

Labor movement

SVETOZAR VUKMANOVIĆ

**PROBLEMS  
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THE  
INTERNATIONAL  
TRADE  
UNION  
MOVEMENT**



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It is generally known that the growth of the productive forces in time comes into conflict with social relations in production, and that this conflict is always solved in favour of the development of the productive forces, social relations being always coordinated with their development. It is true, it has never been done quietly, but along with the larger or smaller conflicts of class forces.

The task of this essay is — starting from the changes in the economic development of the contemporary world and the conflicts between the rapidly growing productive forces and present social relations — to answer the following question:

— what, as regards these changes, are the present conditions and opportunities for bringing about unity in the international trade union movement?

### **Characteristics of the concentration and internationalization of capital**

In the most advanced capitalist countries, owing to the growth of the productive forces, the process of concentration and internationalization of capital has been intensified. The development of production in those countries has reached such degree that the limited internal market is no longer capable of absorbing the growing production, so that large monopolies eliminate medium and small producers from the market. The latter, if they do not want to be ruined, integrate "voluntarily" with large monopolies.

Thus the process of concentration of production and capital within the framework of the largest monopolies is under way everywhere. This process does not concern merely certain countries, but exceeds national frontiers and leads to the internationalization of capital. By abolishing customs barriers

the most advanced countries are hastening the process of concentration of capital on a wider plane, i. e. within the framework of the so-called common markets. The concentration of capital is the precondition for its internationalization.

**Background of the  
„economic miracle”  
of the capitalist  
countries**

Its strengthening and expansion, characteristic of the present phase of development of capitalism, has led to the increase of the extent of production and productivity of

labour. Although small and medium producers have had to cease production, to reorientate, or to specialize — production has not been decreased but increased, thanks to the monopolies, which have intensively expanded their production, taking advantage of their position on the market. The consequence of this process is that more productive production was achieved — during the first years of action of West-European integration groupings — in a number of countries who are members of the European Common Market (France, Germany, Italy and others). Among the countries which achieved the largest growth of production was Italy, which, it was said, achieved a "miracle". In fact, the earnings of the Italian workers were the lowest then, and foreign capital began to make high profits. But when the workers won higher earnings and when the profits began to decrease foreign capital (and part of home capital) began to disappear from Italy. The economic expansion characteristic of the first years of integration was slowed up by the withdrawal of capital.

The development of monopoly and integration contained within itself many contradictions which hindered economic growth and retarded the improvement of the living standard of the workers. Meanwhile the concentration of production and capital in the hands of a small number of monopolies facilitated the introduction of new techniques and technology in production; and this increased work productivity and volume. The process of modernization of production led to the dismissal of surplus workers, and this led to the narrowing of the market. On the other hand, the monopolies endeavoured at any cost to freeze workers' earnings and to keep for themselves the largest portion of the accumulation which

was the result of the increased production and productivity of labour. Thus, naturally, a new contradiction on the market was created, for the low earnings of the workers as compared with productivity narrowed the market and hampered the achievement of increased production. Hence, the concentration of production and capital in the hands of monopoly led to the increase of production and productivity of labour, but at the same time it was a check for the development of the market and production, and thereby of the living standard of the workers.

### **Intervention of the capitalist state**

State intervention in the domain of economy presents a legal phenomenon, that is an attempt of monopolies to solve the contradictions they have created. Such intervention can be seen especially in the maintaining of low prices for raw materials and semi-finished goods, power, transport, services — most often under the pretext of "protection of the national interests", for it is alleged to be necessary to create more favourable conditions for the manufacturing industry, as the main exporter, to render it capable of withstanding strong competition on the international market. But if we take into consideration the fact that the power, transport, and (to some extent) the raw material and semi-finished goods industries are mainly nationalized, and that the manufacturing industry is in the hands of private monopolies, it is not difficult to see that such state intervention, as a matter of fact, leads towards the overflow of resources from the consumers' hands into those of private monopolies. Low prices for power, raw material and semi-finished goods and transport services make it impossible to create accumulation in these branches, so that their expansion and modernization must be carried out at the expense of the budget, i. e., at the expense of the consumers. In the accounts of such nationalized enterprises there appear deficits just because the state determines some essential elements of the economic activity of these industries, in the first place prices. By its intervention in the distribution of the national income the state can favour (and does) private monopolies at the expense of consumers, that is at the expense of the population.

The question arises: how to strive against this phenomenon?

Should it be done by demand for the democratization of the management of such enterprises and the formation of prices under the equal conditions for nationalized and private enterprises, by opposing the flow of income (on the basis of the decisions of state management organs) from one enterprise to another?

Is it possible also to strive against this phenomenon by demanding the democratization of public administration, that is by transferring the right of intervention in the economy from the state organs to parliament etc.?

Or perhaps it is not necessary at all to strive against this phenomenon, for it is alleged that cannot be prevented within the existing social system.

It is important that the answers to these questions should be found, for this is also one of the factors on which the criterion of conditions for the unity of trade union organizations depends, irrespective of their ideological orientation.

### **Planning of economic development and trade unions**

Conditions of great concentration of capital and competition among the monopolies for the market, unavoidably give rise to economic distortions and crises. The monopolies compete with each other to win the market with all the means at their disposal. They produce large quantities of goods as possible (so as to win this competition) and sell them at convenient prices. This leads to greater supply than demand on the market. Naturally, producers whose production is expensive cannot sell their goods and are condemned to economic failure. Phenomena of this kind are the most obvious sign of distortions and crises, and this leads to decrease of production and serious losses in the national economy. From this derives the need for the state to intervene in market movements by planning the development of individual branches and groupings of the economy.

This again gives rise to the question: is it at all possible to plan, in conditions of private monopoly? And does such planning favour only the monopolies?

Should trade union organizations demand planning in favour of the working class? Whether and how the unity of



trade union organizations will be brought about, irrespective of their ideological orientation, depends on the answers to these questions.

The economic expansion which took place in the first years after the constitution of regional economic integration groupings (for example, the West-European Common Market) carried within itself the elements of contradiction, which indeed soon appeared. As the economic expansion was carried out through a state inflationary policy (for the monopolies endeavoured to increase their accumulation at the expense of the living standard of the working class), there was necessarily an increase of prices on the home market and stagnation in the export of goods; and this adversely affected the total balance of payment. The increase of prices and living costs was followed by the reaction of the working class which, through strikes, demanded higher earnings, so that the whole burden of this economic movement would not fall on its shoulders.

In such conditions the idea of making programmes and planning economic development is strongly supported in many countries (Italy, England etc.). The protagonist of this idea is the state, which draws up the programmes and coordinates economic development in conditions of the existence of private producers and the action of market laws.

Bearing in mind the above mentioned facts, there is a good reason to ask whether it is possible to plan when private monopolies dominate the market? Or whether such planning is not planning in favour of the monopolies? What position should the trade union organizations take regarding such attempts at planning? Should they ignore such state planning; or should they insist on a change in the whole social system so as to introduce planning in favour of the working class? Should they participate in planning with state organs and thus share the responsibility for the whole of economic development? Each trade union organization should find the answer to these questions.

In seeking answers to the above questions differences appeared between individual trade union organizations. For the Chinese trade unions, the participation of the trade unions in the struggle for democratic and anti-monopolistic planning means the expression of class collaboration, since "workers

and capitalists cannot share the fruits of production". Contrary to this, some trade union organizations (the General Confederation of Labour of Italy — CGIL, the General Confederation of Labour of France — CGT) consider that it is possible to wage a struggle for democratic planning in favour of the working class, and against planning in favour of the monopolies. As can be seen, these organizations no longer consider that the trade unions within capitalism should merely conduct a struggle for revendication demands and for the change of social system, but that they should use new opportunities of influencing the running of the whole economic policy by the state (although capitalist states are concerned).

Finally, whether the trade unions will be able to influence the state planning to a greater or lesser degree depends in the first place on the ratios of the class forces, on how far the trade unions will be able to win over the working masses for their proposals, and how greatly they will be ready to strive for the realization of such demands.

As regards the Chinese position that it is an illusion to think "that workers and capitalists can share the fruits of production", the fact is that the fruits of production are already being shared. Hence, now the problem is not whether the fruits of production are shared — but how they are shared. If the trade union organizations, let us say, accept sharing in favour of monopolies, this undoubtedly means class cooperation. But if they strive for a larger proportion of the national income for the workers, class cooperation is out of the question.

State planning of the economic growth has created new conditions for the trade union organizations in all West-European countries, which are members of the International Confederation of Free Trade Unions (ICFTU). Until recently these organizations took up the position that the trade unions should be independent of the state and not deal with politics, but only with economic demands, such as the amount of earnings for the job, working hours, social insurance, aid to the unemployed, their employment etc. But now, in the conditions of the state planning of economic development the trade unions are in a position to participate in planning and share responsibility for the running of the whole economic policy of the government, together with the state organs; that is,

if they do not want to lose the possibility however, modestly of influencing new distribution of income in the favour of the working class. As we can see, there is hardly anything left of the fundamental principles on which these trade unions based their activity previously (independence of the state, avoidance of politics etc.). If there is anything left of these principles, it is in theory only, while in the practice they have been abandoned. Thus criticism that in other countries the trade unions are not free, and do not have an autonomous policy but follow the state policy, is superfluous. In practice there is no trade union organization today that does not carry out the policy of its state, if the political power is in the hands of the party which has a dominating influence on the trade unions. This is by no means unusual but, on the contrary, it is natural, for the same programme is accepted by the trade unions and the government. This development, therefore, has brought about some approximation of attitude regarding the place and role of the trade unions in the present social development.

### **The essence of the income policy**

Instability on the markets of the West-European countries and increase of prices have led to the

organized opposition of the working class, for the reaction to these phenomena is that the trade unions demand the increase of earnings. As the monopolies did not meet the justified demands of the workers there were organized strikes, through which the workers' demands were realized, but the national economy suffered great losses. In such conditions the state could not ignore the trade unions as partners in planning the economy with the aim of securing the balance of all factors influencing economic movements (investments, consumption, prices etc.).

Almost in all the countries of Western Europe there is a tendency to introduce an income policy in order to balance economic movements.

Where does the essence of this policy lie?

Above all in planning of the amount of earnings of the workers to be allowed in individual branches of economy, irrespective of the fluctuation of prices on the market. This means that the trade unions should renounce demands for in-

creased earnings and the making of collective agreements by which the amount of earnings of the workers would be determined. Instead of this, the amount of workers' earnings would be determined by the plan, drafted by the state organs, employers and trade unions. It is not difficult to conclude that the trade unions would thus lose their previous autonomy and become included in the state policy. This in fact has already been proved in Great Britain, when the government asked the trade unions (and they partially agreed) not to undertake in future actions contradictory to the state policy. Thus the process of creating state trade unions has been introduced in practice.

The income policy means not only freezing of the workers' earnings at the present level, that is, freezing of the present ratios between the workers' earnings and the capitalists' profits, but even the changing of these ratios in favour of the capitalists. Thus, if the workers' earnings can grow only at a slight rate, fixed by the plan, and the prices can increase without limit, it is not difficult to perceive that capitalists' profits will grow quicker and the main burden of the stabilization fall on the shoulders of the working class.

Nevertheless, some trade union organizations do not have the same attitude towards the income policy. There are, for instance, some which do not want to renounce independent actions for the increase of workers' earnings. But there are also those which do not accept the thesis that the increase of workers' earnings is the only cause of instability, but consider it to be the result of monopolistic domination on the market and the increase of the profit of capitalists by raising prices. They see the way out of such a situation by freezing profits, prices and workers' earnings. Nevertheless, the standpoints on this issue are not so contradictory that it is not possible to cooperate on some matters (such as the struggle against freezing workers' earnings exclusively).

The changes in economic development and social relations in the advanced capitalist countries lead to nearness of views on individual questions between many trade union organizations, irrespective of their ideological and political orientation. The organizations which are members of the World Trade Union Federation are constantly giving up their

extreme positions, and the case is similar with the organizations affiliated to the International Confederation of Free Trade Unions. On the one hand, the idea that there cannot be planning in capitalism — or at least not in favour of the working masses — is being given up. Instead of this, the opinion is held that by itself it is not impossible, but that it depends on the ratios of the class forces in each country. On the other hand, the standpoint that the trade unions should not participate in the state organs which determine economic policy is also being given up.

The participation of the trade unions in planning, need not of course contain the elements of class cooperation, although in some circumstances it can lead to this, depending on the trade union organizations themselves, and their readiness to struggle for planning in favour of the working class, and against the interests of the monopolies. In any case better chances for the unity of the trade union movement in the advanced capitalist countries are created by giving up extreme positions.

### **Changes in the planning system and management in the socialist countries**

The rapid growth of the economy achieved in the advanced socialist countries has opened the way for changes in the existing planning system and management of the economy. The socialist countries, in their past development, achieved very high rates of production growth, but it was predominantly extensive production, with comparatively low productivity of labour, with a labour surplus, with insufficiently used capacities etc.

The needs and wishes of the population were less and less satisfied with the quantities of goods and services. The consumers constantly demanded a more diversified assortment and better quality of goods and services. It was also shown that the needs of the population could not be satisfied exclusively by developing home production. The process of emerging on the international market had to be started, i. e., it was necessary to export as much as possible; but also import to meet the needs of the population.

The explosive development of production simultaneously made selling more difficult, for the home and foreign mar-

kets could not any more absorb all the goods produced, and they were piling up in the store-rooms. This did not, however, affect the position of the enterprises — they achieved the workers' earnings and accumulation for the state budget, irrespective of the fact that their goods were not satisfying the needs of the population. The development of production, consequently, increasingly demanded the production of goods that not only satisfied the needs and taste of consumers, but which in cost of production corresponded to their material capabilities.

These, as well as other socio-economic and ideological-political reasons, accounted for the beginning of changes in the management of economic organizations and planning in some of the socialist countries. The tendency is now to make the economic organizations more independent in determining their production policy, while they themselves must be responsible for selling their goods on the market. If they do not succeed in this, their incomes will be affected, for the workers will not be able to increase their earnings or enterprises their funds for future development and modernization. These measures have inaugurated, at least partially and for the moment modestly, the process of the action of economic laws in the socialist economy. The producers are faced with such economic conditions that they must produce more economically, for this is the precondition for their existence. Likewise, the producers must work more productively, for in order to sell goods on the market they must suit the purchasing power of the consumers, as well as their taste. Although to a great extent elements of state regulation of relations in production and distribution, are still retained, limiting the autonomy of economic organizations in determining their economic policy and activity, these measures are gradually opening the road for the increased action of the economic laws on the economic life of the socialist countries.

In the new conditions the economic organizations are becoming more autonomous in determining their development policy, for they must create their own accumulation or ask credits from the bank for the expansion or modernization of production. The state takes one part of the income realized in the economic organizations for the budget needs, in proportion with the value of the socially-owned means of pro-

duction at the disposal of the economic organizations, while the remaining part of the income, in principle, should be left to the economic organizations to use freely. This, naturally changes the conditions in the economy, for enterprises need not apply to the state for reconstruction, but will create their own means by better economic activity and economical use of their resources; and the running of business will, in this way, constantly improve.

Considerable changes are also taking place in the distribution of personal incomes. The principle that everyone should receive from the social product in conformity with his contribution to its creation is beginning to take hold and predominate. This is an essential difference from the previous period, when the state determined pay classifications for each kind of qualification, and the earnings, basically, depended on your qualifications and in which tariff-class you were, as well as on how you fulfilled the norm (if your work could be normed). In the new conditions only at the start do earnings depend on this, and they can be increased if the enterprise as a whole or individual production units work better and achieve better results.

These are the qualitative changes in estimating labour results. In this connection, a question arises: should only the results achieved at the working post (in fulfilling the norm) be taken in account in reckoning the earnings of a worker, or they should also depend on the whole business of an enterprise (one enterprise, for instance, may produce more qualitative articles at less expense and market them, while another may not succeed in achieving this)?

In the functioning of economic laws, when the socialist producers appear as producers of goods which they are forced to sell on the market, it is absolutely necessary to change the old administrative system of planning, for it is impossible to plan all production from above from a single centre, to be achieved by every individual enterprise; neither is it possible to determine from above to whom the goods should be sold and at what price. It is no longer reasonable to draw up a plan by which material expenditures, workers' earnings, profits etc. are determined for each individual enterprise.

Planning in the new conditions should secure harmonious and socially justified economic development, and equalize

conditions of economic activity; and the results of economic activity should belong to those who attain them. In practice this means that in future planning, through various obligations towards the social community, producers who possess more favourable economic conditions will be more heavily taxed (taxes on turnover, on socially-owned means of production etc.), and through the crediting policy, customs policy and bonuses for export. Certain kinds of production may be encouraged or discouraged, depending on whether such production in a given period should be promoted or not. Thus it will always be possible to correct uncontrolled functioning of the market and secure harmonious and socially justified economic growth, without diminishing or infringing the autonomy of the socialist producers as commodity producers, and without doing violence to the objective economic laws. Although the changes which arise in the planning of the socialist countries still contain many elements of the centralized administrative system, nevertheless they constitute a single process which is already showing positive results, in conditions of the limited functioning of the market and the still confused economic laws.

**New opportunities for cooperation of the trade unions of socialist countries as well as the extension of cooperation among trade unions functioning in different socio-political conditions**

The changes in planning and management of the economic organizations in the socialist countries referred to have inaugurated new opportunities for cooperation between the trade union organizations. Instead of the past cooperation, which had a great deal of demonstration elements, there are now opportunities for making it much more efficient and purposeful.

The numerous problems which arise in the building-up of socialist relations in production and distribution constitute wide basis for such cooperation in the present circumstances. This is all the more so since there are no ready-made solutions or recipes for the development of socialist social relations, but they have to be built up in practice and constantly justified through this practice. Practice alone, for instance, can aid the functioning of the economic laws and at the same



time secure harmonious economic growth and prevent anarchy in the development of the productive forces. Practice should also help to find ways by which work collectives (in some enterprises or their departments) should receive in proportion to their contribution, out of the income earned. How should their contribution be estimated? Is it right to take as the criterion only income earned at market prices on the basis of supply and demand? How can the attainment of higher income as the result of monopoly on the market be prevented? How can the problems arising between individual enterprises in respect of disposal with fixed and revolving assets (regarding technical equipments) be solved? The answer to these questions should be sought primarily through practice.

The trade union organizations, for their part, can considerably contribute to the study of practice and the exchange of the experience of their countries, so that it may become the joint property of all the socialist countries.

But such cooperation should not be confined to the trade unions of the socialist countries. It is not true that the workers in the capitalist countries are not interested in these problems, and neither is it proper to avoid discussing these matters with them, or revealing certain shortcomings of the socialist countries — in case the workers from the capitalist countries could become disillusioned with socialism. They will understand that in one explosive transformation such as in the socialist countries difficulties must arise, for these were once backward and predominantly agrarian countries which are now being transformed into more or less industrially advanced countries. By pointing out these difficulties in the context of real relations and of a single dynamic development, we can only contribute to their proper understanding, while any concealment of the facts would lead to misunderstandings, which are very often the result of lack of knowledge on the real state of affairs in the socialist countries.

Present processes both in the capitalist and socialist countries present new opportunities for cooperation among the trade unions, which function in the different social systems, too (capitalist and socialist). This of course does not mean that the capitalist system has been transformed to a socialist one, or that the socialist system has turned back to the capitalist system. Each system retains its essential characteristics: in

the capitalist system private ownership of means of production dominates, and the workers are in the position of hired wage-earners, while in the socialist system the means of production are socially-owned, with the strong tendency to make the workers the managers of the enterprises they work in. The changes lie in the fact that the workers in socialism tend to appear as far as possible as commodity producers who organize production on socially--owned means of production and exchange produced goods on the market. Certain problems arise from the market relations and commodity production, but these are to a great extent common to all, so that common cooperation can be organized through studying the functioning of the economic laws in different social systems. The action of the economic laws in socialism means nothing more than the fact that the development of the productive forces in the socialist countries has not yet reached such proportions as to attain the abundance of production on which the communist principle "to each according his need" can be followed.

### **The position of the trade unions in newly liberated countries**

not proceed evenly or without struggle. The peoples of the countries in which the colonial powers had greater material interests (concessions etc.), had to wage an armed struggle lasting many years in order to win the right of political independence (Algeria, Vietnam and others). It often happens that the colonial powers "voluntarily" give political independence, but only when they have ensured that the political forces which are taking over power will not affect their economic interests, or nationalize "their" properties etc. But if power is assumed by the political forces which are not satisfied merely with political independence, but also want to take over wealth of the country, the colonial powers most often intervene by organizing an army revolution, or by directly sending military detachments (Congo, Dominican Republic). Thus the struggle for liberation of the colonies from all dependence has by no means finished. The trade unions, as part of the people, cannot stand aside in this struggle.

In the post-war period many colonies were liberated and achieved political independence. This process, however, as is known, did

Experience has shown that the gaining of national independence does not necessarily mean liberation from all forms of colonial dependence. If the national wealth of a country does not belong to its people, but to foreign monopolies (in the form of concessions etc.), its political independence is only formal. In this case, not only are the profits still taken from the former colony — a specific kind of exploitation — but the newly liberated country remains as a raw-material appendage of the advanced country, without any prospect of building its own industry and thus overcoming its backwardness. Hence the struggle for the right of each country to dispose freely of its wealth. This is a component part of the struggle against colonialism, and it is reasonable that the trade unions should take part in it.

### **Problems of internal accumulation in the emergent countries**

The anti-colonial struggle in many countries has brought to power the revolutionary forces, which have nationalized the enterprises of foreign monopolies. But the material relations between the liberated countries and the former monopolies have not changed much. Such countries still remain producers of raw materials, semi-finished goods and agricultural products, whose prices are still dictated by the advanced countries and the large capitalist monopolies. Consequently, extra profits, as in colonial times, are still being taken out of the country, but only in another way. Previously the colonial powers dictated low prices for raw materials and agricultural products through their trade and bank organizations in their colonies, and now they do this by setting low prices on the West-European market. The efforts of yesterday's colonies to get out of this position require continuation of struggle for higher prices for their products.

The consequences of the low prices of products from the emergent countries on the world market are low accumulation and little opportunity for these countries to liquidate by their own efforts their backwardness in economic development. Therefore they are compelled to finance their economic development almost exclusively by obtaining foreign credits. Such orientation, it is true, enables these countries to advance (although at a very slow pace), but at the same time it involves them in too large debts and economic dependence on

the countries (and monopolies) from which they have taken loans. Enterprises built by foreign credits, for example, cannot attain for certain time even such productivity and accumulation as would repay their loans, which are usually repaid by the whole country. The debts of such countries therefore grow more rapidly than their economy. While the debts during the last ten years have trebled (from 10 to 33 milliard dollars), the annual rate of economic growth of the countries was on the average only two percent. Thus previous colonial dependence now appears in the form of the debtor's dependence.

In their development hitherto, the differences in the economic advance between the advanced and undeveloped countries, far from decreasing, but are becoming constantly greater. In concrete terms: annual rate of economic growth in the advanced countries is about five percent, while in the emergent countries it is barely two per cent. The gap between the advanced and the undeveloped countries, which arose as the consequence of colonialism, is even wider in the new conditions, and this shows that colonialism in fact has not been liquidated, but still exists — under other names and in different forms. The retention of low prices on the international market for products from the emergent countries is, in essence, the continuation of the old policy of the colonialists, with the only difference it now has a new dress, for the prices are now "freely" formed. Assistance to the emergent countries exclusively through credits (irrespective of the conditions), is also a new form of economic (debtor's) dependence, to say nothing of the continuation of the capitalist system in the form of concessions to the countries which accept such a policy.

### **The character of assistance to the emergent countries**

In some circles in the advanced Western countries it is considered that their countries offer great assistance to the emergent countries by giving them credits for the financing of their development. But in fact, this is not assistance, but an ordinary economic transaction which generally brings great economic benefits to the creditor, for it gives him the opportunity of offering his resources in the form of a loan. Many facts go to prove this. If the total credits given to the emergent countries are compared with the total means creditors have recei-

ved from them, it will be seen that the policy of colonial exploitation is being continued, but in new forms (now politically independent states freely make arrangements and give concessions to foreign monopolies for the exploitation of their natural riches). Thus, for instance, the monopolies of the USA, by exploiting the economic riches of the Latin-American countries make several times larger profits than the amount of US loans and "aid" to these countries. Hence it is a matter of maintaining purely colonial relations, cleverly camouflaged under the cloak of "free" agreements between independent states. In truth, in the countries where by the will of people the forces which will not accept such a colonial position are in power, foreign monopolies and their political protectors usually organize military coups, to ensure that the colonial position is "voluntarily" accepted.

Aid to the emergent countries from the socialist countries is also maintained on the basis of loans at low interest, and also through technical assistance. In this case, obviously there is no policy of exploitation, but it should be said that neither does such practice contribute to rapid economic development and liberation from colonial backwardness. It is not enough only to give loans (however favourable) for the construction of some enterprise, and then leave it to work and run business by itself. The construction of enterprises which work at a deficit does not assist rapid development but, on the contrary, it slows it down, for the whole country has to repay the loan and pay interest on it, and simultaneously compensating for losses out of its already modest accumulation. It is necessary, therefore, not only to build enterprises but also to help to chose such economic activity as will be able to attain immediate accumulation (taking advantage of comparative priority of exploitation), and to help such enterprises not only to master production (technology) but also to enter the market, without which there cannot be any accumulation.

It should be said again that even the complete assistance of the socialist countries in building individual projects does not solve the problem of increase of prices for the products of the emergent countries. These countries, as it is known, still receive low prices for their products in the international exchange, and even in exchange with the socialist countries.

Hence it is very important to create conditions for the socialist countries to begin solving this problem independently, through exchange with the emergent countries, without waiting for the capitalist countries to agree to such a policy. The answer is not difficult to find if we are only consistent in the struggle for the final liberation of the emergent countries from the remnants of their colonial past.

**The significance of agrarian reform for the emergent countries**

The struggle for rescuing the economy from colonial backwardness is closely connected with the struggle for agrarian reform. The postponement of this problem not only affects peasants — who could not obtain land but as landless persons had to work on the estates of large landowners and were discontented with their position — but seriously hampered the introduction of money-commodity economy in the village, thus hampering the whole process of economic growth. Making use of their favourable position, the big landowners appear as a force which has nothing against foreign monopolies using the natural wealth of their countries by means of concessions. The union of foreign monopolies and feudal oligarchy in some countries constitutes a serious obstacle to the liquidation of colonial position of the economy.

It is, naturally, another question as to how the land of big landowners should be distributed: whether to leave a proportion to the big landowners and if so how much; whether the expropriated land and inventory should be distributed to the landless peasants or whether they should be retained as social property within the agricultural organization to be managed by the direct producers? Or finally, to adopt both solutions? These questions can be answered only after careful analyses of the ratios of the class forces in each country. But one thing is certain: these questions must be tackled.

**The role of the trade union organizations in the new socio-economic conditions**

The role of the trade union organizations is normally indicated by the changes in the material basis and the social superstructure in individual countries. That is, where revolutionary political forces oriented to the liquidation of the colonial past and the rapid overcoming of back-

wardness of the country are in power, it is normal for the trade union organizations to pursue the same policy, since the trade union movement is a component part of the political movement which took over power. In such cases the trade union organizations cannot follow any other policy but that of the government. If the government, for instance, endeavours to increase internal accumulation, even temporarily at the expense of the living standard of the working class, it does so because it wants to rescue the country from colonial backwardness as soon as possible, and this is the only way to bring about the permanent improvement of the living standard. If the trade union organizations pursued a different policy in such circumstances, if for instance, they should ask for higher earnings for the workers at the expense of accumulation, they would be jeopardizing the process of liberation from colonial exploitation. Experience clearly shows that without versatile economic development, without building a modern industry, the emergent countries will in fact remain raw-material appendages of the advanced countries; and this is typical of colonial economies. Therefore, if one emergent country does not orient itself in time to intensive economic activity, which in labour productivity does not lag behind the advanced countries, it will not get rid of its colonial position, for the advanced countries will also in the future make extra profit from it, but this time not through low prices of raw materials and agricultural products, but thanks, to the difference in labour productivity. To follow the policy of high earnings and low accumulation, would mean in such conditions to continue the colonial exploitation of their natural wealth by the monopolies of the advanced countries.

In view of all this, the question arises as to why the attitude of the trade unions, which are in favour of political and economic independence, does not suit some trade union leaders in the West? Why do they persistently repeat that the trade union organizations in the emergent countries have become a component part of the state and that they have lost their autonomy? Do not such statements seem ridiculous, especially in the present circumstances, when the trade unions in some advanced countries are becoming less autonomous and indentifying themselves with the state, for there are forces in power which have a decisive influence on them. It is obvious

that there many anomalies exist in this respect, for you cannot do one thing yourself, and criticize others for doing the same.

In the countries in which the political forces which have a predominant influence on trade unions are not in power it is quite understandable that the role of trade unions is different. In such countries, as a rule, foreign capital still holds concessions, feudal relations exist in the villages, insufficient economic growth is achieved as the internal accumulation has not spent it, but on the maintenance of the administration and bureaucracy, abuses and corruptions are rife etc. It is natural in such conditions that the trade unions are, as a rule, in opposition to the government and the ruling political forces. In such places the ratio between the workers' earnings and accumulation are regarded quite otherwise, for the accumulation is not used to extract the country from its backwardness, but for non-productive purposes. It is natural that the trade unions in such circumstance should strive for higher earnings of workers, instead of larger expenditures on the administration. But even in such conditions the long-term solution nevertheless lies in more rapid economic growth through the increase of internal accumulation. This, naturally, does not mean that such increase, at the cost of comparatively low earnings for the workers, has to be aim for a longer period, for by strengthening the material basis the situation unavoidably changes — and then the increase of the workers' earnings at the expense of accumulation becomes an imperative of general economic and social development.

As for the role of the trade unions in closing the gap between the advanced and the emergent countries, it should be said that it is becoming constantly more international in character, all the more so because the widening of this gap not only affects the emergent world, but is becoming a problem on whose solution the further economic growth of the advanced countries depends. In other words, while the explosive development of technique and technology creates conditions for great expansion of production, to realize this there must be a wide market, capable of absorbing such production. If such a market does not exist, production will not be increased, and existing capacities will be insufficiently used, which will lead to problems of unemployment even in the



advanced countries. The rapid economic growth of broad regions of the emergent world therefore provides indispensable conditions for the development of production in the advanced countries, primarily because of the expansion of the market. This fact becomes increasingly evident to the trade unions in the advanced countries in the West, which, especially lately, have been emphasizing that aid to the undeveloped countries should not be referred to when they are given credits, technical assistance etc., for this is not aid, but an effort to satisfy the need of the advanced countries themselves, which cannot develop without the simultaneous advance of the emergent countries. This is only emphasized, however, when it is a question of credits and technical assistance, but not when it is a question of the need for increasing the prices of products from the emergent countries. But people will become aware of this need too, when one day changes in the material basis involve the problem of price relations, making it an indispensable and unavoidable condition of further development of the world economy in general. On this basis it is possible already to strive for unity between the trade unions of the advanced and the emergent countries, irrespective of ideological orientation.

### **Various interpretations of the essence and role of peaceful coexistence**

Most discussions and contrary opinions between the trade union organizations are on whether it is possible — starting from the principles of peaceful coexistence — to establish normal contacts between countries with different social systems. There are also many discussions on the meaning of the principles of peaceful coexistence.

The Chinese trade unions, for instance, consider that peaceful coexistence should concern only the foreign policy of the socialist countries in the regulation of relations between states with different social systems; and that it is wrong to proclaim peaceful coexistence as a general policy of the World Trade Union Federation, for the latter is not a state but a mass organization of the working class, whose basic line should constitute the struggle against oppressors and exploitators, for the protection of the interests of the working masses, and for the complete liberation of the working class. The

policy of peaceful coexistence in the international workers' movement cannot be accepted — according to the Chinese trade unions — since the oppressed and exploited can never coexist with imperialism and monopolism.

What is wrong with the attitude of the Chinese trade unions?

They evidently confuse basic matters: peaceful coexistence means the right of every nation to solve its social system on the basis of the ratios of the class forces in their country, without any intervention from outside. In accordance with this principle, the policy of peaceful coexistence means that all issues in mutual relations of states should be tackled by peaceful means and that personal social systems and positions should not be imposed on others.

If this is so why should not the struggle for the application of these principles become an important factor acting towards the realization of the unity of all trade union organizations: with different ideological orientation, and in different countries of the world?

This orientation would aid the struggle against exploiters in some countries; and it would create favourable conditions for bringing the struggle for the liberation of the working class from exploitation to a victorious end. This is why we should always bear in mind that in present conditions the basic obstacle to the liquidation of hired-labour relations in certain countries is not the weakness of the workers' movement of a certain country, but primarily the intervention of some great imperialist states. Are not we witnesses of such intervention all over the world? Would not the workers' movement in many countries triumph but for foreign intervention? Is not the ratio of forces in many colonial and economically dependent countries at present such that the liberation movement would triumph except for intervention of various kinds by the colonialists, from bribery of tribal chiefs and political leaders to military coups and direct intervention?

The trade unions of the USA, i. e., the leading circles of AFL—CIO, headed by its president, George Meany, on the other hand, consider that peaceful coexistence is a »communist manoeuvre«. Therefore, they are not in favour of nations freely solving the problems of their internal systems, but they insist that each country must establish a social system which

— in their view — could be considered »free« and »democratic«. And to ensure that such their policy should not be understood as stirring up a world thermo-nuclear war, which would lead to the annihilation of world civilization, they ask that all pending issues in the international relations should be solved from the position of power. Therefore they are against disarmament, although in their public utterances they declare themselves in favour of it.

It is not difficult to perceive that such an interpretation of peaceful coexistence cannot take root in the wide workers' masses of the world, for there is no workers' movement in any country which would agree with that some other trade unions should decide what social system might be considered as democratic and what should not. What absurdity such a position leads to can be seen by the fact that the American trade unions, allegedly for the sake of freedom and democracy, found reasons for military coups d'état and intervention in some countries in which democratic movements and democratic parliamentary elections were already established (Congo, Dominican Republic, Brazil and others). In such cases they found »reasons« for their actions, pointing out that the elements of disorder and anarchy had won the elections in these countries, and that in such a case the USA could not stand aside, »they had to intervene in order to protect democracy«. By this logic, military dictatorship is justified — when the people are not allowed to assume power. In the name of »democracy« both military dictatorship and dictatorship of the most reactionary feudal oligarchy are justified. It is clear that in such circumstances there is no question of the »protection of democracy«, but the most ordinary protection of the interests of the big monopolies, which own various concessions and have other interests outside the frontiers of their own countries. Hence, the trade unions which otherwise fiercely intercede for their own freedom and independence, are becoming the most ordinary protectors of the interests of the monopolies of their countries.

If peaceful coexistence means that each nation should decide independently on its social system, and that all problems which arise in relations among peoples, states and movements should be solved in a peaceful manner, putting into practice of these principles can guarantee peace in the world.

War begins only when one country interferes in the internal affairs of another country, when one country tries to retain or expand its economic positions in other countries.

It is worth while, therefore, to struggle by every means for the consistent application of the principles of peaceful coexistence, in which the workers and working people are interested most. The monopolies, however, take up the opposite position, for they are aware that their interests are jeopardized by such principles. Since the state often stands behind the interests of the monopolies, it is understandable that the imperialist states cannot be in favour of peaceful coexistence: it would undermine their interests and those of their monopolies. But such states can be forced to respect the right of every nation to decide independently on its social system.

The problem arises as to the means by which they can be forced to respect these principles. It stands to reason that the first precondition is the unity of all the forces of the working class and working masses for the realization of peaceful coexistence. As regards the methods by which the struggle for their realization should be conducted, this depends on the situation in individual countries.

In some places it will be enough to organize a wider strike movements and demonstrations, in collaboration with all peaceloving and progressive forces, which are constantly strengthening even in the advanced capitalist countries, while in other an armed struggle has to be conducted against foreign intervention and against those forces in the country which facilitate such intervention.

### **The unity of the trade union movement and the problem of ideological orientation**

Obstacles which arise in establishing the unity of the trade union organizations as regards ideological-political orientation, in essence are only an expression of the differences in the material interests of the countries in which the trade unions function. It could even be said that the ideological-political orientation of some trade union organizations is often determined by the material interests of the monopolies in their countries. This sounds absurd, but it is possible. That is, it seems absurd that the interests of the monopolies and the workers should conform in their policy towards some

countries, but practice shows that this does happen, for some trade unions regard this as a way of protecting their positions. When, for instance, the American trade unions persistently insist on the struggle against communism as their basic orientation, and when they support the intervention of the US government in countries in which the interests of the American monopolies are jeopardized, they are, as a matter of fact, protecting those interests; but they camouflage this by calling in the struggle against communism.

The Chinese trade unions, however, insist on the fact that the unity of the trade union organizations should be achieved exclusively by supporting and encouraging by every means armed struggles in all countries where they arise — irrespective of the fact whether the conditions for such struggles are mature — and that the international trade union movement must declare itself in favour of this form of struggle. In other words, this means that revolution should be exported! But if the »export« of revolution were accepted, might there not be good arguments for the opposite — the »export« of counter-revolution. And if the principle of export of both revolution and counter-revolution wins, would not it soon lead to a world thermo-nuclear war? And if we take the stand that the unity of the trade union movement depends on accepting the principle of the »export« of revolution, would it not limit the unity of the trade unions exclusively to those forces that accept armed methods of struggle; and would not it exclude those that adhere to their class positions, and conduct the struggle against exploitation by peaceful and parliamentary means?

Would not such orientation, on the other hand, narrow the front against the »export« of counter-revolution, and enable the reactionary forces to continue intervening in the internal affairs of other states? It is not reasonable to expect the revolutionary forces to be pacifist and look on peacefully as the reactionary forces intervene in the internal affairs of other countries, without intervening themselves. Their intervention is then both necessary and useful, for they are only protecting the principles of peaceful coexistence from the attacks of the reactionary forces.

An obstacle to the realization of the unity of the world trade union movement is the position which still dominates

in some trade union organizations which are members of the International Confederation of Free Trade Unions. According to them, there should be no cooperation with the trade unions which are members of the World Trade Union Federation, not so much for fear that such cooperation might be understood as giving support to the "communist" trade unions, but rather because their workers might, through this cooperation, learn the truth about the socialist society and the position of the working man in it. But the necessity of cooperation is beginning to dawn on the workers themselves, and this idea will take hold the more often they have a chance to meet and get to know each other. Those who continue to oppose this cooperation, will certainly be eventually rejected from the ranks of the working class. For in the final analyses there are no irreconcilable material interests among the workers in different countries. The fact that the workers are still divided simply proves that they are not all yet aware of their material interests. But this certainly does not mean that they will not become aware of their interests at some future time.

**Autonomy of the trade unions as a precondition of the unity of the trade union movement**

In a number of countries there is an increasing tendency towards autonomy of trade unions. This is a reflection of their aspiration to determine their policy and the aims of their struggle independently. The character of the social system is increasingly understood to be the internal affair of the every national trade union movement, as the result of the ratios of the class forces in each country. Along with these tendencies, solidarity with trade unions of different ideological orientation and the desire for mutual contacts are becoming stronger. These processes are under way, both in national and wider proportions (regional, world), for the realization of the common material interests of the workers. The character and the degree of unity of the trade unions depend on whether wide or narrow common interests are concerned. As common interests of the workers exist in all countries, opportunities for the maintenance of the unity and cooperation of the trade unions in the world proportions are not impossible.

Is it possible to make use of the existing opportunities and what hampers a more rapid advance?

The attitude of some trade union movements certainly presents an obstacle to the achievement of the unity of the world trade union movement. Thus, in some trade union movements it is considered that the social system is not the internal affair of each country, and that the unity of the trade union movement can be achieved only through identity of ideological orientation. For instance, certain trade union leaders in the USA (Meany) are of the opinion that they should not cooperate with the trade unions in countries with different social systems, and that it is even necessary to struggle from outside against different social systems, and against the trade unions which declare themselves in favour of them. In order to find reasons for this policy, the principle is proclaimed that "free" trade unions should struggle against "dictatorships", "one-party systems", trade unions which act as "state" trade unions etc.

There are also trade union leaders in the West European countries which consider that the unity of the trade union movement cannot and should not be achieved since the "free" trade unions offer the workers an "alternative to communism" in the form of "democratic" socialism. They are obviously afraid that they would lose their influence if the trade union movement were to be united.

Finally, there are trade union leaders (China) who refuse any cooperation with trade union organizations that do not support the thesis that the power of the capitalists and monopolies must be taken over by revolutionary means (armed struggle), as well as the nationalization of means of production. All trade union organizations which do not declare themselves in favour of these principles are, according to the Chinese trade union leaders, instruments of class cooperation with the monopolies, and there must not be any cooperation with them.

**The imposing of positions jeopardizes the autonomy and unity of the trade union movement**

The conception that cooperation is possible only with trade unions of the same ideological orientation, and that influence should be exerted from outside to change any social system which does not

conform to this conception — implies direct interference in the internal affairs of other countries, irrespective of whether

this is done by trade unions which demand the improvement of the position of the working class in the capitalist system, or by those which want to make radical changes in production relations, by revolutionary means. Experience shows, however, that the form of social system should be the affair of each country, depending on the ratios of the class forces, and on the degree of conscious development and organization of the working class. If this is solved through action from outside there must be conflicts between states, and division in the trade union movement, and this naturally only weakens the power of the latter and increases the danger of war. And wars break out just there where foreign intervention in the internal affairs of a country begins, usually with some ideological excuse, although as a matter of fact economic interests and positions are being protected.

In view of all this, it is absolutely necessary to develop cooperation of the trade unions which function in different social, political and economic circumstances, thereby avoiding intervention in the internal affairs of other countries. Otherwise, besides the threat to peace and to the unity of the trade union movement, such practice becomes its own enemy. Proclaiming the struggle for the change of social system necessary and justified in all countries where a multi-party system does not exist, and where the trade unions are part of the political movement which is in power, the trade unions of the USA, actually, support the reactionary military dictatorships in a number of countries and cooperation with the trade union movements formed by these regimes. Although they declare themselves for the principle of non-interference in the internal affairs of other countries, this does not prevent them from supporting the military intervention of the USA in all countries where the economic interests of the American monopolies are threatened. Hence, the struggle of the US trade unions against dictatorship is really a struggle against every social system (even parliamentary) which threatens the economic positions and interests of USA monopolies. Paradoxical as it may seem, this is the brutal truth. If the trade union movement of a great country adopts the principle that cooperation can be established only if other countries accept its social system, this obviously implies protection of the economic interests of the monopolies of that great country, ir-



respective of slogans about freedom and democracy which attempt to explain and justify such an attitude.

The position of the Chinese trade unions also means intervention in the internal affairs of other countries. The difference lies only in the fact that they start from a different position. That is, when the Chinese trade unions reject cooperation with all trade unions which do not whole-heartedly accept the armed struggle for changing the social system, in practice they are denying the possibility that trade unions which do not share their opinion can also struggle for the improvement of the position of the working class in the distribution of the social product. Likewise, when instead of exerting efforts for the unity of all trade unions which are engaged in the class struggle, they insist on sending arms and volunteers to countries which are waging an armed struggle for the change of their social system, they only create an opportunity and excuse for the armed intervention of the counter-revolutionary forces. The consequence of this is that a question of the social system is no longer the internal matter of each country and the result of ratios between the national class forces, but it becomes a matter which is being solved by the ratio of class forces on the international plane. And this means that the constitution and changing of the social systems of individual countries is closely connected with international conflicts and wars. In view of the existing division of the workers' and the trade union movement, it is clear that such a policy only benefits the home and international reaction, and not the working class.

What has been said shows that it is absolutely necessary to pursue the policy of unity of the working class on class positions, and this means admitting that the strikes organized by the trade unions in some European countries — although they are not engaged in an armed struggle for the change of the social system — nevertheless constitute class fights and have, to some degree, a revolutionary character. It is another question whether the struggle should be kept within the framework of improvement, and not involve any change in the position of the working class in the process of production and distribution. This should depend on the consciousness and organization of the working class in each country.

## **Prospects for unity of the trade union movement in the international and national plane**

The acceptance of the principle that each trade union movement should independently choose its social system to some degree, opens the path for the realization of trade union unity on the inter-

national plane. But this does not ensure trade union unity on the national plane or permanent unity of the trade unions on a wide scale.

The fact is that the trade unions in a number of countries are divided according to ideological orientation: some consider that the struggle for changing the capitalist system is indispensable, while others are satisfied with actions which will lead to greater participation of the working class in the distribution of the social product, i. e., the improvement of the position of the working class within the capitalist system. Nevertheless, what is common to both is that they are striving for the improvement of the position of the working class, with the only difference that some are content to remain half-way, for the time being, while the others are for an immediate change in the social system. However great the differences between them, it seems that trade union unity could be achieved to cover a minimum programme of which all trade union organizations would be in favour, irrespective of their ideological orientation. Unfortunately such trade union unity has not been achieved yet in the majority of the capitalist countries. It seems that the main reason for this lies in the conceptions of some trade union leaders in the Western countries, who consider that there must be special organizations which would offer an "alternative" to communism, the "alternative" of democratic socialism. On the other hand, there are some trade union leaders who think that the social-democratic and Christian trade unions represent trade unions which are based on the positions of class cooperation, and because of this cooperation and unity with them is out of the question.

It is not difficult to see that behind such arguments there is misunderstanding of the real material interests of the workers and the necessity for their unity, which is the most efficient weapon in the struggle against the supremacy of monopoly. They derive no benefit from the division of the work-

ing class, but the fruits of their labour are taken by the monopolies. Trade union unity, at least on a minimum programme, does not mean that the trade unions renounce their ideological conceptions. This would not allow freedom of opinion; and the assumption of political positions must not be restricted. But this should not lead to division of the trade unions according to ideological orientation. Is not it possible to create such conditions within a single trade union organization that everyone can declare himself and struggle for his conception of the social system? In practice this would mean that the trade unions would advance united as an organization for the realization of a jointly adopted programme, and on all other issues a constructive and democratic struggle would be conducted for the influencing members. The programme of joint action would be extended with the acceptance of individual demands of the members of the trade union organization. It is true that this would raise the problem of minority status and its rights. It should be said that this problem assumes real proportions if the minority is permitted to struggle freely for its positions at all levels. Complex and delicate as they are, these questions should be solved on the political plane and without imposing positions on the minority which it is reluctant to accept. Only in such conditions can the trade union play their role also as an organization which is engaged in the direct struggle for the daily interests of the working class, and against the monopolies, and also as an organization which enables the working class to decide freely concerning changes in the social system in each country.

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The methods of achieving the unity of the working class and trade union movement are different, and full of difficulties and obstacles. What is common to these methods are the material interests of the working class; and the quicker the development of the material productive forces of contemporary society, the more successfully will they be fulfilled. This is what affords the real prospects for the realization of the unity of the trade union movement.