factors are taken into account. However, this is not an agreement by a cooperative commonwealth of countries based on the production of goods for the satisfaction of human needs; it is a loose coalition of predatory, imperialist competitors. So what appears to be a cooperative, friendly agreement is in reality a cover for intense capitalist competition.

In this competitive race it is to be noted that Japan and France have neither coal, gas, nor oil. And neither do some of the smaller European countries. West Germany has coal but no gas or oil. The U.S. has a relative abundance of coal, gas, and oil and it predominates in the so-called energy field as a result of the monopoly exerted by the omnipotent multi-national oil companies. It predominates furthermore because of its military sway over the imperialist allies and of course over the oppressed countries banded together in OPEC.

FALSE REASONS FOR SPIRALING INFLATION

"In the 1970s," says *Business Week*, "the U.S. lost 23% of its share of the world market, compared with a 16% decline in the 1960s. U.S. manufacturers' share of the domestic market fell more in the most recent decade than earlier. **The losses in the '70s are particularly telling because they came in the wake of a 40% depreciation in the value of the dollar which made U.S. exports cheaper and foreign imports more expensive. The decline of the U.S. position in the '70s alone amounted to some $125 billion in lost production and a loss of at least two million industrial jobs."** (Our emphasis.)

It is a pity that *Business Week* does not explain why the ruling class in the U.S. at the time was practically unanimous in hailing the depreciation of the dollar as a weapon in the struggle against its capitalist rivals in the world market. Nor does it explain the havoc which the depreciation of the dollar ultimately caused in the form of rising prices in the U.S.

It would have been very apropos in the light of the statistics that *Business Week* crams into its analysis to also show how, by keeping out foreign imports, U.S. manufacturers were enabled to jack up the prices of the various manufactured commodities skyhigh. Therein lies one of the hidden causes of the deep-seated inflation, which is still spiraling. Instead of the false thesis of a decline in productivity, for which the workers are blamed, it is the shutting out of foreign competition which enabled American manufacturers to consistently raise their prices higher and higher over a decade and which is one of the principal causes of the inflationary spiral.

A detailed analysis of how these prices consistently rose industry by industry, as well as company by company, would have been most illuminating. This, however, would destroy some of the false causes presented by *Business Week* for the economic decline, such as the "productivity lag" or the "attitudes of American workers."

RELATIVE CHARACTER OF U.S. INDUSTRIAL DECLINE

What has to be understood very clearly in talking about the decline of U.S. industrial power is its relative character—that is, as it relates to capitalist competition, to the existence of giant monopolies, transnational conglomerates, and vast corporate enterprises, all of which are concerned with producing for a capitalist market in order to obtain huge super-profits.

If, on the other hand, we view the truly vast industrial apparatus of the U.S. from the vantage point of its general utility, of its capacity for useful production for human need, the relative decline of the U.S. share of the world's total production has no significance. The decline has significance only so long as this entire vast and incredibly productive machine is geared to predatory trade wars against its equally predatory imperialist rivals.

Of course, given the cooperative socialist perspective, given a plan to refashion and restructure U.S. industry in order to revitalize the great metropolitan cities of the U.S. and to cleanse the environment of the toxic hazards made inevitable by the utterly chaotic and unplanned character of capitalist competition and production for profit, a certain reindustrialization of some of the older industries of the U.S. would become necessary.

But if it is done on a planned and orderly basis it could not possibly make necessary severe dislocations and the consequent