

## **COMPLETE INTEGRATION OF THE SOVIET ECONOMY INTO THE WORLD CAPITALIST ECONOMY**

Fatos Nano (From the book: Soviet Revisionism and the Struggle of the PLA to Unmask It)

The Khrushchevites have established extensive links of all-round integration with the world capitalist economy. They include reciprocal movements of commodity-capital, money-capital and productive capital. In this two-way process, “while American, German, Japanese and other capital has penetrated deeply into the Soviet Union, Soviet capital is being exported to other countries and, in various forms, in merging with the local capital”.\* Here we dwell on analysing these two aspects of the process of the complete integration of the Soviet Union into the world capitalist economy.

\* Enver Hoxha, “Imperialism and the Revolution”, Tirana 19787, p. 107, Alb. ed.

### **1. The deep and massive penetration of Western finance capital, in the form of credits, capital investments and technology, into the economy of the Soviet Union and its Comecon dominions.**

This process, with all its negative consequences, is the materialization of the capitalist degeneration of the socio-economic order in the Soviet Union, of the flirtation of the Khrushchevites with imperialism, of the so-called policy of detente and Khrushchevite peaceful co-existence with imperialism, serving the implementation of a counter-revolutionary joint strategy. This policy and the processes of bourgeois-revisionist integration are founded on a definite economic base and, both the alliances and rivalries of the superpowers reflect their common and opposing material interests in the economic and territorial re-division of the world between them. Comrade Enver Hoxha points out, “the capitalist interests of the two sides are so great that in particular situations they override all their frictions, rivalries and clashes.”\*

\* Enver Hoxha, “Eurocommunism Is Anti-communism”, Tirana, 1980, p. 59, Alb. ed.

On the economic plane, these capitalist interests aimed at maximum profit express, on the one hand, the economic needs of the capitalist West to lighten the burden of the crisis by unloading its consequences on the markets and peoples of the revisionist East. On the other hand, these interests are expressions of the economic needs of the Soviet Union in order to build up and modernize its economic-military potential as a superpower without loss of time, by taking advantage of the more advanced equipment and technology and the available financial and material means of the monopolies and the older imperialist states.

The Soviet revisionists present their undisguised integration with world capitalism as a “creative application of the Leninist teachings about relations between states with different social systems. Marxism-Leninism does not rule out foreign economic relations nor does it advocate autarchy and self-isolation. However, it is against the application of capitalist principles and methods in these relations and, moreover, cannot be reconciled with the integration of a country, which poses as socialist, into the world capitalist economy.

The integration of the Comecon member countries into the world capitalist economy includes the whole system of economic relations between private and state monopolies of the capitalist West and the state monopolies of the revisionist countries, from simple purchase-and-sale operations to the setting up of joint enterprises in the spheres of production, services and circulation. The Soviet revisionist press admits that half of the 800 biggest multi-national monopolies of the West have regular relations with the countries of

the so-called socialist family (Myezhdunarodnaya Zhiznj, No. 9, 1979, p. 33). The developed capitalist countries control 30 per cent of the foreign trade of the Soviet Union which in the past five years has incurred a deficit in trade with them in excess of 10 billion rubles.

The strengthening of the links of the Soviet economy with the West is accompanied with an ever greater extension of non-mercantile relations, aimed at getting credits and technology from the West in return for raw materials and finished products. These relations, ranging from the so-called compensatory agreements and productive cooperation to the setting up of capitalist-revisionist joint enterprises, result in the merging of the cycles of the reproduction of the capital of both sides in a single complex movement, important elements of which already cannot function independently. These new links which assumed large-scale development especially in the 70's, completed the integration of the economy of the Soviet Union and its satellites into the world capitalist system. The Soviet press admits that there are now 400 East-West joint enterprises and that more than 1,300 "compensatory agreements" are in operation in Europe alone ("Myezhdunarodnaya Zhiznj", No. 4, 1979, p. 12).

At the beginning of 1979, more than 600 major economic complexes of the gas, chemical, petro-chemical, coal, iron, paper and cellulose, ferrous and non-ferrous metallurgical industries in the Soviet Union were working to provide the West with "compensation", amounting to 30 to 60 per cent of their annual production, in return for technology and credits received. Such agreements, involving colossal amounts of reciprocal supplies, will be in force until the end of the century (Myezhdunarodnaya Zhiznj, No. 7, 1979, p. 15).

As a result, the revisionist Comecon member countries are in debt to Western imperialism to the tune of 75 billion dollars, and the Soviet Union, owing 19 billion dollars, is one of the biggest debtors.

## **2. The expansion of the Soviet imperialist bourgeoisie in the world capitalist economy and the merging of its capital with international finance capital.**

The Khrushchevites became partners of the Western financial oligarchy in the exploitation of the peoples of the Soviet Union and Eastern Europe, because in this way they were able to pursue their ambitions to compete with imperialism in the exploitation of all the peoples of the world.

This aggressive expansionist activity has made the Soviet Union one of the neo-colonialist superpowers of our time, has resulted in the flow of capital from the Soviet monopoly state, into the channels of international finance capital, its integration into the movement of the latter, the creation of separate and joint organisms of expansion towards the developing countries and the merging of Soviet capital with the capital of the compradore bourgeoisie of the countries which have fallen under the influence of Moscow.

As early as the mid-fifties the Khrushchevites began to apply their enslaving "program of economic aid" to the former colonial countries, the strategic objective of which was to free the new states from their "ties of exploitation by the Western metropolises" and place them in the orbit of the new Soviet metropolis which was rising. Brezhnev and his associates carried this program of neo-colonialist "aid" even further, adapting it better to the needs and productive capacities of the "socialist community" and the deficits and surpluses of the economy of the Soviet Union.

In this context the problems of the “internationalization of Soviet economy”, the development and encouragement of the process of the integration of the undeveloped countries into the “socialist community” and opposition to the monopoly positions of the Western imperialist powers in those countries from the positions of a new superpower, became ever more pressing in the aggressive economic foreign policy of the Soviet Union. In this policy the stress is quite openly placed on the need for “perfecting organisms and practices to ensure raw materials in short supply and hard currency from the developing countries”, for “the powerful stimulus which these countries give the development of the Soviet economy”, and “strengthening of the potentials of Soviet social-imperialism, which is extending the sphere of its claims to “legitimate and “vital” imperialist interests further and further beyond its own national borders and those of Eastern Europe.

The fundamental concept of this revisionist policy is the thesis of a “single, inter-dependent world economy”, in which, allegedly as a consequence of the scientific and technical revolution, the “global problems” which affect “vital interests” of every state, have become particularly acute and can be solved only in the context of a new system of “tri-partite relations”: of the Soviet Union, the West and the “third worlds. In essence, these “global problems” which are linked with the “objective need” of the undeveloped countries for the “assistance” of industrialized countries, are nothing but the global interests of world imperialism in its drive for new markets and spheres of investment, to plunder the natural assets of other countries, to maintain the neo-colonialist laws in world trade, etc in which Soviet social-imperialism is demanding its share as a superpower. The Soviet propaganda admits this when it points out that in finding a solution to these “global problems” no country, including the Soviet Union, can remain “non-aligned”.

Day by day Comecon is being manipulated by Moscow for the needs of the integration and “internationalization” of the Soviet economy. The Soviet press writes that the division of labour within Comecon “is being carried out in the context of plans for a division of labour on a world scale... That is why the links between Comecon and the ‘third world’ assume great importance in an international economy in which the big economic unions play a role of first-rate importance.” (Vneshnyaya Targovlya, No. 10, 1978 and Voprosy Ekonomiki, No. 9, 1977.) In the enslaving agreements which the Soviet Union has concluded so far with 64 undeveloped countries, there are stringent stipulations about the burden of material and financial obligations the other members of Comecon have to shoulder in order to implement the expansionist plans of the Kremlin, in conformity with the narrow specialization of each of them according to the “socialist division of labour” within Comecon.

However, Soviet social-imperialism is more and more carrying out its expansion in the undeveloped countries outside the framework and structures of Comecon, This is clearly apparent from the increasing number of joint ventures of the Soviet and Western monopoly enterprises in the world economy. As the 1978 agreement concluded between the Soviet Union and German imperialism proves, the setting up of joint companies in third countries is one of the principal clauses of the agreements on inter-state cooperation between Moscow and the Western countries. At the beginning of 1977, Soviet state monopolies were participating in 84 international monopolies or partnerships with the West, 15 of which were operating in the undeveloped countries.

The picture of the complete integration of the Soviet Union into the world capitalist system is made more complete if account is taken of the presence and activity of the financial, economic and technical-administrative organisms of Soviet state monopoly capitalism in all the business centres of world

imperialism, in all the key points of the web of the neo-colonialist spider which sucks the blood of the peoples, in the money-markets and stock-exchanges of New York. London, Paris, Frankfurt, Vienna, Zurich, Singapore, Johannesburg, Brasilia, in the dollar and Eurocurrency markets, etc. To this picture should be added the inter-state agreements and the “gentlemen’s agreements” between the financial oligarchies of East and West on the basis of personal union. Suffice it to mention the links between Brezhnev and Hammer (chief of the Occidental Petroleum Corporation) which are only a small part of the vast system of connections which the Khrushchevites have built up on the Khrushchev-Agnelli model.