

Moscow's Transnational Corporations Go by The Name "Joint-Stock Companies"

by Fei Chou

DEVELOPING countries have been striving vigorously in recent years to set up a new international economic order by which to safeguard their state sovereignty, expand their national economy and oppose exploitation and plunder by the imperialists, particularly the superpowers. It is an important integral part of the struggle of the countries and people of the third world against imperialism, colonialism and hegemonism.

The Soviet social-imperialists, to keep a continuous flow of profits from their expansion and plunder abroad, have tried their utmost, including the use of counter-revolutionary dual tactics, to thwart and undermine this struggle of the developing countries. They use the same tactics in regard to transnational corporations. While hypocritically denouncing such corporations, in the same breath the social-imperialists speak highly of their "advantages," alleging that the Soviet Union fully understands that in order to obtain capital and technology a number of developing countries "might be interested in knitting ties with transnational corporations." Meanwhile, the Soviet revisionists are peddling everywhere "joint-stock companies" — transnational corporations of the Moscow brand.

What are these "joint-stock companies" so painstakingly paraded and peddled by the Soviet revisionists?

Large-Scale Export of Capital. Lenin pointed out: "Typical of the latest stage of capitalism, when

monopolies rules, is the export of capital." (*Imperialism, the Highest Stage of Capitalism.*) Since their rise to power and restoration of capitalism in the Soviet Union, the Soviet revisionists have exported capital on a large scale in the form of "economic and military assistance" to plunder and fleece many third world nations. At the beginning of the 60s, they started launching Soviet-run enterprises or "joint-stock companies" abroad by means of direct investment. In recent years, the Soviet revisionist authorities have set great store by such companies because they are a better means of hoodwinking people than the Soviet-run enterprises. From the granting of "aid" and loans to direct export of capital to run enterprises — this marks an important change in Soviet economic expansion in the third world. It shows how far the Soviet Union under the domination of the revisionists has travelled on the road of imperialism.

"Joint-stock companies" run by the Soviet Union in the third world appeared as early as in the time of Khrushchov's rule and developed after Brezhnev took office. Flaunting the banner of "developing trade," the Soviet Union stepped up its expansion abroad, especially in the developing countries, in the mid-60s and the "joint-stock companies" with trade as their main business followed in its wake. From 1964 to 1969, the Soviet Union opened four such companies with local private merchants in four countries in Africa and Asia.

Since the 70s, the Soviet-run "joint-stock companies" in the third world have been rapidly multiplying. Available statistics show that the Soviet Union set up ten such companies in ten countries in Asia and Africa from 1970 to June 1975.

In West European countries, the Soviet Union operates many industrial and commercial enterprises with exclusive Soviet capital or on a "joint-stock" basis. Take Belgium alone. Press reports say there are eight Belgian-Soviet "joint-stock companies" — with the Soviet Union investing the bulk of capital — whose business covers shipping, assembling motor vehicles and tractors, food grain, petrochemicals, mineral products, diamond, optical instruments, electronic computers and other electronic equipment. As the tempo of Soviet aggression and expansion abroad keeps rising, Soviet investments in these enterprises are rapidly on the increase.

More Ruthless Exploitation and Plunder. What are the Soviet-run "joint-stock companies" up to? Soviet publications plump for setting up production enterprises owned exclusively by the Soviet Union or jointly with local national or private capital to further raise the "efficiency of economic co-operation" with developing countries.

The form of direct investment is used by the Soviet Union to impose on the developing countries accepting its investment a situation in which the Soviet Union provides fund and technical equipment while the latter provide labour and raw materials. In this way, it subjects these countries to more ruthless exploitation and plunder. This kind of "joint-stock company" is exactly the same as the transnational corporation of the Western monopoly capital. In addition, as the capital exported from the Soviet Union is owned by that social-imperialist state, the areas where the investment goes, the projects to be undertaken and the spheres of activity are all selected strictly in accordance with the needs of the Soviet Government in aggression and expansion abroad. In this sense, the "joint-stock companies," the transnational corporations of the Moscow brand, have far outstripped their counterparts of the West in rapaciousness.

From what has been disclosed over many years, people already have an idea about what the "joint-stock companies" are doing.

Firstly, they carry out political infiltration under the signboard of "enterprise." Like other Soviet operatives abroad, many of those working in the "joint-stock companies" are given special political tasks by the Kremlin.

Secondly, they control the production and trade of the countries where they operate and interfere in their internal affairs. As a rule, a "joint-stock company" with Soviet investment must provide its products to the Soviet Union and carry out other harsh terms. Though the company is called "jointly owned," the other shareholder apart from the Soviet Union has no right to decide on what to produce and sell. A typical example

is the Erdenedin copper-molybdenum mine in the People's Republic of Mongolia. Of this so-called "joint-stock company," the share held by Mongolia is a loan granted by the Soviet Union. Therefore it should be called a Soviet enterprise. Under the contract signed with Moscow, Mongolia is allowed only to exploit ores but not to process them itself. Furthermore, the exploited ores can go only to the Soviet Union and not to any other country. Under the "joint-stock company" signboard, the Soviet Union has unscrupulously exploited the Mongolian labour force, plundered Mongolia's resources, and trampled underfoot its sovereignty in the process.

Thirdly, these "joint-stock companies" make it easier for the Soviet Union to export to the third world countries those machines, equipment and other industrial products which are difficult to sell on the Western markets. These companies put it in a better position to compete with the Western industrialized countries for markets.

Fourthly, the Soviet Union uses these companies to exploit cheap labour of other countries and plunder their natural resources. An African newspaper disclosed that the local workers of the "joint-stock companies" were poorly paid, the worst among those of the same trade. Take a rich fishing country in West Africa for instance. A Soviet-run "joint-stock" fishing company owns a fleet of ten vessels, on which all miscellaneous odd jobs and heavy physical labour are done by the local employees, and there are only six local apprentice technicians in all. At the same time, as the fleet uses Soviet-made closely knit fishing net, even small fish and fry cannot escape, thus seriously damaging the fishery resources there. Therefore, the people of this country fear that their maritime resources would be exhausted in a matter of a few years, if this situation continues. Moreover, the better catch by the company is all shipped away by Soviet refrigerator vessels, leaving only small and miscellaneous fish for the local people.

From what the Soviet "joint-stock companies" have done, people can clearly see that this new form of "co-operation" between the Soviet Union and developing countries is nothing but a carbon copy of Western monopoly capital's transnationals!

As the resolute struggle of the third world countries and people against the old international economic order and for the establishment of a new order on the basis of equality and mutual benefit is surging forward, the transnationals have become the target of attack by people everywhere. But Moscow is still so keen about the form of "joint-stock company" and brags about it with no sense of shame. This only reveals the nature of social-imperialism in all its greediness and wickedness. As the third world countries and people are awakening and their struggle further deepens, both the Western transnationals and the Soviet-run "joint-stock companies" will be swept into the garbage heap of history. A new international economic order based on equality and mutual benefit will certainly come into being.