister Schumann, which was only a small part of the popular protests that had been addressed to the National Assembly. The peoples of France and Italy have made it clear that they do not recognize the signatures of Kay and de Gasperi under an aggressive contract with their signatures.

In Western European parliaments, when discussing the North Atlantic Treaty, there were warning voices of the representatives of the democratic camp, who exposed to the end the true nature of this conspiracy against peace. In the Italian Chamber of Deputies on July 20, 1949, the leader of the Communist Party of Italy, Palmiro Togliatti, issued a statement saying: "The majority of the Chamber could not refute our thesis that the reactionary anti-socialist, anti-communist bloc is the mask of aggressive U.S. imperialist politics. Are Italians as a nation interested in involving our country in this sacred alliance of capitalism, which is



conjured up to block the path of socialism? Are we interested in our country becoming one of the elements of this bloc through which the United States expects to govern the world and carry out its economic expansion in all directions in order to establish its global hegemony?

To both of these questions I answer that Italy's national interests have nothing to do with either the first or the second of these perspectives. And that is why we will vote against the ratification bill."

In the U.S. Congress, the discussion of the North Atlantic Treaty took place in the context of artificially fanning military hysteria. One of the most experienced warmongers, John Foster Dulles, speaking in the Senate on July 12, 1949, said that "artificial creation of an atmosphere of anxiety" is a conscious goal of Washington's ruling clique. The press talked about it quite openly. For example, United States News wrote on August 5, 1949, "This year's aid programme for other countries will be more difficult to implement than last year. A campaign of military hysteria must be launched again in order to support the weapons programme of other countries. Deliberately circulating rumours of war are a hoax, but they are considered necessary to excite Congress sufficiently and thus obtain the required number of votes in favour of an arms programme."

This cynical acknowledgement of the "need" for Washington's foreign policy to fail was an unwitting confirmation of the fact that the policy of warmongers is facing more and more difficulties and increasing resistance in the American people.

On the eve of the day when the U.S. Senate opened debate on the ratification of the North Atlantic Treaty and the chairman of the Senate Foreign Relations Committee, Connelly, swore on behalf of the ruling circles that the treaty was for peaceful purposes only, the Washington Times Herald issued an editorial in which she hysterically called for war with the Soviet Union. Demanding that the United States prepare for the worst fighter war, the newspaper wrote:

“We will not give weapons to young people to kill each other. We will send planes loaded with atomic, incendiary and bacteriological bombs and trinitrotoluene to kill children in their cradles, old women for their prayers and working men at their work.”

The Washington newspaper demanded the destruction of the Soviet Union, forever to wipe it off the face of the earth. Such cannibalistic appeals, being heard in broad daylight at the very walls of the American Congress, where the rulers of the United States swear that they are leading the American people on the path of peace, show the true face of Washington’s aggressive policies in all the disgusting public interest.

The ratification of the North Atlantic Treaty by a reactionary majority in the American Congress and in Western European parliaments was predetermined. But this ratification further exposed the anti-popular nature of “Western democracy,” which serves as a screen for the criminal designs of the warmongers.

In the U.S. Congress, the North Atlantic Treaty met much more opposition than its organizers had anticipated. In the Senate, the Truman government mustered a two-thirds majority to ratify the treaty. But a number of senators opposed the treaty, not wanting in the anticipation of the elections of 1950 to provoke dissatisfaction of their voters with unconditional support for the bankrupt foreign policy of the current Washington authorities. Of the 95 senators, 13 voted against the treaty. It is noteworthy that a number of Republican senators voted against the North Atlantic Treaty, which are by no means enemies of the aggressive policy of American imperialism. Among them is the influential leader of the Republican Party Taft, a well-known supporter of rampant expansion. The position of Taft and several other Republicans showed that the state Department’s notorious “bipartisan foreign policy” was bursting at the seams. In the heat of controversy, Republican senators have expressed many bitter truths about the essence of the North Atlantic

Treaty. Taft, for example, acknowledged that the treaty was “completely contrary to the spirit of the commitments that the United States has made under the Charter of the United Nations.” Speaking on the radio on 24 July 1949, Taft also acknowledged that the North Atlantic Treaty was a “military alliance against the Soviet Union” and therefore “probably would lead to war rather than peace.” Another Republican senator, Langer, said the treaty was an “organized military alliance aimed directly at a member of the United Nations.” The speeches of progressive American organisations showed that the American people condemn the North Atlantic Treaty as a treaty of aggression directed against the Soviet Union. The Standing Committee of the Washington Conference for Peace instead of the Atlantic Pact denounced the North Atlantic Treaty as “an obligation to adhere to the sterile and unnecessary policy of military alliances that entail a global arms race”. The National Council of U.S.-Soviet Friendship, in a statement on the ratification of the North Atlantic Treaty by the Senate, said, “The Senate debate showed that under this pact we not only assumed far-reaching military responsibility, but we also resorted to militarism as the main tool of our foreign policy. The pact creates opportunities for unsustainable reactionary regimes in Western Europe to resort to the military adventures that the United States has now pledged to support.”

Already during the discussion of the North Atlantic Treaty, it became clear that the most disturbing and indignation of ordinary Americans is caused by the so-called military assistance programme associated with this treaty. American reactionary newspapers have dubbed the programme “peacetime lend-lease.” But this cheating didn’t reach its goal. Ordinary Americans in thousands of letters sent to Congress, in statements of numerous mass democratic organisations expressed their strong protest against the use of funds collected from taxpayers to prepare hostile to the world adventures.

In order to achieve the ratification of the North Atlantic Treaty, the Truman government resorted to outright deception. Supporters of the government programme assured that the North Atlantic Treaty is not directly related to the United States weapons programme. But less than five days after the Senate approved the North Atlantic Treaty, Truman introduced a bill on military assistance not only to the parties to the treaty, but to “other” states whose armament, according to the bill, “is important for the national interests of the United States.” It is known that under this false formula hides the policy of penetration of the imperialism of the dollar in any part of the globe. The bill proposed to allocate about \$1.5 billion for the weapons programme within the next year. As for the total volume of the programme, the American press called a variety of figures - up to 20 billion dollars. Thus, the “military assistance” programme has presented the world as a programme of unbridled arms race, covering all the dollar-controlled part of the world.

To drag this programme, the Truman government on a premeditated plan launched a campaign of rampant anti-Soviet slander. A number of official documents collected and reproduced the most provocative Goebbels fabrications about the allegedly aggressive policy of the Soviet Union. With this unbridled slander and fanning of military hysteria, American rulers sought to divert attention from the failures of their foreign policy and from their planned new adventures. In early August 1949, a group of top U.S. military officials was hastily sent to Western Europe: General Bradley, Chief of Staff of the U.S. Army, General Vandenberg, Chief of Staff, and Admiral Denfeld, Chief of Staff of the Navy. The purpose of the visit was, on the one hand, to further inflate military psychosis and, on the other hand, to prepare strategic plans for American aggression. The main content of these plans was outlined by General Bradley in his speech on July 29, 1949 in the U.S. Senate. It became clear from this speech that Washington strategists are counting on the war to sit out

the ocean. According to Bradley, the United States should only take on “strategic atomic bombing” while “the main cash ground troops” should provide Western Europe. In other words, the plans of the American warmongers to Marshallised countries are given the role of suppliers of cannon fodder.

The trip of Bradley and his companions to Western Europe has caused outrage of peoples wanting peace. The population of Western European capitals met American generals with unequivocal slogans: “Get back to America!”, “We will not be cannon fodder!” and so on. During the negotiations that Bradley and his companions were conducting in Europe, there was a squabble in the camp of militarists. According to press reports, sharp disagreements between overseas strategists, English Field Marshal Montgomery and French General de Lafr de Tassigny were exposed. The American generals began their visit to Europe with a visit to Frankfurt. At this residence of the American occupation authorities in Germany, they were engaged in plans to rebuild the Nazi army under the leadership of such Hitler generals as Guderian and Galder. Dissatisfaction with the notorious military assistance programme has gripped the vast majority of the population of the United States, who are beginning to understand the dangers posed by the adventurous policies of the warmongers.

“The time has passed when the warmongers managed to fool the American people by the fact that they would not bear the heavy victims of the war, that cannon fodder for war will be enough in Europe and Asia. The American people are beginning to realize that the time has come when the imperialists will not be able to fight with the hands of only other nations. The American people are beginning to realize that if the warmongers organize a new slaughter of people, then the grief of mothers, wives, sisters, children will visit

the American continent. And this is a terrible grief. Inevitably, the warmongers will drown and drown in it.”<sup>[95]</sup>

## **6. Aggravation of Contradictions in the Camp of Imperialism and Reaction**

One of the fundamental goals of dollar imperialism is to rally the forces of reaction around the world. The task of the “Marshall Plan” was to constrain these forces with a dollar hoop and put at the service of the monopolies of Wall Street. The initiators of the “Marshall Plan” hoped in this way to increase the power of the camp of imperialism and reaction, to overcome its weakening contradictions and to achieve decisive successes in the struggle against the progressive forces of our time. However, this goal of the Marshall Plan is as far from being implemented as its other objectives. In fact, aggressive American policy not only did not resolve the contradictions of the imperialist camp, but, on the contrary, extremely exacerbated them. Not only has this policy not destroyed the progressive forces fighting in bourgeois countries against American bondage and the treacherous policies of the ruling classes, but it has not even been able to prevent the natural growth of these forces, which undoubtedly hold the future.

The Marshall Plan crisis is accompanied by a severe crisis of Anglo-American relations. The bridge of dollars, slung over these contradictions, could not resist in the atmosphere of the raging elements of the capitalist economy and imperialist rivalry.

There is nothing accidental about this. The contradictions between the senior and junior partners of the Anglo-American bloc have deep roots.

---

<sup>[95]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 22.

In the period after the First World War, the contradiction between England and the United States was the main contradiction within the capitalist camp. The imperialist rivalry between these two powers manifested itself in the most varied forms. In 1928, Comrade Stalin pointed out that "... out of a number of contradictions existing in the capitalist camp, the main contradiction was the contradiction between American capitalism and English capitalism."<sup>[96]</sup> Concretising this position, Comrade Stalin said:

"Take the question of oil, which is of decisive importance both for the construction of the capitalist economy and for the war; Will you take the question of markets for the sale of goods that are of the most serious importance for the life and development of world capitalism, for it is impossible to produce goods without a guaranteed sale of these goods; will you take the question of markets for the export of capital, which is a characteristic feature of the imperialist stage; whether you finally take the question of the paths leading to sales markets or to raw material markets—all these basic questions push to one main problem, to the problem of the struggle for world hegemony between England and America."<sup>[97]</sup>

In 1930, characterising the contradictions between the most important imperialist countries, expressed in the struggle for markets, for raw materials, for the export of capital, Comrade Stalin in the political report of the Central Committee of the 16th Congress of the Communist Party (B) said:

"The main of these contradictions is the contradiction between the USA and England. Both in the sphere of the export of finished goods and in the sphere of the export of capital, the struggle is mainly between the USA and England. It is worth taking any economic newspaper, any document on

---

<sup>[96]</sup> J. V. Stalin, Soch., Vol. 11, p. 198.

<sup>[97]</sup> J. V. Stalin, Soch., Vol. 11, p. 198.

the export of goods and capital to be convinced of this. The main arena of the struggle is South America, China, the colonies and dominions of the old imperialist states. The preponderance of forces in this struggle, and a definite preponderance, is on the side of the USA.”<sup>[98]</sup>

After the Second World War, Anglo-American antagonisms again served as the basis for the internal struggle in the camp of imperialism and reaction. Carrying out jointly an adventurous policy of aggression and preparation of a new war, speaking in solidarity against the forces of democracy, both partners are doing their utmost to weaken each other. Each of them seeks to strengthen its own position at the expense of the other. The imperialist lusts of the United States and England collide with each other in literally all parts of the world. In the Arab East, Anglo-American contradictions break out in the form of coups d'état, in the course of which the heads of the protégés of London and Washington fly alternately. In Western Europe, these contradictions appear in a less violent, but by no means less acute form.

Along with the growth of Anglo-American antagonism, the contradictions between the Marshallised countries of Europe are exacerbated. Such a advertised “Western unity” turns out to be a fiction designed only to catch extremely simple-minded people.

The American imperialists aimed to unite Western Europe on the same roughly grounds on which Hitler built his so-called “new order” in Europe. Then it was about the transformation of European countries into unified agricultural colonies of German imperialism. Now we are talking about the unification of Western European countries as colonies of dollar imperialism, as economic appendages of the overseas metropolis.

Benelux, a ghostly entity created in the Anglo-American diplomatic and banking cabinets of three independent small

---

<sup>[98]</sup> J. V. Stalin, Questions of Leninism, ed. 10, p. 353.



states: Belgium, The Netherlands and Luxembourg, was put forward as a “great example” to all Western European states. Benelux quickly came into fashion. Newspapers began to write about the need to create a similar association of three Scandinavian countries called Danoshwe (Denmark, Norway, Sweden).

In the Arab East, the project of uniting Syria, Iraq and Transjordan in view of the discrediting of the plan of “Great Syria” some began to call the plan of the Middle East Benelux.

But for all this hype around the “great example” Benelux remained a simple advertising crack. In fact, the Benelux countries are not in a position to agree on any little-important economic issue. The contradictions of capitalist interests are tearing these countries apart just like everyone else! marshalled states. Thus, the “great example” of Benelux can be considered indicative only in the sense of groundlessness and lifelessness of plans to unite Western European countries.

As long as the capitalist system exists with its private property and the pursuit of profit, as long as in all states of Western Europe, political and economic power belongs to the monopolies and their henchmen, until then any projects for the “unification of Europe” represent the same reactionary utopia as attempts to eliminate competition and rivalry between capitalists. The equality of nations and their voluntary unification under capitalism is as inconceivable as hot ice. Comrade Stalin emphasizes that “... private property and capital inevitably separate people, incite the Nazis. global strife and intensify national oppression ...”<sup>[99]</sup>

Only the overthrow of the power of the bourgeoisie, the abolition of capitalism and the replacement of private ownership of the means of production by public property open the way to the abolition of national oppression and inequality, to real friendship between peoples, to their unity

---

<sup>[99]</sup> J. V. Stalin, Works, vol. 5, p. 19.

in one fraternal family. An inspiring example for peoples languishing under the yoke of capitalist exploitation is the great friendship of the peoples of the Soviet Union, who threw off the oppression of capital and rallied into a single free family. After the countries of Central and Southeastern Europe fell away from the imperialist system, an opportunity opened up for liquidating previous strife in this part of Europe and developing sincere friendship and close cooperation between the countries of people's democracies and among themselves and with their great liberator, the Soviet Union.

The world dominated by the wolf laws of capitalism knows only one way of "unification": it is the "unity" of the predator and its prey. This is the way Hitler's invaders tried to "unite" Europe. This is the same way American imperialism is trying to act. And talk of voluntary unification of Western European countries on an equal basis is quackery, which serves as a cover for aggressive plans of the imperialism of the dollar, which poses a mortal threat to the independence and sovereignty of peoples.

The more Western Europe creeps into the chaos of the new economic crisis, the more acute the struggle for markets becomes, the more obvious the complete failure of any attempt at any real harmonization of the actions of the marshalled countries. Endless talk about the unification of tariffs, currency reversibility, facilitation of inter-European trade remain empty chatter. But the reality is the continuous and unsightly gnawing between the Marshallised countries on the basis of the division of American handouts. In 1949, the total allocation under the Marshall Plan was much lower than last year, while a number of marshalled countries significantly increased their bids for U.S. dollars. In particular, Britain has raised its bid to 1.5 billion, instead of the 900 million it received last year. England's increased application was rebuffed by all other marshalled countries. The fight for dollars takes place in the most undisguised form.

In the light of these facts, it is easy to understand the meaning of Hoffmann's statement, who said in mid-August, "The entire Marshall Plan generally depends on the existence of the organisation of European economic cooperation." But the fact is that the organisation of European economic cooperation is a picture of incessant gnawing and strife. This is one of the illustrations of the hopeless crisis of the entire Marshall Plan as a whole.

The dollar's imperialism clearly underestimates the resistance forces of its rogue plans in Europe. He created, in the form of the Truman Doctrine, the Marshall Plan, and the North Atlantic Treaty, a device to stifle Western European countries and relegate them to the political and economic levels of the colonies. It seeks to ruthlessly trample not only on state independence, but also on the security, freedom and honour of the peoples of Europe. He wants to doom these peoples to the role of free pawns in a gambling adventurous game, conceived by overseas imperialists in their mad struggle for world dominion. American interference in the internal affairs of Western European countries manifests itself in the most cynical forms. These countries are required to live by American standards, to assimilate the proverbial American way of thinking, which means the self-rule of monopolies never seen anywhere in Europe, obscurantism in all areas of ideological and cultural life, extreme primitiveness of spiritual life and mental poverty" American moneylenders instruct the countries of Western Europe to implement reactionary legislation against the working class and all democratic forces, to engage in anti-communist hysteria, which, like Hitler's Germany, is designed to serve as a screen for the fascism of the state apparatus, strangulation of democratic rights and the right of the population. With the help of his younger partner, English imperialism, Wall Street monopolies prepare Western European nations for the fate of cannon fodder, and their countries—the role of springboards in the new world war. American monopolies pursue their plan of economic and

political enslavement of Western Europe rudely and mercilessly. However, they are confronted with opposition that they did not expect. The “Marshall Plan”, designed to suppress all resistance to the anti-people reaction regimes of Western European countries, not only did not achieve this goal, on the contrary, the resistance of the masses to corrupt ruling cliques is constantly and rapidly growing. The policy embodied in the Marshall Plan and its immediate continuation, the North Atlantic Treaty, was intended to change the balance of power in the post-war world in favour of the camp of imperialism and reaction, to the detriment of the camp of democracy and socialism. It was a desperate attempt to turn the wheel of history back. This attempt was doomed to a complete failure.

As a result of the Second World War, the balance of power in the international arena had changed dramatically. The camp of socialism, democracy and peace has strengthened and intensified. The camp of imperialism, reaction and war was sharply weakened.

The laws of history are stronger than the tables of interest in the hands of American Shakers.

## **CHAPTER SEVEN. PEACE CAMP STRONGER THAN WAR CAMP**

### **1. The Soviet Union is an Indestructible Bastion of Peace Among Nations**

The Soviet Union, confidently going to communism under the leadership of the great Stalin, leads the struggle of the peoples of all countries for a lasting and lasting peace, against the warmongers. While the rulers of the imperialist powers are looking for a way out of internal difficulties on the paths of foreign policy adventures, the Soviet Union is a principled and consistent champion of peace and security of peoples.

From the very beginning of its existence, the great Soviet power wrote on its banner noble words calling for the struggle against imperialism, for peace and friendship between peoples. The policy of peace between peoples was proclaimed by the founders of the Soviet state Lenin and Stalin. In December 1919, Lenin wrote a draft resolution on the international situation, which was adopted by the All-Russian Party Conference and the 7th Congress of the Soviets. The resolution said:

“The Russian Socialist Federal Soviet Republic wishes to live in peace with all nations and direct all its forces to internal construction in order to establish production, transport and public administration on the basis of the Soviet system, which until now has been hindered first - by the oppression of German imperialism, then by the intervention of the Entente and the hungry blockade.”

In November 1920, after the defeat of the Entente's third campaign against the Soviet republic, Lenin considered the fact that “... we have recaptured the conditions under which we can exist alongside the capitalist powers that are now forced to enter into trade relations with us. In the

process of this struggle, we have won the right to exist on our own...

... We have a new streak where our main international existence in the network of capitalist states is recaptured.”<sup>[100]</sup>

The foreign policy of the Soviet government, led by Lenin and Stalin, for more than three decades has provided countless proofs of the Soviet Union’s desire to develop peaceful relations and cooperate with other states on the basis of genuine equality and respect for mutual interests.

Back in 1924, Comrade Stalin emphasized that “... our country is the only country in the world that is capable of and does indeed conduct a policy of peace, it is not pursuing a pharisaic, but honestly and openly, decisively and consistently. Now everyone, both enemies and friends, recognizes that our country is the only country that can rightfully be called the bulwark and standard-bearer of the policy of world peace.”<sup>[101]</sup>

However, in all cases when the Soviet people were forced to fight, he showed that he not only appreciates the benefits of peace, but also knows how to stand up for himself, defending his freedom and independence from any enemies. The campaigns of the imperialist powers against the young Soviet republic in the early years of its existence were completely wrecked. The consistent peaceful policy of the Soviet state has upset countless imperialist machinations and their provocations between the two world wars. In the Great Patriotic War against fascist aggressors, who enjoyed the support of the entire international reaction, the Soviet Union defeated Hitler’s Germany and militaristic Japan, which played the role of shock brigades of world imperialism.

The entire policy of the Soviet Union is determined solely by the interests of the people, and this policy serves entirely the cause of lasting peace, the cause of friendly cooperation

---

<sup>[100]</sup> V. I. Lenin, Soch., Vol. XXV, ed. 3, pp. 484–485.

<sup>[101]</sup> J. V. Stalin, Soch., Vol. 6, p. 239.

between peoples. In countries through deceitful, ostentatious bourgeois democracy, the actual power belongs not to the masses, not to the working majority of the population, but to the few self-interested cliques that direct the state ship along the fairway of their narrow group interests. The Soviet system does not know the forces that in the capitalist states feed expansionist aspirations and aggression. The Soviet social and state system is free from such inherent features of capitalism as the exploitation of some classes by other classes and the oppression of some nations by other nations.

The elimination of the exploitative classes in the Soviet Union meant the elimination of those social groups that are the only shooters of armed conflicts between peoples, promising them the seizure of other people's wealth, growing military profits and expanding the field of exploitation of other people's labour. The destruction of class exploitation and national rot in the Soviet country is the unshakable basis of the great role of the Soviet Union as a bastion of peace and friendship between peoples.

After the Second World War, the insidious plans of the imperialists were met with an ever-increasing rebuff of the camp of democracy and progress led by the powerful Soviet power.

“As the bearer of a new, higher social system, the Soviet Union in its foreign policy reflects the aspirations of all advanced humanity, which aspires to a lasting peace and cannot be interested in a new war, which is the product of capitalism.”<sup>[102]</sup>

The Soviet Union uses its increased authority in international affairs to solve post-war problems in the interests of lasting peace and security, in the interests of honest international cooperation on the basis of democracy and equality of large and small peoples, to thwart the insidious imperialist plans of the Anglo-American reaction.

---

<sup>[102]</sup> A. A. Zhdanov, On the international situation, p. 18.

The Soviet Union thwarted the imperialist plans in preparation for peace treaties with five European countries, former allies of Hitler's Germany in World War II. The efforts of Soviet diplomacy prevented the imposition of unequal and bonded conditions on these temporarily weakened countries by the representatives of the imperialist powers, presenting these conditions under the sauce of "equal opportunities", "freedom of trade" and the like, the peoples of all countries, who have a vested interest in securing peace for the possible longer period, placed serious hopes on the organisation of the United Nations, born of the cooperation of the freedoms. However, the period since the end of the war has shown that the ruling camp of the Anglo-Saxon Powers aims to turn the organisation of the United Nations into an instrument of the expansionist policy of American imperialism, which seeks to replace international cooperation with equal command and impose its will on other countries, relations of domination and subjugation. The obstruction tactics employed by the representatives of the United States and England undermine its prestige and credibility and are the most important obstacle to the effective operation of the organisation, as evidenced by the experience of dealing with issues such as the Greek, Indonesian, the issue of new membership in the United Nations, the critical issues of arms reduction and the prohibition of atomic weapons. At the same time, the increasing practice of U.S. and British diplomacy to circumvent and ignore the United Nations, open violations of its Charter and principles, and subversion against the most important of these principles, the unanimity of the five great powers, are aimed at dividing the United Nations organisation and turning it into some semblance of an anti-Soviet bloc.

On the contrary, the participation of the Soviet Union in the work of the United Nations and its organs is of great positive importance. At the initiative of the Soviet Union, the most important and constructive decisions of the United Nations organisation were taken, met with unanimous



approval of the masses around the world: on the reduction of weapons and on the prohibition of the use of atomic weapons, on the condemnation of the warmongers. The imperialist circles that prevented practical steps to implement these decisions have given themselves away, for now the whole world sees where the friends are and where the enemies of international cooperation are for peace and security.

The participation of Soviet representatives in the work of the United Nations is a major obstacle to the implementation of the imperialists' designs, which seek to make this organisation an obedient tool for carrying out plans that undermine the cause of peace. During the post-war period, there were enough facts showing how the strong voice of the Soviet representatives not only exposed the attempts of such use of the United Nations as a whole, hostile to peaceful cooperation, but also warned of a number of lawless actions that violate the Charter of this organisation. The participation of the Soviet Union, as well as the countries of popular democracy in the United Nations organisation, is a thorn in the eye of those who would like to use this international organisation as a screen for unceremonious interference in the internal affairs of other states, for self-interested hosts in foreign countries, for unbridled expansion throughout the world.

A number of treaties of friendship, cooperation and mutual assistance concluded by the Soviet Union with neighbouring European countries: Czechoslovakia, Bulgaria, Poland, Romania, Hungary and Finland are the most valuable contribution to the cause of world peace. These treaties are the embodiment of equal cooperation on the basis of full respect for the sovereignty of the great and small Powers. The words of Comrade Stalin, uttered on April 7, 1948 at a dinner in honour of the Finnish government delegation, were received with great attention all over the world.

"Many people do not believe," said Comrade Stalin, "that relations between large and small nations can be equal. But

we, the Soviet people, believe that such a relationship can and should be. Soviet people believe that every nation, whether large or small, has its own qualitative features, its own specificity, which belongs only to it and which other nations do not have. These features are the contribution that each nation makes to the common treasury of world culture and complements it, enriches it. In this sense, all nations, small and large, are in the same position, and each nation is equal to any other nation.”<sup>[103]</sup>

The Soviet Union recognises the right of all nations to develop their culture and build their lives as they see fit. On this basis, the friendship between the Soviet Union and the peoples of neighbouring countries is growing.

The foreign policy of the Soviet Union is based on the recognition of the possibility and necessity of peaceful coexistence of the country of socialism with capitalist countries during a long historical period.

Speaking with the first American working delegation on September 9, 1927, Comrade Stalin, speaking about the agreements of the Soviet Union with capitalist states in the field of industry, trade, diplomacy, stressed:

“I think that the presence of two opposing systems—the system of capitalist and the socialist system—does not exclude the possibility of such agreements. I think that such agreements are possible and appropriate in a peaceful development environment.”<sup>[104]</sup>

December 3, 1927... in a report at the 15th congress of the party J.V. Stalin said:

“The basis of our relations with capitalist countries is to allow the coexistence of two opposing systems. The practice has justified it.”<sup>[105]</sup>

In 1936, in a conversation with Roy Howard, Stalin reiterated that the various social systems that exist in the

---

<sup>[103]</sup> Pravda, April 13, 1948

<sup>[104]</sup> J. V. Stalin, Works, vol. 10, p. 123.

<sup>[105]</sup> Ibid, p. 289.

Soviet Union and the United States of America”, “... can coexist peacefully and compete.”<sup>[106]</sup>

In the same conversation, Stalin strongly exposed the malicious fabrications of the enemies of the Soviet Union that our country is engaged in the forced export of the revolution to other countries.

“Exporting a revolution is nonsense,” said JV Stalin. “Each country, if it wants to, will make its own revolution, and if it does not want it, then there will be no revolution ... To assert that we want to make a revolution in other countries, by interfering in their lives, it means to say something that does not exist and which we have never preached.”<sup>[107]</sup>

During the Great Patriotic War of the Soviet Union against Hitler’s Germany, Comrade Stalin repeatedly pointed out that the difference in ideology and social order between the Soviet Union and the capitalist countries that were part of the anti-Hitler coalition does not exclude the possibility and necessity of joint action against a common enemy.

After the end of the war, Comrade Stalin pointed to the need for cooperation between the two systems in peaceful development conditions. In an interview with Harold Stassen in May 1947, he said:

“For the first time the idea of cooperation between the two systems was expressed by Lenin. Lenin is our teacher, and we Soviet people are Lenin’s students. We have never backed down and will not back down from Lenin’s instructions.”<sup>[108]</sup>

Believing in its own strength, the Soviet Union is a strong champion of the comprehensive development of international cooperation. The Soviet people are convinced that the

---

<sup>[106]</sup> J.V. Stalin, Conversation with the Chairman of the American newspaper association "Scripps - Howard Newspapers" Mr. Roy Howard, Gospolitizdat, 1939, p. 13.

<sup>[107]</sup> Ibid, p. 7.

<sup>[108]</sup> Pravda, May 8, 1947.

advantages of socialism as the most progressive system of socio-economic order are convincingly and vividly found in the peaceful competition with capitalism. These advantages showed their strength in the years of Stalin's five-year years, which coincided with the years of the most acute, deep and devastating economic crisis that shook the capitalist world. The progressive nature of the Soviet socio-economic order is becoming more and more evident as socialism continues to win in the field of peaceful creative work to restore and further develop our national economy, as the Soviet people move on the path of gradual transition from socialism to communism.

"The imperialists rely on military adventures because they are afraid of peaceful competition with socialism. But it is obvious that military adventures do not promise the imperialists anything other than catastrophe.

Soviet people are not afraid of peaceful competition with capitalism. Therefore, they oppose a new war, in defence of peace, although they firmly know and are absolutely confident in their invincible strength."<sup>[109]</sup>

Proceeding from the fact that the two systems — capitalism and socialism — will inevitably coexist over a long period of time and defending the cause of peace, the Soviet government is unswervingly striving to settle Soviet-American relations. At the beginning of May 1948, in connection with the statement of the American Ambassador W. B. Smith, the Soviet government indicated that, as you know, it had always pursued a policy of peacefulness and cooperation towards the United States and that it intends to continue to pursue this policy with all consistency. ... On May 17, 1948, responding to Henry Wallace's Open Letter, Comrade Stalin said: "... the USSR government believes that despite the difference in economic systems and ideologies, the coexistence of these systems and the peaceful settlement of

---

<sup>[109]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 16.

differences between the USSR and the USA are not only possible, but also unconditionally are necessary in the interests of world peace".<sup>[110]</sup> Comrade Stalin's reply outlined a specific program for a peaceful settlement on all the main issues of disagreements between the USSR and the United States: the general reduction of armaments and the prohibition of atomic weapons; on the conclusion of peace treaties with Germany and Japan and the withdrawal of troops from these countries; the withdrawal of troops from China and Korea; respect for the sovereignty of individual countries and non-interference in their internal affairs; on the prevention of military bases in countries that are members of the United Nations; on the comprehensive development of international trade, excluding any discrimination; on assistance and economic recovery of war-affected countries within the framework of the United Nations; on the protection of democracy and ensuring civil rights in all countries, etc.

In the January 31, 1949, Comrade Stalin's answers to the questions of the Director General of the European agency International News, Kingsbury Smith, stated that the Soviet government would be prepared to consider the publication of a joint declaration with the U.S. government confirming that neither government had any intention of resorting to war against each other. However, the United States Government rejected the proposal for such a Peace Pact. The rejection of this proposal once again showed the reluctance of the current rulers of the United States to ease the tension of the international situation by resolving the Soviet-American differences.

A new contribution of the great socialist power to the promotion of peace and international security was the proposals made on behalf of the Soviet government by the head of the Soviet delegation A. Y. Vyshinsky in September 1949 at the fourth session of the General Assembly of the

---

<sup>[110]</sup> Pravda, May 18, 1948.

United Nations Organisation. The Soviet Union proposed: to condemn the preparation of a new war in a number of countries, especially the United States and Great Britain; recognize the use of atomic weapons and other means of mass destruction against peoples' conscience and honour; to renounce the use of force or the threat of force in international relations and to join the efforts of the five Powers, which are primarily responsible for maintaining peace and security, by concluding a peace-building pact between them.

The Soviet Union is the attractive centre of great power for the entire democratic camp around the world. Soviet foreign policy, supported by the forces of democracy around the world, does not allow the American attempts of economic and political enslavement of Europe and Asia to be realized. Many small peoples and even medium-sized States could not maintain their independence without the Soviet policy of respecting the sovereignty of peoples and protecting international obligations, blocking the way for lovers of other people's good.

Even in the days of the Great Patriotic War, on the eve of its victorious conclusion, Comrade Stalin pointed out:

"The task is not only to win the war, but also to make it impossible to create a new aggression and a new war, if not forever, then at least for a long period of time."<sup>[111]</sup>

Such is the high and noble goal that Soviet foreign policy is devoted to in the post-war period, every step, every action of Soviet diplomacy. The Soviet Union has consistently demonstrated its firm and unyielding will for international cooperation for peace. The ruling circles of the Anglo-American bloc are pursuing a different policy. Their actions aimed at undermining peace have created tension in international relations.

---

<sup>[111]</sup> J.V. Stalin, On the Great Patriotic War of the Soviet Union, pp. 165-166.

“The warmongers seeking to start a new war,” said Comrade Stalin, “are most afraid of agreements and cooperation with the USSR, as the policy of agreements with the USSR undermines the positions of the warmongers and makes the aggressive policy of these gentlemen pointless.”

Exposing the machinations of warmongers and undermining their positions strengthen the cause of peace. Stalin’s foreign policy of the Soviet Union is aimed at strengthening peace. The Great Soviet Power and its capital Moscow are in the eyes of the peoples of all countries a symbol of peace and friendship between peoples, a symbol of the struggle against the arsonists of the new war. “The merit of Moscow,” Comrade Stalin wrote, “is that it relentlessly exposes the arsonists of the new war and gathers all peace-loving nations around the banner of peace. It is known that peace-loving peoples look to Moscow with hope, as the capital of a great peace-loving power and as a mighty bulwark of peace.”<sup>[112]</sup>

The consistent peaceful policy of the great Soviet power serves as the most important obstacle to the implementation of the black plans of the international reaction.

Reactionary plans for American world domination are met with growing resistance from peoples around the world. The growth and strengthening of the forces of democracy and socialism, the invincibility of which was proved by the Second World War, the further aggravation of contradictions in the camp of capitalism, the strengthening of its decay and parasitism— all this clearly shows that the age of capitalism is coming to an end, that in the modern era all roads lead to communism.

“We do not want war and will do everything possible to prevent it. But let no one think that we are intimidated by the fact that the warmongers are sabre-rattling. It is not us, but the imperialists and aggressors who should be afraid of war.

---

<sup>[112]</sup> Pravda, September 7, 1947

What does historical experience say?

He says that the First World War, unleashed by the imperialists, led to the victory of the Great October Socialist Revolution in our country.

Historical experience further suggests that the Second World War, unleashed by the imperialists, led to the establishment of popular democratic regimes in a number of countries in central and south-eastern Europe, led to the victory of the great Chinese people.

Can there be any doubt that if the imperialists unleash a third world war, then this war will be a grave no longer for individual capitalist states, but for the whole of world capitalism.”<sup>[113]</sup>

## **2. The Powerful Rise of the Socialist Economy of the Soviet Union and the Economic Successes of the Countries of Popular Democracy**

There is no country in the world that has made such significant sacrifices on the altar of the liberation struggle against fascism as the Soviet Union. And there is no country in the world that has won such victories in the restoration and further development of the national economy. Taking advantage of the socialist economy, the Soviet Union has at all times healed the deep wounds inflicted by the Second World War and hosted by the Nazi occupiers in large parts of the country,” the American monopolies hoped to undermine the economic recovery of the Soviet Union and the countries of popular democracy by refusing to lend on normal commercial terms, by discriminating against trade. However, this calculation of American monopolies has failed completely.

Already in the report on the thirtieth anniversary of the Great October Socialist Revolution V. M. Molotov could report

---

<sup>[113]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, pp. 21–22.



that in October 1947 the gross products of the Soviet large industry reached the average monthly output of 1940, i.e. reached the pre-war level. In 1948, the gross production of the Soviet Union industry exceeded the level of pre-war, 1940 by 18%. The first half of 1949 gave further rapid growth of the Soviet economy, and in June 1949 the average daily output of gross industrial output was already 41% higher than the level of 1940.

In the first ten months of 1949, the gross products of the USSR industry increased by 20% **compared** to the same period last year. In other words, for a year the Soviet industry increased its production by one-fifth! And this growth occurred during the same year, which brought to all capitalist countries a significant decline in industrial production!

The American fat-sums cherished the crazy idea that without their bonded “assistance” the Soviet Union would not be able to implement the post-war five-year plan. And life has shown that the daring tasks of the post-war five-year period are not only successfully fulfilled, but also significantly exceeded by the Soviet people.

The call for a five-year, four-year-old, abandoned by the country’s leading enterprises, fell on grateful ground, it was picked up by millions of people. The struggle for early five-year tasks awakens new energy and initiative of the builders of communism.

Already in the autumn of 1949, the industry of the USSR reached a higher level of production than the one planned for the last year of the five-year period. According to the five-year plan, the output of the entire soviet industry in 1950 should be 48% higher than the production of the pre-war, 1940, and in October 1949 the products of the Soviet industry exceeded by more than 50% the average monthly output of 1940. Keeping in mind the pre-war period, V. M. Molotov in the report on the thirtieth anniversary of the Great October Socialist Revolution said:

“Our agriculture from year to year grew stronger, pouring life-giving juices of collective labour. Without the war that has ravaged many of the best areas of agriculture, we would have been better off today than any country in Europe, and not just in Europe.”<sup>[114]</sup>

The agriculture of the Soviet Union was extremely quick to heal the deep wounds inflicted by the war. Back in 1948, the gross crop yield almost reached the level of pre-war, 1940, and yields per hectare of grain crops exceeded the pre-war level. In 1949, the grain harvest has already exceeded the level of 1940. From July 1, 1948 to July 1, 1949, the number of cattle in collective farms increased by 20%, pigs—by 79%, sheep and goats—by 11%.

With a huge rise, the collective farm has adopted a majestic Stalinist plan to transform the nature of the steppe and forest steppe areas of the country, opening the way to a new rapid growth of socialist agriculture. The plan to create protective forest plantations is exceeded.

One of the most remarkable features of socialism is that it provides not only a continuous increase in production, but also a steady increase in the material well-being of workers. The continuous rise of the living standards of the population is an unshakable law of socialism. With the expansion of production, the number of the working class increases, productivity increases, and prices for mass consumption are falling. The real income of workers is growing, the purchasing power of the population is growing. In these circumstances, crises and unemployment are completely excluded.

In 1948, the real wages of workers and employees in the Soviet Union more than doubled compared to 1947. This is evidenced by the fact that in the second quarter of 1949, the retail turnover of state and cooperative trade increased (in comparable prices) by 19% compared to the second quarter of last year, and the population was sold meat products by

---

<sup>[114]</sup> V.M. Molotov, Thirty Anniversary of the Great October Socialist Revolution, p. 9.

51% more than last year, sugar—by 17%, confectionery—by 40%.

The outstanding successes of the Soviet economy are of great importance. They again show the whole world that, as Comrade Stalin said, "... the capitalist economic system is unsound and fragile, that it is already out of date and must give way to another, higher, Soviet, socialist economic system, that the only economic system that is not is afraid of crises and is able to overcome difficulties that are insoluble for capitalism—this is the Soviet economic system."<sup>[115]</sup>

The Soviet Union follows the path of rapid economic recovery and prosperity of the countries of popular democracy, which broke with the camp of imperialism and embarked on the path of struggle for socialism. In Poland, Hungary, Czechoslovakia, Romania, Bulgaria and Albania, in all these countries, despite their different levels of economic development, there is a rapid rise in industry and agriculture, accompanied by improved material well-being and an increase in the cultural level of the broadest masses of the working population.

American moneylenders especially hoped that the countries of Central and South-Eastern Europe, which had been once economically weak, entangled in the networks of bonded dependence on imperialist powers, would not be able to get back on their feet after a devastating war. Overseas Shylocks expected that these countries would have to bow to them. They miscalculated!

They did not take into account the most important, the most important: the role of the Soviet Union. From the first days of its liberation, the countries of popular democracy felt the mighty support of their great friend. With the unselfish brotherly assistance of the Soviet Union and successful mutual cooperation, the countries of popular democracy were able to quickly restore their economy and confidently move forward. The fundamental economic transformations

---

<sup>[115]</sup> J. V. Stalin, *Questions of Leninism*, ed. 10, p. 512.

that have been made in these countries have laid the foundations for the transition to the socialist path of development. Elimination of the domination of landlords and capitalists, the transition to the rails of socialist construction brought to life new forces of development, awakened energy and gave rise to labour up millions of workers, peasants, advanced intellectuals.

The main task of the first national economic plans in the countries of popular democracy, designed for two or three years, was the restoration of the war-torn and German occupation of the national economy. Already in 1948, all the countries of popular democracy exceeded the pre-war level of industrial output. Despite the damage caused by the war and the crop failure that has affected this part of Europe for three years in a row” the agriculture of the countries of popular democracy is rapidly recovering. In general, in all these countries, the production of cereal bread per capita in 1948 exceeded the pre-war level by 5.8%. The first half of 1949 was marked by new successes of the countries of popular democracy in all areas of economic construction.

Czechoslovakia completed the two-year plan ahead of schedule and began implementing the first five-year plan in January 1949. The industry fulfilled the plan of the first half of 1949 by 101.9%. In agrarian Slovakia, where there is widespread industrialization, the tasks of the plan are fulfilled by 105%.

In Poland, the state industry, covering more than 90% of the country's industry, exceeded output in the first half of 1949 compared to the corresponding period last year by 24% and implemented the plan by 109%.

In Romania, the government plan for 1949, which provides for a 40% increase in gross industrial output, is exceeded. The industrial production plan was implemented for the second quarter by 107.4%, in the steel industry by 117, in the construction materials industry by 108, in the food industry by 113%.

In Bulgaria, in the second quarter of 1949, the industry produced 37.7% more products than in the corresponding period last year. Bulgaria's agriculture has also made serious progress.

In Hungary, the industry implemented the plan of the first half of 1949 by 103.5%, giving an increase of 27.1% compared to the first half of 1948.

Albania, in the past one of the most economically backward countries in Europe, is on the path of rapid economic recovery. New industrial enterprises are coming into operation. Recently, a large textile mill was laid down.

In the implementation and over-fulfillment of plans, the labour uplift, which covers the working class, the leading class of the countries of popular democracy, plays a crucial role. Labour competition becomes a movement of millions of workers.

A remarkable feature of the present reality in the countries of popular democracy is that these countries are no longer breathing over the economic crisis that has advanced on the capitalist States. The countries of Central and South-Eastern Europe in the recent past have been very sensitive to changes in the capitalist world market and have suffered cruelly from every whiff of crisis. But now it's all in the bad past. Breaking with the system of imperialism and embarking on the path of building the foundations of socialism, the countries of popular democracy got rid of such monstrous evils of the bourgeois system as crises and unemployment. The mighty flourishing of soviet power, the confident rise of the countries of popular democracy are a stark contrast to the economic chaos and decay in the marshalled countries, in the entire camp of capitalism, creeping into a new devastating crisis.

There, in the camp of capitalism, there is the rise of poverty and hunger of the working majority of the population, pessimism and hopelessness in the ruling circles. In our country of socialism, we have a strong rise in industry and agriculture, a continuous increase in output, an increase

in the purchasing power of the full-fledged Soviet ruble and an increase in real wages, the labour enthusiasm of the masses competing to implement the post-war five-year plan in four years. Is it possible to imagine a more vivid evidence of the superiority of the socialist system!

### 3. Anti-Imperialist Front Against Warmongers

The period since the end of the Second World War has completely exposed the brutal, predatory nature of American imperialism. Ignoring the lessons of history, the imperialism of the dollar follows in the footsteps of Hitler's robbers. Its goals are the forcible establishment of world domination of the United States and the salvation of the rotten capitalist system. These goals are not only arch-reactionary, they are completely unrealistic.

The capitalist system is going through a period of general crisis, decline and imminent death. "Capitalism is dying," said the great Lenin; "In his death, he can still cause incredible torment to hundreds and thousands of millions of people, but no force can keep him from falling."<sup>[116]</sup>

It has been almost three decades since these words were spoken. During this time, the forces of capitalism suffered huge damage, and the forces of socialism grew immeasurably. As a result of the Second World War, the general crisis of capitalism was further exacerbated. Attempts to turn the wheel of history back have never been more hopeless than in our era, when the new, socialist system has acquired an irresistible attraction for hundreds of millions of people around the world, when the socialist camp has enormous and growing power.

Dollar imperialism is rude and brazen, but it is short-sighted. Like all blind reactionaries, American imperialist predators overestimate their strength and underestimate the

---

<sup>[116]</sup> V.I. Lenin, Soch., Vol. XXVII, ed. 3, p. 141.

strength of their adversaries. This rough miscalculation is at the heart of all of Washington's post-war politics of defeat after defeat.

It is now impossible to deny that the goal of the Marshall Plan, which was expressed by its proponents with the formula "to block the road to communism", has completely failed in Western Europe and, above all in France and Italy. Huge masses of workers, the vast majority of the working class go after the communist parties, putting forward slogans close to the people to fight for the preservation of national independence, for freedom and democracy, the struggle against the rot of American enslavers and their domestic minions.

On October 29, 1948, Comrade Stalin, exposing the true nature of Anglo-American politics, declared:

"The policy of the current leaders of the United States and England is a policy of aggression, a policy of unleashing a new war."<sup>[117]</sup>

Comrade Stalin showed that this policy can only end in the shameful failure of the arsonists of the new war: "The horrors of the recent war are too alive in the memory of peoples and the social forces behind the peace are too great for Churchill's disciples to overcome them and turn towards a new war."

Peoples are increasingly expressing their determination to fight for peace, against the American barbarians who threaten the peace-loving peoples with an atomic bomb. The warmongers are increasingly isolated in the public opinion of the world. Their criminal plans are doomed to an even more decisive collapse than Hitler's attempt to establish world rule of German imperialism.

For the imperialist plans of the world domination of American monopolies and the salvation of the perishing capitalism are opposed by the mighty power of the camp of democracy, peace and socialism. This camp is headed by the

---

<sup>[117]</sup> Pravda, October 29, 1948.

Soviet Union, which performs in the post-war world in a halo of fame and power. In the crucible of war, the monolithicity of Soviet society, the close alliance between its classes of free workers of the city and the village, the brotherly friendship of the peoples inhabiting our multi-ethnic state were even more tempered. The complete moral and political unity of society gives our country great power. While the bourgeois countries are torn by the monstrous contradictions of the current rotting capitalism, the Soviet Union goes from victory to victory on the front of peaceful creative work, with unbreakable confidence meets tomorrow, which does not bring it any crises, unemployment, nor other evils that poison the lives of the vast majority of the population in all capitalist countries. At the same time, the just foreign policy of the Soviet Union, which is a policy of decisive and consistent struggle for a lasting democratic peace between peoples, the struggle against imperialism and its dangerous plans for mankind, attracts the hearts of millions of people around the world and enjoys the undivided support of the masses in all countries.

New contenders for world domination everywhere support the most reactionary forces. This fact clearly shows that bourgeois democracy has already exhausted its progressive possibilities and its fictitious nature is becoming clearer to millions of people. At the same time, the flourishing of socialist democracy in the Soviet Union increasing the attractive power of the Soviet country for ordinary people around the world.

“Wherever capitalism reigns, oppressing working people, enslaving the workers of colonies and dependent countries, people with awakened consciousness see in the successes of the Soviet Union the approach of their own liberation from oppression and enslavement. There is no country where, in the midst of the working class, among the working peasants and in broad democratic circles, the Soviet Union would not



already have numerous friends imbued with ardent sympathy and faith in our cause.”<sup>[118]</sup>

The adventurous nature of the calculations of American imperialism was particularly vividly revealed in the collapse of the myth of the American monopoly of atomic weapons, which was at the same time the collapse of atomic diplomacy and atomic blackmail. Posing as monopolistic possessors of atomic weapons, the warmongers sought to intimidate the faint of heart and achieve their dark goals through threats and extortion. As we have seen above, the most bloodthirsty, barbaric and cannibalistic calls of warmongers are related to the assertion of the United States’ monopoly on the atomic bomb. After the statement made on September 23, 1949 by Truman, who was forced to admit two years late the existence of atomic weapons in the Soviet Union, and the subsequent message of TASS on September 25, the masterminds of atomic diplomacy appeared before the world as bankrupts, blackmailers and deceivers. The TASS message received huge resonance all over the world. It caused confusion and confusion in the camp of imperialist warmongers. Observing this confusion of the enemies of peace, the camp of the champions of peace was even more filled with unwavering faith in their forces, in the victory of their right cause.

The fate of the atomic problem particularly demonstrates the fundamental opposite of the two systems—capitalism and socialism. While the American imperialists use one of the most remarkable achievements of science only to incite military hysteria and prepare a monstrously criminal atomic war, the Soviet Union, despite its existence of atomic weapons, firmly stands on the position of unconditional prohibition of the use of atomic weapons. The country of socialism vigorously defends the interests of all mankind, speaking out against the evil designs of atomic war,

---

<sup>[118]</sup> V.M. Molotov, Thirty Anniversary of the Great October Socialist Revolution, p. 5.

demanding that nuclear energy be used only for peaceful purposes, in order to expand human power over nature, to facilitate the work of millions of people, to multiply the well-being of peoples.

“If nuclear energy in the hands of the imperialists is a source of production of deadly weapons, a means of intimidation, a tool of blackmail and violence, then in the hands of the Soviet people it can and should serve as a powerful means of technological progress unprecedented until now, the further rapid growth of the productive forces of our country.”<sup>[119]</sup>

The Soviet Union is leading the struggle of nations for a just peace. Together with the Soviet Union, this struggle is led by the countries of popular democracy, which broke with the camp of imperialism and embarked on the path of building socialism. On the side of the camp of democracy, peace and socialism is the undivided support of the awakening peoples of colonial and dependent countries, which are engaged in a heroic struggle for freedom, against the predators of imperialism. On the side of the anti-imperialist camp—the sympathy and support of tens of millions of slaves of capital in capitalist countries. The fall of the countries of Central and South-Eastern Europe from the capitalist system and their transition to the camp of socialism caused frenzied anger of American contenders for world domination. The imperialism of the dollar weaves endless intrigues against the countries of popular democracy. He resorts to all kinds of means, economic and political blackmail.

American monopolies tried to undermine the countries of popular democracy through an economic blockade. But these attempts failed: the brotherly assistance of the great Soviet power and the growing mutual assistance of the countries of popular democracy provided them with the necessary

---

<sup>[119]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, pp. 12-13.

conditions to eliminate the consequences of the economic blockade of the United States, to successfully solve economic problems.

The imperialism of the dollar and its submissive Western European governments tried under all sorts of inflated pretexts to carry out open political interference in the internal affairs of the countries of popular democracy. But these attempts invariably meet with a strong and firm rebuff from the people's governments, which are guarding the independence of their countries and relying on strong support of the Soviet Union.

American methods of blackmail, extortion and intimidation invariably fail when they are applied to countries of popular democracy. Dollar imperialism continuously organizes all sorts of criminal conspiracies in order to overthrow the existing state system in the countries of popular democracy. A number of trials of saboteurs and spies in Poland, Czechoslovakia, Hungary, Albania, Bulgaria and Romania showed that reactionary conspirators are usually associated with American diplomacy and American intelligence. Many American diplomats in the capitals of the People's Democratic States were exposed as organizers and masterminds of reactionary conspiracies, espionage organisations and gang gangs, before which the imperialists of the dollar set out to undermine and destroy the regime of popular democracy hated by them and bring to power reactionary politicians who are in the service of the Anglo-American imperialists.

As recent events have shown, the American imperialists have played a special and most deposed role in their criminal struggle against the peoples of Central and South-Eastern Europe, which, with the help of monstrous terror, holds power over the Yugoslav people it has deceived. Titoist bandits, spies and traitors carry out the most heinous orders of their imperialist masters, sowing hatred of the Soviet Union, leading an unheard of slanderous campaign against the camp of socialism, engaged in continuous provocations to

the address of neighbouring countries of popular democracy. The Budapest process of the Hungarian state criminal Laszlo Rijka and his accomplices revealed to the whole world the insidious plan of American imperialism towards the peoples of the Balkan Peninsula and the Danube Basin. American intelligence hoped, using the spy-fascist gang Tito-Rankovic in Belgrade as its main agent, to create in the countries of popular democracy criminal groups of conspirators with the general purpose to alienate these countries from the camp of democracy and socialism and return them under the yoke of imperialism. With the help of vile traitors and professional provocateurs, who were part of the Raik group, the American imperialists and their Belgrade agents were preparing a coup d'etat in Hungary, were going to kill the leaders of the Hungarian people, to establish a bloody fascist regime in the country. Having returned Hungary to the tracks of capitalism, they wanted to make it a colony of dollar imperialism, part of the "Balkan Empire" of Tito and his gang, which is an assault detachment of American aggressors.

The strengthening of the regimes of popular democracy prompted the American imperialists and their Titian agents to hurry. They have already set a deadline for a coup in Hungary, but the punishing hand of the people has grabbed the neck of the villains. In other countries of popular democracy, earlier Tito agents like Kochi Dzodze in Albania, who had snuck into communist parties of bourgeois nationalists like Patrascanu in Romania, and Tricio Kostova in Bulgaria, were exposed and neutralized. Thus the Balkan plan of American imperialism crashed. The Budapest trial was a great victory for the camp of democracy, peace and socialism over the camp of imperialism, reaction and war. This process led to the complete disclosure of the most camouflaged agents of American intelligence—the spy-sabotage gang Tito-Rankovic.

The peoples of Central and South-Eastern Europe, who with the help of the Soviet Union have dropped the yoke of imperialism, have strongly and mercilessly rebuffed all

attempts to put this yoke back on them. The regime of popular democracy, which is a form of dictatorship of the proletariat and successfully fulfilling the functions of the proletarian dictatorship, brought to life the people's forces, awakened the creative energy of the masses, introduced into the active political life of millions of workers. In the struggle against the remnants of the defeated exploitative classes, which pin all their hopes on the intervention of foreign and especially American imperialists, the peoples of Central and South-Eastern Europe strengthen the political and economic foundations of the people's democratic system and lay the foundations of socialism. The countries of popular democracy are already a serious force in the international arena. Their growth and strengthening increase the power of the anti-imperialist camp led by the Soviet Union.

The anti-imperialist orientation of the Soviet policy of peace and friendship between peoples is clearly expressed in the questions about the future of Germany and Japan, two powers whose aggression directly unleashed the Second World War. The Soviet policy towards Germany and Japan is based on the need to prevent the possibility of further aggression by the two countries. To achieve this goal, the programme of democratization and demilitarization of these countries, proclaimed in the agreements of the allied powers concluded during the war and immediately after its end in Yalta and Potsdam, is necessary.

During the war, Comrade Stalin, defining its goals, pointed out that the Soviet Union does not have such goals as the destruction of the German people, the German state. In the same years, the objectives of the war were defined in a very different way by influential monopolistic circles in the United States, England and France, which saw Germany as a dangerous competitor in the world market, which must be weakened by any means to clear the way to Anglo-American world domination. In England and the United States, Lord Vansittart and his vociferous associates, who had been enthusiastic admirers of Munich's treacherous policies,

hysterically demanded the destruction of Germany during the war, the enslavement of the German people. In America, such influential representatives of the dominant financial oligarchy as Bernard Baruch, actually demanded to wipe out Germany as an independent state. They put forward various kinds of plans for the complete destruction of the German industry, including the peaceful industry, the transformation of the entire German people into the people of farmers, forced to buy all industrial products from other countries.

The programme of dismemberment of Germany was put forward not only by influential reactionary circles of the United States and England, but also by the governments of these powers. In 1943, during the Tehran Conference, the United States proposed dividing Germany into five parts. In October 1944, Churchill and ideas put forward their plan to divide Germany into three parts. Such plans were supported not only by the Conservatives, but also by Labour leaders who were part of the Churchill government. Only the decisive negative attitude of the Soviet Union in relation to the plans of dismembering the German state and depriving the German people of national sovereignty doomed these plans to failure.

Even during the war, the great Stalin said: "... the Nazis come and go, and the Germanic people, and the German state, remains."<sup>[120]</sup> During the war, the Soviet Union fought for the complete destruction of fascism, for the elimination of its abhorrent roots, for the extermination of its poisonous sprouts. After the war, the Soviet Union consistently struggled to implement the programme of demilitarisation and democratisation of Germany.

This programme is close and understandable not only to the Soviet people, but also to all peace-loving peoples, and especially to all the peoples of the European continent. Germany's western and eastern neighbours, who have experienced the bloody aggression of German imperialism

---

<sup>[120]</sup> J.V. Stalin, On the Great Patriotic War of the Soviet Union, p. 46.

twice in a generation, have a vested interest in ending this aggression.

“In short, the policy of the Soviet Union in the German question is to demilitarise and democratise Germany,” Comrade Stalin said in response to questions from a Moscow correspondent for the English Newspaper, the Sunday Times, in September 1946. “I think that the demilitarisation and democratisation of Germany represent one of the most important guarantees of a lasting and lasting peace”<sup>[121]</sup>

“It is necessary to restore not only the economic, but also the political unity of Germany,” said Comrade Stalin’s answers to questions from the president of the American United Press agency in October 1946.

“It is necessary in practice to eradicate the remnants of fascism in Germany and democratize it to the end.”<sup>[122]</sup>

The Soviet policy towards Germany was based on the fact that the right solution to the German question is a prerequisite for lasting peace in Europe and the world. The correct solution of the German question requires the implementation of fundamental democratic changes in the country, the transition of the country’s destiny into the hands of German democracy, the deprivation of German monopolies and, above all, the tycoons Ruhr their economic and political base.

The policy of demilitarisation and democratisation of Germany, consistently pursued by the Soviet Union, has paid off. In the Soviet zone of occupation of Germany, the democratic forces of the German people received a wide scope for their activities.

The process of unification and cohesion of the democratic forces of the German people found its expression in the creation of the German Democratic Republic. This event of the greatest international importance was a tremendous success of the peace camp and democracy.

---

<sup>[121]</sup> Pravda, September 25, 1946.

<sup>[122]</sup> Pravda, October 30, 1946.

American imperialism in the post-war period suffered a continuous series of brutal defeats in China. The Chinese people, led by the Communist Party, used the favourable environment in the Far East created by the Soviet Army's defeat of the main armed forces of Japanese imperialism, the main oppressor of the peoples of China and throughout Southeast Asia. American predators expected after the defeat of Japanese imperialism to take his place as the oppressor of Asian peoples. But these calculations have crashed in China and are suffering obvious setbacks in other Pacific countries.

The Chinese people defeated the Kuomintang reaction, to support which the rulers of Washington spent, according to the estimates of the American press, 6-7 billion dollars. The victory of the Chinese people puts an end to the far-reaching plans to enslave China by American financial capital. The dollar imperialism assigned China an extremely important place in its plans for the forcible establishment of US world domination. He was going to turn China into a gigantic colonial appendage of his future world empire, hoping to use China as the main base of American domination in Asia, as one of the most important links in the encirclement of the Soviet Union. Even during the war, Wall Street monopolists were making broadcast plans to exploit China. Projects were underway to create an extensive railway network and develop the natural resources of this giant country. It is easy to see what exactly attracted the appetites of American predators in China; cheap labour under the conditions of a brutal colonial regime, rich natural resources and vast markets—all this promised huge profits for the American monopolists.

The great victory of the Chinese people, who threw off the age-old rot of feudal slavery and foreign imperialism, has world-historical significance.

Back in 1925, Comrade Stalin said: "The forces of the revolutionary movement in China are incredible. They haven't had a good say yet. They will have an impact in the



future. The rulers of the East and the West, who do not see these forces and do not regard them properly, will suffer from it... Here truth and justice are entirely on the side of the Chinese revolution. That is why we sympathize and will sympathize with the Chinese Revolution in its struggle to liberate the Chinese people from the yoke of the imperialists and for the unification of China into one state. Who does not count with this force and will not be considered, he will surely lose.”<sup>[123]</sup>

Comrade Stalin’s ingenious foresight came true completely. The Chinese people, led by the Marxist-Leninist Communist Party, won a brilliant victory over the united forces of Kuomintang reaction and American interventionists in a stubborn and prolonged struggle. The Kuomintang troops, abundantly equipped with American equipment and actually controlled by American headquarters, were defeated by the People’s Liberation Army. On October 1, 1949, the People’s Republic of China was proclaimed in the ancient capital of China, Beijing. The Central People’s Government was formed, headed by the leader of the Chinese people, Mao Zedong.

“With the victory of Chinese democracy, a new page in the history of not only the Chinese people, but also all the peoples of Asia, oppressed by the imperialists, opened a new page. The national liberation struggle of the peoples of Asia, the Pacific basin, the entire colonial world has risen to a new, much higher level. The triumph of Chinese democracy means a serious strengthening of the position of the world’s democratic anti-imperialist camp fighting for lasting peace.”<sup>[124]</sup>

Together with the European colonial powers, the dollar imperialists are trying time and again to stifle the national liberation movement of colonial peoples by resorting to the

---

<sup>[123]</sup> J. V. Stalin, *Soch.*, Vol. 7, pp. 293-294.

<sup>[124]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 27.

most monstrous means of violence and terror. However, the time of quiet mastering of imperialism in the colonies has passed irretrievably. The more brutal imperialists show in the struggle against the just demands of the colonial peoples, who defend their right to human existence, freedom and independence, the brighter the lights of the anti-imperialist struggle in the colonies, which undermines the foundations of the imperialist system.

The anti-imperialist camp is a mighty, indestructible force. On his side is the vast majority of humanity.

“With the victory of the Chinese people, the country of popular democracy in Europe and Asia together with the Soviet socialist power number about 800 million people. It should also be taken into account that there are hundreds of millions of workers in the capitalist countries and their colonies fighting for peace and democracy.”<sup>[125]</sup>

The struggle of the exploited and oppressed masses for liberation from the yoke of imperialism is led by fire-hardened communist parties. The Communists have a leading role in the democratic camp. This fact infuriates the warmongers. With surprising stupidity and ignorance, they repeat to all the boring tales about “communist conspiracies” and “agents of Moscow”. But no slander can smear the fact that in this age of collapse of capitalism communism has the deepest roots in the masses.

In an interview with Pravda’s correspondent regarding Churchill’s Fulton speech, Comrade Stalin said:

“The rise of the Communist influence cannot be considered an accident. It is quite a natural phenomenon. The influence of the Communists grew because in the hard years of fascism’s domination in Europe, the Communists were reliable, courageous, selfless fighters against the fascist regime, for the freedom of peoples. Mr. Churchill sometimes recalls in his speeches about “ordinary people from small

---

<sup>[125]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 26.

houses,” patting them on the shoulder and pretending to be their friend. But these people are not as simple as it may seem at first glance. They, “ordinary people,” have their own views, their own politics, and they know how to stand up for themselves. It was they, millions of these “ordinary people,” who cast in England for Churchill and his party, giving their votes to Labour. It was they, millions of these “ordinary people”, isolated in Europe reactionaries, supporters of cooperation with fascism and preferred left-wing democratic parties. It was they, millions of these “ordinary people”, having tested the communists in the fire of struggle and resistance to fascism, and decided that the Communists deserve the trust of the people. This is how the influence of the Communists in Europe grew. This is the law of historical development.”<sup>[126]</sup>

The camp of imperialist reaction does not want to reckon with the laws of historical development. But all history shows that these laws cruelly sing against those who try to ignore them, to neglect them.

The September 1947 meeting of representatives of the nine communist parties of European countries in Poland in a declaration on the international situation stressed the importance of exposing and countering plans of imperialist expansion and aggression along all lines. Communist parties, which grew up as a result of the anti-fascist war into the largest political force, lead all democratic anti-imperialist forces of Europe to successfully counter and thwart plans of imperialist aggression.

According to data published in early 1949, the number of foreign communist and united working parties, guided in their struggle by the immortal principles of Marxism-Leninism, exceeded 18 million people. Since then, the number of communist parties has grown even more. The Communists unite the broadest masses of workers in the fight

---

<sup>[126]</sup> J.V. Stalin, Interview with a Pravda Correspondent Concerning Mr. Churchill's speech on March 13, 1946, p. 12.

against cannibalistic designs of Anglo-American contenders for world domination, in the fight against the criminal plans of the new war, in the struggle for freedom and independence of peoples.

#### **4. The Fight Against Imperialist Aggression is a Bloodbath for all Peoples**

The forces of the anti-imperialist camp, which fights back against the fires of the warmongers, are growing and getting stronger every day. In all countries, a mighty popular movement has taken place in defence of peace against the encroachments of imperialist aggressors who are making criminal plans for world domination. This movement has reached hundreds of millions of people of all ages, classes, professions, all races and nations, regardless of their political or religious beliefs.

The will of the peoples for peace is adamant. Peoples have learned a lot from recent history. The lessons of history say that it is necessary to distinguish between hypocritical statements and manoeuvres of imperialist politicians and their true deeds. The lessons of history say that the struggle for peace must be effective.

Preparation of a new war is connected with the campaign of the imperialists against the elementary civil rights and vital interests of workers, with the destruction of the last remnants of bourgeois democracy. American imperialists and their lackeys in other countries seek to prepare the rear for a criminal war, suffocating in advance any manifestation of the real will of the masses. The seal, which is in the service of monopolies, conducts an unbridled sermon of war and inflames military hysteria.

The struggle for peace is therefore inextricably linked to the struggle for the democratic rights of workers. The people respond to the machinations of the warmongers by rallying

their ranks, by a broad movement of protest against the adventurous policy of aggression.

Peoples are determined to actively fight against the warmongers, to defend and defend the cause of peace. One of the first demonstrations of the unification of democratic forces, ready to fight back the arsonists of war, was the Congress of Cultural, Scientific and Arts, held in Wroclaw in 1948. The Congress was attended by envoys from 72 countries, representing organisations of more than 600 million people. Among the participants of the Congress were people of very different political and religious beliefs, but all of them were united by one desire: to upset the insidious plans of warmongers, to fight for peace.

Acting on orders from Washington, the French authorities refused to grant entry visas to many delegations. For this reason, the countries of popular democracy could send their incomplete delegations to Paris. The remaining delegates of the countries of popular democracy, together with hundreds of representatives of other countries who had not been allowed to enter France, participated in the Congress of Peace supporters in Prague, which met at the same time as the Paris Congress.

According to press reports, 2,192 elected delegates participated at the World Peace Congress in Paris. These delegates represented 12 international and 561 national organisations. The 366 women members of Congress represented 90 women's national organisations, bringing together more than 100 million women; The 194 delegates were represented by 99 organisations, which brought together more than 50 million young men and women. Delegations of individual countries were very representative. Thus, the delegation of the United States consisted of 55 people representing a number of major democratic organisations: the Congress of American Women, numbering 200,000 people, the United Trade Union of 200,000 People and Tobaccomen, which includes 100,000 people, the American Workers' Party, which has 580,000 supporters, and

the National Council of Cultural Leaders, which has 15,000 members. At the Congress in Paris, American delegates were presented with a protest against the North Atlantic Treaty signed by more than 10 million French people to convey to President Truman. Delegates of the United States in their speeches emphasized that the American people do not want war, that the war is prepared only by a bunch of imperialist predators-monopolists.

The delegation of England numbered 450 people, including 260 delegates and 190 guests. It represented 74 organisations with more than 4 million members. Half of the delegation was women from numerous women's organisations.

In France, 162 major organisations joined the Congress, including the General Confederation of Labour, which brings together more than 5 million workers and employees. More than 200 prominent French scientists have joined the Congress.

The Italian delegation had 1,100 members: 460 delegates and 640 guests. The Italian delegation represented 64 major organisations with more than 8 million members. Delegations from Belgium to 70, The Netherlands to 70, Sweden to 17, Switzerland to 28 and the Middle East to over 100 attended the World Peace Congress in Paris. Among the delegates were representatives of Latin America, colonial and dependent countries of Asia and Africa.

The Soviet community was represented at both congresses—in Paris and Prague—by delegations, in the person of which representatives of all nations warmly welcomed the great Soviet people, under the leadership of the leader of all progressive humanity I.V. Stalin leading the struggle for peace, the struggle against the warmongers. Numerous speeches in Paris and Prague were imbued with the firm belief that the forces of peace could frustrate the plans of the warmongers. Speeches at the World Peace Congress sounded a serious warning to the imperialist aggressors. The delegates of congress in different languages

expressed the same idea: all those who are interested in peace must unite, must join forces to save humanity from the monstrous danger of a new war.

In its manifesto, the Congress of Peace Supporters stated: "On behalf of the 600 million women and men represented at the World Congress of Peace, we appeal to all nations on earth and say to them, "Courage and courage once again in the struggle for peace." We managed to rally. We were able to understand each other. And we express our willingness and our will to win this fight for peace, the struggle for life."

The Congress of Peace Supporters was an impressive demonstration of the cohesion of forces fighting for peace. Thus it served as a serious warning to the arsonists of the new war.

After the Peace Congress in Paris and Prague, the World Federation of Trade Unions, the World Democratic Federation of Women, the World Youth Federation, and the World Federation of Youth, in implementing the decisions of the Congress, have developed vigorous efforts to engage millions of workers in the struggle for peace and for democratic freedoms. The Second World Trade Union Congress, held in Milan in late June and early July 1949, strongly defended peace, against the imperialist warmongers on behalf of the 72 million workers united in the World Federation of Trade Unions. A number of countries - the United States, England, Canada, Hungary, Romania, Japan, Brazil, Belgium - have hosted national peace conferences where permanent peace committees have been established. These committees are involving more and more people in the peace movement, rallying them in the fight against the warmongers.

The All-Union Conference of Peace Supporters in Moscow, held on August 25-27, 1949, was an event of great importance for the cause of the struggle for peace. At this conference, members of the public of the Soviet Union, which heads the camp of democracy and socialism,

demonstrated the determination and willingness of the entire Soviet people to fight hard for peace, steadily exposing the warmongers. Numerous guests from other countries who came to the conference expressed solidarity among the peoples of the world with the just policy of the Soviet Union aimed at protecting peace.

The Soviet public remembers well comrade Stalin's instruction on the need to organize "... broad counter-propaganda against the propagandists of a new war and for ensuring peace, so that no speech by the propagandists of the new war is left without proper rebuff by the public and the press, so as to thus expose the warmongers in a timely manner and not to allow them to abuse freedom of speech against the interests of peace."

The All-Union Conference of Peace Supporters clearly showed that the Soviet Union is the vanguard and leader of the entire peace camp. The speeches at the conference gave a clear and unequivocal response to the imperialist politicians preparing a new war.

"We, who have repelled so many attempts by our worst enemies on our lives and freedom, are not afraid of war, we are not afraid of threats, no matter where they come from," N. S. Tikhonov said in his report at the All-Union Conference of Peace Supporters.—We do not ask for peace, we are fighting for it and we stand for peace not because we feel some kind of weakness in the face of aggression. We are stronger than ever, but we stand for peace because we want a peaceful and democratic existence of peoples ..."<sup>[127]</sup>

"We declare...—said G. Dubinin, a sweeper of the Leningrad red-choice plant, "that we do not want war, but the grief will be to the one who will unleash it, who will disrupt our peaceful and creative work."

In an address to Comrade Stalin, the All-Union Conference of Peace Supporters stated: "Your

---

<sup>[127]</sup> N.S. Tikhonov, *Defense of Peace and the Struggle Against the Instigators of a New War*, Gospolitizdat, 1949, pp. 27–28.



name has become a great banner of the struggle of millions of ordinary people for peace, for democracy. You have ignited in the hearts of all ordinary people of the world an unwavering belief in the great and right cause of the struggle for peace in the world, the struggle for national independence of peoples, for the prosperity of friendship and goodwill between nations and peoples.

Your consistency in the struggle for peace, your firmness, your noble courage serve as an example and a model for us. Under the leadership of the heroic Bolshevik party, under your leadership, Comrade Stalin, the Soviet people defeated fascism, defended the honour, freedom and independence of their homeland and saved all humanity from the threat of shameful fascist slavery.

It is only through this historic victory that ordinary people around the globe can look forward to the future and believe in the ultimate victory over the dark forces of imperialist barbarism.”

In an address to the All-Union Conference of Peace Supporters addressed to the Standing Committee of Peace Supporters, to all participants of the peace movement around the world, it is said: “The imperialists spread slander that the Soviet Union is allegedly pursuing a policy of aggression. On behalf of two hundred million Soviet people, we reject this lie of the enemies of mankind. These monstrous lies want to cover the traces of those who build their military bases around the world, who really conduct the policy of military aggression, the policy of unleashing a new war. All peoples know that the Soviet Government firmly and consistently pursues a policy of peace and cooperation between the peoples of all countries. That is why it is under such vicious attack from the reaction camp and warmongers.”<sup>[128]</sup>

---

<sup>[128]</sup> V.M. Molotov, 31st Anniversary of the Great October Socialist Revolution, p. 32.

The forces of democracy and socialism are growing and growing stronger every day. The supporters of peace are united in an invincible army. Attempts by the imperialists to intimidate this army are futile. "The more the arsonists of the new war make noise, the more they will alienate millions of ordinary people in all countries, and the sooner the international isolation of these lords will take place." The warmongers do not and cannot have the support of the masses. They are forced to hide their true intentions and hide their real goals. They act by deception and lies. But it is not for nothing that it is said that lies have short legs. In the camp of imperialism, anxiety and anxiety are growing, internal contradictions are escalating. The soil under the feet of the imperialists oscillates. A powerful movement of peoples for peace can prevent the threat of a new war. The front of peace, formidable for the warmongers, is able to hold the criminal hand, brought over humanity. The irresistible movement of peoples for peace is designed to lead to the complete collapse of cannibalistic designs of aggressive imperialism of the dollar. The determination of peoples, not only who want peace, but also those who are ready to fight for peace against its violators, can and should upset all the plans of imperialist robbery hatched by American monopolists and their minions.

"Let the doomed stories rage. The more infuriating the war arsonist camp is, the more calm and endurance there must be in our peace camp. We are confidently going under the guidance of our brilliant teacher and leader Comrade Stalin to meet tomorrow. We firmly know that the victory of socialism and democracy in the whole world is inevitable."<sup>[129]</sup>

---

<sup>[129]</sup> G.M. Malenkov, 32nd Anniversary of the Great October Socialist Revolution, p. 32.

Editor I. Dinerstein  
Responsible proofreader N. Verkhovskaya  
Bookbinder G. Riftiya  
Technical editor A. GTyuneeva  
Signed for printing October 31, 1949, A00939. Volume 26, I.  
Circulation

50 thousand copies 21.6 academic ed. I. Order No. 655.  
Price 9 rubles.

Pervaz Model printing house named after A. A. Zhdanov of  
Glavpoligrafizdat under the Council of Ministers of the USSR.  
Moscow, Valovzya, 28