

maintain its world economic and military supremacy, **the U.S. encouraged and promoted their industrial rehabilitation in order to use them in the struggle against the USSR, other socialist countries, and the world national liberation movements.**

West German and Japanese imperialism utilized the preoccupation of the U.S. in its attempt to subjugate first Korea and then Viet Nam over a protracted period to strengthen their position and modernize their industrial apparatus. The U.S. first welcomed this as a help in its worldwide struggle against the emerging national liberation struggle and against the socialist countries.

Having helped West Germany and Japan to become its competitive rivals, U.S. imperialism now seeks to blame the American workers in particular and the rising expectations of social and economic gains of the mass of people in general for its own failures.

MILITARY DRAINS RESEARCH AND DEVELOPMENT

Somewhere tucked away in the middle of its analysis the *Business Week* opus ruefully admits that "foreign competitors of the U.S. have been devoting increasing shares of their gross national products to research and development. Germany and Japan, for example, have both increased their share of their GNP that is applied to research, and are edging up on the U.S."

And why? "Those nations allocate almost none of their research and development funds to defense spending." Indeed that is one of the most significant factors that accounts for the decline of the U.S. share of the world market.

"In the fiscal 1981 budget," says *Business Week*, "defense accounts for some \$17 billion in research and development—about 45% of the total federal research spending."

U.S. defense-related research probably amounts to much more, but *Business Week's* own figures should demonstrate what a tremendous diversion this is of skill, talent, technology, and general know-how into nonproductive sources.

Yet *Business Week* decided in this lengthy analysis to completely omit any mention at all of the magnitude of U.S. defense

expenditures which admittedly will run to a trillion dollars by 1985 and what an insurmountable problem that is to what is purported to be a reindustrialization of the basic industrial structure of the U.S.

The *Business Week* opus is more like an exhortatory manifesto of the bourgeoisie to reindustrialize on the backs of the workers than it is a dispassionate analysis of U.S. finance capital's crumbling situation.

In advertisements in all the leading capitalist papers, *Business Week* advertised its issue for reindustrialization with the challenging title—"Change or die." Among the many proposals that *Business Week* offered, there is really one that they are seriously promoting. And what is that? It is a change in the "new attitudes" which *Business Week* says account for much of the decline of the capitalist economy.

And what are these "new attitudes"? They are, according to *Business Week*, that the U.S. economy could or should "support an ever-rising standard of living, create endless jobs, provide education, medical care and housing for everyone, abolish poverty, rebuild cities, restore the environment and satisfy the demands of Blacks, Hispanics, women and other groups." There indeed lies the culprit! This is what they are yearning to change.

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