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World situation/16th World Congress

# Report on the international situation

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**This report will not attempt a detailed survey of the world but will try to stress what is most significant, what, in our view, should come under a common understanding of events and tasks. On many regional situations, the comrades will broadly enrich the discussion through their interventions.**

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**During the international discussion**

Photo: Raoul

## **(I) The world situation is marked by crisis.**

For the first time in history, this crisis is located and explained by capitalist globalization. No territory is immune. All the economic, social and political factors are interrelated worldwide. The economic crisis is not a conjunctural crisis. This is a systemic, structural crisis: this is the most serious crisis since 1929. The United States has lost 35% of its financial wealth and the Euro zone 25%. And, when Governments speak of "emerging from crisis" we do not agree. There may be short-term recoveries, related to policies in support of activity in this or that country, but the countries of the centre – the USA and Europe – are not emerging from crisis. The explosion of public debt in southern Europe, - in Greece, Spain - and the banking and financial uncertainty demonstrate the instability of the situation and a new phase of the crisis, at least in Europe.

"The crisis is not over!"

The current crisis is not a simple cyclical conjunctural crisis. It is part of a long-term structural crisis, a crisis of the "productive order" put in place by the neo-liberal counter-revolution at the end of the 1970s. The phases of "recovery" and "recession" have alternated for several decades but crises are increasingly deeper, they tend to follow an increasingly accelerated pace, they now strike the heart of the system, their overall cost is increasingly high.

The current crisis shows a deepening of the contradictions and "historic limits" of the system.

This crisis began in the financial sphere, but it cannot be reduced to a banking and financial crisis. It results from the combination of a crisis of over-production of commodities, over accumulation of capital and under-consumption :

– At the end of the 1970s, when the phase of growth of the previous three decades came to an end, the dominant classes launched an offensive to restore the rate of profit, by lowering wages, privatising massively, developing mass unemployment, and deregulating social relations.

– This pressure on wages, employment, and social expenditure resulted in a reduction in demand which, in turn, caused a surplus production capacity and therefore a problem of profitability for industrial production. There was, therefore, lower investment, because it was less profitable to invest in industry and more cost-effective to do it on the financial markets.

– To offset this dual crisis, that of the production of surplus value with the decline of industrial profitability, and that of the realisation of surplus value with the fall in consumption, a dual crisis already analysed by Ernest Mandel, at the

end of the 1980s and early 1990s, the system engaged in a headlong rush forward: the increasing search for profits on the financial markets through financialisation and debt, both private - that of households - and public – that of states -

This is what cracked in 2008. Banks and financial markets were first in line. One of the dimensions of the crisis is banking and financial, through the devaluation of what some called “fictitious capital”, but what has informed this spiral is the logic of capitalism itself: the quest for profit, searching for the best rate of profitability for invested capital, competition between capitals, private ownership of the key economic sectors.

These mechanisms have resulted in a long-term crisis marked by the following characteristics :

(a) growth limited to around 3-4% on a world scale with significant inequalities between only 1-2% in Europe, 2-3% in the USA and 8-10% for BRIC, although we cannot put on the same level the growth of India, of China and that for example of Brazil. Without China and India, world growth is very low.

(b) maintenance of unemployment: 50 million and more unemployed in the OECD countries; over 217 million unemployed worldwide according to the ILO. 20% unemployment in a country like Spain. Irreversible loss of jobs in the USA and Europe, between 3 and 5% of jobs.

(c) reduced and limited consumption related to pressure on wages. Net increase in all emergency food aid services in the USA and capitalist Europe. More than 26% and more on food aid in the 27 major cities of the USA.

(d) huge public deficits to contain the crisis (between 8 and 13%), deficits and public debt between 70 and 80% of GDP.

(e) explosion of liquidity and new speculative bubbles: flows of capital to emerging countries to the detriment of investment in the centre, stock markets up, speculation in raw materials

(f) the accounts are far from being cleaned of toxic assets. New bank failures are not to be ruled out.

This leads the employers and the dominant classes to redouble attacks against workers and peoples. This time of crisis is a time of a new offensive by capital

(a) there is now a global market of the labour force, which requires more competition between capitals and between workers. The crisis of 2008 has accelerated the restructuring of enterprises, with plans often already envisaged for the reorganization of production in the main branches of activity, with layoffs, more flexibility and precariousness. This exerts downwards pressure on wages and workers' rights. These attacks will continue and further degrade the living conditions of hundreds of millions of workers.

(b) attacks on public services are growing. The goal is to sharpen attacks on social protection, health, pensions, throughout Europe.

(c) the corollary of these social attacks is worsening security policies, police control and social control over populations with an increase in state violence, as evidenced in Brazil or Mexico, military and police violence of which the poor, children and women are the first victims.

Greece and Spain are a laboratory. They announce a wave of austerity policies throughout Europe. To offset the debt and deficits, the dominant classes, the financial markets and the European Central Bank require the dismantling of public services, reducing the number of public employees, wages and social protection. In Greece, the government uses "debt terrorism" to impose these social setbacks, the challenging of a service structure and public sector which remained significant.

After a moment of panic and beyond ideological gestures "on the return of State" [as if it had disappeared!] and the moralisation of financial markets and capitalism" neoliberal policies have been confirmed.

This settles a debate on the possibilities of a Keynesian turn. This is not about returning to a historic debate but understanding the dynamics of the crisis. There was, in contrast to 1929, massive intervention by states to contain the crisis - of neoliberal statism - but at this stage, neither the relationship of social forces nor the choices of the dominant classes are moving, as was the case after 1945, towards new public policies, a new social security, a revival of demand, the creation of new sectors of production and massive job creation. There is no perspective of the equivalent of a new phase of "mass production" and "mass consumption" as at that time, with the socio-political reports which were constructed at the period.

## **(II) It is in this context that the climate crisis will worsen**

As the failure of the Copenhagen Conference showed we knew that capitalism could not solve the environmental crisis. Where we need to think "social needs", capitalism thinks "profit". Where coordination, planning, long-term choices are necessary, capitalism thinks "competition of capitals and private property".

But what Copenhagen, shows is that the capitalist system cannot be transformed into "green capitalism". States and governments don't want or cannot fix objectives for greenhouse gas reduction targets which meet the needs of the crisis. The objectives of the IPCC are not respected. What matters are capitalist interests, finding new markets, particularly on rights to pollute, but not "green" reorganisations of energy, urban planning and transportation. Green capitalism is not emerging as the "New Deal" for the 2010s. Beyond the competition between capitals that prevent a balanced ecological crisis response, green business accounts barely more than 2% of jobs in 10 years. There is not on the horizon a "green production and mass consumption", a revival of the system by a green capitalism. Although governments and the major groups manipulate the ecological question for imposing nuclear energy or justifying the expulsion of the indigenous peoples of entire regions in Asia or Latin America.

## **(III) One of the specific characteristics of the current crisis, is the combination of a "world collapse" in the framework of capitalist globalisation.**

This is neither a complete nor irreversible process but the centres of gravity of the world situation are moving.

The USA is in relative decline. The two terms are significant. For the following reasons:

? The share of the US economy in the world economy is falling. As in Europe, it is undergoing a process of de-industrialisation. Its debt has reached dizzying proportions. Its positions in the world have worsened notably in

their bogging down in Iraq and Afghanistan. The choice of Obama, for the dominant classes, was precisely to retake the initiative but the depth of the economic crisis in the USA, the difficulties met in Iraq, in Afghanistan, the need to accept certain forms of multilateralism illustrate well the limits of his policy. There is clearly a challenge to the US hegemony of the 1980-2000 period, and Obama has not succeeded in reversing the tendency: But “relative decline” because the USA remains the biggest world power. The US market is immense. The dollar, supported by the Chinese and Japanese investment, remains the currency of reference, And above all its military hegemony is indisputable. In this situation of economic decline, military intervention and attempted geostrategic control, in terms of territory, natural resources, raw materials, like oil, are of capital importance. The Middle East, Asia Minor or Latin America are its targets. The military choices in Afghanistan, Honduras or Haiti witness to the US military aggressiveness. It is, also, a means of aligning the other imperialist powers, notably through NATO. The zones of political and military confrontation with US imperialism should concentrate all our attention.

– This puts on the agenda the importance of our movement’s intervention against the war, a unitary mobilization for the withdrawal of US troops from these countries, the defence of the sovereignty of those countries, the defence of democratic freedoms. With the endorsement of the USA, the state of Israel serves as relay for this policy of aggressive war: in three years, two wars of aggression in Lebanon and in the Gaza Strip with more than two thousand victims, and the ongoing development of new threats against Lebanon. These wars are part of this whole “war on terror”, and require continuing our solidarity with the struggle of the Palestinian people and the recognition of its legitimate rights. In countries like Iraq, Palestine, Afghanistan, we combine the demand for the withdrawal of troops, the central task, with support for progressive groups and activists, and the battle in the face of domination by the Islamic fundamentalist currents. We reject the threats against Iran, at a time when a similar media campaign to that which preceded the invasion of Iraq is being constructed, and we support the masses against the Ahmadinejad regime and their fight for democracy.

But one of the central questions of the world situation concerns the new relations being established between China, India, the USA and the rest of the world. Whereas the growth of the USA and Europe is around 1-2%, China’s was 9% in 2009 and it should record a rate of around 10% for 2010. In commercial terms, China has become the world’s biggest exporter and the third biggest importer of commodities, the seventh and the fifth for services. China is now responsible for 8.7% of world exports of commodities (or the equivalent of the US) and 6.7% of world imports (as against 14.1% for the US). Already it is elbow to elbow with Japan as the second world economy and the biggest world exporter. Chinese giants compete with transnationals in key sectors like aeronautics or transport. Millions of hectares in Latin America and Africa are exploited by Chinese companies and the Chinese state. China has become a world economic power. Now “the workshop of the world”, Chinese growth is export oriented. But it is also experiencing a massive rapid process of industrialisation and enlargement of its internal market which has considerably developed in recent years. At the political level, China is undoubtedly the leading Asian power. This region is marked by the interventions of US and Japanese imperialism and powers with global ambitions such as China and India. In recent years, it is China which has most extended its domination over the region (freezing or resolution of a large number of its territorial conflicts with its neighbours, strengthening of relations with South Korea, normalisation of relations with Japan, strengthening of Taiwan’s economic dependency on continental China, free trade agreement with ASEAN, increased Chinese power in Pakistan and Sri Lanka and so on). For a decade or so, China has increased its partnerships all around the world, in Africa especially, so as to reduce its energy dependency. Millions of hectares in Latin America and Africa are exploited by Chinese companies and the Chinese state. Long term contracts on raw materials are accompanied by undertakings from China to develop the infrastructures of suppliers at advantageous conditions. China also offers loans at very low interest rates without political conditions. Nonetheless, China is faced with structural weaknesses:

– Its growth is highly dependent on exports

– It has to import raw materials and components in large quantities.

– Its internal demand is very unbalanced, being essentially based on investment while household consumption is very low. To better escape crisis, it would be necessary to rebalance growth favouring household consumption, and for that it would be necessary to massively increase purchasing power, reduce inequality and create genuine social protection

Immediately, strong inequalities are reflected in growing social tensions and inter-ethnic conflicts. China's GDP is perhaps the second biggest in the world but its income per inhabitant remains that of a third world country. The rapid aging of the population coupled with a virtually non-existent pensions system will pose a serious problem in the coming decades. Every Chinese youth will have to maintain their two parents and four grandparents.

The recovery policy rests on a massive development of credit which is reflected by a notable recovery of the real estate market and investments on the stock exchange. There is a danger of this degenerating into speculative bubbles.

It is also necessary to point out the weaknesses of its military apparatus in relation to that of the USA. Nonetheless, China has become a major regional military power with a nuclear strike capacity. The Chinese government wishes to develop its military power to accompany the development of its economic power. For several years, the Chinese government has been significantly increasing its military expenditure. Its land forces are already among the world's biggest. But significant weaknesses remain in the navy and air force which the government is seeking to remedy. This modernisation of the People's Liberation Army (PLA) raises concerns, in particular in the US and Japan.

The two powers – the USA and China – enjoy a mutual and conflictual dependence. The exchange rate problem between the dollar and the yuan is an example. The US wants the Chinese government to revalue the yuan so as to reduce its trade deficit in relation to China and revive its economy. But the Chinese trade surplus allows it to accumulate huge dollar reserves which it invests in US treasury bonds, allowing the US to finance the salvaging of its economy.

These modifications in the relations of forces between the USA and China now allow the Chinese economy to pull world growth. It is a new and fundamental factor in the world situation, whose limits should be grasped: the Chinese economy is still very far from being able to offer sufficient outlets to bring the world economy as a whole out of crisis. It is still far from replacing the USA in this role.

## **(IV) The global crisis also hits Latin America**

This is the case, albeit unevenly with some countries experiencing growth, but also in special forms, such as a "crisis of civilization" in terms of ecological crisis or relations between social, national and ethnic struggles.

South America is one of the highlights of the social and political confrontation against US imperialism.

We would like to emphasise three points, which witness to three projects at work today in the region. :

– The striking trait is the offensive of US imperialism and the Latin American right against the peoples. After the failure of the FTAA, a direct and indirect offensive has resumed: diplomatic as in the "Summit of the Americas" in Trinidad and military as in Honduras and in Haiti.

– This can go as far as forms of recolonization as in Haiti, with a demonstration of force of American troops a few hundred kilometres from Venezuela. Colombia has a central role in this scheme.

– This offensive is also reflected by electoral victories as in Chile and the political attacks from the right as in Argentina, Venezuela or Paraguay.

The second factor to stress is Brazil's place in international politics and the economy. In terms of infrastructure, exploitation of natural resources, and agro-exports, Brazil plays a major role. Brazilian multinational companies supported by the government, like Petrobras, clearly play an imperialist role in the neighbouring countries. Brazil maintains traits of a dependent capitalist country, thus exports of industrial products decrease and those of raw materials increase relatively. But the new relationship of forces between the USA and Brazil must also be noted. This gives Brazil new capacities of political initiative. The position of Brazil on Honduras shows this well. The place of Brazil in the imperialist coalition for Haiti alongside the USA also illustrates Brazil's new place.

In the 1960s, there was already talk of "sub-imperialism", some use the notion of "peripheral imperialism". This concept can be discussed, and it is up to the Latin American comrades to enlighten us on this point, but there is undoubtedly a new role for Brazil.

The main countries of the ALBA constitute a third group of countries, Ecuador, Bolivia, Venezuela and Cuba. These are countries which at various levels have made partial breaks with US imperialism in terms of political confrontations, progressive social measures and constitutional reform processes. But each country has a specific situation. Ecuador has seen some important indigenous social mobilizations that have won new democratic rights from the Government Correa. This was, moreover, by a series of confrontations. The Bolivian experience, with the creation of the MAS by the social movements, combines social, indigenous, and national mobilizations and progressive measures. Evo Morales has won the elections. The popular classes and social movements expect much from this victory. Venezuela is also at the crossroads.

Either there is a breakthrough of the revolution in the Bolivarian process, replying to the attacks of the right but also addressing the fundamental structures of the economy in terms of social conquests, nationalisation, and workers' control. This involves stimulating democracy and the mobilization of the masses. Either the project of state capitalism and the "Bonapartist" traits of the regime consolidate with an internal bureaucracy of the regime which will smother the process. There may be positive measures like nationalisation or social aid interventions, but the general pace of the process shows a series of worrying signs.

As for Cuba, which occupies a special place and which should merit a more thorough treatment in our discussions, it is still the target of the USA and requires from us an active defence against imperialism.

But beyond these political classifications there is in Latin America a dynamic of polarization between the popular struggles and imperialism. Social and political tension take on an ever more acute character. It is the continent where there has been in the last period the highest accumulation of social resistance and revolutionary experience. Its uneven and combined development may create the conditions of an alliance of workers, peasants, and indigenous peoples, for their fundamental rights, of an alliance of anti-capitalism and radical or revolutionary nationalism against imperialism.

**V) Asia is one of the parts of the world where the implosion of the USSR has had especially deep consequences "unfreezing"**

## the alliances created during the Cold War.

Beijing displays its ambitions, while New Delhi plays a growing political and military role from Sri Lanka to Afghanistan, destabilising Pakistan still further. The whole region has entered a phase of geopolitical instability favourable to the rise of militarist nationalism, as in Japan, interethnic tensions and religious fundamentalism. The relationship of forces between regional and world powers (USA, Japan, China, India and so on) becomes undecided. A new arc of crisis appears stretching from the Korean peninsula to Afghanistan and central Asia, passing by Mindanao or Sri Lanka, multiplying potential sites of war while several of the countries concerned possess nuclear weapons (USA, China, India, Pakistan, North Korea to a certain extent, Japan tomorrow?). In this context, US imperialism is trying to strengthen its bases, from Diego Garcia to Okinawa, thus more generally its presence and possibilities for action, as in the Philippines (in particular Mindanao).

Globally Asia has been more resistant to the current economic crisis than other regions, with average growth rates remaining higher. But that should not conceal strong disparities between countries or sharp social tensions underpinned by the enrichment of the capitalist class and some middle layers contrasted to the overexploitation of millions of workers and peasants. Since the financial crisis of 1997, the popular layers have suffered a series of attacks on their social and environmental rights with cumulative effects. Some countries are undergoing acute institutional and social crises, such as Thailand or the Philippines.

The capacities of popular resistance and response are very unequal according to the case. In some countries left forces, initially weak, have recently undergone significant and encouraging development (Pakistan, Malaysia and so on). But bigger forces remain divided in other countries, like India or the Philippines. In some cases, they have not been able to overcome a state of fragmentation (Indonesia) whereas elsewhere it is necessary to reconstruct a political and trade union movement on a basis of class independence (Thailand, China). However, beyond this diversity of situations, the regional links between political, associative and social movements have been significantly strengthened in the region: affirmation of solidarity, anti-imperialist and anti-war struggle, resistance to neoliberal policies by peasants and other toilers, calls for the cancellation of the debt and respect for food sovereignty, struggles combining social demands, democratic rights and responses to the ecological crisis. The reinforcement of these regional networks and their integration in the world movements constitute a point of support for the coming struggles.

## **(VI) Africa, meanwhile, remains a continent devastated by capitalist globalization and the effects of the global crisis.**

The climate crisis and the food crisis are of a particular severity. After decades of structural adjustment policies (privatization of the state economic sector, liberalization of markets, priority to exports and debt repayment) imposed by imperialism through international institutions such as the WTO and the IMF, Africa remains dependent on the export of agricultural, energy and mining raw materials, to the countries of the centre. That is why it is hit by the decline of demand in those countries. Despite significant Chinese demand, growth fell from 9% in 2007 to 5.1% in 2008 and 1% in 2009

This fall in the rate of growth is accompanied by the particular gravity on this continent of the food crisis resulting from the increase in the prices of foodstuffs. Excluded from sharing the fruits of growth by the imperialist capitalists and local bourgeoisies, the popular layers see their situation deteriorate further: lower real wages, difficulties of access to fertile land, tens of thousands of victims of neocolonial wars described as "tribal" or "religious", youth unemployment, violence against women, natural disasters related to climate warming. The violence of neoliberalisation has produced a dynamic of popular mobilization in various countries. Struggles against the high cost of living, and for access to drinking water, electricity, health, for the right to education mark African social and political life. In this process, it is

urgent that supporters of a socialist alternative among activists and organizations undertake joint work beyond the different traditions. In North Africa, recent years have seen a multiplication of significant social struggles, caused by the EU's desire that these countries play the role of its backyard.

## **(VII) Europe is the “weakest link” in the imperialist chain**

Crisis is weakening the European Union. It shows the structural inability of European “governance”: the extreme weakness of the European budget - less than 1% - no European industrial policies, no debt agency, no European social policy. “Divergent dynamics” are fully evident according to each country's place in the global economy and in the division of labour. The United Kingdom with its financial power, Germany with its industrial equipment goods, France with its specialties based on state industry such as nuclear power, weapons, aerospace and transportation. As a result, far from “creating major European groups for a European capitalism”, the big companies mix their capital and techniques with other global groups and competition between countries exacerbates. Europe is particularly struck by the explosion of debt as shown by the Greek crisis and Spanish and Portuguese weakness. Eastern European countries are also affected by the crisis, deepening their inequalities in development, their deficit and dependence in particular towards Germany.

To compensate for this weakness in a context of increasingly strong global competition, European bourgeoisies must “break what remains of the European social model”. Hence they attack democratic freedoms, in particular the rights of immigrants. But these attacks do not mechanically, automatically, lead to a development of social resistance, and a growth of the labour and anti-capitalist movements.

There is social resistance but not at the level of the attacks. In the 1930s, there was a time gap between the crisis and the social and political reactions. We can say: “wait” but at this stage, there have not been generalised social struggles.

But on the right, the economic crisis poses a representation problem of the dominant classes. That also saps the social base of the classic bourgeois parties and provokes internal tensions and contradictions, favouring the emergence of populist or fascist parties; the crisis has weakened the traditional right.

But it has also weakened the traditional left which fundamentally has no different policies from the right in response to the crisis. The crisis has not resulted in a turn to the left by the social democratic parties. It has deepened their social-liberal adaptation process. Social democracy maintains social and political relations with the history and reality of the labour movement, but it is ever more integrated with the highest levels of the state and capitalism. There can be this or that particular tactical positioning or “left” inflection, but more than ever, social democracy is located on the ground of crisis management in the service of the capitalists. This process is also marked on the trade union side, including within the framework of the ETUC. This leads to a weakening of social democracy, confirmed in Germany, Portugal and France at the 2009 European elections. It will probably benefit from a new swing of the electoral pendulum, but it is experiencing an organic weakening and a neoliberal social transformation accentuated by the crisis. In Eastern Europe, the workers’ movement has not yet recovered after the Stalinist destruction. The restoration of capitalism in these countries has worsened the living conditions of millions of people. The role of major European trusts, subcontracting sources of production struck head on in 2008. Here and there new forms of organization of the labour movement independent of the old apparatuses originating from Stalinism arise, but they are taking their first steps. This is also the case for small anti-capitalist groups or organizations.

Thus the margins of manoeuvre for the dominant classes do not reside in the strength of the parties of the right but

rather in the weakening of the left and its policy of support for capitalist regimes.

This vision of the situation also leads us to a sober assessment of the process underway of reorganization of the workers' movement. This dual crisis of leadership - right and traditional left - opens spaces for new left political formations. But these spaces are more the product of a rightwards evolution in the old traditional political formations of the left than a new rise of class struggle. This must lead us to seize the opportunities but also to understand that there is in these spaces a need for a political struggle between anti-capitalists and left reformists, post- Stalinists, left ecologists. Hence the importance of our own intervention and our political responses.

### **(VIII) Therefore a political struggle is required around anti-capitalist and eco-socialist responses**

(a) through an emergency programme of immediate and anti-capitalist demands: rejection of redundancies, reduction of working time, wage increases, defence, extension or creation of public services and systems of social protection and education.

The working class has never been so large in the world, but it is fragmented, divided, socially and politically. It is necessary to reorganise the social struggles against the crisis around basic demands, trade union organisations, social movements, notably by a politics of unity of action and a united front.

(b) it is necessary to impose a distribution of wealth that challenges the logic of profit, by taking back the shares of added value that capital has removed from employees in recent decades, giving priority to social employment needs, health, education, a decent income, leisure - and making incursions into capitalist property.. Thus the budget funding of these social needs must radically question the policies of structural adjustment imposed by imperialism, which means taxing capital and public appropriation of the banking sector under workers' control. In a series of sectors affected by the crisis, there has been, as in Argentina or Venezuela experiences of control, relaunch of production, management of companies. These experiences should be popularised. Collective ownership of natural resources is a fundamental requirement in Asia, Latin America and Africa

This anti-capitalist programme is also ecosocialist. It implies, notably faced with climate change, a new policy centered on a new town planning a transport policy, a reorganisation of the energy sector favouring renewable energies, a reorganisation of entire branches of the economy. These choices over the medium and long term are not compatible with the profit motive and capitalist competition. They involve democratic debates and decisions in the context of a planned coordinated economy under workers' and popular control which poses the problems of public and social appropriation, of choices of production corresponding to the needs of local populations.

This is the dynamic at work in the mobilisations of indigenous peoples. In this context the questions of control by the people and of democracy are central.

(c) we are well aware that, faced with the crisis, all the more since this crisis is a combination of economic and ecological crisis, our responses cannot be reduced to a revival of demand and a reform of the functioning of financial markets, in short to a Keynesian program. A complete remoulding is necessary.

(d) finally these programmatic dimensions must also be considered as tasks of a workers' government. We do not face this question in all countries, but where it is the case, the defence of this program is incompatible with support or

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participation in governments of management of the capitalist economy and institutions. This is a key strategic issue. In the dominated countries the question of national and popular sovereignty and the fight for a constituent assembly must be combined with the demand for popular anti-capitalist governments.

To conclude, this crisis recalls “the historical limits of system”. More, it is necessary, beyond the cycles of struggles, to build on the consequences of the political and ideological crisis of the system to build anti-capitalist forces. But this does not mean a fall into catastrophism. There is no situation without a way out for capitalism. The system can survive and operate with crisis but the ecological, social and human costs will be high. It is this which should be denounced, its structural inability to meet social needs, and it is this failure that puts on the agenda the need for a change of socio-economic system and a break with capitalism.

The debate which arises on the socialist perspective is of primary importance. There is no way out without the overthrow of the capitalist system of exploitation and oppression, without collective ownership of the means of production. But this movement will not result simply from the contradictions of the system - to overthrow the system we need, at the national, regional, international scale an exceptional, revolutionary mobilisation and above all, an alternative that is credible in terms of consciousness, organisation and leadership. It is the historic and practical which is to be fulfilled and in which we will play our full role.