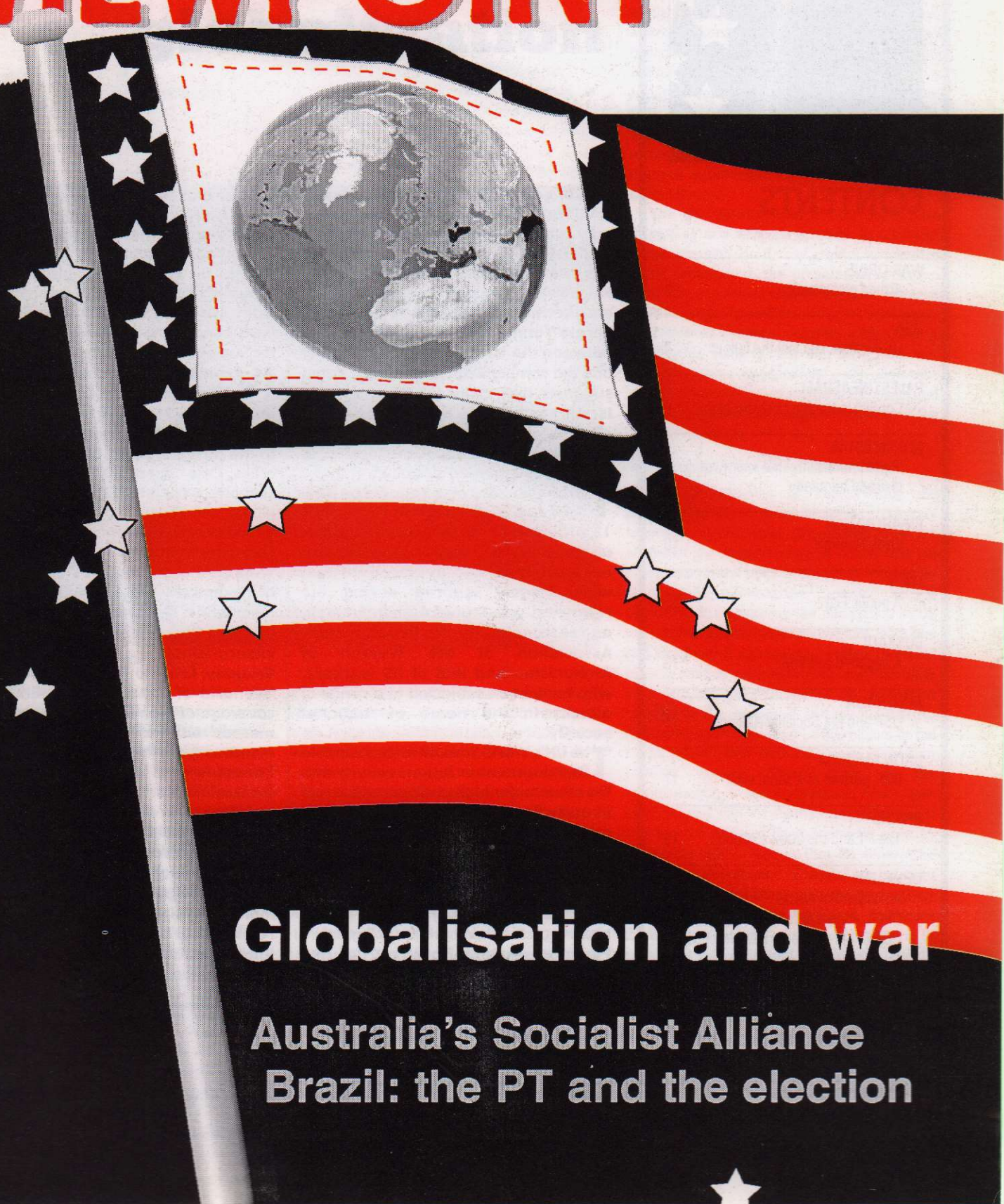


# INTERNATIONAL VIEWPOINT

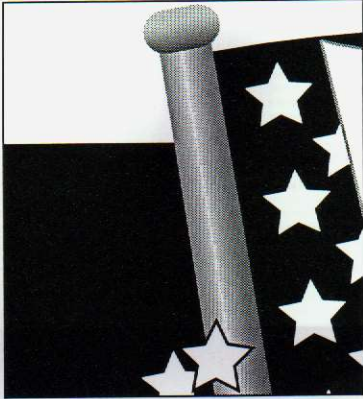


## Globalisation and war

Australia's Socialist Alliance

Brazil: the PT and the election

# INTERNATIONAL VIEWPOINT



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## TO OUR READERS

**A**S IV goes to press the rush towards a US assault on Iraq continues, with the only real element of doubt being how 'unilateral' or 'multilateral' it will be. In this issue, Claude Serfati examines the link between the globalization of capital and the militarization of the planet while Sergio Yahni looks at the relationship between the Israel / Palestine conflict and the coming war against Iraq. Yahni suggests that, "Since September 11, Israel has become a laboratory for a global 'state of emergency.' We can see policies - tested by Israel on a local scale - being implemented globally".

**T**he anniversary of the attacks on New York and Washington on September 11 provided an opportunity to ratchet up the war drive rhetoric. We print here analyses from two perspectives that were largely ignored during the retrospective - that of Afghan women, as represented by the Revolutionary Association of the Women of Afghanistan and that of US workers, who have been subjected to a range of attacks in the name of 'national security'.

**T**he UN's World Summit on Sustainable Development in Johannesburg was the other major high profile media event of early September. Laurent Menghini reports on the hopes raised - and dashed - by this gigantic summit.

**I**n western Europe, assaults on workers' rights and civil liberties continue apace. Here, Franco Turigliatto reports on the devastation facing Italy's Piedmont region if Fiat's restructuring plans are implemented, while the

Basque movement Elkarri analyzes the 'war on terror' within the Spanish state.

**L**eft regroupment in the advanced capitalist countries has been a central theme in IV's pages recently. We republish here an important document from Australia's Democratic Socialist Party concerning its orientation towards the Socialist Alliance in that country.

**I**V continues its in-depth coverage of developments in Latin America in this edition. Michel Husson looks at a change in the IMF's strategy in response to the new situation. Like any political crisis, the current Latin American scenario is replete with dangers as well as opportunities; we publish in this issue a timely warning from supporters of the Fourth International in the Brazilian Workers' Party about the rightward drift of the majority of the party's leadership. Meanwhile, the regional crisis opened up by the Argentine revolt has, unsurprisingly, now enveloped Uruguay: Ernesto Herrera describes a 'scenario of chaos'. We continue our coverage of the revolt of the Argentine masses with a report by Eduardo Mancuso from the Social Forum held in Buenos Aires in late August and a study by Josefina Martinez of a phenomenon overlooked in much of reporting from Argentina: the emergence in a number of factories of forms of workers' control.

**I**n our regular review section, Paul le Blanc reviews a book by Brazilian Marxist Michael Lowy on the relationship between nationalism and internationalism in an era of globalization.

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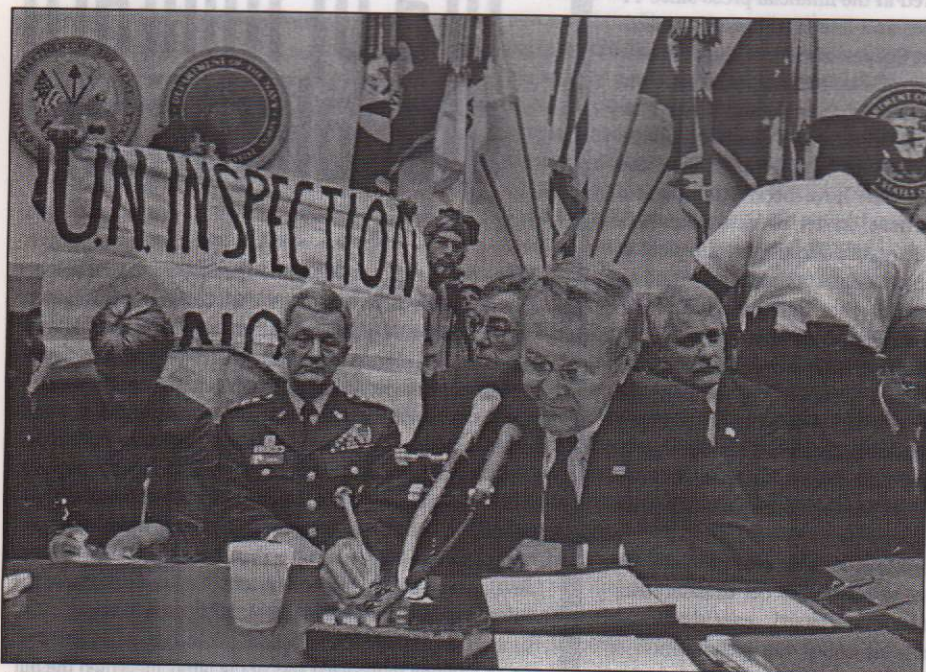
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# War drive: armed globalization

CLAUDE SERFATI\*



Anti-war protesters embarrass Donald Rumsfeld

**W**as there a world before 11 September 2001? Some believe that the United States' decision to intervene militarily around the world dates from that day. It is, then, useful to recall that in the course of the 1990s, the number of armed US military interventions around the world was higher than in the period 1945-1990 (according to a study by the US Congress)<sup>1</sup>.

This is not to deny that the programme of the Bush administration involves a considerable deepening of a process that had already been underway for more than a decade. The objective is to consolidate the status of the US as sole superpower, and its hegemonic position, unequalled in the history of capitalism over the last two centuries.

The speeding up of the process is evident firstly from the considerable increases in the military budget. Clinton had already contributed in pushing an increase of US\$112 billion through Congress over the period 1999-2003. Under Bush, the budget for national defence rose

to US\$304 billion in 2001 (it was voted through before September 11) and to US\$351 billion in 2002. It will rise to US\$396 billion in 2003 and is set to reach US\$470 billion by 2007.

These sums support massive weapons programmes which primarily benefit a handful of big groups (Lockheed Martin, Boeing, Raytheon, General Dynamics, Northrop Grumman) which receive nearly half the Pentagon's orders. These groups have emerged from a wave of concentrations that began in 1993 and took place under the attentive eye and with the support of financial capital and the pension funds, but also the financial analysts and consultants who have set the frontiers of industrial restructuring and pocketed appreciable commissions. For the weapons groups as in other sectors, the 'creation of value for the shareholder' necessitates reduced wage costs and increased sales. The latter requires increased purchases by the Defense department and increased exports. The result: between 11 September 2001 and the end of August 2002, the S&P index (of the 500 leading share prices on

Wall Street) lost 20%, while the share prices of the big defence companies rose by nearly 10%.

The big arms groups can derive another element of satisfaction from the situation created since 11 September, with the establishment of a bureau of national security. The arms groups are well placed to undertake the technological developments necessary to improve the security of computing infrastructures in transport and telecommunications, and various technologies already developed for military need can quite easily be adapted to the 'civil' security market. Moreover, Congress and the states have started to considerably strengthen regulation in security matters, which can only place these groups in a highly advantageous position, given their close links to and complicity with the government. Thus the big defence groups form the framework of the 'military-security complex' which has emerged at the beginning of this century in the United States.

The US military-security complex is also developing new weapons systems. In a context where the globalization of capital accelerates social devastation, the preparation of 'urban wars' (the expression employed by the Pentagon experts) fought by soldiers equipped with hyper-sophisticated weapons, occupies a big place in the military budgets. The aim is to wage war against the populations of immense agglomerations of the countries of the South and eventually against the 'dangerous classes' of the cities of the North.

## War economy and financial markets

The globalization of capital and the militarization of the planet are linked<sup>2</sup>. Contrary to neoliberal discourse, globalization does not represent the highest stage of peace. The US occupies a central place in the two processes. Its accelerated militarization meets several objectives. It strengthens the domination of US imperialism against potential enemies, both real and imaginary. It also seeks to create a threshold effect in relation to the allied countries, incapable of developing programmes of an equivalent breadth to the system of anti-missile defence (estimated cost: more than US\$50 billion) or the FX-35 fighter plane (estimated cost: more than US\$100 billion). Then, there is the criminalization of social resistance, which goes hand in hand with the significant restrictions on civil liberties imposed by governments since 11 September 2001, signals that all those who contest the globalization of capital are potential enemies, who merit being dealt with in a military fashion. Moreover, as we have seen, it satisfies the military-industrial complex and allows it to extend its influence into the civilian domain thanks to the growth of the security industry.

This war economy is being built in a context very different from that which prevailed in the post war decades. The situation then was different on both the macroeconomic (high growth and social progress in the developed countries) and geopolitical (the US and USSR organized the division of the world to their own benefit) levels. Since the end of the 1970s, financial capital has reestablished a dominant

position. The financial markets have become the central institutions of capitalism since the 1980s and 1990s. They have allowed capital to concentrate its power in relation to labour and allowed the bourgeoisie and the rentier class to enrich themselves considerably.

However, neither the considerable increase in the rate of exploitation of the workforce, nor the opening of new markets in Russia and Eastern Europe have restored capitalism's youth. On the planetary scale, the extension of capital and the property relations on which it is founded has not produced a sustainable and significant growth of the accumulation of capital for two decades.

The dominance of financial capital is both a consequence and a major component of this situation. For the rhythms of financial capital are based on the necessity of pocketing the income from its financial assets in the shortest possible time. At the same time, its mode of functioning accentuates the predatory traits of capitalism. "Après moi le déluge!" is the watchword of every capitalist and every capitalist nation" (*Capital*, volume 1, Part III, chapter 10). Marx's comment acquires a singular topicality when one looks at the balance sheet of privatization-liquidation and the measures of deregulation organized by financial capital across the planet. Africa, south Asia and Latin America have all been plunged into chaos.

In this context, the 'war economy' and the unlimited war that it involves are integrated in the functioning and 'confidence' of the financial markets. Thus, the US financial analysts envisage a stock market boom that could be created thanks to the 'emotional buying' of defense company stocks following the breakout of a war against Iraq<sup>3</sup>. This 'emotion' is of course buttressed by the more tangible prospect of taking control of Iraq's oil, an objective that is no longer even hidden by vice-president Cheney. The predator economy is no longer a phenomenon limited to the countries of Africa, where war breeds armed bands within a 'mode of destruction' (in the sense that one speaks of a mode of production). The military interventions by the US and NATO, which are increasingly numerous, lead to the destruction of infrastructures of production which people need to live. However, in the context of instability and uncertainty that has characterized the capitalist economies for 20 years, they only open limited perspectives for investment.

During the first half of the 20th century inter-imperialist rivalry pushed humanity towards the abyss of two world wars. Today there is no denying the scale of the antagonisms between the big capitalist industrialized countries, but

other factors, like the gap between the military power of the US and that of other developed countries, forbid the transformation of economic and trade conflicts between the countries of the transatlantic zone into military confrontation<sup>4</sup>. That doesn't mean that the era of imperialism in the early 21st century will be any more peaceful, as shown by the multiplication of wars and interventions by the US and EU countries' armies.

#### Imperialism and war

The term 'imperialism' has not had a very good press in radical and even Marxist milieux; the preferred term is that of 'empire', generally reduced to the case of the US. It has, on the other hand, reappeared in the financial press since 11 September and has even been 'theorized' by Robert Cooper, adviser to Tony Blair on diplomatic affairs. Military intervention is necessary, it is argued, and should be followed by close supervision of (or the establishment of a protectorate over) the countries that have been plunged into chaos. These forms of neocolonialism would be organized under the auspices of the 'international community' - that is, the countries that dominate the planet and the international organizations (IMF, World Bank, NATO) whose programmes they dictate. The US has neither the intention nor the possibility of managing world chaos on its own. The carve up of Argentina was not the deed of the 'US empire', but of the financial capital of the US and EU.

The reservations expressed by the EU countries in relation to US 'unilateralism' are not then based essentially on disagreement about the globalization of capital. They are witness to their fear of being marginalized in the management of the 'affairs of the world' and, in the short term, witnessing a 'unilateral' division of the Iraqi booty. Hence the increased military budgets in the biggest EU countries. □

#### NOTES

\* Claude Serfati is a lecturer and researcher in economics at the university of Saint-Quentin-en-Yvelines in France. This article was written for the French revolutionary socialist newspaper, Rouge.

1 Just before the September 11 attacks, "according to the Defense department, more than 60,000 US military were carrying out operations and exercises in around 100 countries." Los Angeles Times, January 6, 2002.

2 See my work, *La Mondialisation armée. Le Déséquilibre de la terreur, La Discorde, 'Textuel'*, 2001.

3 'Market focus', in *Aviation Week & Space Technology*, September 2, 2002.

4 See my contribution to the collectively written book, *Bourgeoisie: Etat d'une classe dominante, Syllepse*, 2001.

SERGIO YAHNI\*

# The Israeli-Palestinian conflict in the era of military globalization

The political process in which Palestinians and Israelis found themselves at the end of the 1991 Gulf War was an aspect of the then US global policy to stabilize the post-cold war world. The process in the Middle East was linked to similar processes in Europe, Africa, Asia and Central America of negotiating solutions to cold-war conflicts. Despite the establishment of a quasi-independent Palestinian entity in the OPT, for the Palestinian public the process after September 1993 meant the loss of employment as a consequence of the permanent closure, growing poverty and a rapid slow-down in the economy. At the same time, there was a parallel development of monopolies that controlled and suffocated the Palestinian economy. Internal contradictions in Israel surrounding the neo-liberal policies adopted by Israel and the PA, in addition to the weakness of the latter, prevented the full accomplishment of the de-colonization process in the OPT. The Rabin government was unwilling to propose alternatives to settlement building and as a matter of fact the construction of colonies continued unabated, only now financed by private capital. The growing social gap between the poorer and richer in Israel created a front against the peace process such that by 1994, the country found itself on the edge of a civil war.

## the end of the Oslo process

The assassination of Rabin was a turning point in Israeli politics. Immediately after the assassination, the Oslo elite began searching for a new national consensus that would maintain the neo-liberal policies while adapting them to a neo-colonial offensive against the PA. The PA would be forced to accept a dictate that would preserve the cohesiveness of the Israeli society, expressed as an agreement between the contradicting sections of the Israeli ruling classes. The new Israeli consensus was an attempt to square the circle: it agreed to continuing with the political process vis-a-vis the PA, Syria and Lebanon, but this process could not damage the settlement enterprise in the OPT and the Occupied Syrian Golan Heights. The short-lived governments of Peres, Netanyahu and Barak assumed that it would be possible to dictate an agreement to the Palestinians

that would not damage the agreed national consensus. They disagreed on how much it would be possible to force the Palestinians to give up. The Palestinian popular resistance made this project impossible and the political society in Israel collapsed.

The project of Ehud Barak was the most pretentious: to lead the Palestinian leadership to sign a final agreement based on this aforementioned consensus. The other alternative was to impose this agreement by force.

The domestic social tensions in the Palestinian society, the popular rejection of the corrupted monopolizing policies of the PA and its continuous cooperation with Israeli policies led in September 2000 to the uprising.

For Barak, the uprising seemed at the beginning to be a means of salvation. He could use the 'state of emergency' created by a 'rejectionist Arafat' to consolidate popular support to his government for a "war that we didn't choose." But it was Sharon that would capitalize the move of Barak.

## globalizing the war

Sharon came to power in 2001 with an old megalomaniac vision of the Middle East: Israel has the power, and ultimately the right, to re-shift the ME geopolitics in order to secure its vital and other interests.

Ariel Sharon, expressing an old scheme of thought in the army ranks, has no political project for the future of the region; in his eyes, the scope of Israeli control are the limits set by international or military pressures. On the internal front both Sharon and the army work to neutralize the government, the high court and the parliament as forms of competing state institutions.

Sharon's domestic and international policies are based on the concept of 'state of emergency'. In the domestic arena, 'the war against terror' neutralizes potential opposition forces such as parts of the government, the parliament and the supreme court, because those institutions are a luxury for times of peace. The press is being cleansed of critical (described as anti-national) elements. In the international arena, Sharon has no problem in extending the 'state of emergency' to neighbouring countries and leading the region toward war with the objective of securing Israeli supremacy.

But the 'state of emergency' is an aim by itself. It alone can secure national consensus and social cohesiveness while preserving neo-liberal policies. The 'war against terror' becomes a need for national survival that cancels the debate on the future of the settlements, the economic distress, increasing unemployment and ethnic tensions when the Prime Minister turns directly to the fearful 'people.'

September 11, 2001 was a turning point in the US administration politics toward the Middle East. Prior to this date the US conceived the stability of the region on the assumptions from the end of the Gulf War: a pro-US Arab coalition led by Saudi Arabia, conducting normal relations with Israel. After this date, and specifically after the decision to open a new massive attack in Iraq with or without Arab support, the public balance of power started to shift toward a clear preference of Israel over the Arab partners. Or, and it seems more accurate, using Israel to further undermine the basic assumptions of

Arab nationalism.

In his visit to Israel, US defense secretary Donald Rumsfeld attacked one of the last remaining concepts of Arab nationalism: the very existence of a Palestinian cause. During a question-and-answer session with military and civilian workers he stated that 'my feelings about the so called occupied territories are that there was a war, Israel argued neighboring countries not to get involved in it once it started. They all jumped in and they lost a lot of real estate to Israel, because Israel prevailed in the conflict' (Jerusalem Post, August 7, 2002).

However, the scope of US policies can not be understood simply on basis of the lack of US criticism against Israeli occupation policies or in the context of the historical support the US administration supplies to Israel. The real link is on a common view of the 'state of emergency' declared in the framework of a 'war on terrorism':

"What's hard for some to understand about this new war of the 21st century is that these are people being treated like international criminals, and so it's like we're on a manhunt. And the United States is working closely with our friends and we have hauled in over a couple of thousand of these folks. They've been arrested and detained. Some of them are in our possession, others are with other countries. Some of the terrorists haven't been quite as lucky as those who have been detained and arrested." (George Bush speech in Milwaukee, Wisconsin, August 14, 2002).

The 'state of emergency' is above politics and above the parliamentary bargaining, as stated by President Bush in the same speech: "It's important for our war on terror that they not play politics with the defense appropriations bills." The President also personalizes the protection of the citizens and their rights. In the words of George Bush Jr.: "My most important job, I think, is to make sure that I protect - do everything I can to protect the homeland and make sure that an enemy which hates freedom doesn't hit us again." (ibid.)

In this international 'state of emergency' to protect freedom and liberties, the first victims are actually this freedom, liberties and human rights. The detainees in Guantanamo are a frightening example of this new conception of human rights. However, the freedom to disagree and to have political ideas that do not conform with the ruling party might be labeled support of terrorism, such as the way the Spanish PSOE and PP relate to the outlawing of Batasuna and allied social organizations.

## the war and after

The interest of the movement for a different globalization concerning the fate of the Palestinian people goes beyond solidarity with an oppressed nation. Since September 11, Israel has become a laboratory for a global 'state of emergency'. We can see policies - tested by Israel on a local scale - being implemented globally. We should not be surprised if in the framework of the 'war against terror', as it develops, collective punishment against relatives of alleged 'terrorists,' denial of due process and citizenship, massive home demolitions, destruction of crops and other measures that are implemented today by Israel will be used in other



countries (again, it is important to see the Spanish law against terror and the process to outlaw Batasuna). In the global war against terrorism, the entire human race became like the Palestinians.

In the regional scale, we can see how the US administration has adopted Sharon's megalomaniac vision that is it possible to re-shift the Middle Eastern geopolitics by force. The next step in the agenda is the attack on Iraq. If we don't struggle to abort this attack before it happens, then we will face a further erosion of our rights and freedoms. → page 27

The following statement has been issued by the Revolutionary Association of the Women of Afghanistan on the anniversary of the 11 September tragedy.

RAWA joins with the rest of the civilized world in remembering the innocent lives lost on September 11th, as well as all those others lost to terrorism and oppression throughout the world. It is with great sadness that RAWA sees other people experiencing the pain that the women, children and men of Afghanistan have long suffered at the hands of fundamentalist terrorists.

For ten long years the people of Afghanistan – Afghan women in particular – have been crushed and brutalized, first under the chains and atrocities of the 'Northern Alliance' fundamentalists, then under those of the Taliban. During all this period, the governments of the Western powers were bent on finding ways to 'work with' these criminals. These Western governments did not lose much sleep over the daily grind of abject misery our people were enduring under the domination of these terrorist bands. To them it did not matter so very much that human rights and democratic principles were being trampled on a daily basis in an inconceivable manner. What was important was to 'work with' the religio-fascists to have Central Asian oil pipelines extended to accessible ports of shipment.

Immediately after the 11 September tragedy American military might moved into action to punish its erstwhile hirelings. A captive, bleeding, devastated, hungry, pauperized, drought-stricken and ill-starred Afghanistan was bombed into oblivion by the most advanced and sophisticated weaponry ever created in human history. Innocent lives, many more than those who lost their lives in the 11 September atrocity, were taken. Even joyous wedding gatherings were not spared. The Taliban regime and its al-Qaeda support were toppled without any significant dent in their human combat resources. What was not done away with was the sinister shadow of terrorist threat over the whole world and its alter ego, fundamentalist terrorism.

Neither opium cultivation nor warlordism have been eradicated in Afghanistan. There is neither peace nor stability in this tormented country, nor has there been any relief from the scourges of extreme pauperization, prostitution, and wanton plunder. Women feel much more insecure than in the past. The bitter fact that even the personal security of the President of the country cannot be maintained without recourse to foreign bodyguards, and the recent terrorist acts in our country, speak eloquent volumes about the chaotic and terrorist-ridden situation of the country. Why is it so? Why has the thunderous uproar in the aftermath of 11 September resulted in nothing? For the following reasons, which RAWA has reiterated time and again:

1 For the people of Afghanistan, it is 'out of the frying pan, into the fire'. Instead of the Taliban terrorists, Jihadi terrorists of the 'Northern

## "Fundamentalism

Alliance' have been installed in power. The Jihadi and the Taliban fundamentalists share a common ideology; their differences are the usual differences between brethren-in-creed.

- 2 For the past more or less twenty years, Osama bin Laden has had Afghan fundamentalists on his payroll and has been paying their leaders considerable stipends. He and Mullah Omar, together with a band of followers equipped with the necessary communication resources, can live for many years under the protection of different fundamentalist bands in Afghanistan and Pakistan and continue to plot against the people of Afghanistan and the rest of humankind.
- 3 The Taliban and the al-Qaeda phenomena, as manifestations of an ideology and a political culture infesting an Islamic country, could only have been uprooted by a popular insurrection and the strengthening and coming to power of secular democratic forces. Such a purge cannot be effected solely with the physical elimination of the likes of Osama and Mullah Omar.

The 'Northern Alliance' can never sincerely want the total elimination of the Taliban and the al-Qaeda, as such elimination would mean the end of the *raison d'être* for the backing and support extended to them by foreign forces presently dominant in the country. This was the rationale behind RAWA's slogan for the overthrow of the Taliban and al-Qaeda through popular insurrection. Unfortunately, before such popular insurrection could come about, the Taliban and al-Qaeda forfeited their positions to the 'brethren of the 'Northern Alliance' without suffering any crippling decimation.

With their second occupation of Kabul, the 'Northern Alliance' thwarted any hopes for a radical, meaningful change. They are themselves now the source and root of insecurity, the disgraceful police atmosphere of the Loya Jirga, rampant terrorism, gagging of democracy, atrocious violations of human rights, mounting pauperization, prostitution and corruption, the flourishing of poppy cultivation, failure to commence reconstruction, and a host of further unlisted evils, too many to enumerate.

Oppression and crimes against women are rife in different forms throughout the country. RAWA has always maintained that the fundamentalists'

rabid hatred of women as equal human beings – be they fundamentalists of the Jihadi brand or of the Taliban one – is not due merely to their unhealthy upbringing or morbid mind frame, but emanates from their religio-fascistic ideological world outlook. As long as such an ideology exists, propped up by the military forces at its disposal, neither crazed misogyny nor a myriad of shameful social evils associated with it can be eradicated. This is not a problem that can be dealt with by the creation of a 'Ministry of Women's Affairs' nor by the presence of a couple of token women in high government positions. To hope for the attainment of freedom, democracy and equality within the framework of a corrupt, religion-based, ethno-chauvinistic system is either self-delusion or hypocrisy – or both.

We find no happiness in the fact that RAWA's predictions in regard to the consequences of the re-domination of the 'Northern Alliance' have once again been borne out. Those who claimed that the 'Northern Alliance' were better than, and therefore preferable to, the Taliban, must wake up and apologise to our people for their noxious sermons. The establishment of democracy and social justice can be possible only with the overthrow of fundamentalist domination as a prime precondition. This cannot be achieved without an organised and irreconcilable campaign of the women masses against fundamentalism, its agents and apologists.

Some politically bankrupt entities who have no shame in grovelling to the 'Northern Alliance' in the hope of securing positions and feathering their nests, label RAWA as 'Maoist' and 'radical' because of our decisive and irreconcilable stances and viewpoints. But does the current situation in the country prove the fallacy of RAWA's positions or do they give a slap in the face to the ladies and gentleman with the penchant for mealy-mouthed collusion? The assassinations of a vice president and a cabinet minister and the ban on investigating these murders, the discovery of mass graves, the banning of women singers and artists and showing of dancing on TV, the censorship of the media, arbitrary fatwas of *koft* and apostasy against women, gang rapes of even expatriate women working for international NGOs, the disgusting campaign of making an idol out of

# is the enemy of all civilized humanity"

repeated, neither in America nor anywhere else.

RAWA takes pride in the fact that up till now we have been able to establish contact with a considerable number of anti-terrorist organisations on all five continents and enjoy their moral and material support. However, for the purpose of waging a swifter and more encompassing fight against terrorism, it is necessary for such solidarity to be expanded and strengthened. In this connection we shake the hands of all freedom-loving individuals and organisations.

We would like to avail ourselves of this opportunity to extend once again our heartfelt condolences to all those who lost their loved ones in the savage calamity of 11 September, as well as to the friends and families of those innocent compatriots – for all we know, anti-Taliban and anti-'Northern Alliance' – who were blown to shreds by American aerial bombardment. We sincerely hope that a vast number of those who are bereaved and grieving for their loved ones will, sooner or later, join the ranks of the legions mobilising against fundamentalist fascism in their respective countries and on an international level.

**No to al-Qaeda, No to the Taliban, No to the 'Northern Alliance'!**

**Long live a free, democratic and blossoming Afghanistan!**

**Victory in the decisive war to the very end of Afghan women against fundamentalism and for democracy!**

**Long live international solidarity against fundamentalist terrorism!**

Ahmad Shah Masoud, are these not enough to bring home the realisation that indulgence and permissiveness towards rabid dogs only serve to make them more ferocious?

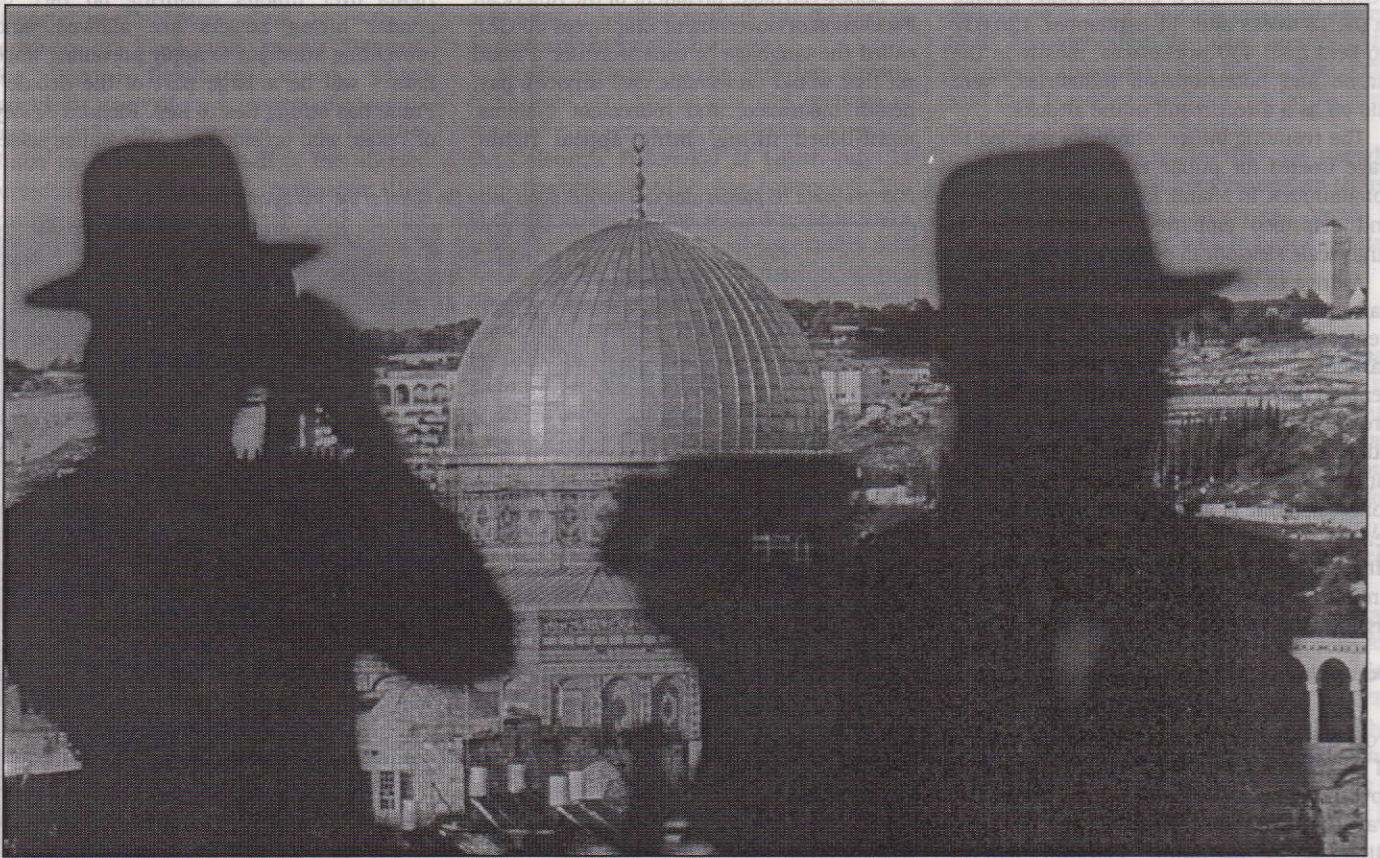
RAWA's experience in fighting fundamentalism, particularly during the past 10 years, motivates us to be all the more persistent in our attempts to mobilise women, even in the most remote corners of our country. At the same time, we shall not desist from pursuing an irreconcilable policy towards fundamentalism, and standing in solidarity with all pro-democracy forces. We staunchly believe that in addition to causing the tragic deaths of over 3,000 innocent Americans and non-Americans and the sorrow and bereavement of tens of thousands more, the monstrous terrorist attack of 11 September showed the world what a nefarious pestilence

fundamentalism is: it showed the world the sort of inferno in which live the peoples of Afghanistan, Iran, Algeria, Sudan and other such countries.

Fundamentalism is the mortal enemy of civilised humanity; to address it demands the consolidated action of all freedom-loving nations of the world. The present 'world anti-terrorism coalition' has been debased by innumerable ambiguities and impurities of purpose, motivation and objectives. The contradictions between world powers will spell its doom.

Therefore, it behoves anti-fundamentalist individuals and organisations working for social justice the world over, to draw together without hesitation to contain and ultimately stamp out, once and for all, the vermin of fundamentalism, so that the tragedy of 11 September will never be

*Hasidic fundamentalists with their eye on the Dome on the Rock*



**B**y 12 September 2001, commentators were already telling Americans that "nothing will ever be the same again". In the year since then, workers have found that some things have changed a lot, and others not at all – but that they now have a new rationale, the war on terrorism. Increasingly, national security is invoked to cover the anti-labour agenda of the Bush Administration and the employers.

Plans for the restructuring of labour-management relations in both the public and private sectors – plans that often existed long before September 11 – have become part and parcel of the new order. Whether through mass layoffs and other economic dislocations, or through the more direct effects of governmental policy, working people are discovering that forces are in motion that may change much in our daily lives and in the workplace.

One year later, *Labor Notes* looks at the cumulative effects of 11 September and the government's response.

#### Immediate fallout

Fallout from 11 September was immediate for many workers. The quick drop into recession for an economy already wracked by structural weakness unleashed a wave of mass layoffs. In the 18 weeks after 11 September, 125,637 workers from 430 workplaces, mostly in the airline and hotel/tourism industries, were laid off as a direct result of the attacks.

The resulting budget shortfalls also led to wage freezes for public employees in many communities. In Miami, for example, teachers and classified employees recently held a large-scale sick-out in response to this trend.

A drive to exact concessions from unions had existed long before the World Trade Centre fell, but some companies – airlines in particular – took advantage of the crisis to demand more givebacks. According to Joshua Freeze, a member of the Association of Flight Attendants, "Months before 11 September, airlines began asking employee groups for concessions. It is important to note that the reason they had to ask at all is that the airline industry is at least 80 percent unionized, probably the most heavily organized industry in the U.S."

#### Homeland security

Besides suffering this indirect blowback from the events of 11 September, thousands of workers have been directly affected by governmental policies stemming from the war on terrorism. From firings of non-citizens, to stripping 170,000 federal employees of union protection, to enlistment of workers in a national snoop

# 11 SEPTEMBER: one year later, US workers still feel the fallout

CHRIS KUTALIK\*

system, the impact is readily apparent.

Efforts to create the new Department of Homeland Security have meant more to workers than a brand new layer of bureaucracy. Buried inside the original 35-page bill to create the DHS super-agency is a 68-word sentence under Section 730 that allows the President to strip at will all collective bargaining rights and Title 5 civil service protections from the roughly 170,000 new DHS employees.

The sentence calls for a new management system that is "flexible", "contemporary", and "grounded in the public employment principles of merit and fitness".

Bobby Harnage, president of the American Federation of Government Employees (AFGE), called the language "a code word for a mind set that would undermine civil service's pay, health insurance, and retirement systems, merit-based hiring, firing appeal rights,

whistle-blower protection rights, and rights to organize and bargain collectively."

The new bill follows on a January 7, 2002 Presidential executive order that deprived close to a thousand employees in the Justice Department of their collective bargaining rights.

At times the anti-labour aims of these efforts have been explicitly spelled out. Michael Franc, a vice president of the influential right-wing Heritage Foundation think tank, stated in the *Houston Chronicle* June 20 that "this new agency and the war on terrorism is the conservative agenda between now and the elections".

Franc added that "asserting managerial rights over unions, ensuring no race or gender hiring targets are allowed, and preventing attempts to apply prevailing wage laws – will be a large part of the debate". Franc has strong ties to Rep. Richard Armev of Texas, who presided over the House select

*Protests against US policies attacking workers' rights under the figleaf of the 'war against terrorism' ...*





committee charged with moving the bill through Congress.

AFGE currently represents about 50,000 of the affected workers in a number of the agencies that will be combined into the DHS, from the Federal Emergency Management Agency, Coast Guard, Immigration and Naturalization Service (including the Border Patrol), and Federal Protective Service. Jackie Simon of AFGE says that the union is mobilizing its members in a pressure campaign to drop the anti-worker section from the final version of the bill.

Senate Democrats moved to throw out the anti-union provisions, but the bill's final status is undetermined while Congress adjourns for the summer. However, President Bush has vowed to veto the bill if section 730 is dropped in later deliberations.

### Firing legal immigrants

The Aviation and Transportation Security Act prohibits workers who aren't citizens from holding airport screening jobs. Possibly upwards of 6,000 currently employed non-citizens (about 25% of the national screener workforce), will be fired when the legislation comes into full effect on 19 November.

The vast majority of non-citizen screeners are permanent legal residents, many with years of experience. Besides the injustice to the workers to be axed, activists are concerned that the requirement of citizenship will "start bleeding into other jobs" at airports and elsewhere.

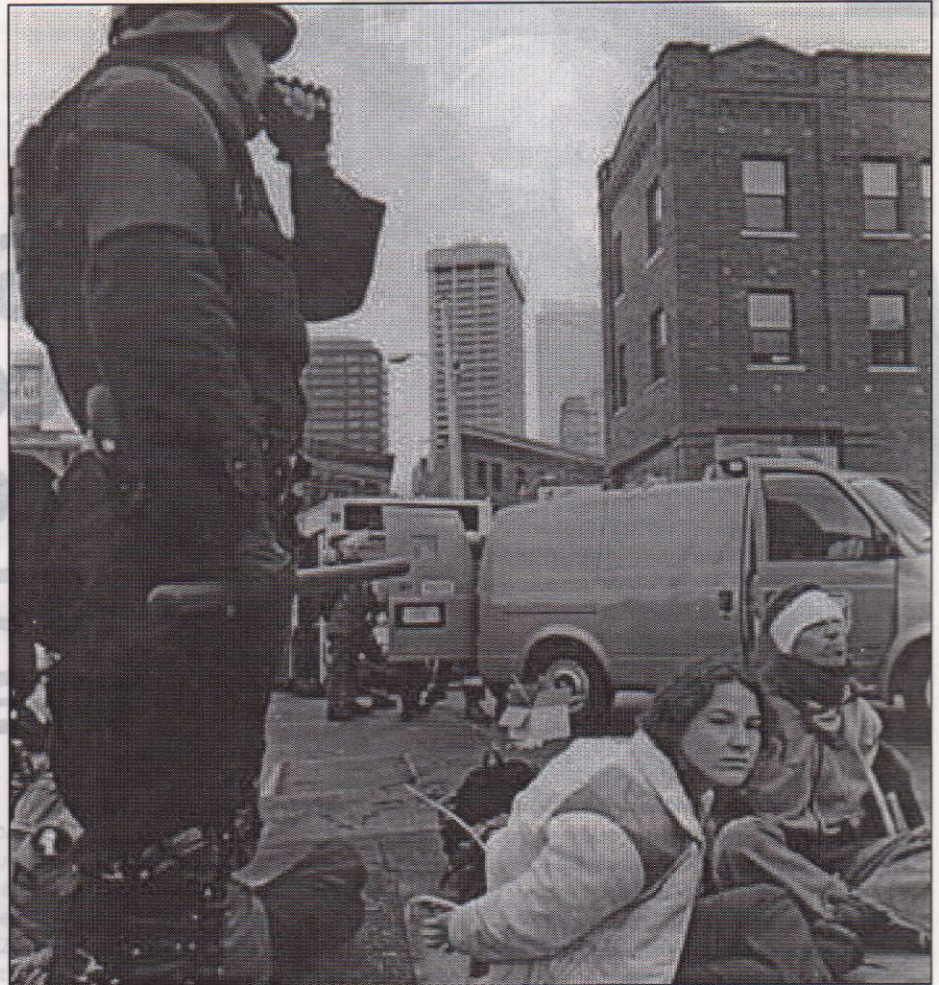
Airport screeners on the West Coast will be hit most dramatically. In several major airports in California close to 80% of screeners are immigrants, mostly Filipinos. The Service Employees union, which represents many of the screeners, filed a joint lawsuit with the American Civil Liberties Union in January on behalf of the affected screeners. A grassroots campaign that involved Filipino and peace and justice activists has organized around the issue in the San Francisco Bay Area.

### Operation TIPS

Policy changes that impact the lives of workers directly are not limited to the economic realm. The Department of Justice revealed a plan, Operations TIPS (Terrorism Information and Prevention System), to draw millions of American workers into a vast network of surveillance.

According to the newly formed Citizen Corps (a federal government-run volunteer group), TIPS would be "a national reporting system that allows these workers, whose routines make them well-positioned to recognize unusual events, to report suspicious activity".

Talks began mid-July between the Justice Department and managers of large firms whose workers have frequent interactions with the public, such as letter carriers, utility employees, delivery drivers, ship captains, truck drivers, and train conductors. The ultimate aim of TIPS



... and 'the defence of democracy', encounter limited tolerance from the state

is to bring one million workers into the system as a pool of potential informants.

Much resistance to the plan has already come from civil libertarians and sections of the labour movement. A resolution passed by the California Federation of Labor July 24 strongly condemned the plan, comparing TIPS to efforts in Nazi Germany to turn the nation's workforce into a network of informants and spies. The National Association of Letter Carriers announced on July 17 that it would not cooperate with the plan. Representatives of the Utility Workers of America stated shortly afterward that they were "not in favor of having our members act as informants".

Some rank-and-file workers have been even stronger in their criticisms. Butch Traylor, a UPS driver and member of Teamsters for a Democratic Union, commented on TIPS in a New York Times op-ed: "I worry about whose definition of 'suspicious' is going to be used.... It bothers me that those charged with defending our freedom would so cavalierly foster such an atmosphere of fear and suspicion.

"It bothers me to think that my postman might be paying more attention to where my mail is coming from than to where it's supposed to go.... A program that asks people like us to do surveillance... threatens the trust we've built in the communities we serve every day."

Not all sections of the labor movement

disapprove of TIPS; Traylor's president James Hoffa has embraced the plan. According to Teamsters spokesman Rob Black, "Mr. Hoffa said that Teamster members can be the eyes and ears of the war on terrorism."

Mounting opposition to TIPS has already forced some scale-back from the original plans. The Justice Department announced August 9 that it would no longer seek to include postal and utility workers in the operation.

### Chilling strikes

The Bush Administration, claiming national security concerns, has intervened directly in contract negotiations for a pillar of the labour movement – the western dockers. As early as mid-May, when negotiators for the Longshore union (ILWU) and the employers sat down for talks, the Administration had already begun to craft a response that will mostly likely rely on a Taft-Hartley injunction.

A similar use of the "national emergency" provisions of the Taft-Hartley Act has not been used. Jimmy Carter tried it out on the 1978 coal miners' strikes. Ironically, in 1978, one of the strongest responses to the injunction came from the ILWU, who promised a one-day West Coast-wide strike if the military was used to run the mines. □

\* This article is taken from the September issue of the US publication *Labor Notes*.



# Earth Summit: can capitalism save the planet?

**T**he United Nations' World Summit on Sustainable Development was held in Johannesburg, South Africa from August 26 to September 4, 2002. While the decisions of the Rio convention in 1992 have still not been applied, the great powers, in concert with the biggest multinationals, are claiming to promote sustainable development. Who can really believe it? In spite of the immense good will mobilized by this gigantic summit, held under the aegis of the UN, the rules of the game are dictated by the great powers who dominate the planet.

In Johannesburg, capital was king and the multinationals were omnipresent: two hundred CEOs from the big companies made the trip. French nuclear company EDF hawked its shares alongside British Petroleum in the 'sustainable development village', built near the conference centre. Tony Blair, as green as he is left, included in the British delegation several big employers like Thames Water, a water treatment company condemned for environmental crimes in Britain, or Rio Tinto, the world's biggest mining trust, which is currently trying to win the right to mine uranium on the Australian nature reserve of Kakadu. The poor were ignored, with the protests of landless South Africans meeting with harsh repression.

Far from being anecdotal, this configuration is symptomatic of the changes since the first Earth Summit in Rio ten years ago in 1992. Remember that Rio has often been presented as a source of hope. After the much trumpeted victory of democracy with the collapse of the bureaucratic regimes in eastern Europe and the victory of the rule of law during the Gulf War, this summit seemed to some the proof that global capitalism could prosper without damaging the environment. Ten years later, the balance sheet is as bitter as that of Putin's democracy for the Chechens or the war in defence of international law for the oppressed Iraqis. The defeat is patent.

Curiously, everybody seems to recognize it, without really looking for the underlying causes.

## Imperialism

To understand, we must rehabilitate that forgotten word, 'imperialism'. The Soviet collapse was the occasion for the US superpower to carry out a global redeployment in which the current war against terrorism is only the latest episode. This reorganization has fully benefited from the dynamic of capitalist globalization over the past 20 years and its accompanying deregulation and privatization. Europe, far from being a rampart against this process, has accentuated it. The result has been a spectacular growth of inequality on the planetary scale and a reinforcement of the hierarchies that underpin that inequality. In this process, the environment has not been spared, neither in the North nor in the South.

What has become of the pledges made in Rio and notably the conventions on climatic change and biodiversity, to take the two examples that are most often mentioned? They have been submerged by the market everywhere. While the somber predictions on climate change seem confirmed, both by the results of scientific studies and by the accumulation of spectacular and dramatic meteorological events, the Kyoto protocol of 1997 on the application of the Rio convention of 1992 has still not been ratified, let alone applied.

Above all, the oil and nuclear lobbies, installed in the White House in the baggage of Bush junior, have ensured the refusal of a ratification of the protocol by the main world polluter, coupled with a resumption of oil prospecting and nuclear development. Australia also refused to ratify the protocol. In any case, the protocol is completely insufficient to check the progress of the atmospheric concentration of greenhouse effect

gas. Its application would only be a limited advance, but even that seems out of the question today. The climate did not constitute an official subject of discussion at Johannesburg. Europe proposed an objective that 15% of energy should be produced from renewable sources. This objective was framed, however, within a perspective of a continued increase in energy consumption both and South: it is not, then, sufficient to check the growth of CO2 emissions resulting from the use of fossil fuels.

Biodiversity was, however, on the agenda of the summit. The Rio convention of 1992, far from facilitating its conservation and sustainable use, put in place the mechanisms for commodity exploitation of genetic resources in particular. Although the convention sought to regulate exchanges between North and South to prevent biopiracy, the result 10 years later is hardly conclusive. In the absence of financial resources and the transfer of technology, places of high biodiversity like the Brazilian, African or Indonesian rain forests continue to be exploited intensively and to disappear at an accelerated rhythm. Some thousands of unknown vegetable and animal species are also disappearing every year.

## The hypocrisy of 'green' capitalism

The Global Environment Facility, which is supposed to finance sustainable projects, is a derisory amount. Moreover, its objective is to finance the additional expenditure corresponding to the preservation of the environment. As a result, it finances the rectification of environmental damage caused by projects that are often 'sustainable' only in name. The developing countries often have no other choice than to bargain with the multinationals over the price of their exploitation. The transfers of technology that take place often only allow an improvement in the conditions of this



exploitation, in which the main beneficiary is the richer partner. No new convention is to come out of the Johannesburg summit; instead, there is to be a plan of action situated within an explicitly free trade perspective, referring to the commitments of the WTO conference at Doha in Qatar. After the defeat of Agenda 21 – the long list of recommendations approved in Rio – the UN's theme now is the promotion of 'type 1 and type 2 initiatives'. The latter groups actions of sustainable development involving 'civil society', including the multinationals, who have been strongly encouraged by the UN to participate in the vast 'Global compact' programme launched in 1999.

The multinationals are fond of these projects which give them a green label, and can lead to co-financing or support for purely lucrative operations whose ecological benefits are to say the least debatable. Thus Shell is involved in gas prospecting in the Philippines; Cprolife International, a grouping of companies making genetically modified organisms and plant protection products, is responsible for a programme of training in the use of pesticides and so on. There is not even any need to finance a genuinely 'sustainable' project. Sustainable development has become a vector of legitimation for the penetration of the markets of the South by the big companies, including the most polluting.

Type 1 initiatives, which involve the public sector, are not necessarily any better. Here again, the states back operations that favour, directly or eventually, industrial and commercial interests. The US has thus just announced its participation in an initiative for the preservation of the Congo forest basin, obviously without any link to the potential exploitation of the rich oil resources of the region.

Johannesburg marks the hypocritical advent of a 'green' capitalism, supposedly capable of saving the planet. The commitments made have no chance of being adhered to, any more than those of Rio or the FAO summits on world hunger. When the deregulation of trade is not challenged and WTO accords take priority over the preservation of the environment, the latter will continue to be devastated. □

Laurent Menghini

**HOPE DID NOT COME FROM RIO. It did not come from Johannes-burg. It comes from Porto Alegre, Seattle or Genoa. It comes from the growing convergence of the movement against capitalist globalization and the ecology movement;**

**an alliance which is indispensable to any serious advance. The ecologist movement must emerge from the trap of lobbying, for which Johannesburg marks a stinging defeat.**

**It is not enough to have the ideas and arguments to convince. It is necessary to constitute a social relationship of forces, and only the oppressed can do it. Social and ecological struggles should be supported and popularized, whether we are talking about Amazon Indians, Nigerian women against Exxon, or French farmers against GMOs.**

**The social movement must**

## SOURCES OF HOPE

**integrate ecological imperatives. It should make a sharp critique of the development of the North and defend another perspective, another growth, North and South. Anti-capitalism should be at the heart of this movement: the**

**current damage is essentially the result of the very dynamic of capitalism. It is necessary then to reject privatization, commodification and deregulation.**

**Far from helping the poor, deregulated world trade submits them to the ill winds of monetary and financial fluctuations. The developing countries should be able to protect their economy and production, and above all seek to satisfy their needs through their internal market. Their development should take a different road than that followed by the North, for which the whole planet is now paying the price. LM**

**ITALY: A PUBLIC FIAT?**

ETA and the Basque... Since the end of the century, ETA has continued its campaign of violence against different sectors of Basque and Spanish society. Through its communiqués it reiterates that it will continue to carry out attacks until the right to self-determination of the Basque people is recognized. The Italian-based Fiat group has approved a restructuring plan for its automobile division. The plan provides for the closure of 18 plants in Italy and the restructuring of 600 technicians. Many of its voters did not agree with the way the party pronounced itself regarding the different expressions of violence.

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# ITALY: A PUBLIC FIAT?

FRANCO TURIGLIATTO \*

*The Italian-based Fiat group has approved a restructuring plan for its automobile division. The plan provides for the closure or restructuring of 18 plants - two in Italy and 16 abroad - with 6,000 redundancies.*

"It's the market, stupid." That's how you might approach the new crisis, the most serious yet at Fiat. It could lead to a social disaster of vast proportions throughout the sector concerned, with implications for the entire Piedmontese economy. It would lead to enormous social damage in the Turin region. Fiat has lost the war in the pitiless capitalist competition which, particularly in recent years, has exploded between car manufacturers - accentuated by an international market which has not experienced the expected growth. Too many of its strategic choices proved to be errors: insufficient innovation in production, missed opportunities for buyouts of market shares, inadequate models, cost reduction exercises centred solely on the reduction of personnel rather than more global plans of development.

## False strategies and enormous debts

Fiat stood up well enough after the vicissitudes of the 1980s, even though it was a relatively much smaller company than the other car manufacturers. However, at the end of the day the logic was unavoidable. Think of the integration of Chrysler in Daimler-Benz or Nissan in Renault, with the consequent huge reductions in jobs and productive sites. For Fiat, the future was already mapped out some years ago. Only those who were willfully blind could imagine that the agreement between Fiat and GM two years ago could represent an occasion for the revival of Fiat Automobile.

Reality was otherwise. The Agnelli family and the Fiat shareholders had understood that it was too risky to continue in cars and that it was better for them to sell up and invest the money in other more immediately profitable affairs.

Fiat has lost market shares in Europe as well as in Italy, not to speak of difficulties encountered in some third world countries, like Argentina. The market is shrinking and Fiat has experienced a fall in sales, but this is not only a crisis at the level of models produced. Fiat is also afflicted by growing debts, which have alarmed the banks and the financial world. In this situation, GM could decide to buy up

the sectors of the Fiat automobile group which interest it at low cost.

In this context there is a dichotomy between the interests of Fiat shareholders and those of society and the country. On the one hand the interests of the Agnelli family and the shareholders are to halt the fall in the value of shares so as to sell them all quickly at a reasonable price, thus bringing to an end the history of Fiat Automobile. To succeed in this objective, they are however forced into difficult and risky operations to sell off other significant sectors of the group. On the other hand there are the interests of the collectivity, i.e. social interests. It is about Italy maintaining, like the other big industrialized countries, a car production industry, which, beyond numerous considerations, constitutes a pillar of economic development. There is then the interest of the collectivity in preventing a new slaughter of jobs and a supplementary reduction of the only productive site which remains in the Turin region, that of Mirafiori. Finally, there are thousands of other jobs in danger, not only in the Piedmont, but also throughout Italy. The implications for Turin are worse than in 1980 (when 24,000 jobs were lost).

Naturally, it will not be the end of the entire Italian car industry. Not all the carmakers will disappear. Something will remain, probably in the South, which already has different norms and a labour regime which is more unfavourable to the workers. All that was obvious long ago but nobody wanted to see it: and today many still minimize the gravity of the situation, painting a vision of a rosy future with illusions about the effects of the Olympic games or the development - uncertain and improbable as it is - of telecommunications. All these people start from the presupposition that the market should remain sovereign.

## What conclusions?

Naturally, those who will pay will be the workers. The Fiom (the metalworkers' union) has assumed a very firm position, rejecting any discussion posed in terms of social shock absorbers. It has set itself the objective of defending all jobs through the reduction of working hours on the model of Volkswagen.

Also important is the request for public intervention which, accepting the necessity of keeping a significant car sector in Italy, commits Fiat to adopting a development plan, based on product innovation, intervention in the ecological car sector and so on.

All this is certainly correct. It is also correct to denounce the responsibilities of the Agnelli family, which has received so much from Turin and the Italian state. In the same way, it is right to approach the question of Fiat in a broader framework and propose, as far as the Turin region is concerned, a different development from that proposed by the existing powers. The latter stress large-scale infrastructural developments and development of employment in the tertiary sector and in tourism. All this is to be combined with a specialized niche production and perspectives linked to information technology and telecommunications.

In fact, the heart of the problem resides in the utopia of thinking that Fiat shareholders will put their hands in their pockets to act in the collective interest. They will appeal to the sacred nature of private property and to every ideology of market



rationality. They will invoke the non-intervention of the state in the economy. They will seek to draw the maximum profit even from this situation and to save the skin of the important shareholders.

There is also the danger that a further worsening of Fiat's market situation and debt will allow GM or other carmakers to buy out the sectors of Fiat automobile at low price.

## Where are the interests of the collectivity?

Crushed between Agnelli's desire to sell, the current restructurings and the more radical and definitive restructurings envisaged by GM, the two political coalitions - the Italian government and the local administrations - have never wished to face down the US bosses, who are the real masters of the game.

The government should discuss the future and the fate of Fiat directly with the overseas bosses. This eventuality - which could happen in the fairly short term - implies however, from the point of view of the workers' interests and the collectivity, that the logic of the market and private property are challenged. Either the ferocious logic of neoliberalism is accepted, with consequent social disaster, or we have state intervention as the representative of collective and social interests. Fiat cannot do as it wants. We are faced with events of great gravity which demand absolutely extraordinary interventions, as proposed in *Liberazione* by Rocco Papandrea: rescuing this economic and occupational heritage requires an intervention targeting directly private property, in favour of the collective interest.

Some people are worried by these proposals. They are certainly not fashionable but they should not be dismissed by the radical left.

"But could you be seriously advocating the nationalization of Fiat?" some ask. The response can only be: "If necessary, yes. If that can stop the dismantling of the enterprise, of this wealth produced for over 100 years through the labour of several generations of workers, most definitely yes!" □

\* Franco Turigliatto is a member of the leadership of the PRC - Partito della Rifondazione Comunista.

IV has received the following brief report on the evolution of the Basque conflict and the main initiatives that are being carried out in the last area where there is politically motivated violence in Western Europe, with the aim of constructing a peace process.

The author of this report is the social movement for dialogue and accord in the Basque Country, Elkarri, which aims to promote the end of violence, respect for human rights, and political dialogue as the means of transforming the current situation. More information on the activities of this organisation is available on its website: [www.elkarri.org](http://www.elkarri.org)

IV will carry further coverage of developments in the Basque country in our next issue.

# Euskadi: a negative evolution



## Recent evolution of the Basque conflict

In general terms, the evolution of the Basque conflict has been very negative since the end of the ceasefire by ETA in late 1999. ETA continues its campaign of attacks against members of the security forces, politicians, intellectuals or journalists. This armed activity has led to an unacceptable situation from the human and political point of view. In addition to people's suffering from the consequences of these attacks, other infringements of human rights take place, such as threats or, on the other hand, the policy of

dispersion of political motivated prisoners, and cases of torture in police stations (denounced by organisations such as Amnesty International).

In the political sphere, the Spanish government is against opening up a space for dialogue that could develop a peace plan, and it concentrates its efforts on banning the pro-independence political party Batasuna. It considers that the present level of Basque autonomy is the maximum that the State can offer, and rejects the need for a political debate aimed at increasing the level of consensus on the legal and political framework. The Basque political parties, for their part, find themselves immersed in a scenario of distrust and lack of communication.

Meanwhile, the majority of Basque society continues to manifest itself against violence, regardless of different political opinions and feelings of identity, and at the same time it calls on all the players involved in a process of dialogue to transform the current situation into one of a peace process.

## The main players

### ETA and the Basque independence movement:

Since the end of its ceasefire ETA has continued its campaign of violence against different sectors of Basque and Spanish society. Through its communiqués it reiterates that it will continue to carry out attacks until the right to self-determination of the Basque people is recognised.

In May 2001 the pro-independence political party Batasuna received 10% of the votes in the regional elections despite losing half of its members in the Basque Parliament. This is due, according to the majority of political analysts, to the fact that many of its voters did not agree with the way the party pronounced itself regarding the different expressions of violence.

In the last few months the Spanish government has promoted the banning of Batasuna for its alleged structural links with ETA. After major controversy on whether the so-called 'Act of Political Parties' is constitutional or not, it was approved in the Spanish Parliament despite being rejected by the Basque Parliament. This Act facilitates the legal changes needed to bring about the banning. While Spanish public opinion generally supports this process, all the opinion surveys indicate that the majority of the Basques reject the banning of Batasuna. At the same time, a High Court judge has declared the activities of this political party to be illegal, which effectively gives a part of society the status of 'clandestine'.

Several Basque and Spanish political parties have announced that they will appeal against this Act to ban Batasuna to the Spanish Constitutional Court and the Human Rights Court in Strasbourg. In this context there are no signs that ETA is considering declaring a new ceasefire in the short term.

### The Spanish government:

The Partido Popular (PP), which has an absolute majority in the Spanish Parliament, is the main defender of the police option as the only way of solving the Basque question. Like the Partido Socialista, its members suffer the direct consequences of the activities of ETA, and hundreds of political representatives need to have 24-hour bodyguards.

On the political front the PP defends a 'firm hand' strategy, and rejects any process of dialogue while at the same time accusing Basque nationalist parties as a whole of a certain degree of responsibility in the persistence of the violence.

At present it hardly maintains communications channels open with the Basque Government and it does not consider a peace plan or a political agenda for the Basque territories to be necessary. Its main initiative in this area is the above-mentioned banning of the pro-independence political party Batasuna. This initiative represents a total change of scenario in Basque social and political life.

### The Basque Government:

The Basque Government is made up of three political parties, two moderate nationalist parties and one non-nationalist. Its stance on this matter is a total rejection of the violence of ETA and the defence and promotion of a process of dialogue between all political formations and the Spanish government. This debate should revolve around the level of self-government, and compliance with the Statute of Autonomy of the Basque Country and its updating on the basis of the demands of Basque society.

The Basque Government has recently announced that, after twenty years of negotiations, if the Statute of Autonomy is not fully implemented in terms of pending powers and functions to be transferred by the State, the parties that make up the Basque government will find themselves obliged to reconsider the present framework of relations. This initiative has led to a lively debate on the reform of the Statute of Autonomy and will have a considerable influence on the political agenda during the coming months.

At the heart of this debate is the failure of the sense of 'pact' with the State that the Basque Government has historically attributed to the Statute of Autonomy. If the central government does not respect the will of the majority of Basque citizens they will defend the negotiation of a different framework of relations.

### The Socialist party:

The Socialist Party is the main Opposition party in Spain. It directly suffers the threat of violence by ETA and finds itself in mid-stream between the opinion of the central government and that of the Basque Government. On one hand, it supports the measures to illegalise Batasuna, but also is in favour of a process of dialogue between the Spanish Government and the Basque Government, and also between the political parties.

### Other players:

The controversy that has arisen over the last few months between the central government and the Spanish church is worthy of mention. It is important to point out that the Church plays a major role in Basque and Spanish social life, and acted as a mediator between ETA and the Spanish government during the ceasefire.

As well as condemning the violence of ETA, the Basque bishops have stated serious reservations regarding the intention of the Spanish government to ban Batasuna. This led to the strongest criticisms by the Madrid government and the main conservative media. In response to the demand by the Partido Popular that the Spanish Church and the Vatican should rectify the opinion of the Basque bishops, the latter defended the right of the bishops to express their opinion on matters that affect the Basque dioceses.

### Social initiatives: the Peace Conference

In such a complicated situation, the social movement for dialogue and agreement in the Basque Country, Elkari, decided to set in motion an

initiative that would offer an alternative to the spiral of conflict. Taking the basic demands of non-violence and political dialogue as a starting point, an unprecedented experience of construction of peace from the heart of society has been generated.

More than 50,000 people in a community of less than 3 million people signed a petition for dialogue without exclusion of political parties, and at the same time donated 10 euros to finance the Peace Conference project.

In the political arena a system of indirect dialogue was set up between most of the political formations. This led to a draft agreement on the principles and procedures for a peace process. At present this draft is being analysed by experts in the handling and transformation of conflicts from the University of Columbia, Harvard, South Africa and Northern Ireland.

Finally, when all the contributions are received the aim is to present the conclusions of the project in the last week of October this year.

### Future prospects

We find ourselves in a context of serious and gradual deterioration of the situation. A situation in which the protagonism is held by the most extreme positions. These players accentuate and intensify their ability to block, while showing their total inability to resolve the underlying problems: violence and peaceful co-existence. In this context, a major brake is being applied to the dialogue and mediation option.

This dynamic of confrontation could lead us to a major increase in the levels of violence over the next few months, and also to an even greater social and political polarisation.

### An alternative to this situation

What has been described so far is not everything that is happening in the Basque Country. For many decades now, the majority demand of society for non-violence and dialogue without exclusions has been consolidated. This is a demand that goes right across the board, regardless of political opinion or affiliation, and has become the main factor in favour of a peace process.

From this perspective, and despite all the obstacles and threats, there is scope for opportunities in the present context that can and should be developed. Basically, this is the only viable alternative to the present situation. This model is none other than the driving of a process of dialogue between all the political groups that can lead to an agreement with a greater level of consensus than at present. An agreement that can be presented to society for its opinion developed in a context of non-violence.

To achieve this objective, and taking into account the difficulties that will have to be overcome, it will be very important to be able to call on the support of the international community. International institutions, governments, human rights organisations and universities can make a major contribution in favour of a peace process in the Basque Country. Another Basque reality is possible through our combined efforts. □

# Australia:

**The letter below has been sent on behalf of the National Executive of Australia's Democratic Socialist Party to the National Executive of the Australian Socialist Alliance. The DSP is starting a process of discussion on a proposal which, if accepted by the party's Congress at the end of the year, would mean that it would do its public political work within the framework of the Socialist Alliance.**

September 3, 2002

Dear comrades,

*I am writing to you on behalf of the National Executive of the Democratic Socialist Party to advise you that we have initiated a discussion in our party about making a radically bigger commitment towards left unity within the Socialist Alliance.*

*If a majority of our members accept our proposal the DSP will cease to operate as a public organisation and begin to operate as an internal tendency in the Socialist Alliance from January 2003. Our members will, from that point, be building and recruiting to the Socialist Alliance rather than the DSP.*

*We will then commence negotiations with the Socialist Alliance about taking as much of the political and organisational assets we have built up through the DSP into the Socialist Alliance as is possible. We undertake to pursue this process within the democratic framework of the Socialist Alliance and in a thoroughly open, consultative and inclusive manner.*

*The objective of our tendency will be to pursue the transition while ensuring that the gains of our three decades of work as a party will not be lost to the left as a whole.*

*We are confident that this will be a big step forward for left regroupment in Australia and that we will be able to agree, in stages, on concrete steps forward for the Socialist Alliance. This is based on the substantial political consensus and comradesly collaboration achieved since the founding of the Alliance.*

### 1 State of the Socialist Alliance

*In the year and a half of its existence the Socialist Alliance has managed to establish itself as the 'face of socialist unity' in Australian politics. While we should not exaggerate its impact and visibility, it certainly enjoys, as a result of its electoral*

# DSP perspectives on Socialist Alliance

registration, election campaigns and overall work (including a presence in campaigns), much greater profile than any of its affiliates or any other left organisations. Its modest but solid election results (around 1.4 per cent at best in contests with the Greens, up to four per cent where they have not been present), its 2000 plus members and broader periphery confirm this judgement.

and through the ongoing work of the Socialist Alliance National Executive we have been able to find — despite some disagreements — a correct and reasonably timely response to all the main political challenges of the day. It has consolidated a broad consensus as to what constitutes a principled socialist and pro-working class orientation in Australian politics. It has shown that the left can work together, a

(over 10%) or the 8% the Scottish Socialist Party is currently polling. Nevertheless, the unity expressed in the Australian Socialist Alliance has its roots in the same basic social and political trends — the rise of the (still very heterogeneous) movement against neoliberal globalisation and the emergence of class-struggle trends in the trade unions (like SUD in France, Cobas and SinCobas in Italy or the Victorian left unions in this country).

Our Socialist Alliance is also part of a global trend to revolutionary left regroupment, especially in the advanced capitalist countries. With due regard to all that is specifically Australian about it, the emergence of the Alliance parallels the rise of the Socialist Alliance in England, the Scottish Socialist Party, the Portuguese Bloco de Esquerda, Denmark's Enhedslisten, as well as the 'left turn' of Rifondazione Comunista and the recently launched proposal of the French Ligue Communiste Revolutionnaire for a new mass party of the radical anti-capitalist left. These organisations and others like them have been meeting for several years now at the level of a European anti-capitalist left and their latest gathering in Madrid has produced a comprehensive statement of position on the burning issues of world and European politics.

Within all of these organisations the issue of what degree and form of unity it is necessary and possible for the far left to achieve has been at the centre of discussion and debate.

### 3 The potential for and constraints on the Socialist Alliance

The Socialist Alliance has large, maybe very large, unfulfilled and as yet untested potential. However, the constraints under which the Alliance is presently labouring, if not lifted, will leave much Alliance growth potential unexploited.

The DSP National Executive analysed these constraints as follows:

- The rise of the Green vote means that even less than previously can the Socialist Alliance hope to grow as a purely, or mainly, electoral formation. However we have been unable to progress much beyond electoral work even though that was the express intent of all affiliates at the founding meeting and first national conference.
- While the Socialist Alliance affiliates are maintaining and building their own organisations, this places an unavoidable constraint on what they can do to build the Alliance. They are leading important mass movements like the struggle for refugee rights (mainly outside of the framework of the Alliance) but this also means that every rise in movement activity has the potential to lead to a reduction in commitment to Socialist Alliance-building.
- The Socialist Alliance has no publication except its web page and issues-based leaflets and irregular broadsheets. These have been invaluable in giving the Alliance profile on the issues of the day but they are no substitute



The Socialist Alliance has to one degree or another drawn around itself a large part of those who view themselves as socialists and left-wingers. These amount to roughly three times the membership of the founding affiliates. It has drawn hundreds of people into activity who would not otherwise have got involved in left politics or who are returning to it after a considerable lapse. It has begun to extend socialist organising into new regions (like northern Tasmania) and it has the potential to repeat this sort of regional growth in other states.

Many working-class and trade union militants are looking seriously at the Socialist Alliance as their possible new political home. The general attitude is still 'wait-and-see' but further growth of the Socialist Alliance electorally and/or as a campaigning vehicle in the unions and communities will draw many such militants into its ranks.

These gains have been won on the foundation of successful collaboration among the affiliates. Both at the founding conference

fact that is appreciated well beyond the ranks of the affiliate organisations themselves.

This experience tells us that the real political basis of the Alliance extends beyond its formally adopted founding platform and constitution to a consensus around a principled class-struggle approach to international and Australian politics.

### 2 The international context

The Alliance's successes aren't the result of Australian political trends alone. The rising wave of resistance to neo-liberal globalisation and the spread of alienation from labour and social-democratic parties — experienced as enforcers of austerity by millions of workers — opens up the possibility of creating mass revolutionary socialist parties in country after country.

Australia has yet to experience mass mobilisations as powerful as those in Barcelona, Paris and Rome or a vote for far left candidates as high as that achieved in the first round of the French presidential elections

for a regular paper putting a comprehensive Alliance position and building its presence in all sectors of the population.

● While the Socialist Alliance has developed a majority non-affiliate membership, those who bear the burden of its work are still mainly members of the affiliate organisations. A couple of hundred independent Socialist Alliance members contribute to the work of the organisation to some degree or other, but its survival still depends on the efforts of the affiliates.

● The existing Socialist Alliance 'apparatus' is struggling to maintain the basics of membership records and finances, let alone responding in a timely way to national and international political issues.

● Inspiring a bigger contribution from existing Socialist Alliance members and further extending its membership will, in the short run at least, require a bigger contribution from the members of the affiliates. There are local groups to be organised, hundreds of members whose concerns and areas of interest the Alliance must get to know, especially in those regions where branches do not yet exist (around 200 in New South Wales alone).

The DSP National Executive is convinced that this growing impasse cannot be broken by affiliates applying a 'more of the same' approach to building the Socialist Alliance. While it is up to each affiliate organisation to decide on its course, we are confident that DSP members will be prepared to radically increase the resources devoted to its construction.

**4 Political basis for greater unity**  
Our collective experience in building the Socialist Alliance has revealed its actual political basis. There is a significant amount of shared socialist program among the

Socialist Alliance affiliates. While this is not formally outlined as a program of the Socialist Alliance, the founding documents refer to the fact there is more common ground than that sketched out in the initial Socialist Alliance platform.

This has been confirmed in practice by the actual experience of having to take a stand on such testing issues as the 'war on terrorism', Palestine and the current attacks on the most militant union leaderships in Australia.

When we reflect on the success of the Socialist Alliance in developing positions of consensus or by very large majorities on such issues and add to this the high degree of unanimity reached over practical work (witness the results of the August Victorian and New South Wales state conferences), it seems obvious that there is great potential for transcending or repositioning some of the traditional differences among the Alliance affiliates. The democratic culture that the Socialist Alliance has established can only help this process.

Our experience in working together surely confirms that left regroupment and unity will come about, and can only come about, on the basis of our rising to the objective challenges that are being posed by an intensifying class struggle and movement of anti-capitalist resistance. It will be our success in meeting these challenges — including the challenge of giving concrete and credible form to the socialist alternative at every turn — that will provide and strengthen the programmatic basis of the Alliance.

In this context, existing differences among affiliates will have increasingly less weight and the grounds for the maintenance of the existing minimalist organisational form of the Socialist Alliance increasingly less operative. How important our existing differences really

are and what organisational form they really justify should be tested out by serious debate in the context of ongoing joint work within the framework of the Alliance.

## 5 The Democratic Socialist tendency and the Socialist Alliance

Our proposal would make the Socialist Alliance and its bodies the political framework governing the work of former DSP members and the organisation that they would work to build. Within this framework the goal of the Democratic Socialist tendency would be to make itself redundant in step with the further development of the Alliance.

In the transition phase ex-DSP members of the tendency would carry out their discussion and decision-making within the bodies of the Socialist Alliance and caucus only as necessary.

The tendency would strive to promote the principle of Socialist Alliance caucuses in the movements and the trade unions. These, of course, need not be — and in many cases should not be — the exclusive form for a left or progressive caucus, but our experience to date shows that where Socialist Alliance members act in a united way within campaigns the impact is powerful and positive and we should seek to make it the norm.

The DSP National Executive has advised the national leadership of Resistance of this proposal and urged it to consider Resistance's role as an independent socialist youth organisation in this step towards greater left unity. We have recommended that the coming Resistance conference discuss its support for the Socialist Alliance and initiate appropriate discussions with the Socialist Alliance and other left groups involved in the youth sector.

We are still working on our exact proposals for that process of transition but they will remain flexible and, of course, subject to negotiation and the democratic decision-making of the Socialist Alliance.

We want to involve all components of the Socialist Alliance in the thinking out process. We intend to considerably expand the pages in *Green Left Weekly* for public discussion and debate on how to strengthen and build the Socialist Alliance and other issues.

Our proposals will be further discussed and developed at the DSP's October 5-7 National Committee, after which the DSP will advise the Socialist Alliance National Executive of any amendments and elaborations that the NC adopts. The position adopted at the NC will become a central proposal for the DSP's 20th National Congress (28 December 2002-1 January 2003), where it will be subject to a vote by the party as a whole.

If any Socialist Alliance National Executive member feels they need further clarification, please do not hesitate to get in touch with me.

Comradely greetings,

John Percy,  
National Secretary, Democratic Socialist Party





# IMF: portrait of a serial killer

MICHEL HUSSON \*

**Latin America, confronted with a spreading and deepening economic crisis, is a favoured terrain for the International Monetary Fund.** However, it is also a source of concern to the IMF as its ruptures with Fund policies become generalized.

The crisis continues to deepen in Latin America. The Argentine disaster has spread very directly to neighbouring Uruguay, because of the economic and financial links between the two countries. For reasons of its own, Brazil has entered a phase of strong financial tensions, while social struggles are developing throughout the continent, from Venezuela where the Chavez government is again in the line of fire, to Peru and Bolivia. This climate has led the IMF to reorientate its policies vis-à-vis its two main sources of concern, namely Argentina and Brazil. The most spectacular manifestation of this turnabout was undoubtedly the announcement on August 8, 2002 of a 'megaloan' of thirty billion dollars to Brazil.

This attitude breaks with the IMF's recent orientation in two ways. In a general fashion, the IMF has chosen to react to the many criticisms made of it by adopting an isolationist course. Instead of injecting money to balance situations, better to let the logic of the market exert itself. Anne Krueger, deputy general director of the IMF, floated the idea of a status of bankruptcy for states. This new attitude was relayed by Paul O'Neill, US Treasury Secretary, who said that there was no use lending money only for it to later turn up in a Swiss bank account.

## Brazil

In Brazil, the IMF has made a very orchestrated attempt at blackmail and pressure tending to destabilize the presidential campaign of Lula. As late as April, the principal argument of the bourgeoisie and Cardoso was to play on catastrophism: if Lula was elected, there will be a situation similar to that in Argentina. It's hard to see the logic of the argument, given that Lula has for a long time opposed the neoliberal precepts of the IMF, which were precisely what have been followed by Argentine governments. In any case, the

Brazilian currency, the real, continued to fall in value in relation to the dollar (40% since the beginning of the year) without obtaining the desired result, inasmuch as Lula remained in first place in the polls, while Cardoso's ratings continued to fall.

Faced with the threat of an uncontrolled extension of the crisis across the whole continent, the IMF returned to a more classic policy, aimed at reducing the pressure on Brazil. However, it did not abandon its attempts to influence Brazilian political life. As usual, its aid is subject to rigorous conditions, whose fulfillment 80% of the credits are linked to. These conditions take the form of considerable budget austerity with a surplus (before payment of interest) equal to 3.75% of GDP, and that until 2005 – well after the elections.

As IMF director general Horst Köhler stresses, it is 'a bridge provided for the next government'. The big novelty is that it is intended to involve all the candidates. Lula has accepted this responsibility: 'at present, we can pursue the electoral campaign without the threat of capital flight', he has

said, leaving to his liberal running mate the job of pledging in advance not to break the terms of this agreement.

## Another tactic

The IMF's tactics in Argentina are obviously different. The Argentine economy having literally imploded, in part under the pressure of its demands for budgetary austerity, the IMF was obliged to take action. After having injected some tens of billions, it stopped the payments last December. It has since then waged a war of position, negotiating an adjustment programme in exchange for the resumption of its aid. The Argentine government has obtained some partial moratoriums on the dates of payment, like for example that of September 9, for 2.7 billion dollars. Perhaps this process could be stretched out until the next elections.

The IMF no longer wishes to destabilize a government exposed not only to the decomposition of the economy, but also to the rise of a popular opposition. In contrast to the attempts at conciliation of the Brazilian PT, the programme of the Argentine radical left rests on the freezing of the debt and the rejection of any discussion with the IMF. Prioritizing the satisfaction of the most urgent needs involves expropriation inside the country combined with a monopoly of foreign trade to centralize export income and halt capital flight. The IMF is then, on the offensive, as the financial arm of the US and its banks, in the name of capital in general. However, its policy also expresses its growing concern in the face of a possible generalization of policies which break from the order it defends.

\* Michel Husson is an economist and a member of the LCR (Ligue communiste révolutionnaire – French section of the Fourth International)

Masks for the demonstration against the IMF and World Bank annual meeting in Washington at the end of September – demands will include debt relief for poor countries, and opposition to war with Iraq



2002 is an election year in Brazil; on October 6 and 27 the first and second rounds of the presidential election are scheduled to take place. At the same time the federal state governors, senators and federal and state deputies will be elected. For the fourth time in succession, Luis Ignacio da Silva 'Lula', is the candidate of the Workers' Party (PT), supported by the CUT trade union federation. In contrast to his stance in the elections of 1989, 1994 and (to some extent) 1998, his campaign has been characterized by concessions to the demands of the employers, while the PT leadership has formed an alliance with the rightist Liberal Party (see IV 343).

We print here the public declaration on the elections adopted by the national coordination of Socialist Democracy, the tendency of Fourth International supporters in the PT, on July 21, 2002.

**W**e have followed with concern the direction in which the majority of the party leadership has been taking the election campaign, especially the presidential campaign and those in certain states. The decision to make the main alliance with a party of the right, the Liberal Party, the way in which some of our most cherished programmatic positions are being distorted, and the violation of our internal democracy, are absolutely vital problems for the role the PT aims to play in Brazilian society.

The underlying problem is how to run a campaign – in a complex situation involving 'blackmail by the markets' – that is both electorally and politically successful, and achieves our party's historic objectives: winning the central government in order to push forward a democratic revolution in Brazil, in line with the kind of society we have always said we want to build.

It needs to be said again: elections should be for us moments of open contest for another kind of society. It is that contest which can allow us to build sufficient political strength not only to elect our candidates, but also to elect them in a way that allows us to implement our programme. If we fail to win support for our proposals during the election campaign, if we fail to make clear who the people's enemies are, if we fail to mobilize people and give a real lead, then we will become hostages to those enemies, and if we should be elected to government, we will find ourselves unable to break out from the powerful web of interests and constraints that shape the neo-liberal policies.

What is at stake in the 2002 elections for President of the Republic, Federal Chamber of Deputies, State governments and legislative assemblies<sup>1</sup>, is the kind of nation we are going to build in the 21st century.

One decisive element in this process – especially in the presidential race – is the evolution of the country's economy. The Federal Government has tried to conceal its own responsibility for the crisis

and to block discussion of fundamental alternatives. It has used economic terrorism to favour its own candidate and to force the popular opposition to bend to the interests of the financial markets. The very government that did so much to increase the country's dependence and give the so-called markets such tremendous leverage, now cynically demands that the opposition make a commitment to 'stay on the right path' of economic management.

The combined comments of the President of the US Federal Reserve, Alan Greenspan, the ex-Vice Director of the IMF, Stanley Fischer, the mega-speculator George Soros, and a host of others, on the 'negative market impact' of Lula's candidacy, show not only that our enemies have no qualms about treating us as enemies; but also that they are fully engaged in trying to ensure that Brazil remains under the dictatorship of capital and the international markets (especially the North American markets).

# Brazil: The PT and the 2002 elections



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On the other hand, the government candidate at these elections tries to combine the language of continuity and change<sup>2</sup>. He speaks both of 'defending economic stability' and of 'policies for growth' and 'income redistribution'. He thus attempts to recognize the deepening doubts about neo-liberalism, and address, in wholly opportunistic fashion, people's growing acceptance of the public policies promoted by the popular organizations, particularly by the parties and local governments of the left.

However the modifications to the neo-liberal litany proposed by the government candidate and the bourgeois parties remain well within the limits of that model. They would produce no significant changes in either the hegemonic bloc of classes or Brazil's dependent insertion into the world market. The anti-national and anti-social foundations of the current policies would remain.

The anti-democratic character of the governing bloc is becoming ever clearer. It is resorting to a variety of illegitimate and illegal operations in this election

campaign, including most clearly its blatant use of the Federal Police against the PT.

Apart from Lula and the government candidate, Jose Serra, a third candidate, Ciro Gomes, has some chance in this election<sup>3</sup>. As the main representative of the bourgeois opposition, he too claims to offer a combination of continuity and change. He constantly reminds people of his time as a minister at the time the Real Plan was introduced (the plan which stabilized Brazil's currency and ended hyper-inflation in the early nineties). However, he also claims to be in opposition to the present government, even though he has the support of the main leaders of the PFL<sup>4</sup> and has the sympathy of other former government figures. In fact, he seeks the votes of those who are dissatisfied with the present government, but at the same time fear a change. This allows him to compete for the opposition vote.

A party like ours, which is committed to 'radicalizing democracy', needs to build a dynamic discussion of our programme amongst the population. Only then will there be the mobilization and social legitimacy needed for us to break with the logic of the market, win the election and begin implementing our governmental programme.

## Global break with existing model

The change the majority of the Brazilian people want will only be possible through a broad mass movement, which carries us into government and gives us the support to take on the social, political and economic transformations we will try to push through. We therefore need to make absolutely clear the polarization between two opposing projects: on the one hand, that of the conservative and liberal forces, identified with the currently prevailing model – this includes both the government of Fernando Henrique Cardoso and the bourgeois opposition, which wants reforms but no break with this model; on the other hand, that of millions of workers, youth,

unemployed and social activists, men and women, who want a break with the prevailing model. A victorious project will not be built out of ambiguities. It demands clear choices and clear proposals.

Our political reference point at this time should be the resolutions of the PT's XII National Conference in December 2001, especially the document 'Conception and Guidelines for the PT's Governmental Programme for Brazil', which dealt with the development of an effective alternative to neo-liberalism in the electoral field. During the debates around the party's internal elections, there were big differences over the programme. But the adoption of this document at the XII Conference, with various amendments included, represented a convergence of positions within the party.

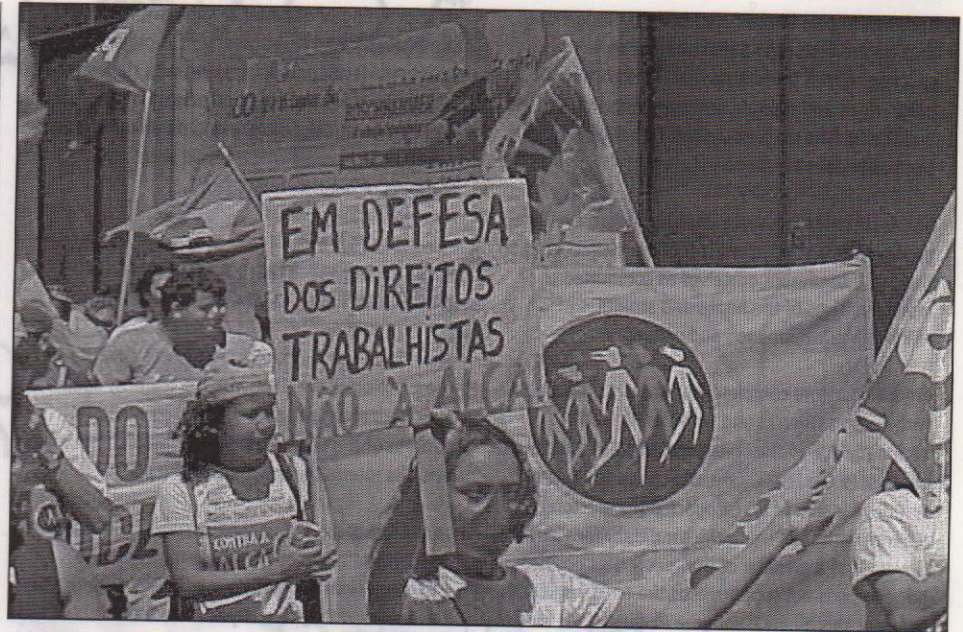
These Guidelines went back to the political-programmatic line the party had developed from its very founding and, more particularly, from the V National Conference in 1987, when we decided to stand Lula for President for the first time. It was that conference which formulated the strategy of the 'popular and democratic alternative'. Now, albeit in a less radical fashion than in the 1987 text, these 'Guidelines' put forward the 'democratic and popular character' of our government programme and state that, "there can be no doubt that a democratic and popular government will have to carry out a real and all-embracing rupture with the existing model, laying the basis for an alternative development model". There was, therefore, a very clear rejection of the demoralizing and truly disastrous failure of what could be called the 'De la Rúa alternative'<sup>5</sup>.

Avoiding any illusions about the progressive character of the Brazilian ruling classes, our party states in the document adopted that the implementation of our government programme "will only be possible if we assemble a new coalition of forces, one which breaks with the succession of conservative pacts which have dominated the country for decades".

### The crisis of neo-liberalism and the rise of struggles in Latin America

In this way the PT's XII Conference reflected how far popular struggles and the questioning of the neo-liberal project have advanced both in Brazil and internationally. In fact, the international outlook for the class struggle has begun to change positively. The growing economic instability, the succession of crises, undermines the legitimacy of the neo-liberal project and feeds a resistance which, since the Seattle demonstrations at the end of 1999, has taken on an international character.

The social and political crisis is deeper in Latin America. It is aggravated by the global recession which has a big effect in the region, and the increase in the foreign debt. Throughout the region, the introduction of neo-liberal policies led to the growth of poverty and unemployment, and made our countries more vulnerable to the pressures of international capital. But US imperialism wants more. It wants to impose a new colonial pact



through the Free Trade Area of the Americas (FTAA). What's more, we shouldn't forget that the proposed FTAA comes along with a growing US military presence in the region, with restrictions on democratic freedoms, and with a reshaping of the role of regional bodies like the Organization of American States (OAS).

On the other hand, Latin America is perhaps the region which, for the moment, has gone furthest towards overcoming the dispersal and fragmentation of struggles which the neo-liberal offensive imposed. We are living through a time of new mobilizations and reorganization of the social movements. The 'argentino' (as they call last December's revolt in Argentina), the defeat of the US-sponsored military coup in Venezuela, the growth of social struggles and the institutional presence of the left in Brazil, the increasing mobilizations in Uruguay and the struggles spreading in Paraguay and Bolivia once again confirm a new period in the class struggle.

This process connects with the growth of the movement resisting capitalist globalization and expresses the emergence of a renewed internationalism. The Porto Alegre World Social Forum is one expression of this.

In this context, the resolutions of the XII Conference set out an orientation which both necessary and entirely possible.

### The need for coherent alliances

A socialist party should always seek social and political alliances, including electoral alliances, on the basis of programmatic agreements. In fact, the feasibility of a government able to carry through profound social transformations requires coherence between programme and alliances, in the framework of a broad popular mobilization and a wholesale democratization of society. Electoral alliances with centre, centre-right or rightwing

parties, not only do not guarantee such coherence or favour our ability to mobilize – they make both impossible.

Broadening our alliance policy to include the PL and other parties outside the popular and democratic camp, flies in the face of this requirement. It fails to take account of our history, and is not even justified by any serious balance sheet of our electoral successes and failures. On the contrary, everything we have learnt up until now reinforces the idea that a socialist and democratic party must separate itself politically from the right and ethically from corruption, and that the changes which we are fighting for require the concerted efforts of a united democratic camp, mobilized behind a project which expresses the hopes and will to struggle of the majority of the population.

Orestes Quercia and the sectors of the PMDB which support him<sup>6</sup> can be characterized as centre or centre-right forces. (The PT in Sao Paulo tried to achieve a local alliance with Quercia – they failed, but this allowed Quercia's people to support Lula nationally.) The PL, however, is definitely a party of the right. In various states it is part of the governing coalition. Its support for Paulo Maluf and Antonio Carlos Magalhaes<sup>7</sup> are eloquent enough. In the state of Alagoas, this party is controlled by the biggest local sugar baron, Carlos Lira. Its representatives have been involved in a series of corruption scandals and have links to Collor de Melo<sup>8</sup>. Two of them were named in the Parliamentary Inquiry into Drug Trafficking.

The texts of the XIIth Conference resolutions, although they approved the extension of alliances towards the centre, maintained the criterion that these should be based on the programme, and certainly did not mention the possibility of including right-wing forces like the PL.

The government candidate presents himself as 'more of the same without being exactly the same',

and tries to give himself credibility by suggesting that we are no longer a real alternative – suggesting that there is no real difference in programme and method between himself and Lula and the PT. The main bourgeois opposition candidate does the same.

In this situation it is more important than ever to preserve the distinct character of our project, and on that basis to present ourselves as committed representatives of the hopes and struggles of millions of Brazilian men and women.

We are therefore completely opposed to the alliance with Orestes Quercia and with the PL, both nationally and in the states, including in the state of Paraíba. In the latter state, our comrade Avenzoar Arruda, a leader of DS, supported the electoral alliance with the PL and the candidacy for Vice-Governor of a member of that party. This position, however, was not supported by the tendency. On the contrary, this alliance with the PL flies in the face of everything we have ever fought for in the PT.

### The perspective of socialism

The failure of neo-liberalism, especially in Latin America, shows that capitalism is not a solution. The kind of development we want – economically viable, ecologically sustainable and socially just – cannot be built within its limits.

We believe the possibility of reaching government needs to be linked to broader processes of change, and to the building of socialism. This is supported not only by the historic positions of the PT, but by some of the party's experiences in local government, which amongst other measures have begun to incorporate organized sectors of the population into decision-making.

It is also supported by the development of the international situation, as was explicitly recognized in the Guidelines text adopted at the XIIIth Conference in Recife:

"There have been popular revolts in various countries, especially in Latin America, with the case of Argentina being the most recent and radical demonstration of the consequences of a policy imposed by the IMF. The growing instability of the world economy, with the succession of crises, has undermined the legitimacy of the neo-liberal project. This change in the world situation makes it possible to combine the defence of sovereignty with the struggle for a radically different world order to that currently being developed. To the globalization of capital and markets, we should oppose the solidarity and internationalism of peoples. In this situation the defence of democratic socialism finds more favourable conditions and the possibilities of support for a left-wing programme on an international scale are growing."<sup>9</sup>

A victory for the PT in the elections will be hailed by the left across the entire world. In contrast to the recent electoral victories for the right, notably in Europe, a left government in Brazil would open news possibilities for the struggle for socialism. The

strengthening of national sovereignty, the non-signature of the FTAA agreement, a project for economic development breaking with dependency, a vigorous movement of popular participation, public and democratic decision-taking on all questions, would be initiatives which would sketch the contours of another model.

### Critique of the majority position on the leadership

There are three fundamental aspects around which the position of the PT leadership majority should be criticized: the expression of the programmatic content of the campaign, the definition of alliances and the internal functioning of the party.

In the first place, before the pressure of the 'markets', our candidate and other representatives of the campaign have adopted contradictory positions. On the one hand they correctly denounce the responsibility of the Cardoso government for the crisis (for its policies which increase the dependency of the Brazilian economy and for its repeated insinuations that the candidates of the opposition are irresponsible) and they have reaffirmed the party's commitment to change. On the other hand, however, they have yielded to pressure and made many statements designed to calm the 'markets', placing on a secondary level the programmatic resolutions adopted by the XII National Conference. Worse still, they have said that a PT government would maintain a reasonable degree of continuity with current economic policy. Lula's 'Letter to the Brazilian people' synthesizes these

policy plays into the hands of the government candidate. It can – correctly – boast that it is more coherent in pursuing this policy.

Moreover, as one might expect, the efforts to calm the 'markets' have yielded very modest results. Their interpreters (the economists of the banks above all) and the members of the government's economic team have recognised the significant effort made by Lula to draw closer to their positions, while saying that it is necessary that he goes much further down this road. The Minister of the economy has 'suggested' an agreement on the maintenance of the current president of the central Bank. Other spokespersons for the 'markets' have condemned the viability of Lula's efforts and those of his campaign leadership to win their confidence, saying that 'reputation is something that is built over time' and that some years are still needed before Lula is considered as a 'friend of the markets'.

In fact, the only measure on Lula's part that could fully satisfy the 'markets' would be the announcement of his withdrawal as a candidate. Naturally, that would not in any way settle the crisis, which has its deep roots in the aggravation of dependency provoked by the policies of the Cardoso government.

The best way to counter this blackmail is not to give in to it but to contribute to the strengthening of the understanding, already acquired by a great number of people, that their interests are contrary to those of the bankers and speculators, so as to win a majority to the struggle necessary to overcome the obstacles to the construction of a new country.

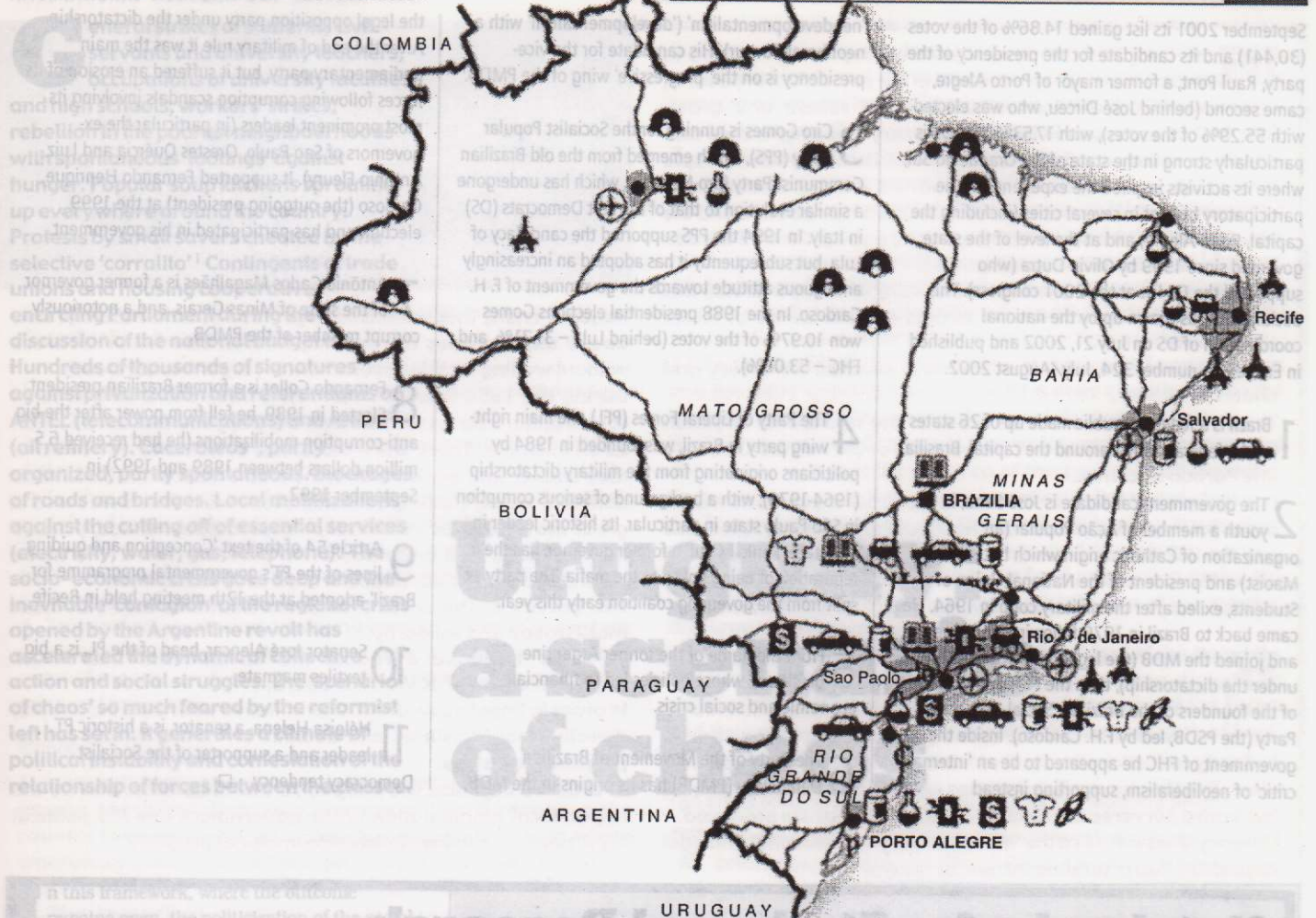


contradictory orientations; reaffirming the commitment to carry through fundamental transformations while simultaneously guaranteeing that those aspects of the current economic policy which financial capital holds dearest will be maintained. Finally, the worst aspect is that whereas the reference to necessary change is general, the guarantees to the markets are very precise.

Obviously, any statement by the PT favouring continuity with aspects of the current economic

The second and the third objectionable aspects of the PT leadership majority relate to the policy of alliances and the functioning of the party. In fact, both the content of its policy and the manner in which it is being implemented by the leadership deserve to be vehemently criticized.

An agreement with the PL would carry novel aspects, which would go beyond the fact that it would involve an alliance with a clearly right-wing party (and for that reason alone it would already be



totally unacceptable). The orders given by the leadership majority amount to agreeing to all the PL's demands. That means creating the conditions under which the party will have the biggest possible number of deputies elected. In the states where the PL has an interest in allying itself with the PT, the alliance is imposed on our local organizations. Moreover, in some cases, the alliance is only concluded for the proportional part of the ballot. Where the alliance is not in the interests of the PL (in the states of São Paulo, Bahia or Rio de Janeiro, for example), the PL is free to do what it wants (to support Maluf and Magalhães for example). There is no incoherence on the part of the PL in this area, the incoherence is entirely on the part of the PT or, more precisely, the majority of its leadership.

One can only understand the position defended by Lula by hearing him affirm that what he is seeking is not the support of this party, which is moreover only very partially granted, but rather winning airtime and above all the possibility of having a big employer as vice-president<sup>10</sup>.

In the case of the state of Alagoas, the imposition of the alliance with the PL constitutes a violence against the entire history of the construction of the PT in this state and shows contempt for the consciousness of the party activists. It throws away the possibility the left had of winning control of the government in this state, a government finally freed from the yoke of the big industrial bosses and organized crime. That is why there was unanimity in the PT in Alagoas against this agreement. For this

reason comrade Héloisa Helena<sup>11</sup> and other comrades have withdrawn their candidacies. At no moment was this policy of alliance with the PL, with all it implies, fully and clearly debated by the party as a whole. The content of negotiations with the PL has not been clarified. Instead, this agreement was imposed on the party by its leadership.

We fight for a democratic party, where collectively taken decisions are respected – in particular the deliberations of national conferences. A party where candidates are not above the party. This is fundamental for both programmatic and electoral reasons: our internal democracy gives us the credibility to defend democracy in society.

The very character of the alliance with the PL forces us to ask how it is possible to transform the country by reproducing the practices of the traditional politics. The policies of guarantees to the 'markets' and alliance with the centre and the right have been implemented by the leadership majority on the basis of the argument that they they would improve Lula's electoral chances. Even if that was true, it would not be a sufficient justification: our objective can not be to win elections at any price, if it means the abandonment of our coherence and our programme.

It is very doubtful, however, that this political gamble will have electorally favourable consequences. At the end of the day, the coherence which is part of the heritage of the PT has constituted a big advantage, including on the electoral level. To have a vice-presidential candidate

like senator José Alencar (who is not only an employer but also belongs to a right wing party supporting Maluf and Magalhães) will not help Lula's candidacy: that contradicts the entire history of Lula and the PT. Moreover, the fact that Lula seems to defend elements of Cardoso's policy – like the establishment of a budgetary exercise disregarding the servicing of the debt and the measures of inflation – can only benefit Serra. Or perhaps favour a candidate who can identify themselves more naturally with this idea of change without a fundamental break, like Ciro Gomes.

To conclude, our critique of certain fundamental aspects of the orientation of the campaign comes from people who fight for the victory of the PT and, more than that, for a government which can initiate a process of fundamental transformation, universalization of rights, participation and popular organization and conquest of effective national sovereignty.

A government which constitutes a step towards the construction of socialism, the elimination of all forms of oppression and exploitation.

What is happening now is too serious to be treated as if it were a minor incident, that will be forgotten once the elections are over, whatever the result. What is at stake is the future of the PT as a socialist and democratic party.

\* The Socialist Democracy current publishes the review *Em Tempo*. At the last internal PT elections in

September 2001 its list gained 14.86% of the votes (30,441) and its candidate for the presidency of the party, Raul Pont, a former mayor of Porto Alegre, came second (behind José Dirceu, who was elected with 55.29% of the votes), with 17.53%. The DS is particularly strong in the state of Rio Grande do Sul, where its activists inspired the experience of the participatory budget in several cities (including the capital, Porto Alegre) and at the level of the state, governed since 1999 by Olívio Dutra (who supported the DS list at the 2001 congress). This declaration was drawn up by the national coordination of DS on July 21, 2002 and published in *Em Tempo* number 324, July/August 2002.

**1** Brazil is a federal republic made up of 26 states and a federal district around the capital, Brasília.

**2** The government candidate is José Serra, in his youth a member of Ação Popular (an organization of Catholic origin which became Maoist) and president of the National Union of Students, exiled after the military coup in 1964. He came back to Brazil in 1979 following an amnesty) and joined the MDB (the legal opposition party under the dictatorship), then the PMDB. He was one of the founders of the Brazilian Social Democratic Party (the PSDB, led by F.H. Cardoso). Inside the government of FHC he appeared to be an 'internal critic' of neoliberalism, supporting instead

'neodevelopmentalism' ('developmentalism' with a neoliberal flavour). His candidate for the vice-presidency is on the 'progressive' wing of the PMDB.

**3** Ciro Gomes is running for the Socialist Popular Party (PPS), which emerged from the old Brazilian Communist Party (pro-Moscow), which has undergone a similar evolution to that of the Left Democrats (DS) in Italy. In 1994 the PPS supported the candidacy of Lula, but subsequently it has adopted an increasingly ambiguous attitude towards the government of F. H. Cardoso. In the 1988 presidential elections Gomes won 10.97% of the votes (behind Lula - 31.71%, and FHC - 53.06%).

**4** The Party of Liberal Forces (PFL), the main right-wing party in Brazil, was founded in 1984 by politicians originating from the military dictatorship (1964-1979), with a background of serious corruption in São Paulo state in particular. Its historic leader in this state, Paulo Maluf, a former governor, has the reputation of being linked to the mafia. The party split from the governing coalition early this year.

**5** From the name of the former Argentine president, whose policies led to financial, economic and social crisis.

**6** The Party of the Movement of Brazilian Democracy (PMDB) has its origins in the MDB,

the legal opposition party under the dictatorship. After the end of military rule it was the main parliamentary party, but it suffered an erosion of its forces following corruption scandals involving its most prominent leaders (in particular the ex-governors of São Paulo, Orestes Quércia and Luiz Antonio Fleury). It supported Fernando Henrique Cardoso (the outgoing president) at the 1999 election and has participated in his government.

**7** Antônio Carlos Magalhães is a former governor of the state of Minas Gerais, and a notoriously corrupt member of the PMDB.

**8** Fernando Collor is a former Brazilian president. Elected in 1989, he fell from power after the big anti-corruption mobilizations (he had received 6.5 million dollars between 1989 and 1992) in September 1992.

**9** Article 54 of the text 'Conception and guiding lines of the PT's governmental programme for Brazil' adopted at the 12th meeting held in Recife.

**10** Senator José Alencar, head of the PL, is a big textiles magnate.

**11** Héloisa Helena, a senator, is a historic PT leader and a supporter of the Socialist Democracy tendency. □

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**G**eneral strikes of students, civil servants and university teachers, occupations of university faculties and high schools, workers' strikes, rebellion in the poorest neighbourhoods with spontaneous 'lootings' against hunger. Popular soup kitchens sprouting up everywhere around the country. Protests by small savers cheated by the selective 'corralito'<sup>1</sup> Contingents of trade unions and housing cooperatives encircling Parliament during the discussion of the national budget law. Hundreds of thousands of signatures against privatization and referendums on ANTEL (telecommunications) and ANCAP (oil refinery). Caceroleos<sup>2</sup>, partly organized, partly spontaneous. Blockages of roads and bridges. Local mobilizations against the cutting off of essential services (electricity, water, gas, telephone). The socio-economic crisis goes deep and the inevitable 'contagion' of the regional crisis opened by the Argentine revolt has accelerated the dynamic of collective action and social struggles. The 'scenario of chaos' so much feared by the reformist left has set in. It generates a climate of political instability and contestation of the relationship of forces between the classes.

**I**n this framework, where the outcome remains open, the politicization of the social struggles and popular resistance and the urgent construction of an anti-capitalist programmatic alternative are the main tasks of the revolutionary and socialist left.

#### Neoliberal crisis

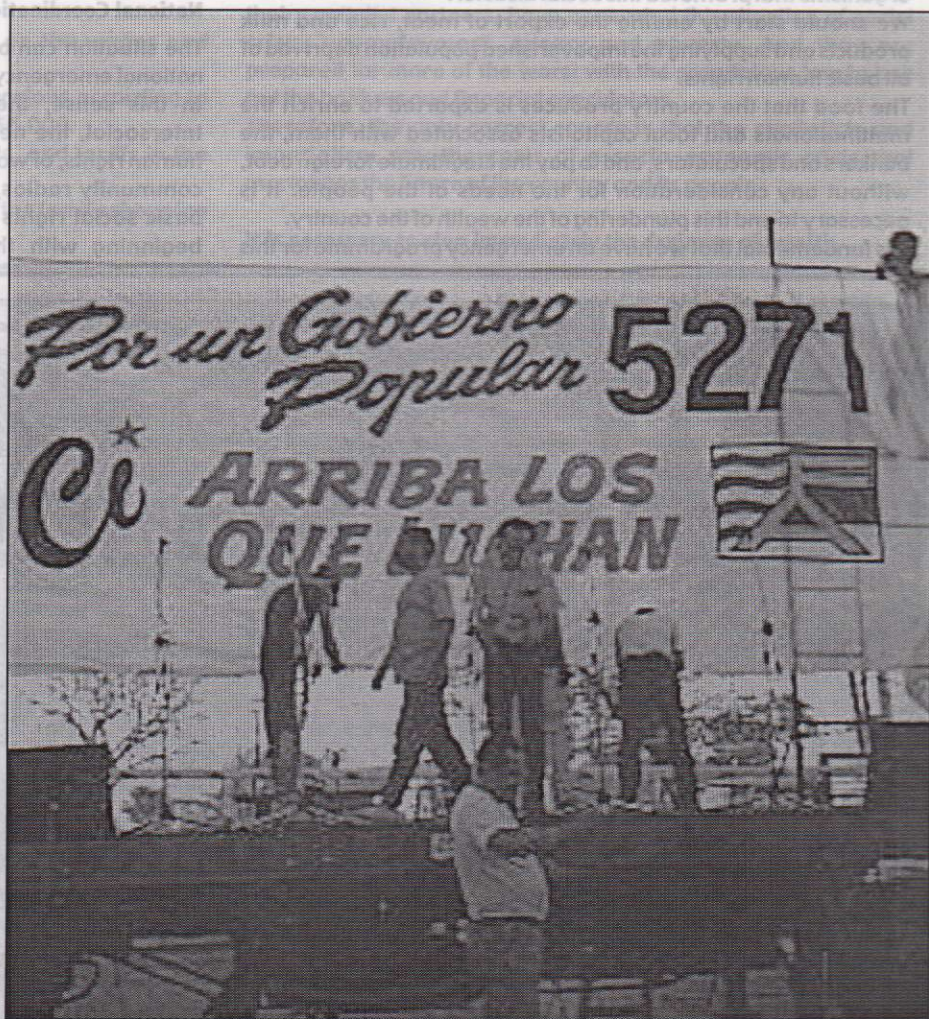
The bankruptcy of the 'model' has all the characteristics of an economic and social catastrophe. In less than one year, the country has lost 80% of its monetary reserves, the fiscal deficit is running at 5% of GDP, inflation is over 12%, and the peso has depreciated by 40% in less than two months.

There are no favourable indicators in any sector of the economy. Exports fell by 15.8% in July alone, GDP fell by more than 10% in 2002, and the economy has been in recession for three straight years.

The social drama provoked by years of neoliberal policies has a dimension without precedent in the country's recent history: 200,000 unemployed (16% of the active population); 700,000 people with 'employment problems', thousands laid off in industry, trade and the big supermarket chains; wages down by as much as 30% in some sectors; more than 25% of the population living in poverty (45% of them children); and 200,000 people in temporary housing because of evictions or inability to pay the rent.

Emergency services have been closed in the (university) hospital at Clínicas where the poorest people of both Montevideo and the interior of the country are → page 25

# Uruguay: a scenario of chaos



**M**ore than 200,000 Uruguayans unemployed; 700,000 in precarious employment; 25% of the population in poverty; undernourished children who 'feed' on refuse and grass; 200,000 Uruguayans living in temporary housing; wages and pensions reduced in value by 40%; thousand of young people thrown into economic exile; small savers robbed; thousands of millions of dollars thrown into the pockets of speculators and the payment of the fraudulent foreign debt; a programmed assault on state owned banks and companies.

This attack on the people and its standard of living is brutal, this attack is repeated in the next budget and the Letter of intent signed with the IMF.

Thousands of compatriots in the most unheard-of misery and enduring hunger.

This is the obscene balance sheet of the neoliberal coalition headed by Jorge Batlle and his partners of the Partido Colorado and Partido Nacional.

For these reasons, the Corriente de Izquierda reaffirms its proposal for: National Elections Now; Let the People Decide; Batlle and the IMF out of the government. Because it is irresponsible to allow this government to continue destroying the country until 2005. For a government of the Frente Amplio and the workers.

**B**ut hunger does not brook any delay, nor does it conform to any political timetable.

There is no historical antecedent for a crisis like the present one, nor of massive famine in the country. In a country characterized by food production, this famine is unacceptable from any point of view. The Uruguayan Famine does not result from a lack of food, but from a perverse distribution of the goods that are produced. Uruguay does not need the 'aid' of the very international financial organisms that promoted this social disaster.

We should start by ending the export of meat, rice and milk products and supplying the impoverished population deprived of all basic human rights.

The food that the country produces is exported to enrich the multinationals and local capitalists associated with them, the bankers and speculators, and to pay the illegitimate foreign debt, without any consideration for the needs of the people. It is necessary to end this plundering of the wealth of the country. It is fundamental that we have an emergency programme for this

## Corriente de Izquierda-Frente Amplio

# Proposal to

national crisis, that mobilizes organized social solidarity. But, above all, that uses the existing natural and food resources without waiting for this government to respond to our needs.

During the 1958 floods, when the country suffered a natural catastrophe, a series of measures were applied that can be taken as an example. There were thousands of homeless who had to take shelter and be fed and there was a national mobilization donating foods, clothes, bedding, medicines. There was also a great movement of volunteers who classified foods, packed them, loaded and unloaded them onto transport. The trade unions and student associations organized solidarity.

The gravity of the present moment demands an equivalent mobilization and solidarity.

In order to make a reality the Social Front that social organizations like FUCVAM have set up.

In order to impel a Law of Popular Initiative where it is the people, directly, that legislates and decides on its social, economic, political necessities.

In order to organize the people, so that is not deceived by the hypocritical manipulation of the government and the political right, nor by the industrialists of 'communal property'.

### National Coordination Against Hunger

The situation can be defined as one of social catastrophe and national emergency in the face of famine.

In this sense, the PIT-CNT, FUCVAM, FEUU, SERPAJ, UTD, Intersocial, the neighbourhood movements, movements for human rights, of women, young people, committed intellectuals, community radios, popular soup kitchens, NGOs that defend basic social rights and the political organizations of the left, beginning with the Frente Amplio and its rank and file





Montevideo, 19 August 2002

# defeat hunger

committees, should take the initiative, organizing a National Coordination Against Hunger.

- 1 To supply food for meals for children and for the popular soup kitchens;
- 2 To impel the creation of new popular restaurants, in the districts condemned to the misery and exclusion, and to help the collective organization of people, without confusing this basic social and humanitarian task, with 'social assistance';
- 3 To guarantee solidarity with the unemployed, with the popular struggles, and the centers of work and study under occupation;
- 4 To reject all repression, trials and imprisonment of the victims of a capitalist economic system that only produces misery and unemployment, and criminalizes the legitimate protest of the poor and excluded.

## Emergency Measures

A great national campaign against hunger, of food collections among the population with storage points throughout the country to mobilize social solidarity, demands of immediate emergency measures that are perfectly viable and applicable.

What is needed is:

- 1 The immediate elimination of the tax on the wages and pensions of the workers;
- 2 An immediate increase in wages and pensions according to the index of inflation, taking the minimum to \$6,000.
- 3 The freezing and control of prices, rents, and tariffs in the public services;
- 4 The elimination of VAT for the products of the family shopping basket, lighting, water, gas, telephones;

→ page 23 cared for. Tens of thousands of Uruguayans have emigrated to other countries.

Meanwhile, there is a salvaging of the private 'financial system' and the shipwreck of the public banks (República and Hipotecario, who account for 75% of savings and credit). A selective 'corralito' has been applied, affecting the majority of small savers holding fixed term deposits with the state bank (accounts of less than 10,000 dollars) and draining money towards the foreign private banks. The law voted through at the end of last week by Parliament (with the opposition of the Frente amplio) is the condition imposed by the US Treasury Department and IMF to liquidate the state banks once and for all, as well as any margin of economic and financial sovereignty.

The crisis of capitalism and its 'neoliberal model' has acquired a new dimension: a gigantic confiscation of incomes, jobs and small savings accounts, a programmed assault against the public banks and enterprises and a continuation of the payment of the foreign debt. The majority of the 3,500 million dollars in 'aid' coming from the IMF and the World Bank serves to cover the debt interest which falls due before the end of the year (before the breakout of the

crisis, Uruguay paid 700 million dollars a year). On the other hand, nothing guarantees that 'default' will be avoided.

The (unwritten) commitment is the complete subordination of the local ruling classes to the new colonial pact imposed by imperialism, the Free Trade Area of the Americas (FTAA) project and Plan Colombia.

In this context, the loss of political credibility of the coalition government (Partido Colorado and Partido Nacional) deepens while its social and electoral base shrinks. The three key components which have underpinned the neoliberal discourse (efficiency, stability, legitimacy) have come unstuck. The president, Jorge Batlle, who came to power with nearly 50% of the votes in 1999, now has an approval rating of only 15%.

This is not only a crisis of the neoliberal paradigm which had been presented as the only 'model of growth' but also a crisis of the state, its 'traditional' parties and the political regime of domination established through 'representative democracy' since the fall of the dictatorship.

To guarantee this new colonial pact, the government has embarked on a campaign of criminalization of 'social disorder' and threatens

- 5 The suspension of cuts in 'essential services' (lighting, water, gas, telephone) and the suspension of the payment for those services where the head of the family is unemployed;
- 6 A ban on layoffs;
- 7 The immediate suspension of evictions;
- 8 Free collective transport for evicted families;
- 9 That the big supermarket chains, commercial enterprises and restaurants contribute a daily amount of food according to their market share to canteens for children and popular soup kitchens;
- 10 To demand that the refrigerators do not export meat until the hunger situation has been dealt with and that they supply a daily quota to the canteens for children and popular soup kitchens;
- 11 To demand that the Sanguinetti, Manini, and Saman groups and the other exporters of rice make a daily contribution to the canteens for children and popular soup kitchens;
- 12 To demand that Conaprole, Parmalat, and other companies donate the milk that the children of the poorest districts need. Each company a percentage in proportion to its market share;
- 13 To apply to the AFAPs and to the private banks a tax on their profits for the purchase of food, clothes, and medicines;
- 14 Distribution of all State lands for food production under the guidance of the faculty of Agronomy; distribution of the lands of the large indebted estate owners;
- 15 Reduction by 50% of the pay of the president of the Republic, ministers, administrators, senators, deputies, diplomatic personnel and high officials of the Armed Forces and the Police and the turning over of these resources for the purchase of food, clothes, and medicines.

The crisis does not have to be paid for by the working people

**T**he neoliberal coalition government of blancos and colorados, the IMF, the World Bank, the multinationals and their capitalist partners, have generated this situation of social crisis, unemployment, misery and poverty. And they are prepared for more of the worst with the scandalous law to bail out the bankers and financial speculators.

Therefore, the only correct course is that the capitalists and imperialism pay the costs of a socio-economic crisis that mortgages the future of the country and its people.

**It is necessary to stop immediately the drainage of wealth.**

to impose emergency measures. It seeks to stigmatize the trade union, cooperative and human rights movements, the community radios and the entire left and social organizations. In particular, it has begun a campaign of denunciations and threats against the most radical sectors of the resistance and the Corriente de Izquierda-CI<sup>3</sup>.

## Reformist setback

Although the majority of the Frente Amplio<sup>4</sup> leadership opted for 'dialogue' and understanding, in the framework of a line of 'responsible opposition', the 'scenario of chaos' which it so much feared (because it would 'prejudice' the possibility of winning the national elections in 2004) has enveloped the country.

It has exposed the bankruptcy of its strategy of 'democratic governability' as well as the strategy of 'social dialogue' supported by the majority of the leadership of the PIT-CNT<sup>5</sup> and by numerous trade unions who advocate class conciliation with the entrepreneurs.

The drift to the centre of the majority of the FA leadership is being challenged by a significant sector of the rank and

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→ page 25 file and the popular movement, faced with the magnitude of the socio-economic crisis and the breadth of the social resistance.

Both institutional 'loyalty' and the 'culture of government' \*6 are being put to the test now. The strategy which rests uniquely on the distant and uncertain electoral horizon of 2004 clashes with the breadth and radicalism of the popular resistance, the debates inside<sup>7</sup> the FA and the legitimacy gained by the proposals of the CI and social organizations, summed up in the slogans: 'Battle and the IMF out of the government! Bring forward the elections!; 'Constituent Assembly, popular and sovereign!' (made up of the political organizations with the social and popular movements and organizations).

These proposals have a perspective of radical democratic rupture with the electoral timetable imposed by the bourgeois institutions and rest on the premise that democracy involves the right of recall of the elected representatives and the direct participation of the people.

### The revolutionary left

The revolutionary left faces two challenges in a context of sharpened class struggle where all political tempos accelerate.

To articulate the action and the diverse militant experiences accumulated in both the resistance movements and the FA, within a scenario of a united left front.

Secondly, to reorganize a revolutionary and socialist strategic perspective, capable of linking to an emergency programme against hunger with an anti-capitalist and anti-imperialist transitional perspective, so that unemployment and poverty do not demoralize the workers' and popular movement.

Thus the CI has launched an appeal to establish a National Commission against Hunger (see box) that it is presenting to the National

Plenum of the FA and to the social organizations, while initiating the establishment of popular neighbourhood assemblies to give it an organized social and political content. □

ERNESTO HERRERA

Montevideo, August 17, 2002

*Ernesto Herrera is a member of the national leadership of the Corriente de Izquierda, and editor of the monthly Corriente de Izquierda. He is a member of the United Secretariat of the Fourth International.*

### NOTES

1 The freezing of saving accounts in Argentina in December 2001, was called the 'corralito' ('little ranch'). The Uruguayan government followed the same road this summer.

2 Demonstrations involving the banging of saucepans. In Argentina they are known as cacerolazos.

3 Corriente de Izquierda ['Left Current'], set up in 1997. Regroupment of the radical left, involving militants from the Marxist tradition (Trotskyist, Communist, socialist), Tupamaros, revolutionary nationalist and independents. It defines itself as 'a plural and unitary political organization, revolutionary, socialist and internationalist'. With 350 militants and around 1,000 supporters. It publishes 2,000 copies of the monthly Corriente de Izquierda. Part of the FA, it has a militant intervention in the trade unions, neighbourhood movements, human rights, housing cooperatives and youth organizations. It participates in the rank and file and coordinating Committees of the FA. In the FA's recent internal elections (May 26, 2002) it obtained 6,000 votes. In September, the CI held its Third National Congress.

The government intelligence services accuse

participating in 'social disorder' and acts of 'violence' like the looting of shops. The right wing press links the CI's 'political strategy of confrontation' with the struggle of the Argentine piqueteros.

4 Frente Amplio, set up in 1971. Spent the years of the dictatorship in clandestinity with thousands of its militants imprisoned. It is currently the main political force in the country (40% of the national electorate and an equivalent parliamentary representation).

It has governed Montevideo, the capital of the country for 13 years. It is a 'movement-coalition' made of the left political parties and territorial rank and file committees throughout the country. It has 200,000 members. The biggest organizations are the Movimiento de Liberación Nacional-Tupamaros, Socialist Party, Asamblea Uruguay, Vertiente Artiguista, and the Communist Party. The FA participates in the Sao Paulo Forum and its leadership nucleus (Grupo de Trabajo).

5 Plenario Intersindical de Trabajadores-Convención Nacional de Trabajadores, the single trade union federation. Has 120,000 members, mostly in the public sector.

6 The idea of a 'culture of government' opposed to a 'culture of resistance' has developed in the leadership of the FA, mainly, starting from the municipal government of Montevideo, in the hands of the FA since 1990.

7 The crisis has generated an intense debate, both in the FA leadership and in the rank and file committees. The MLN-Tupamaros advocates a 'patriotic government of national salvation' and the Communist Party a 'government of national reconstruction', while the PS does not rule out the possibility of a constitutional law that would allow elections to be brought forward. In any case, the slogan on the walls of the cities and on the protest marches is "¡Fuera Batlle y el FMI del gobierno!" [Battle and the IMF out of the government!]



**O**n June 15-16, 2002 the PST-CI (a nucleus of supporters of the Fourth International inside the Corriente de Izquierda) held its first Conference since the split in the Uruguayan 'section' of the FI in March 2001.

In reality, it was more than anything a militant Assembly, where our own comrades (both 'old' and 'new') participated with activists from the social movements, militants of the Corriente de Izquierda and its national leadership, and comrades from other countries.

The agenda of the meeting centred on the regional conjuncture (socio-economic crisis, political instability, revival of popular struggles), and on the tasks that present themselves to revolutionaries in a perspective of building an anti-capitalist left. In such a sense, debate centred on the problems of tactics and strategy, of how to act in the framework of broad unity (Frente Amplio), and how to intervene in the social resistance with a socialist programmatic horizon.

For the nucleus of militants who make up the PST-CI, such a perspective of construction of an anti-capitalist left is posed in practice "starting from the Corriente de Izquierda and in the direction of a political and social left as a whole... so as to reorganize a radical left camp inside the Frente Amplio and the social movements which structure the resistance to the neoliberal model".

Without the pretension of voting on 'balance sheets' or 'resolutions', still less of establishing sectarian 'organizational' schemas, the Assembly attained its objectives: an open debate between social militants who collectivized their experiences in the popular movement, in the Frente Amplio, and

in the construction of the Corriente de Izquierda.

Of extraordinary utility was the participation of comrades from the Corriente de Izquierda who did not belong to our nucleus, and with whom we share everyday militant tasks; of equal usefulness was the presence of comrade Javier Carlés of Izquierda

Morales (Movimiento de Izquierda Socialista-Partido de los Trabajadores-Brazil).

Profiting from their presence we held a public meeting on June 17, to discuss the common problems facing revolutionary militants active in the popular struggles of Latin America and Europe, in the campaigns against the FTAA, against Plan Colombia and for non-payment of the foreign debt and in the World Social Forum. The urgent necessity of reinforcement of a coordination of activities in the framework of the process of regroupment of an anti-capitalist, democratic and pluralist left, emerged clearly from this debate, while the importance for the radical left of avoiding any sectarian and self-proclamatory orientation was stressed also.

There were also radio interventions and public debates with the comrades from other countries both in Montevideo and the department of Maldonado. More than 150 militants from the Corriente de Izquierda, the Frente Amplio and the social movements spoke on the situations in Colombia, Brazil, Paraguay and Mexico.

Finally the Conference received a number of greetings: from the Bureau of the United Secretariat of the Fourth International, Taller de Formación (Puerto Rico), the Tendencia Socialista Revolucionaria (Chile), the collective of the review Herramienta (Argentina), comrades Juan Berterretche (Florianópolis-Brazil), Luis Sanguinet (Madrid-Spanish state), Ruben Navarro (Lyon-France), and Eduardo Lucita (Cuadernos del Sur-Argentina) and Claudio Katz (Economistas de Izquierda-Argentina). EH

## PST-CI: first conference of FI supporters

Revolucion-aria, a Uruguayan group linked to the International Socialist Tendency (whose main organization is the British SWP).

In the same way the participation of comrades from other countries allowed us to accumulate experiences, broaden our field of vision and situate Uruguay's revolutionary struggle in the framework of a regional and international scenario of reconstruction of an anti-capitalist and anti-imperialist left. Participants included: Edgard Sánchez Ramírez (Partido Revolucionario de los Trabajadores-Mexico), Lucio Costa (Democracia Socialista-Partido de los Trabajadores-Brazil), Daniel Libreros (Presentes Por el Socialismo-Frente Social y Político-Colombia), Antonio Rodríguez (Convergencia Popular Socialista -Paraguay), Charles-André Udry (Mouvement pour le socialisme-Switzerland), Pedro Pujals and Enrique

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There is also a Palestinian chapter in the war on Iraq. It is quite possible that Israel will exploit an attack on Iraq in order to achieve a terminal solution to the Palestinian uprising. This attempt might take the shape of the elimination of the current Palestinian leadership and a later ethnic cleansing in the West Bank, either within the territory or to neighboring countries.

On a regional scale, there are even rumors of a possible use of nuclear weapons if Israel is attacked. In reality, military analysts in the Israeli press deal daily with both topics: the ethnic cleansing and the use of nuclear weapons.

The scope of the Israeli threat to use nuclear weapons goes beyond the war in Iraq and is another tool to force the region into a 'state of emergency.' The Israeli security establishment has made a general statement that it is considering using nuclear weapons in case of an attack. Israel may be attacked by Iraq in the context of a war in the Gulf, and may also be attacked by an Arab coalition in case of ethnic cleansing in the OPT (an Arab response similar to the NATO response in Yugoslavia to the ethnic cleansing in Kosovo). The aim of the threat to use nukes is to intimidate the Arab regimes not to respond to a possible ethnic cleansing in the OPT.

The US establishment begins to face a need to adapt its politics to a more realistic view of

Middle East. The attitude of Europe and the broad opposition in the Arab countries has started to impact Washington. As a matter of fact, the last ally in the coalition against Iraq is Israel. There are some wise voices in the US administration that understand that this is not enough - in this case all the risk will be on US shoulders, as well as all the financial burden.

### the task is to oppose the war

It is urgent today to create an international state of emergency against the war. To raise the domestic price to be paid in case of a military intervention in Iraq. The objective is to make the breach in the US administration grow. The internationalization of the Palestinian cause should be central: we should make the test case fail.

There are today three urgent topics on the agenda:

**1** To de-legitimize the nuclear discourse of Israel along with the ethnic cleansing discourse.

To create campaigns that focus on the ongoing legitimization of the discourse of ethnic cleansing and the use of nuclear weapons. To build a clearing house that will denounce those discourses

internationally. To create watch task-forces on practices of localized situations of ethnic cleansing (south Hebron for example) that will visit the region and report/lobby local governments. To lobby the media with information.

**2** To fight for the empowerment of the institutions of international legitimacy (such as the UN).

To demand the empowerment of international regulation institutions in the ME such the UN, to demand that a UN delegation on human rights will arrive to the OPT. To demand that country official and unofficial delegations will visit the OPT. To demand the opening of country/semi-official NGOs delegations in the OPT.

**3** To fight the new-impunity stated by Israel and the US.

Both the US and Israel preserve the impunity of their armed forces. It is urgent to start building cases for the ICC and to use local legislation in cases of impunity all the time the ICC regulations remain unclear. To build a clearing house on war crimes in the ME.

Of course nothing can substitute for broad and mobilized popular actions against the war in the ME and in solidarity with the Palestinian struggle. □

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**“O**UT WITH THE LOT OF THEM – LET NOT A SINGLE ONE REMAIN.” This is the slogan which today unites broad sectors of the Argentine social movement and left. It shows the degree of radicalization amongst the people and the depth of the crisis facing the regime, its institutions and the traditional parties and politicians in South America's second largest country. Ever since last December's 'argentínazo', a civic insurrection that led to the collapse of the De la Rúa government (and to savage repression that left dozens dead), things have only got worse.

In its breadth and intensity, the economic crisis is unprecedented in Argentina's history. The GDP is set to fall 15% this year and the social consequences are terrible: unemployment is already above 25% and the drop in wages means that 50% of wage-earners receive less than 140 dollars a month, whilst the official poverty line is 180 dollars. The combination of these factors means that 18 million people (out of a population of 35 million) are now classified as poor, and of these 7.8 million are classified as destitute.

But popular resistance to this social crime perpetrated by the Washington Consensus and its corrupt local partners is growing and getting more radical. As Eduardo Lucita, the Editor of the journal Cuadernos Del Sur, puts it, "the combination of self-organization and self-management of basic necessities within the popular movement is producing a 'new subjectivity', with varied and complex characteristics, whose main feature is a powerful tendency towards democratization and political independence - precisely the opposite of the crisis of governability and representation which is shaking the bourgeoisies and its institutions."

It is in this context that the Argentina Social Forum was held in Buenos Aires from August 22-25, 2002. It was the first big event of the current globalization of the World Social Forum in Latin America, linking up with the European and Asian Social Forums. Under the title, 'The crisis of the neoliberal model and the challenges for the global movement', it followed the model of Porto Alegre, with numerous workshops, seminars, debates and other activities. More than 600 social organizations and movements, collectives, trade unions and NGOs came together to sponsor the WSF in Argentina, and to help organize the event.

The Argentine Forum provided a space for solidarity with the struggles of the country's popular movement. It not only gave rise to a wide-ranging and plural discussion on the brutal failure of neo-liberalism, but also on the emergence of new forms of resistance and alternatives across the region and internationally.

The Argentina Social Forum began on 22 August with a big march of more than 10,000 people from the Plaza de Mayo to the Plaza Houssay, where the opening rally was held. The Forum's activities were concentrated in the buildings of University of Buenos Aires (UBA), close to the Plaza Houssay, and in the square itself, where in addition to big debates there was a self-managed, round-the-clock fair, providing a permanent meeting space and party atmosphere.

There was a strong presence throughout the Forum of militants from the popular assemblies, including those of the 'Barrios de Pie' movement, from the unemployed workers movements (the 'piqueteros') and, in huge numbers, of youth

# “Out with the lot of them!”

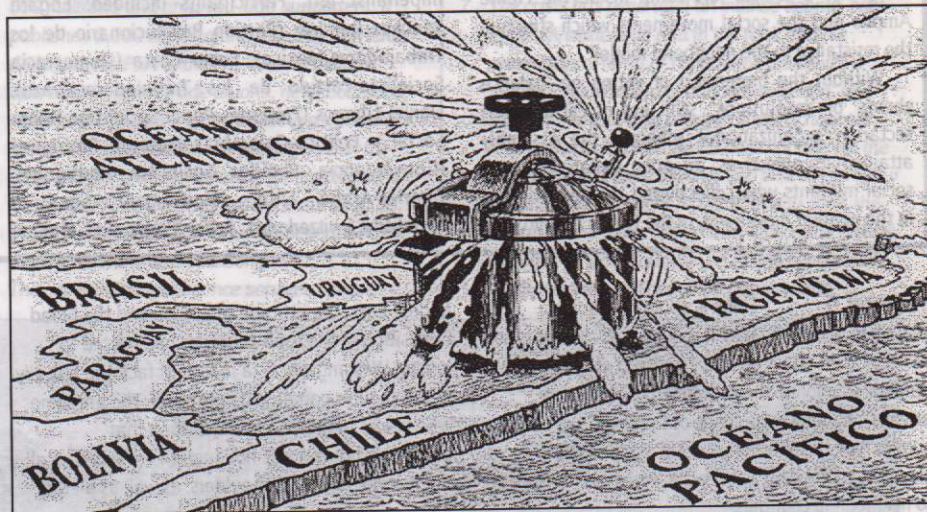
EDUARDO MANCUSO \*

Amongst the representatives from Latin America, the Bolivian delegation stood out, with peasant leader Evo Morales (from the Movement towards Socialism), at their head - he came a close second in his country's recent presidential elections. Also present were a variety of critical intellectuals, democratic personalities, social activists and political leaders like the Nobel Peace laureate Adolfo Perez Esquivel, the executive secretary of CLACSO (a Latin America-wide research institution), Atilio Boron, as well as Peruvian sociologist Anibal Quijano, the Mexican Ana Esther Cecena (Revista Chiapas), the French trade unionist

FTAA that will take place from October 27 to November 1 in Quito, Ecuador.

The Assembly of Social Movements which closed the debates of the WSF in Argentina on the Sunday, 25th, drew together the many discussions developed over the three days of activity and showed how important it is to strengthen spaces like this, where different struggles and different social movements can converge.

Latin America is perhaps the region of the world which, at the moment, has gone furthest in overcoming the fragmentation imposed on social



Christophe Aguiton, the former Mayor of Porto Alegre, Raul Pont, to name just a few. There were also many activists of the Continental Social Alliance from a number of Latin American countries, as well as Argentina's two main opposition candidates, Elisa Carrio (ARI) and the left-wing socialist, Luis Zamora (Self-determination and Freedom).

On the evenings of August 23 and 24, thousands of people attended the main panel discussions held at the various faculties of the UBA and in the Forum's central marquee. They analyzed the causes and consequences of the crisis in Argentina and the forms of resistance and alternatives put forward by activists from the Argentine social movements and by international delegates. The Saturday also saw the National Assembly against the FTAA (Free Trade Area of the Americas), which took steps towards coordinating initiatives and pointed to the importance of the Continental Days of Resistance against the

struggles by the neo-liberal offensive, and in our case by the attempt to impose a new colonial pact in the form of the FTAA. The revolt in Argentina, the reversal of the coup in Venezuela, the electoral possibilities in Brazil, the mass mobilizations in Uruguay, Paraguay and Bolivia (including the blocking of privatization) - all these in different ways show that a new period of class struggle is opening up.

And this in turn feeds into the growing movement against capitalist globalization and the emergence of a new internationalism - of which the World Social Forum in Porto Alegre is at the moment the main expression. The Forum in Argentina was another exciting illustration of the process that is underway. □

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December 19 and 20, 2001 were moments when a different history burst asunder previously held convictions. With anger in their throats, men and women left their homes and, demanding food and work, invaded the supermarkets and took over the highways. Police fired into the neighbourhoods, but the sounds of the pot-bangers, increasing in numbers, became louder and transformed these early discordant notes into a noisy sea that flowed through streets and city squares, breaking the state of siege and repelling the repression.

Young people changed their daily routines: many left their office jobs and went to the city centre to join thousands of others and participate in the battle of the Plaza de Mayo. It became normal, during these two days, to break the laws that had been imposed by governments, institutions and cliques of 'progressive' intellectuals.

## New frontiers of workers' control

JOSEFINA MARTINEZ\*

**I**t was an important event. The feeling of a break with the conventions of everyday life spread in the city streets and squares. At the same time, feelings of disillusionment with previous governments and institutions accumulated. This was a heightening of consciousness and a deepening of the people's experiences of spontaneous struggle. However, to go beyond this, in the short term, we are required to turn to history to understand the genesis of possible future developments in the struggle.

A government, elected within the framework of a democracy "which cost us so much", (laments a chorus of respectable historians), was overthrown by forces that had, until then, received little recognition in most academic reports.

The questioning of the old style politics crystallized around the popular slogan "They should all go!" which challenged the ideas of the UCR, PJ, and Frepaso<sup>1</sup> - organizations that had been formed within the structures of so-called 'representative' democracy. However, today it's easy to see the limitations of the events of the days of December: it was not possible to prevent the old parties, who were trying to save themselves in the crises, installing a new government, with themselves in power. Now, they wish to convert the slogan "They should all go!" into a well-arranged cosmetic modification of electoral images whereby nothing changes.

### Destruction of productive forces

The statistics and numbers in Argentina seem to have lost all sense of meaning: in the last months alone, a million and a half poor, eighteen million below the poverty line, firings from jobs by the minute. Men and women are being driven into a corner. On the outskirts of Rosario, cattle have been slaughtered on the highway. In the city, cardboard collectors ('cartoneros') have organized themselves, with their wooden handcarts, claiming the 'right' to go through city refuse. All these are expressions of a social desperation that grows day by day.

Currency devaluation, like a voracious monster, has accelerated the process of

decline; the economic crisis devours everything - food, housing, hospital supplies, wages, while thousands of tons of grain and cereals remain in storage in the silos at the ports, along with petroleum and gas, all the fruits from the land. Along with steel, fabrics, bricks and telephone cables, they are all there.

Thousands of factories and businesses are in a state of financial collapse or economic crisis. Since Duhalde took over the government, hundreds of thousands of jobs have been lost. Wages have fallen by more than 50%. The public health system is in its death throes. An enormous destruction of the country's productive forces continues to unfold. Working men and women, the main productive force in the economy, are suffering the full weight of this decline.

It is a crisis of Argentine capitalism. Its irrationality condemns millions to misery, while a group of bankers together with their allies in the international financial organizations blackmail the government to the point of humiliation, claiming that the economy is at a 'sustainable level'. The crisis is not one of a particular 'model' or a political mistake but is the result of the anarchy of capitalist production in a dependent country that knew how to get 'good marks' from the world's capitalist establishment. It is ridiculous for some intellectuals who seek to 'regulate' capitalism or to find 'more humane' forms of distribution, to not question imperialism's domination of the country in the interests of the big banks and the foreign and national monopolies.

### Workers absent as 'social factor'

During December 19 and 20, the majority of

workers, who were not part of the mobilization, nevertheless witnessed what was taking place. In a factory in the area of Villa Constitución, for example, between shifts, groups of workers came together to discuss what was being shown on television: they could see the attacks on the women, on the young people who filled the square. They witnessed the resignation of Cavallo and the setting up of the first precarious barricades. "Tomorrow we will stop": it seemed a possibility.

However, the next day was different, with a President fleeing by air from the heliport at the Casa Rosada, the Presidential Palace. The union bureaucracies, 'official' and 'dissident', suspended a previously announced general strike. The big factories continued working as usual, until the end of December.

The working class was not functioning as an organic factor or as a class during these days of crisis. By saying this, I am speaking quantitatively, as an aggregation of the numbers present, but in the sense that it was absent as a 'social factor'.

As Marxists, we are certain of the historical strength of the working class and see it as the privileged agent of the revolutionary transformation of society that goes beyond appearances and conjunctural forms. We are not looking for theoretical shortcuts to define 'new social subjects', nor are we interested in chit-chat about 'the end of work'. As such, those who say these things wish to bury the concept of workers and entomb it along with the category of class, these are fruitless intentions eating up thousands of printed pages, and quite a lot of dollars in the process.

At the beginning of this century in Argentina, the entrance onto the historic stage

by this enormous social force, in unity with the whole of the poor, recreating their own methods of struggle and traditions, is still posed. We wish to contribute to building a history that rests upon these social forces, which breaks from the discourses mentioned above, which demystifies them and goes beyond the walls of academia and its institutions to forge a new, militant history. We wish to come to grips with the present day processes, in this case the experience of many groups of workers who are now providing us with signs of a new way forward out of the impasse.

### Hundreds of factories occupied

As a result of the economic crisis there is the beginning of a new and precise phenomenon appearing in the economy: workers, faced with the terrible alternative of unemployment as a result of the closures or financial collapse, are occupying their work-places, seizing the machinery and refusing to leave. In some places, management have abandoned businesses because of the crisis. "We are not going", the workers say. In spite of all the 'evidence' presented to them to get them to leave, the workers are not submitting to giving up their only source of work. There are hundreds of workplaces occupied by their workers. We are able to see in these actions new important issues that should be discussed by militants.

When the acuteness of the economic crisis shakes the 'normal' functioning of capital, to survive, owners can often develop, from 'the margins' so to speak, economic forms that do not respond entirely to the needs of the characteristic capitalist relations, such as cooperatives and exchange clubs. While these cannot be sustained indefinitely under the hard law of value and competition, in the present economic impasse they can grow like mushrooms. Thus, there are some owners, who together with union bureaucrats and the Church, promote the formation of 'mixtures' of cooperative and conventional work in specific locales. They seek to dump the crisis onto the backs of their workers, and try to prevent the workers from taking even one small step outside capitalist legality.

## a heightening of consciousness and a deepening of the people's experiences of spontaneous struggle

Nevertheless, alongside the phenomenon of cooperatives in Argentina, other processes are developing that are quite different from these, which directly question capitalist relations. This can be seen in the experiences of the occupation of the factories of Ingenio la Esperanza in Jujuy, the Baskonia in Matanza, Impa, Panificacion 5 and Clinica Junin in Cordoba and Zanon and Brukman. It is worth

examining the actions of these workers.

When a group of workers stand firm on the idea of producing 'without bosses', aren't we now face-to-face with the beginning of a new worker consciousness and a new experience compared to what has gone before? Aren't the secrets of capitalist functioning revealed when production is not moulded according to the need for capitalist profit, but is organized according to the needs of the producers? In recent months, two factories, the ceramic company, Zanon de Neuquen and the textile company, Brukman of Buenos Aires, have begun to be points of reference for these new phenomena, places that are in production under workers' control and where workers are in a struggle for the nationalization or expropriation by the state of their factories. These workers are being forced by events to think profoundly about the power of the workers' movement as a class that begins to take into its own hands the resolution of its own destiny.

### 'Under Workers' Control'

The struggle of the workers in the Zanon ceramic factory is an immediate example of this change. For over four months the ceramic workers have printed three important words on the wrapping paper of the factory's products: 'Under Workers' Control', this in a factory with one of the most modern porcelain production lines in South America, which is a large user of clay, gas energy and a highly modern industrial process of production.

The unique character of these actions by ceramic workers is revealed to the broader community in many small ways. For example, they are producing a special limited edition line of ceramic products dedicated to the movement of unemployed workers of Neuquen. For many months, unemployed workers have supported the struggles of the ceramic workers. Another ceramic line of products is decorated with designs of the Mapuche indigenous people, to honour the communities in the area of the country that provides clay to the factory. A ceramic object is a ceramic object, but not only that.

The provincial energy company has demanded that the ceramic workers pay a debt of 100,000 pesos, when the same company never pressured the owner of Zanon to pay an outstanding debt of \$500,000. The gas company plays its part in pursuing the workers and the state trustee responds with a demand for the removal of the workers from the factory through the intervention of the state's repressive forces. Also, a mafia gang in collusion with the police, organized a kidnapping, committed robberies and has threatened the workers. The occupation also provides an example of a state defending capital's interests beyond its own frontiers: an official communiqué from the Italian embassy in Argentina to the Duhalde government demands that the government intervene against the 300 workers.

Why would so many forces conspire to get

rid of a group of workers who only wish to work? The challenge to the authorities posed by the Zanon workers is immense because it's possible their example might be taken up by others in face of the magnitude of the capitalist crisis.

More than 1200 kilometres away from the Zanon ceramic factory in Neuquen's industrial park, the Brukman textile factory in Buenos Aires, which makes ready-to-wear clothes, is still operating under the control of the painstakingly skilful hands of its male and female workers. On March 17, 2002 people from the area around the factory, students and workers from the assembly in neighbourhood Eleven of the Federal Capital, chanted: 'Brukman is for the workers'. On May 1, 2002, a demonstration of over a thousand people was organized in front of the doors of the Zanon factory. It was made up of delegations from the Brukman factory in Buenos Aires, ceramic workers, state employees, teachers, delegations from the hospitals of Neuquen, along with students, the MTD<sup>2</sup> and many left organizations.

### What is workers control?

The laws of capitalism function on the basis of a separation of the wageworkers from the products of their labour and their lack of control over their working conditions.

"The externalization [Entausserung] of the worker in his product means not only that his labour becomes an object, an external existence, but that it exists outside him, independently of him and alien to him, and beings to confront him as an autonomous power; that the life which he has bestowed on the object confronts him as hostile and alien". (Karl Marx, 'Economic and Philosophical Manuscripts', Manuscript 1).

The worker is not only alienated in regards to what he has produced, but also in respect to his own productive process: "... the product is simply the resume of the activity, of the production. So if the product of labour is alienation, production itself must be active alienation, the alienation of activity, the activity of alienation. The estrangement of the object of labour merely summarizes the estrangement, the alienation in the activity of labour itself". (ibid.)

Workers' control inside a factory begins to question this separation, as does the occupation of a particular business. It asks: who has the power in this factory? It can begin in a discrete way, such as in the control exercised by the workers over their working conditions, or over aspects of the organization of production, for example, to control the implementation of better safety conditions in the workplace and in the demand for opening the enterprise's account books for examination by the workers when a particular capitalist declares 'a crisis', to reveal the hidden practices of capitalist business.

What is being exercised in these instances is control. The word 'control' is understood here to refer to the task of observation, or the

struggle to change the actions of others, in this case of the bosses, who exercise their power in the factory. Workers' control then begins to install dual power at the level of the enterprise while ownership remains in the hands of the capitalist, who is now confronted with the deeds of the producers.

There is a rich experience of examples of factory production under workers' control in history. In our country, during the 1970's, the experience of PASA in an area north of greater Rosario, is worth examination. For a month, in July and August, 1974, there was the "taking over the factory with workers' control and management of production", and the formation of committees for production and security and so on, based upon the practices of workers' democracy.

In the cases of Zanon and Brukman, those who previously managed the factories are not present. Workers' control has reached a level there where it takes in the direct management of all production, including the marketing function.

In the Zanon factory, the workers now decide how to manage the factory's operations themselves by means of resolutions which are adopted in general assemblies of the workers, and in meetings of

permanent despotism over the workers and their work. In only two days of labour, the Zanon workers produced sufficient ceramics for a monetary value higher than the cost of the workers' wages for a whole month. This experience shows that at the level of an establishment, workers can control their own destiny and govern themselves.

#### Cooperatives or Workers' Control?

However, a cooperative or a factory, occupied and producing goods under workers' control, isolated like a boat on an ocean of capitalist relationships of production, cannot maintain itself indefinitely. Everywhere in Argentina, there are examples of cooperatives, which although they have not 'perished' under the pressure of capitalist competition, have ended up super-exploiting their workers, more than in other factories. Alternatively, they collapse under the weight of the factory's debt or the impossibility of marketing their products. A cooperative isolated within the framework of capitalist relations, has no future: it is limited to trying to apply old reformist illusions about capital.

The difference between the cooperatives - which sections of the Church and the bureaucracy are promoting - and the cases of

production in capitalist society, tend not to be respected when the bosses are faced with an economic crisis. It is their way of counteracting the fall in profits. In the cooperatives, the capitalist logic of absolute capital appreciation, of reducing wages below a subsistence level and extending the working day, tend to be cruelly imposed on their own and associated workers.

In the cases of the Zanon and Brukman factories, the workers are refusing to take over the bosses' debts and are demanding the expropriation by the state of the factories without compensation to their owners, and their nationalization, while maintaining workers' control over production.

The struggle for the nationalization of the factories under workers' control denotes the unique possibility of rapidly incorporating more workers into the work force, and not allowing the factories to reopen with fewer, at a time when unemployment is increasing massively. Through the use of the business' current fixed capital, the Zanon workers, like those at Brukman, have worked out concrete proposals to permit the hiring of more workers into their ceramic factory.

Unused industrial capacity is a product of the economic crisis in Argentina. If the factories were nationalized, more workers



individual departments, where decisions are made about such issues as time of work, how to prepare new ceramic models for production, how to acquire the best materials and factory security and so on. Thus, the workers as a class have established a new form of solidarity that allows them to take steps towards self-determination.

Workers' control has revealed to the workers the secrets of capitalist exploitation. For example, during these recent months, the true function of the majority of earlier supervisors and managers of the enterprise during so-called, 'normal', periods, has been exposed: rather than guiding the productive process, their function was to maintain a

workers' control in the Zanon and Brukman factories is clear. The first, well-known, difference is that in the ceramic factory, the workers' wages have priority and are at a dignified level. The salaries of the Zanon workers are at a level of around 700 pesos, whilst in the majority of the cooperatives, the salaries of the workers are miserably low. In these latter cooperatives, this can be due to the level of salaries having been set for 'normal times' and they don't produce what is needed, or it may be because the management has decided to lower the wages of their own workers to allow their factory to continue functioning under the weight of their debt.

Wages, a minimum right of the slaves of

could be hired under an overall plan for production. Whether a factory should produce or not, should not be subordinated to the interests of individual capitalists. The economy could produce according to the needs of the population through a programme of public works and through the building of homes, schools and hospitals.

The cooperatives, on the other hand, seem to be a way out of the crisis, but only for older workers, and only if it turns out well from the point of view of the capitalists (it is not important to them if those who buy their products are poor or rich nor if they have unmet needs). These establishments are able to take on new workers, and in those cases where

they do, they always provide worse conditions than before, where the new workers don't become 'members' of the cooperative, but enter into a relationship of becoming employees of the members of the original cooperative.

The workers of the Zanon factory are trying to go down a different road as seen in their alliance with the unemployed of the MTD of Neuquen, of trying to obtain work for everyone. To make the idea of unity between the employed and the unemployed a reality, the Zanon workers are now discussing how to hire, from the different organizations (proportionate to their size) of the unemployed in the region, another 100 workers into Zanon's 'training school'.

#### Unity of the oppressed.

Questions that need to be researched and thought about deeply on this issue are the following: can these experiences of workers' control be sustained for an indefinite time? Is there room for the peaceful and evolutionary multiplication of experiences of 'workers' self-management', as local counter-forces to the power of capital? We can see some of the answers to this in the ferocious conspiracy of the owners, the provincial and national states, the forces of repression and the union bureaucracy against the Zanon ceramic workers.

If the phenomenon of workers' control does not spread, at least to the many hundreds of factories of the main industrial businesses, how will the workers be able to resist the attacks of their class enemies? Can there be a future for this experience, if it is not defended by other workers in the area, by the unemployed organizations and by neighbours and students, who should be taking up this cause as their own?

However, to achieve this unity, it is necessary to overcome the barriers that exist between the workers and the rest of the community, between the unemployed and employed workers, barriers imposed by the old union apparatus. Finally, it is necessary to develop a true unity between the workers and the poor people, confronting the divisions between them made 'normal' by the reproduction of the relationships developed under capitalist exploitation.

The Zanon workers, from the SOECN<sup>3</sup>, are trying to overcome these barriers. Their alliance with the MTD is an expression of this. Their proposal to constitute a coordinating committee made up of regional workers and the unemployed, based in assemblies and under control of the rank and file, also points in this direction, a concept that is advanced with the structure of the Coordinating Committee of Alto Valle (Rio Negro and Neuquen). Their demand for the nationalization of the factory under workers' control and a programme of public works to open up sources of employment and to cover the most basic needs of the population also solidifies the potential of this kind of alliance with other popular sectors.

However, to achieve this level of worker and popular unity, organically, on the scale of a province, or at the level of the whole country, we would be seeing a high point in the class struggle where bourgeois power would be questioned on a broad and deep level, bringing with it growing confrontation by the workers, not only with the employers, but with the union bureaucracy and the state.

Moreover, we understand that workers' control can be only an episodic moment in an advanced revolutionary process, or grows into a great experience that prepares the workers for the struggles to come. Precisely by this contradictory dynamic, workers' control is seen to be an enormously intense school of economic planning and anti-capitalist struggle. It demonstrates that workers can direct the whole economy, and to do this, it is necessary to expropriate the capitalist owners and confront their state and repressive forces. It also shows the need for the unity of workers as a class with the rest of the oppressed sectors of the population, in new democratic organizations such as coordinating committees that overcome the narrow frameworks of the old trade unions.

#### 'Self-management' of crisis or socialization of wealth?

At present, in Argentina, unique experiences are appearing, where we see many workers, some of the unemployed or 'neighbours' in the popular assemblies, having to take into their own hands the methods needed to reduce the sharpness of the economic and social crisis. Popular assemblies in the Federal Capital and in Rosario have proposed the creation of community vegetable gardens or community kitchens and medical clinics in the neighbourhoods to try to solve the problems of hunger and the health crisis.

Some unemployed organizations such as the MTD of Solano and the Coordinating Committee of Anibal Veron are working with small businesses such as bakeries, brick makers and shoemakers with regard to plans for work or for providing subsidies to the unemployed.

The examples of the cooperatives already mentioned, are being promoted in many areas by the CTA<sup>4</sup> and sectors of the Church or in some factories, by their own workforces. In some hospitals, representatives of neighbourhoods, along with doctors and nurses are discussing the need for co-management together with the authorities.

Taking advantage of these tendencies, organizations such as FRENAPO<sup>5</sup> are promoting the idea of the 'participatory budget', a project the municipality of Rosario has voted for, following the example of Porto Alegre in Brazil. This concept, which is being proposed to the popular assemblies, calls on them to subordinate themselves to the state organizations and allow them 'to decide' how in some minor areas, the budget would be shared.

After so many years of passivity and waiting for solutions to come from on high,

the tendency of the workers, the unemployed and neighbourhoods, to take into their own hands the resolution of their own problems, is a huge step forward. Nevertheless, a question still posed is whether the workers will be satisfied with the 'self-management' of the crisis or strive for the enjoyment by the majority of all of the social wealth.

In many cooperatives, as we have explained before, in order to survive, the workers have had their salaries severely reduced or they end up being enslaved, working more than twelve hours a day. For example, in the small enterprises set up as a scheme to provide employment for the unemployed, the workers there only receive a miserable 150 Lecop<sup>6</sup>. Thus there are millions of workers and unemployed who continue to suffer the agonies of the capitalist crisis.

Only by the working class seeking to take control of the whole economy, to self-manage the totality of production and distribution, is it possible to think of a dignified future for these millions. Self-management experiments which do not question the totality of capitalist social relations and which try to install 'alternative' enclaves in the economy in the middle of the misery of capitalist exploitation cannot be more than momentary illusions of hope, and are destined to fail.

A huge contradiction of capitalism is that which arises between the systems of capitalist planning inside the factory and the anarchy of production taken as a whole. Planning inside the factory is pure despotism and exploitation of the workers. Workers' control confronts this bosses' power.

Capitalist anarchy, which is born out of individual capitalists producing according to their greed for profits and not social needs, is causing, on the one hand, misery and on the other, over-production. At one pole, we have the starvation of millions, at the other, the private appropriation of enormous riches that have been socially produced. Only by questioning the whole of capitalist relations as an economic totality can there be hope of a dignified future for millions, with the vision of a society of freely associated producers, in other words, communism. □

\* Article taken from *Rebelion Internacional*.  
Translation: Jess MacKenzie and Ernest Tate

#### NOTES

- 1 UCR - Union Civica Radical;
- 2 PJ - Partido Justicialista;
- 3 Frepaso - a centre left coalition which put Fernando de la Rúa in office in 1999.
- 2 MTD - Movimiento de Trabajadores Desocupados.
- 3 SOECN - ceramic workers' union.
- 4 CTA - Central de los Trabajadores Argentinos, the main trade union federation.
- 5 FRENAPO - Frente Nacional contra la Pobreza.
- 6 Lecop - the new Argentine parallel currency.



# Revolutionary internationalism and the national question

PAUL LE BLANC

**Fatherland or Mother Earth? Essays on the National Question, by Michael Löwy (London: Pluto Press/International Institute for Research and Education, 1998)**

**M**ichael Löwy has made important contributions to Marxist thought for more than three decades. Portions of his previous writings have been gathered into the seven essays on nationalism and internationalism that make up this slim volume, produced as part of an innovative series by the International Institute for Research and Education in Amsterdam. Löwy's approach to Marxism has always been open, vibrant, creative. Whether or not one always agrees with his interpretations, one finds that they always connect both with the rich intellectual traditions of the socialist and communist movements and with the urgent, fluid realities of our time. They can help to deepen and advance the thinking of scholars and activists alike.

The collection is doubly important because it relates to the interrelated traumas facing us now: the lethal ethnic and national conflicts that have torn certain regions in Eastern Europe, Asia, and the Middle East; and the 'globalization' fostered by profit-maximizing multi-national corporations, brutally undermining the integrity of nations, cultures, the ecology of the planet, and the human condition. The book also relates to some of the most hopeful realities – the national liberation struggles that continue to define much of the revolutionary experience of our time, and the 'new internationalism' associated with the resistance to imperialist globalization and the struggle for global justice.

## What the volume offers

In the essay 'Marx and Engels Cosmopolites', Löwy examines the evolving internationalism of Marx and Engels. In the pre-1848 period there was a strong tendency toward an anti-nationalist perspective in their thinking, blended with a revolutionary internationalist notion of a world without frontiers. But after the 1848 revolution, during which the national question revealed itself to Marx and Engels

in all its virulence and complexity, the two authors of the Communist Manifesto abandoned the cosmopolitan problematic of their early writings while retaining its internationalism" (p 14).

The essay 'Marx and Engels Eurocentrists?' responds to a critique of Marxism by Ephraim Nimni. Nimni sees Marxism as a deterministic doctrine that views European development – from slave societies, to feudalism, to capitalist progress – as showing the way forward for all humanity, providing the basis for the inevitable realization of socialism. Related to this is the notion that for them, European domination of 'backward' areas was progressive because it would help them modernize. Löwy shows that traces of this outlook can be found in some of the writings of Marx and Engels. But by the 1850s they were – on the basis of further experience – developing a very different orientation. Löwy concludes: "Marx thus formulated two concepts which would become the basis for Lenin's theory of national self-determination: (i) the nation that oppresses another cannot be free (Engels considered it a 'misfortune' for a people to rule over another); and (ii) the liberation of an oppressed nation is a premise for the socialist revolution in the dominant nation itself." He sees this as "an irreplaceable compass for those who believe in internationalism" (p 28).

'The Marxist Debate on Self Determination' is an excerpt from the classic essay that Löwy wrote in the 1970s, 'Marxists and the National Question.' The ideas of Luxemburg, Lenin, Trotsky, and Stalin are aptly summarized, compared and contrasted. Löwy argues that Lenin pioneered the development of "a coherent, revolutionary strategy for the workers' movement, based on the fundamental slogan of national self-determination" (p 30), based on an understanding of "the dialectical relationship between internationalism and the right of national self-determination". He understood, first, that only the freedom to secede makes possible free and voluntary union, association, cooperation and, in the long term, fusion between nations; second, that only

the recognition by the workers' movement in the oppressor nation of the right of the oppressed nation to self-determination can help to eliminate the hostility and suspicion of the oppressed and unite the proletariat of both nations in the international struggle against the bourgeoisie.

Similarly, Lenin grasped the dialectical relationship between national-democratic struggles and the socialist revolution, and showed that the popular masses (not just the proletariat, but also the peasantry and petty bourgeoisie) of the oppressed nation were allies of the conscious proletariat: a proletariat whose task it would be to lead the struggle of this "disparate, discordant and heterogeneous mass" ... against capitalism and the bourgeois state" (p 40).

Perhaps the most controversial piece in this book is 'The Nation as a Common Fate: Otto Bauer Today'.

Michael Löwy



## Fatherland or Mother Earth?

Essays on the National Question



Bauer, a sophisticated leader in the left wing of the Austrian Social-Democratic Party, was more than once the target of sharp criticisms – especially on the national question – by Lenin, Trotsky, and other revolutionaries. Eyebrows and questions will be raised whenever anyone identifying with the Leninist-Trotskyist tradition asserts, as Löwy does, that Bauer made "contributions of great value, even indispensable ones" (p 45). Löwy poses an important question (p 46): "While the democratic right to self-determination is indispensable, how can it be applied to territories where nations are thoroughly intermixed without setting off battles, massacres and 'ethnic cleansing'?" (p 46) He suggests the relevance of Bauer's 1907 proposal in the Austro-Hungarian Empire "to grant all its nationalities (Hungarians, Germans, Czechs, Slovaks, Croats, etc.) 'national-cultural autonomy': it would have given each national community the chance to

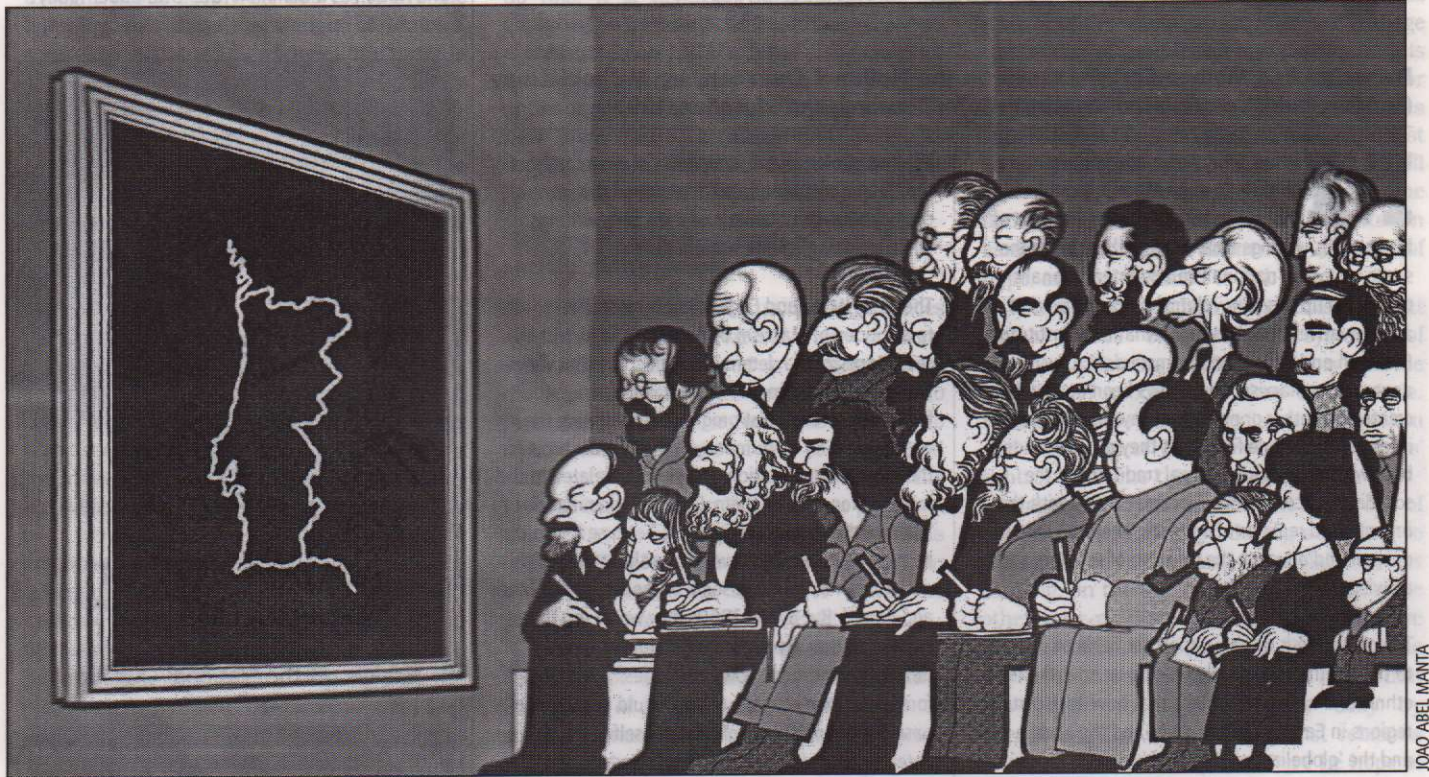
organize itself as a legal public corporation, granted a certain degree of cultural, administrative and legal authority" (p 45).

**'N**ationalism and Internationalism' is rich in ideas. Among these is the necessity of solidarity between the working classes of the more developed and less developed capitalist countries. He cites Trotsky: "If we take Britain and India as polarized varieties of the capitalist type, then we are obliged to say that the internationalism of the British and the Indian proletariats does not at all rest on an identity of conditions, tasks and methods, but on their indivisible interdependence" (p 55). Another point Löwy emphasizes is that while "socialist internationalism is opposed to nationalist ideology, this does not at all mean that it rejects nations'

subversive dimension – often deformed by bourgeois ideology or hidden and buried by the official culture of the ruling classes. In the same way as Marxists must take into consideration, in their revolutionary struggle, the decisive importance of their social formation, in their ideological struggle they cannot ignore the national peculiarity of their own culture and history" (pp 60-61).

**T**he final two essays, 'Why Nationalism?' and 'Twenty-first-century Internationalism' are both informed by the conviction that "it is from the fusion between the international socialist, democratic and anti-imperialist tradition of the labour movement (still very much alive among revolutionaries of various tendencies such as radical trade unionists and left socialists) and the new universalist culture of social movements like ecology,

popularizers of the doctrine, as a matter of intellectual and political convenience. These formulæ seemed to offer wonderful clues. The semi-intelligentsia, from whom socialism recruited some of its middle cadres, enjoyed Marxism as a mental labor-saving device, easy to handle and fabulously effective. It was enough to press a knob here and make short work of one idea, and a knob there to dispose of another. The user of labor-saving gadgets rarely reflects upon the difficult research that preceded their invention. Nor does he reflect upon the disinterested and seemingly unpractical research that will one day make his gadget obsolete. The users of the intellectual gadgets of Marxism, perhaps not unnaturally, treated their possession in the same narrowly utilitarian fashion. Unlike many of his followers, Lenin was the critical student in the laboratory of thought. In the end, he always turned his findings to some political use; and



JOAO ABEL MANTA

The Portuguese revolution of 1974–75 was the greatest testing ground for European theorists since the post-war period

historical and cultural traditions". He elaborates: "In the same way that internationalist movements in each country have to speak the national language, they have also to speak the language of national history and culture; particularly, of course, when this culture is being oppressed. As Lenin acknowledged, each culture and each national history contains democratic, progressive, revolutionary elements which have to be incorporated by the socialist culture of the labour movement, and reactionary, chauvinistic and obscurantist elements which have to be uncompromisingly fought. Internationalists' task is to fuse the historical and cultural heritage of the world socialist movement with the culture and the tradition of their people, in its radical and

feminism, anti-racism and Third World solidarity that the internationalism of tomorrow will rise" (p 80).

## The Marxist method

There are different kinds of Marxism, some of which are closer to the critical method employed by Marx as he attempted to develop a scientific socialism. The late Isaac Deutscher, in his book *Stalin, A Political Biography* (New York: Oxford University Press, 1967, p 118), shrewdly differentiated the method of Lenin from that of many other Russian Bolsheviks in the years before 1917: "They accepted certain basic formulæ of Marxist philosophy, handed down to them by the

his findings never shook him in his Marxist convictions. But while he was engaged in research, he pursued it with an open and disinterested mind."

The approach that Deutscher embraces is the creative and critical Marxism of Lenin. More common in the ranks of the Bolsheviks (and the other Russian socialist currents) was the more dogmatic and deterministic approach that placed greater stress on 'objective' economic and political factors. For example, a second-rank organizer and agitator in the Bolshevik party, Joseph Stalin (before his political degeneration as a bureaucratic and murderous tyrant), played a central role in helping to develop the organization's official position on Marxism and the National Question. This was the title of the 1913

pamphlet that Stalin wrote, in consultation with other comrades, including Lenin. According to Stalin, "a nation is not merely a historical category but a historical category belonging to a definite epoch, the epoch of rising capitalism". The Bolshevik pamphleteer offered an objective checklist for what a nation really is: "A nation is a historically constituted, stable community of people, formed on the basis of a common language, territory, economic life, and psychological make-up, manifested in a common culture."

For many years the pamphlet was seen as a key statement of the Bolshevik position. Yet even with Lenin's support, Stalin's work could not transcend the less dialectical and less creative approach separating him from Lenin. Within two years, Lenin found it necessary to stretch Bolshevik thinking on nationalism beyond the boundaries mapped by his theoretically limited comrade.

This brings us to a polemical review of Löwy's book written by Doug Lorimer, a prominent member of a small but important Australian group, the Democratic Socialist Party, in the journal *Links*, under the title 'Marxism or Bauerite Nationalism?'

## Polemic and reality

According to Lorimer's polemic, "Löwy explicitly rejects Marxism's scientific, materialist theory of the nation in favour of the subjectivist (idealist) theory of nations as 'imagined communities (Benedict Anderson) or cultural creations (Eric Hobsbawm),' a theory which is widely fashionable among intellectuals". Löwy's stress on the centrality of the consciousness of an oppressed people in determining whether or not they are a nation is the thing that Lorimer finds inconsistent with what he terms "Marxism's scientific, materialist theory of the nation", and the example of Marxism that Lorimer embraces is Stalin's *Marxism and the National Question*.

**Y**et there is a profound difference between Stalin's 1913 formula and Lenin's more dynamic and vibrant formulations in his writings of 1914-1916, when at the same time he was revitalizing his Marxism (in ways that Stalin never could) through an immersion in the dialectical writings of Hegel. Lenin, like Löwy, grasped the dialectical truth that the objective and subjective merge in the consciousness and the struggles of the working class and oppressed peoples. The nationalism of an oppressed people struggling for its liberation is qualitatively different from the nationalism of those engaged in oppressing another people – revolutionaries must always support the former against the latter. This was beyond the framework of Stalin's more 'objective' approach – and it was inconsistent with the policies advanced by Stalin in the Soviet regime of the early 1920s (when he and the ailing Lenin clashed so sharply on national question inside the new federation of Soviet Republics).

Basing himself precisely on the dialectical method of Lenin and Marx, Trotsky took this further in the late 1930s as – in discussions with CLR James – he sought to understand the reality of the African-

American experience and struggle. Putting his finger on the interplay between the African and African-American experience, he commented: "The Negroes are a race, not a nation. Nations grow out of racial material under definite conditions. The Negroes of Africa are not yet a nation, but they are in the process of forming a nation. ... We of course do not obligate the Negroes [in the United States] to become a nation; whether they are is a question of their consciousness, that is, what they desire and what they strive for." He added: "In any case the suppression of the Negroes pushes them toward a political and national unity." [See Leon Trotsky on *Black Nationalism and Self-Determination*, ed. by George Breitman (New York: Pathfinder Press, 1978), p 24].

## New challenges

The realities have always been more complex than the theories, and they have evolved in ways that continue to challenge revolutionary Marxists and serious activists.

The classical Bolshevik definition that sees peoplehood as the basis for nationhood seems not to fit all of the complexities of modern nationalism. The modern nation-state that evolved in the era of bourgeois-democratic revolutions of the late 18th and 19th centuries emphasized citizenship as opposed to ethnicity as the basis of nationalism. – with an emphasis on equal rights within the nation for each citizen, regardless of one's race or ethnicity or national origin. Indeed, factoring the notions of race or ethnicity into the concepts of nation and citizenship, was the stock-in-trade of reactionary intellectual currents in Europe.

Especially for a country such as the United States of America – which the poet Walt Whitman perceptively proclaimed as 'a nation of nations' – the national reality was always, and increasingly, multi-cultural, multi-ethnic, multi-racial. There was also considerable oppression – sometimes taking the form of a bigoted 'nativism' and sometimes manifesting itself as an elitist and largely compulsory 'assimilationism' to a White Anglo-Saxon Protestant (WASP) norm. This was, however, far from the 'prison house of nations' that was the Russian Empire Lenin and the Bolsheviks were struggling to overturn.

In fact, one suspects that the context of the multi-national Austro-Hungarian empire may also have been not exactly the same as the Russian historical formation. For someone living in a 'nation of nations' such as the United States, Otto Bauer's Marxist efforts to harmonize a multi-cultural reality within the framework of a nation-state should not – simply because they diverge from Bolshevik 'orthodoxy' – be shrugged off. In fact, with the process of 'globalization' introducing rich and complex multi-cultural and multi-ethnic dynamics within the populations of an increasing number of nations, it is certainly worth giving consideration to those efforts, regardless of whether one ends up embracing the policies proposed by Bauer.

**G**lobalization poses other challenges for Marxists grappling with 'the national question' in the 21st century. The ongoing restructuring of the global political-economy being carried out by multi-national corporations, multi-lateral trade agreements, and such extra-national institutions as the International Monetary Fund, the World Bank, the World Trade Organization, raise questions about the future of the nation-state. Given this, how will those involved in the labor movements of various countries, and in the global justice movement, find ways to harmonize their tactics, strategies, and goals with the complex dialectic of nationalism/internationalism?

Michael Lowy's thoughtful, readable, challenging book does not contain all the answers. But it provides intellectual resources – information about the past, ideas about how that relates to the present, a fine example of how to utilize the dialectical method – that can help us meet these challenges. □

# APPEAL FOR HUGO BLANCO

IV has recently learnt of the emergency hospitalization of our comrade Hugo Blanco, the veteran Peruvian revolutionary.

Hugo was the victim of a brain haemorrhage while visiting the peasant communities in Cuzco. He was able to leave Peru and travel to Mexico, where he is being treated in a hospital in Mexico City.

The most recent news we have is reasonably optimistic, after an operation for a haematoma. But further operations and in any case hospitalization are necessary. This is very costly treatment, added to which are the costs of travel and residence.

Hugo's friends and family reacted to the emergency in finding the money to pay the initial costs. We want to help them and demonstrate our friendship and deep esteem for Hugo. We hope that you wish to join with us, and forward this appeal to other friends and comrades who could participate in this initiative. Readers outside the euro zone should



*PHOTO: Hugo Blanco in the early 70s, shortly after his release, following an international campaign, from a 25-year prison sentence for his activities as a principal organiser of the mass-based Peruvian peasant movement*

send donations to:

IV, PO Box 112, Manchester M12 5DW, Britain.

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We will keep you informed of all the news we receive as well as the results of this initiative if you send us an e-mail address where we can contact you.

## HELP KEEP IV ON SCHEDULE

Supporters of the Fourth International in The Netherlands, Denmark, Sweden and New Zealand responded to last month's appeal and sent money that has been vital in keeping the production of this issue on track.

A week or so ago, we were looking at a black hole of 4500 Euros. With the support of a handful of the organisations which take and sell International Viewpoint, that gap is down to about 1000 Euros. But this gap means that we will be behind schedule with the next issue - which in turn puts pressure on

our goal to produce two more issues this year. International Viewpoint is one of the most important projects of the Fourth International. As a world organisation, it gives life, political direction and decisive financial subsidies. However, that irreplaceable driving role is not sufficient to keep the magazine on track. Our August statement showed an income of €2,892, against outgoings of €3,322, leaving us with a loss of €430.

International Viewpoint relies on the national organisations of the Fourth International, and individuals,

who sell the magazine. More sales, more readers will also help us. However, if sections and supporters of the Fourth International can simply pay for International Viewpoint they sell more promptly, then the magazine will stay on schedule.

As the appeal on this page for the support of our beloved comrade Hugo Blanco shows, there are many important causes and demands facing the readers of this magazine. With a regular International Viewpoint, those demands and causes will reach an ever-wider audience.

DC

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