Labour Focus on EASTERN EUROPE

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Revolution for capitalism?

DEMOCRATIC PLATFORM IN THE CPSU • POLISH SOCIALISTS FOR SELF-MANAGEMENT

Wolfgang Harich on German unity □ Rossana Rossanda on the future of communism □ Michele Lee on the break-up of the Yugoslav party

Labour Focus on EASTERN EUROPE

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Editorial

EASTERN EUROPE, AS WE HAVE KNOWN IT for the past four decades, is about to disappear from the political map. The Council for Mutual Economic Aid (Comecon) and the Warsaw Pact may formally still be in existence, but – as their recent summits have shown – are neither dominated by the Soviet Union any longer nor capable of collective action. It is only a matter of time until they are officially wound up, or reduced to even more ineffectual rumps by the withdrawal of several member states. Things have gone beyond recall when a Warsaw Pact meeting finds itself hotly debating whether or not a united Germany should be a member of NATO!

Moscow, preoccupied with its internal problems, appears to be reconciled to losing control over Eastern Europe. The tables have well and truly turned: it is the secret policemen now who are on the run, and the communists (what's left of them) who are complaining about unfair elections.

It could be assumed that these radical changes have made a journal such as ours redundant. After all, some of the people who we defended for so long against Stalinist repression are now in government, while others now engage in legal opposition activity. Isn't it time we turned our attention and energies towards other parts of the world?

Far from it. In fact, a journal like *Labour Focus on Eastern Europe* is even more vital now than it ever has been. While our commitment to the defence of democratic liberties and human rights has always been second to none – the record of this journal since 1977 speaks for itself – we have never approached Eastern Europe from a purely democratic point of view, let alone one which considered that everything would be fine once these countries had become more like the West: this has always been a socialist journal, non-sectarian but clearly and unambiguously committed to a future beyond not only the bureaucratic nightmare of Stalinism, but also the exploitative evil of capitalism.

From that point of view, the battle over the future of Eastern Europe has only just begun in earnest now that the long era of enforced political stagnation is over. Furthermore, precisely because the straightjackets of the Soviet-dominated Comecon and Warsaw Treaty are now being shed, the issue is no longer one of the future of Eastern Europe alone, but of the fate of our entire continent – including, of course, the Soviet Union.

For now, the Right appears to be on the offensive, poised to swallow East Germany and colonise the rest of Eastern Europe, but the resistance against the threat of new enslavement, impoverishment and exploitation will surely grow. This gives *Labour Focus on Eastern Europe* a new role: not that we can fight the battles against the capitalist encroachment in our pages, but it needs to be given publicity, analysed and interpreted in order to enable the Western labour movements to understand and solidarise with that resistance.

Solidarity alone, however, is not sufficient. To counter the offensive of the Right, the Left needs to develop its own vision of a new Europe beyond bureaucratic oppression and bourgeois exploitation. That can only be the result of much more collaboration, much more intensive dialogue and debate than has hitherto been possible between the democratic Lefts of the West and the East. The main task of this journal in the years ahead will therefore be to promote such dialogue, to open its pages to all who are genuinely interested in it, and to provoke debate beyond the old divisions with our own editorial initiatives.

This issue makes a start with its emphasis on documents and articles raising fundamental programmatic issues. Peter Grimm, an activist in the East German Peace and Human Rights Initiative long before last autumn's revolution, and one of the founding members of the Social Democratic Party, draws a critical balance-sheet of the corrosive influence which subordination to the Western SPD has for a party that set out to create a new, democratic-socialist order in the GDR. A representative of a different generation, Wolfgang Harich, who was arrested and imprisoned after leading a communist opposition against Ulbricht in 1956, and who is now an activist in the East German Green Party, argues that German reunification should be welcomed by the Left and issues a stirring call for a red-green alliance for a new Germany.

Oliver Macdonald exposes the coercive nature of the "aid" given by Western governments and institutions to Eastern Europe. From the Soviet Union and Poland, we publish important documents of the democratic and socialist oppositions.

Readers will note that Czechoslovakia, Romania and Hungary, despite the dramatic changes there since the appearance of the last issue, are not covered at all. There simply was not enough space to do them justice this time, but you can rest assured that this gap will be more than filled in the next issue which will put the spotlight on these three countries. Provided, that is, that no other urgent priorities arise during the coming four months which again upset our editorial planning – four months are a long time in the Soviet Union and Eastern Europe these days.

Günter Minnerup

The results of the East German elections marked a defeat for the Left which was as crushing as it was unexpected. The road now appears clear for German reunification on Chancellor Kohl's terms, starting with an early economic and monetary union. Günter Minnerup analyses the reasons for the sweeping victory of the Allianz für Deutschland.

Kohl hijacks East German revolution

by GÜNTER MINNERUP

THE VICTORY OF the right-wing "Alliance for Germany" was, first and foremost, a victory for the Deutsche Mark. Votes for the Christian Democrats (CDU), Democratic Awakening (DA) and the German Social Union (DSU) were votes for quick economic and monetary union, the prospect of instant access to West German wages and consumer goods. The conservatives won the election when Chancellor Kohl promised to exchange all East German savings at a rate of 1:1. On this, all commentators are rightly agreed. But behind this easy interpretation of the obvious hides a rather more complex reality which may yet spring political surprises on the road to German reunification.

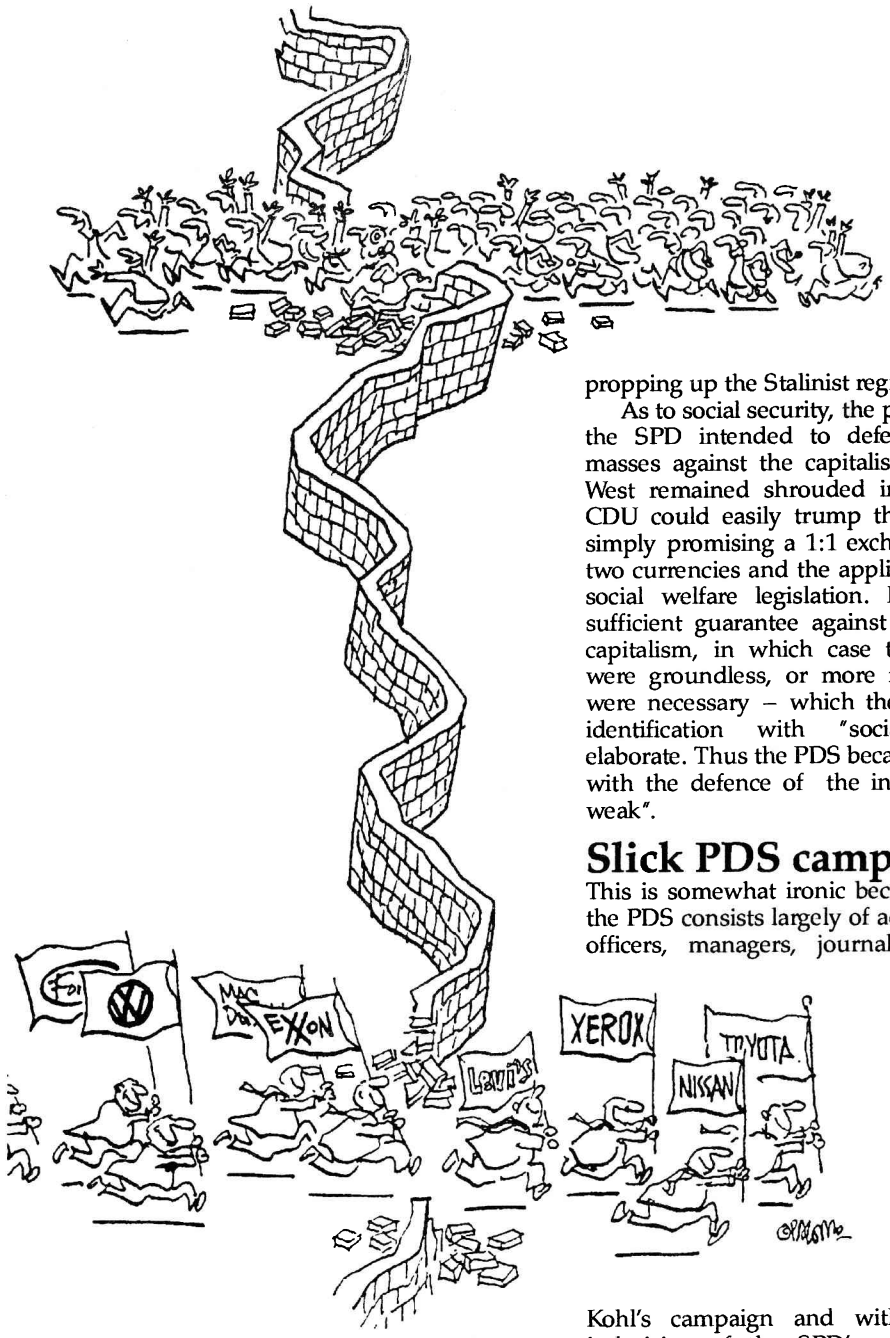
Was it also a victory for capitalism? All over Eastern Europe, the collapse of the Stalinist command economy has spawned enthusiasm for the market and for private enterprise. If that is so in Hungary, Poland and Bulgaria, then how could it be different in East Germany, closely confronted with the most vigorous and prosperous capitalism in Europe and sharing a common language, culture and national identity with it? Yet only a few weeks ago, the received wisdom was that the GDR was indeed different, that the bourgeois right had no chance of electoral success, that social democracy provided the only conceivable alternative and successor to the discredited communists. These views were based on the historical traditions of "red Prussia", the spirit and slogans of last October's democratic revolution, recent opinion polls forecasting an absolute SPD majority, and perhaps also – at least on the left – that East Germans would be more resistant to the siren calls of capitalism precisely because they were more familiar with the darker side of the market.

Much of that was true, of course, and given the immense pressures from the West even the eventual result confirms it to some extent: after all, the combined forces of the anti-Anschluss Left – the SPD, PDS and Bündnis 90 – polled 40%, and more than that in most regions of the GDR except the far South. There, where about two thirds of the GDR's industrial production originates, but where industrial and environmental neglect has also created the worst desolation, the Right won the crucial advantage. This is the most bitter lesson of the March elections: it was the working class in the historical left strongholds of Saxony and Thuringia that rejected any further "socialist experiments" most decisively.

Social democracy

Against all expectations, it was the SPD rather than the PDS (Party of Democratic Socialism, the successor to the communist state party SED) which suffered most from the backlash. This is where its organisational and political weaknesses were exposed: much was made, after the event, of the massive financial aid given by the Western CDU and CSU, the rallies with Chancellor Kohl (who spoke to a staggering total of 1.6 million voters at six meetings), the Right's smear tactics ("PDSPDSED", as one sticker put it). But the West German SPD also threw a lot into the campaign, and had the asset of the vastly popular Willy Brandt who also addressed many rallies. The Social Democrats, however, had no really experienced organisers on the ground whereas the Right could build on the existing apparatus of the East German CDU (a member of the ruling National Front for 40 years) with members and offices in each locality, plus its established network in the Protestant church. Above all, however, the Right held the political trumps with its promise of an easy panacea in reunification. The CDU made sure that the electorate realised who was holding the purse strings, and that no socialist government would receive any financial aid from the West. That, after all, had been the intended message of the humiliating treatment handed out to Modrow on his visit to Bonn.

The SPD was thus caught between the monetary union and reunification offensive of the Right on the one hand, and the increasingly strident warnings against the social costs of capitalist restoration waged by the PDS on the other. The SPD was for both reunification and social guarantees when most voters saw the election precisely as a choice between the two. Another important factor in the defeat of the SPD was



undoubtedly the fact that the West German party leaders had shown considerable hesitation before unambiguously embracing the aim of German re-unification. The Right had little difficulty in finding recent quotes from prominent SPSD politicians proclaiming German unity as unrealistic, even dangerous and undesirable. The well-publicised joint declaration between the SPD and SED two years ago, the apparently cordial relationship between key figures such as Oskar Lafontaine (the new SPD candidate for the chancellorship) and the Honecker regime, and finally Lafontaine's recent regional election campaign denouncing the costs of the open frontier, had all fatally weakened the credibility of the SPD in the "instant reunification" stakes. In this sense, the defeat was also the political price which the Bonn SPD paid for a detente policy which had all too often looked like a policy of propping up the Stalinist regimes.

As to social security, the precise means by which the SPD intended to defend the East German masses against the capitalist steamroller from the West remained shrouded in mystery. Again, the CDU could easily trump the social democrats by simply promising a 1:1 exchange rate between the two currencies and the application of West German social welfare legislation. Either that would be sufficient guarantee against the worst excesses of capitalism, in which case the SPD's reservations were groundless, or more fundamental measures were necessary – which the SPD, fearful of close identification with "socialism", declined to elaborate. Thus the PDS became the party identified with the defence of the interests of the "socially weak".

Slick PDS campaign

This is somewhat ironic because the social base of the PDS consists largely of administrators, teachers, officers, managers, journalists, intellectuals and generally those who had benefited from the upward social mobility afforded to the politically loyal under the old regime. The old SED had long ceased to be a party of the industrial working class in any meaningful sense. Yet faced with the shameless brutality of Kohl's campaign and with the weakness and indecision of the SPD's response, other groups began to drift towards an increasingly confident PDS. A slick campaign around the charismatic Gregor Gysi (riding motorbikes to the tune of "Born to be wild" in TV spots, and taking well-publicised parachuting lessons) and the widely popular and trusted Hans Modrow appealed to both disaffected, anti- establish young voters and to all those worried about jobs, pensions, rents, prices, drugs and crime.

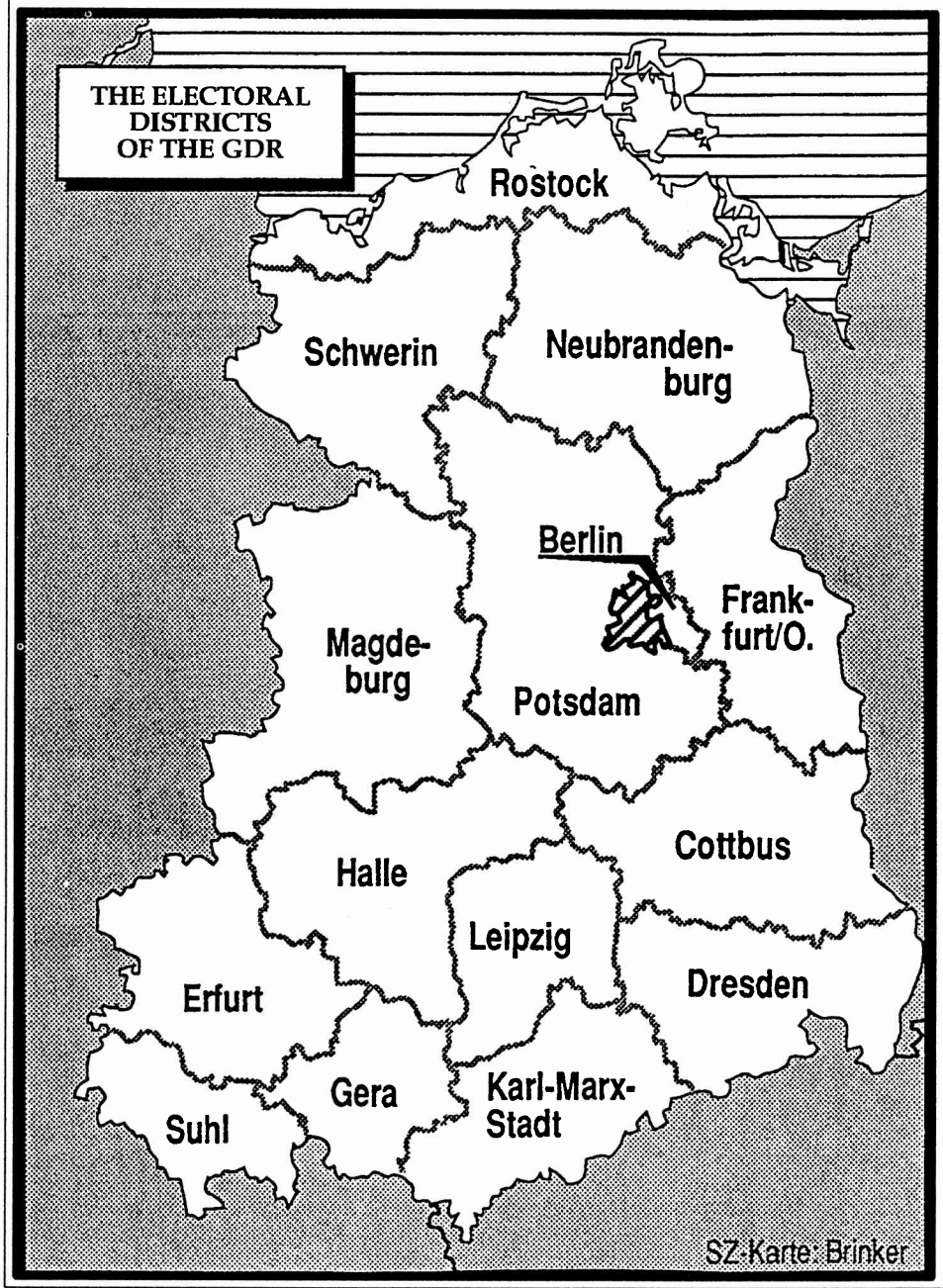
The biggest losers of this election, although not unexpectedly, were the small political formations originating from the opposition to Honecker. The Bündnis 90, an alliance between the New Forum, Democracy Now and the Peace and Human Rights Initiative, was marginalised everywhere except in East Berlin where it obtained a respectable vote of 6.5%. The Greens, aligned with the Independent Women's League, and the United Left fared even worse. While widely respected for their role under the old regime, they failed to offer any clear

perspectives on the two central issues concerning the masses: national unity and economic recovery.

Dilemma of the Left

Yet it must be conceded that the German Left found itself in a difficult position over the national question after the democratic revolution in the GDR. To defend the separate existence of the GDR as a democratic and socialist alternative to West German imperialism and Christian Democratic reaction meant more than swimming against the stream: it required a Canute-like confrontation with the national tide sweeping East Germany. Yet, on the other hand, reunification would inevitably mean the incorporation of the GDR into a capitalist greater Germany. This dilemma has been haunting the German Left ever since the artificial division of Germany at the outbreak of the Cold War: whatever chance of giving the "first German workers' and peasants' state" true legitimacy and thus political and economic viability there ever may have been, it was lost well before the collapse of the Stalinist regime last autumn. Just briefly, immediately after the fall of Honecker and the opening of the Berlin Wall, the popular mood seemed to suggest that such a development was a possibility provided a credible democratic and socialist leadership would emerge. Such leadership did not emerge because the SED/PDS attempted for too long to hold on to its bureaucratic power (the wasted time under Krenz, the manipulation of the Round Table, Modrow's ill-fated attempts to reorganise the Stasi), because the SPD got taken over by its Western big brother, and because the independent Left was too small and ill- organised.

Under the circumstances, the only tenable position was to resist the capitalist take-over by seeking to retain as much sovereignty for the GDR as possible within some kind of confederative all-German context. Despite appearances, this battle need not yet be entirely lost, as any arrangement which formally unites the two German states will still



Election results for the SPD, PDS and Bündnis 90 (New Forum etc) in percentages of the vote (rounded up or down)

	SPD	PDS	B90
Berlin	35	30	6
Cottbus	19	18	3
Dresden	10	15	4
Erfurt	19	10	2
Frankfurt	32	22	3
Gera	16	13	3
Halle	21	14	2
Karl-Marx-St.	16	11	2
Leipzig	21	14	3
Magdeburg	27	14	2
Neubrandenbg	21	26	2
Potsdam	34	17	4
Rostock	25	23	3
Schwerin	25	18	3
Suhl	16	13	2

involve a considerable period of transition during which many very complex issues need to be resolved, giving many opportunities for anti-capitalist and anti-NATO mobilisations. The worst the Left could do now would be to fatalistically bow to the seemingly inevitable.

Bonn's agenda

Bonn's most immediate concern now is the creation of an East German government capable of quickly pushing through the measures needed to meet Kohl's timetable for reunification, yet also weak enough not to offer any challenges to Bonn's all-German hegemony. One of the parting shots of the Round Table, for example, had been to adopt a "Social Charter" demanding guarantees of certain basic social rights – the right to work, decent housing etc – which would imply significant amendments to the West German constitution or even, as the SPD and PDS demand, the redrafting of an entirely new constitution for a united Germany. There are also difficult international negotiations to be faced in which Kohl does not want an East German government taking a different line on NATO membership, disarmament, the Treaty of Rome. Hence the massive pressure on the SPD to enter a Grand Coalition: this is not so much a question of constitutionally required two thirds majorities but of preventing the Social Democrats from taking an independent political line from the opposition benches. From this point of view, the allegations of Stasi connections against key East German politicians of all parties are also rather useful to Bonn, insofar as they undermine the credibility of the new East German leaders and hence their ability to adopt an independent stance in the negotiations.

The rest of 1990 will be dominated by the West German Bundestag elections scheduled for December and by the most immediate step towards reunification: the currency union expected to come into effect sometime this summer, probably in July. Both are closely linked, in that quick progress towards full currency union has become the touchstone of Kohl's strategy, yet it also presents the most awkward problems on the domestic, West German political front. Above all, there are the huge potential costs of economic union: to exchange only 2000 marks per head at 1:1 immediately will cost Bonn over 30 billion DM, while the total private savings of GDR citizens are estimated at something like 160 billion (£=2.80DM, US$=1.70DM). Further hundreds of billions will be required for social security, pensions, settling the debts of the state enterprises, covering the huge budget deficit and foreign debts and so on.

Polarisation?

Even on the most optimistic growth assumptions, this is a burden which cannot be carried without tax increases and cutbacks in the West. Already enthusiasm for quick reunification is waning in the Federal Republic, and SPD leader Oskar Lafontaine is determined to fight the election campaign by exposing the social and economic costs of Kohl's policies. The Bonn government can therefore be expected both to slow down the unification process until the December election is safely out of the way, and to attempt to impose the harshest possible economic and social conditions for unity on the GDR.

As far as the promised economic miracle in the GDR after monetary union is concerned, the signs are that while there is no shortage of corporate buyers for cheap state industries and properties, East Germany will not prove a popular location for real investment in new production facilities: the infrastructure is too underdeveloped by Western standards, and the workers demand the same high wages as those in the Federal Republic. Much of the present activity of West German capital is predatory: eliminating potential competition, securing a new market, strengthening existing dominations before the West German monopolies and mergers commission (the Kartellamt, which still regards the GDR as a foreign country) can step in. The only real boom will not be industrial, but in the service sector and in public expenditure driven markets such as housing, energy and anti-pollution measures.

The very high expectations aroused by the Right's demagogic election campaign are therefore likely to be disappointed fairly soon. Inflation in the West and mass unemployment in the East, especially if coupled with unpredictable political crises arising out of international complications in the reunification process, would create the conditions for rapidly deepening political polarisation with as yet unforeseeable consequences. The last year has shown what a hazardous business prediction has become in European, and especially German, politics. A year from now, Kohl's triumph in the 18 March elections may turn out to have been a Pyrrhic victory.

PDS campaign sticker: a respectable result for the former SED, but there is still plenty to worry about...

The party line to power?

East Germany's SPD embraces Western-style social democracy with a vengeance

by PETER GRIMM

WHEN THIS PARTY WAS BORN, things were still different. There was talk of a separate identity, of avoiding dependence on the West German SPD, that this was to be expressed through a different abbreviation (SDP) and through the application for separate membership of the Socialist International which was sent off on the day of its foundation.

Even the first, cautious visitors from the Western SPD were then still told by the founding members of the GDR's social democracy that, while contacts and solidarity was welcome, no special relationship with the SPD was desired and that it was to be treated like any other social- democratic or socialist party.

In those days, in October and early November, a commitment to the ideals of democratic socialism and a concept of new, truly democratic structures which would not simply copy Western models, as well as to the defence and extension of social rights in the transformation of the economy to a social market economy, was taken for granted.

All that seems so far away now, looking at the last few weeks of the party which now, too, calls itself SPD in the still-existing GDR. The delegate conference in mid-January finally made clear that the party wishes to be no more than a branch of the Western SPD, except that virtually no left wing remains in the SPD East.

The SPD West was more than well represented at this conference. The prominent speakers (Johannes Rau, Walter Momper, Hans-Jochen Vogel) were not alone, as even the technical and organisational staff was permeated by the Western comrades.

At times, it seemed as if the adoption of the new name SPD was the only item on the agenda. Everything else was dealt with more or less peremptorily, such as the listless report on the political aims of the SPD given by a female comrade pastor. In this report, there was no longer anything that could have committed the party to anything, as its declarations of intent can be found in slightly altered form in most other parties in the GDR and could hardly be made more abstract.

A large part of the delegates appeared to be preoccupied with getting rid of some left-wing elements, going as far as putting forward the motion that the expression "democratic socialism" should no longer be used in the party's publications. The argument that democratic socialism was one of the traditional foundations of social democracy cut little ice. These agitated delegates could only be pacified when it was pointed out that the other European sister parties in the Socialist International, which we wanted to join up with after all, also used this expression. Another intense debate was around whether or not the word "comrade" should be abandoned as the SED had addressed its members as such. The few traditionalists attempting a fighting defence of the word, which should not be surrendered to the SED, could only prevent a decision to ban them from using it. With typical German thoroughness, it was resolved that members could call each other what they liked.

The pressing questions of social policy were apparently less urgent. Not a word was said about the wave of price rises just announced and beginning the day after the conference, or its consequences, nor was any serious report on the work of the Round Table either given or demanded by the delegates. The members of the executive did not, however, appear to be very interested in the rank-and-file's opinion on these matters.

The delegates, on their part, appeared to be content with general declarations in favour of introducing the market economy and speedy progress to German unity.

The executive also managed to dodge any, possibly critical, questions about its activities. Too much work and too little sleep were given as the reason why the ranks got only a rather doctored and self- congratulatory report. The expert chairmanship of a comrade bishop of the evangelical church ensured that any concrete questions relating to the report were deflected.

The plea by a representative of the New Forum to preserve the electoral alliance of the opposition groups, arrogantly rejected a little later by the conference, could only appear as nostalgia for a

common oppositional past. From this conference onwards, the road ahead was clearly mapped out – nothing was possible any longer without the agreement of the comrades in Bonn. The deputy spokesperson, Markus Meckel, a pastor like many other executive members, who is pushing hard for the top and would like to demote the present leader Ibrahim Böhme to a position of representative figurehead for a creditable past, said as much weeks later at a press conference on the Deutschlandpolitik of the two SPDs. Asked about the criticism that the SPD East was little more than a body executing decisions made by the SPD West, Meckel only gave an evasive reply to the effect that nothing could be done without each other, that there was no intention of bypassing the West German partner and that the same was expected of the SPD West. This equality, however, remains purely verbal at a time when all the big West German parties are already convinced that German politics are decided exclusively in what is still the capital city of Bonn. The SPD, at any rate, was the first party to take this practical step towards unity.

For the executive members of the SPD East this raises the need to acquire a profile of their own, both to be able to give some appearance of being a force in their own right in the elections, and to avoid finding themselves without representative office after the formal unification of the two twins. This does not apply to all, but certainly to the majority of the functionaries on the upper floors. The organisational take–over was too tempting to be turned down for reasons of political credibility, especially as the Western comrades knew far more about all the things one can do with the social–democratic tradition.

Even those in the SPD leadership who had retained their credibility thus far are now all too easily falling in line with the prevailing mood and are thus further narrowing the remaining political space for their own ideas. A prime example of this is Ibrahim Böhme. Anybody who listened to Böhme's many speeches and political statements at the time when he was a leading member of the Peace and Human Rights Initiative can only be amazed at most utterances by the SPD national secretary.

While in early summer 1989 Böhme had still proclaimed that future democratic structures must on no account be dominated by party machines, that, in other words, as many elements of direct democracy (plebiscites) as possible would need to be introduced to a future system, that election candidates must not be dependent on nomination by a party apparatus and that any future electoral law would have to allow for independent representatives, the SPD functionary today loyally defends the party line that only parties should be allowed to stand for election. His former comrades in opposition, who still stand by their small citizens' movements and their ideals of the pre–October times, are offered places on the SPD list as consolation prizes.

On another issue, Böhme is also responsible for throwing away a unique opportunity to establish independent democratic structures through the first free elections rather than simply adopt the FRG model. This opportunity was offered by the decision, in January, to form an electoral alliance of all opposition parties and groups. The initiators of this alliance intended to prevent the restoration of the former block parties and to create a majority against the old parties responsible for the misery of the GDR. The signatories of the electoral pact declaration were unanimous in emphasising the importance of completely dissolving the old apparatus and creating new democratic structures in its place. Almost all the old opposition activists were represented in this alliance, and the fact that the United Left forced its representative to withdraw his signature the very same day did not deal it too severe a blow.

However, only a day after the members of the executive expressed their quiet reservations about

Ibrahim Böhme (left) and Markus Meckel (right): leading the SPD where?

this, since the SPD alone could become the strongest party with assistance from Bonn and should not carry the others on its back. They were encouraged in this view by the advisers from Bonn now working in the East Berlin office on a daily basis, but care was taken not to distance oneself too abruptly since the paper had been signed on behalf of the SPD by Ibrahim Böhme whose position could not be undermined in public. Only Böhme's rival Markus Meckel immediately denounced the electoral pact loudly as nonsense, agreeing with the Greens on this point.

A few days later, the delegate conference pronounced its death sentence for the alliance, which was executed by the loyal party secretary Ibrahim Böhme among others.

We may still not get any clear political answers to the pressing problems from the SPD executive, just empty formulae like those offered by all other parties in the GDR now, but they already conduct themselves as the strongest-party-in-waiting, possibly, according to the polls, with an absolute majority.

Thus drunk with their own importance, the leaders no longer appear to notice the decisive weaknesses. It is often only casual remarks which reveal that the SPD East could not really cope with electoral victory on its own, since it would then be short of political figures with sufficient stature to fill all the parliamentary and governmental seats won. It is idle speculation whether or not it is expected that Bonn will help out and Western comrades are to be instantly converted to Eastern comrades, but if some executive members are hoping that they would get assistance from the despised leaders of the smaller movements in such an event – out of a sense of "responsibility for the country", as with their current support for the Modrow government – they are likely to be disappointed.

The disillusionment with the parties is very widespread in the GDR, due to their thoughtless clinging to the Western parties and the cobbling together of arbitrary and unequal alliances. As a result, the newly- elected government will have low prestige, even though it will be faced with high expectations on the other hand. In addition, there is the enormous economic and social uncertainty has not been lessened by the political statements of the parties, but on the contrary heightened by its flagrant exploitation during the election campaign.

Although the SPD may for broad masses of the population, because of its good old name and certainly also because of personalities like Brandt, be the only force capable of forming a stable majority government enjoying some initial trust, it too could very soon experience the ungovernability of the GDR, given the prevailing lack of ideas and the desolate state of the country. This fear has already driven the new politicians to prop up at any price the Modrow government at the Round Table, where stability is put above everything including one's own political aspirations. All that would be left then is the thing the SPD says it wants to prevent: the unconditional surrender of the GDR. Yet the SPD headquarters in Bonn are already certain to prepare for such an eventuality, too.

Now the first regular party congress of the SPD-GDR is imminent. It is likely that Willy Brandt will be elected honorary chairman. The more interesting question, however, is who will be the candidate for Prime Minister and who will be party chairman proper, i.e. how these positions are allocated to the top rivals Böhme and Meckel. In the run-up to the congress, Ibrahim Böhme has allowed himself an attempts to bend the party line a little when he announced a coalition with the citizens's movements despite the expected majority for the SPD. Perhaps it was a first gesture aimed at filling the posts becoming vacant on an election victory, perhaps a pre-emptive strike in the expected executive conflict over the coalition question. As recently as in January, Böhme still declared himself unable to go along with any executive decision to enter a coalition with one of the former block parties.

This SPD, too, will only attempt to introduce left ideas when it is confronted by a sufficiently strong competitor to its left. For the time being, however, capital appears to be much quicker off the mark in the restructuring of the GDR than all those many political forces who are opposed to it but divided over the question of whether it should be opposed in a united Germany or through defence of the GDR's separate statehood. For this reason, they are not as yet an effective political force capable of influencing the SPD.

For a united Germany both red and green!

Once again: The Greens in the GDR on the German Question (Draft)

by WOLFGANG HARICH

I

DURING THE POST-WAR YEARS, in all four zones of occupation into which the remaining territory of the German Reich was divided, all currents on the German Left strongly stood for the maintenance of Germany's unity. At that time, they strove for the formation of an all-German democratic government and the conclusion of a just peace treaty for Germany, followed by the withdrawal of the occupation forces. They could base such demands on the relevant clauses in the August 1945 Potsdam Agreement between the victorious powers. Once the division of Germany had been consummated by the foundation of the Federal Republic on 23 May and of the GDR on 7 October 1949, the German Left, which had resisted this to the last, took up the struggle for national reunification. The subsequent series of defeats in this struggle were chiefly caused by the October 1954 accession of the Federal Republic to NATO and the subsequent formation of the Warsaw Pact by the socialist countries including the GDR.

The Greens in the GDR see themselves as a movement of the Left. It is therefore logical that they should today welcome the restoration of German unity in a conscious return to the traditions of the post-war Left. Hence they were the first among the opposition parties and groups, with their "Declaration of the Green Party on the German Question" of 8 December 1989, barely 14 days after the foundation of the party, to map out a viable route towards achieving this goal sensibly, peacefully, step-by-step, taking into account the now more important global challenges to humanity and the interests of all neighbouring nations.

It was technically impossible to give instant circulation that paper, even in limited quantities. As a result, Greens took part in demonstrations in Berlin and elsewhere on 19 December which not only, and justifiably, opposed the economic sell-out of the GDR, but also – in total distortion of the political options and necessities for the coming years – the reunification of Germany. Such dangerous errors must be confronted early on. They give succour to the advancing reaction, even the ever more threatening activities of the neofascists. In order to counteract the confusion both in its own ranks and in the general public, the Green Party therefore considers it necessary to reiterate in the most precise manner its views on how the Germans can regain their national unity and what should be the nature of the united Germany.

II

The Green Party in the GDR proposes:

1. Both German states should press for the CSCE summit conference (Helsinki II), originally scheduled for 1992, to be brought forward to 1990.

2. At that conference, the governments of both German states should jointly demand that the two military alliances confronting each other in Europe, NATO and the Warsaw Pact, be dissolved with the maximum possible disarmament, to be replaced by a common European security system including the USA and Canada and, as equal partners, the neutral or non-aligned European states. In the context of such a new system, the security of each signatory must be guaranteed by the duty of all others to come to its aid if attacked.

3. The same conference should further resolve to convene, in parallel to the Helsinki process, a world conference for ecological security with the aim of effecting a global halt to all environment-hostile production and consumption and restructuring the world economy in favour of the Third World. The Common European Home must play its part in arresting the self-destruction of the human race. It must not further promote it, either through increased excessive consumption domestically or through the toleration of the misery and destitution of the larger part of the world population.

4. Following the free elections which are to take place in the GDR in May 1990 and in the Federal Republic in December 1990, and on condition that NATO and the Warsaw Pact will have been replaced by a common European security system before then, the two German states should in early 1991 unite to form a confederation which

– maintains the full internal sovereignty of both states,

– finally recognises the existing external frontiers, especially those with Poland alongside the Oder and the Neiße,

– guarantees the structural inability to take offensive military action of both states, in their mutual relationship as well as towards all their neighbours,

– acknowledges the primacy of ecological security over all economic interests,

– provides equal rights of the sexes through parity quotas at all levels of the people's

representation and in the executive,

– elevates anti–fascism to a common, dominant state doctrine with the result that parties like the Republicans are dissolved in both states, their parliamentary seats declared invalid, their leaders prosecuted and organised fascist gangs like the skinheads, faschos etc suppressed with all means available.

It should be considered whether from the moment that the GDR acquires a government based on free elections, i.e. from May 1990, and until the process of their reunification is complete, the equal status of the two German states should not be given an adequate expression by separate nationalities (Staatsangehörigkeiten) of their citizens.

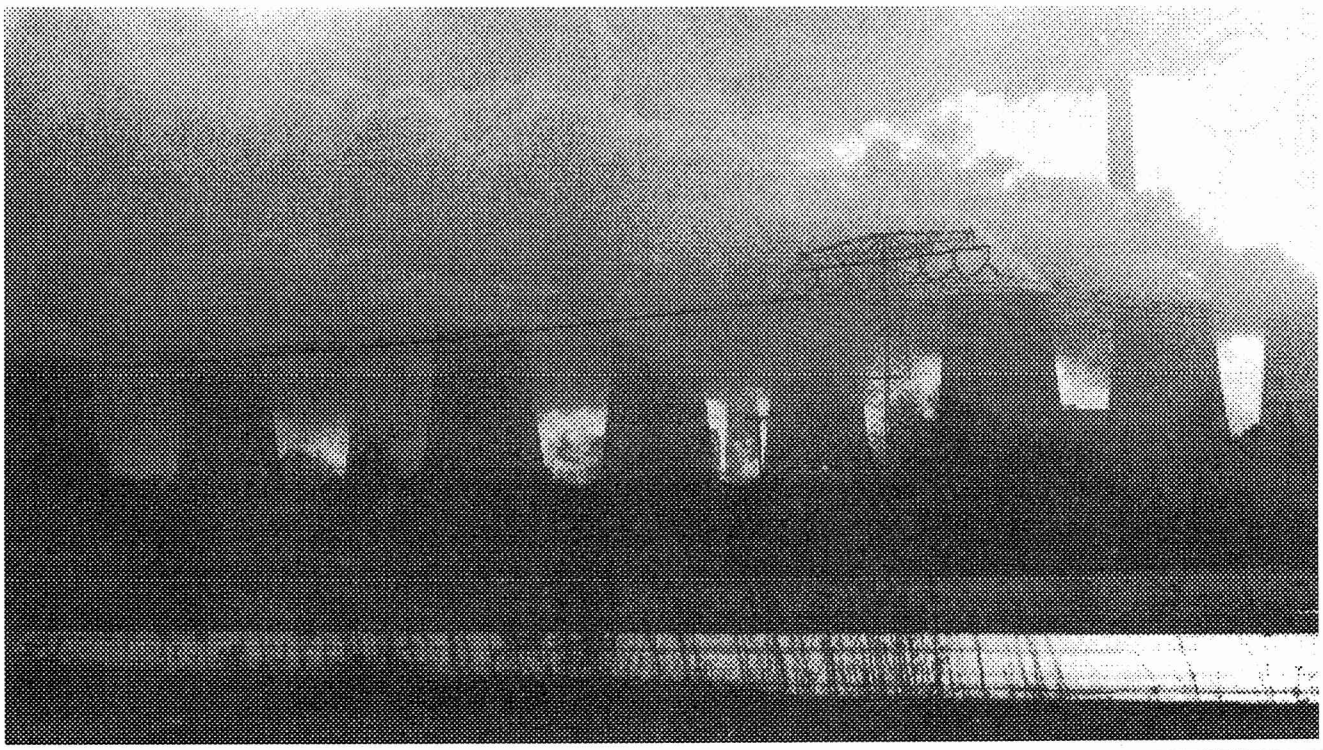
The common organs of the German Confederation should have their seat in Berlin (West), while Berlin (East) remains the capital of the GDR. This arrangement should be agreed to by the four powers, thus bringing the 1971 agreement up to date.

5. The German Confederation should only have provisional character, provided the European–wide framework outlined above is achieved. Thus right from the beginning, their organs should include a parity commission of delegates from the parties in both states, with the task of drawing up an all–German constitution. This commission should take as its starting point the first constitution of the GDR, which was still intended for a united Germany, the Basic Law of the Federal Republic and the constitution of West Berlin, in order to add to the easily reconciled, valuable elements of these documents entirely new articles which will take into account the state of the world today and the affairs of the Common European Home in a contemporary and forward– looking manner (for example, with regards to ecological security, the inability to engage in military offensives, the just claims of the Third World, the right of the female sex to equality, the effective prevention of all variants of neofascism, etc.)

6. A peace treaty must be concluded between the German Confederation and all those states which were at war with Germany in World War Two, but also the state of Israel. A mere state treaty such as the one concluded between the four powers and Austria in 1955 is not sufficient because we Germans, unlike the Austrians, were not merely liberated but carry the responsibility for a war which we began and the other states won. Once the German Confederation has signed the peace treaty and their parliaments ratified it, its fundamental clauses must be included in the all–German constitution being drawn up. Only then could this constitution be submitted to an all–German referendum and then put into effect. The election of the all–German organs provided for in the constitution – parliament, government, s[illegible]me court – would complete the reunification of Germany as part of an all–European security system. The four powers would then have to withdraw their forces from Germany one year thereafter. We cannot be spared any of these steps towards reunification and independence, and none can be skipped.

With good will on the part of all involved, and calmness on the part of the populations of the two German states and of West Berlin, it should be possible, however, to complete successfully the procedures of drawing up and putting into effect the all–German constitution and also the preparation and the work of the peace conference by the beginning of 1991 and to let it culminate in an act of national reconciliation of all Germans. The victors of World War Two could facilitate this by inserting into the peace treaty clauses to the effect that any step towards reunification beyond

Red and green: the working class and the environment...



confederation must be strictly peaceful and strictly non-violent, and banning discrimination against any German on the grounds that he served either German state or its allies in whatever function.

We Greens appeal to the Left in both German states and West Berlin to combine into a red-green alliance for the solution of the German Question, to adopt the gradual plan outlined above and to fight for its implementation in word and in deed.

III

If we Greens propose the restoration of Germany's unity this does not mean that we are prepared to accept a surrender of the economic wealth of the GDR, or agree to the threatened dismantling of the social security and comfort of its citizens. On the contrary.

The "Declaration of the Green Party on the German Question" of 8 December 1989 concludes: "We demand ecological security instead of excessive consumption. We stand for the preservation of the social gains of the GDR. We want antifascism instead of right-wing radicalism." We would like to strongly reaffirm that, but at the same time add the following: We want a peaceful, if possible demilitarised, Germany, and at the very least one that is incapable of military offensives. We want a constitution which combines the advantages of parliamentarianism with those of direct, rank-and-file democracy. We support the right to equality of the female sex in all spheres of state and society, which should be constitutionally codified and realised in all of Germany. We want a Germany that accepts its current frontiers, including the Oder-Neiße line, as final, and one that is free of hostility to foreigners, that offers generous asylum to persecuted and oppressed citizens of other states, that gives genuine solidarity and aid to the Third World rather than exploit it in a neo- colonialist manner. And, last but not least: the united Germany which we desire must – irrespective of the necessary limits on economic growth, the need to close down industries which damage the environment, and our rejection of performance stress and competition – guarantee full employment as well as the comfort of the poor and weak, social security for everyone – at a modest material level, a healthy lifestyle and the optimal satisfaction of sophisticated spiritual and cultural needs. All in all, public ownership of the main means of production provides the most suitable socio-economic foundation for this.

As that kind of united Germany is our aim, because that is vision of its domestic and external condition, we naturally oppose any attempt to reconstruct the economy of the GDR in the direction of capitalist restoration. We are against accepting Western loans, against investment by Western capital, against the unrestricted setting up of private businesses, against the sell-out of our soil to speculators, against the propagation of competition and performance stress, also against joint ventures and especially those which lead to an increase in car production at a time when the abolition of individual motoring has become a condition for the survival of plant, animal and human life on our planet. In this spirit, we are both at the Round Table and in the election campaign going to be a left opposition to the Modrow coalition government, and the more energetically so as the government bows to the pressure of the former block parties LDPD, NDPD and CDU, now outdoing each other in condemning socialism and calling for a "free market economy".

We Greens see ourselves as a sister party of the West German Greens and the West Berlin Alternative List. In the GDR, we see as our potential allies the women's emancipation movement, new, leftist youth organisations, also the trade unions defending themselves against performance stress and the tendency towards a cheap labour economy, the Association of Farmers' Cooperatives, also the Democratic Farmers' Party, the church as a helper of the poor and the weak, the ecologically conscious sections of our scientific and cultural intelligentsia, and the United Left ("Böhlen Platform"). Common denominators with the SPD arise out of it commitment to the anti-fascist tradition, its advocacy of a new economic world order in favour of the Third World, its sensible proposals for an energy policy in the GDR, its claims not to measure the quality of life principally in terms of material consumption, and its warnings against the dangers of a "backyard" Eastern Europe and the neo-colonialist ambitions of the EEC internal market prepared for 1992/93. Our main ally in a red- green coalition could be the SED-PDS, provided it is willing and able to take heed of of the critique put forward by Norbert Nowakowski at its recent special congress, and, above all, to radically correct the economic policy of Hans Modrow, Christa Luft and Gerhard Beil in the spirit of the alternative model proposed by Rudolf Bahro – using the entire weight of its power potential anchored in the existing institutions of the country. Should it fail to do so, then the SED- PDS, even if cleansed of Stalinism, would for us Greens still remain a traditional party of industrialism like the SPD, capable of being taught ecological reason only to a limited extent and only from the outside, through the political pressure and educational work of a strong green movement. We are seriously worried about the increasing hegemony of openly restorationist, pro-capitalist forces in Democratic Awakening, the LDPD, the NDPD and the CDU. We acknowledge the pioneering historical achievements of the citizens' initiative "Democracy Now" and of the New Forum, although their specific party political ideas remain obscure to us. Our one enemy are the neo- fascist groups, the smashing of which we regard as the most urgent, most important task of the law in the GDR. Only a GDR cleansed of the neo-Nazis will, in our conviction, be able to become a reliable bastion of the anti-fascist struggle which is so indispensable in the process of reunification, and will alone give credibility to our demand that the Republicans be excluded from the political life of the Federal Republic and West Berlin.

We will do everything in our power to create a red-green Germany. Should we not be successful in this, then our political course of linking a Yes to national reunification with a No to the economic sell-out and social dismantling of the GDR will at least contribute to make the red and the green opposition in all parts of Germany as strong as possible.

Berlin, 26/12/1989

Wolfgang Harich

Eastern Europe's new self-determination problem

by OLIVER MACDONALD

WHATEVER ELSE the peoples of Eastern Europe have been struggling for over the last year, one aspiration has been more or less universal: the demand for the right to determine their own future.

These movements for self-determination wanted a great deal more than a change of faces at the top of the political system, or indeed than a change of the political system itself. One of the most obvious features of the political revolutions has been the ordinary people's desire to choose the social system they wish. Across Eastern Europe people are debating whether they want to continue with a mainly socialised economy or not. This is the most basic issue of all on which democratic self-determination has been demanded, the most basic because it will govern the entire framework of their lives and not simply the institutions they will be involved with when active in politics.

Should the social system be capitalism of one variety or another, or should it be market socialism of one variety or another? And if the people do want capitalism, do they want the most profitable sectors of the capitalist economy to be sold off to Western multi-nationals, or do they want to retain a strong national control over their future capitalist development? Do they want their economy to be part of a wider regional economic and political grouping or do they want it to be inserted individually into a division of labour centred on Frankfurt, the Ruhr and Milan?

Much to most people's surprise, the Soviet leadership seems set on allowing the peoples of these states to decide these basic issues of internal and external orientation in a democratic way.

On the face of it, the Western European states and the USA are even more strongly in favour of self-determination and democracy: they are not only encouraging the states of central and Eastern Europe to take the path of democracy, but they are actively aiding them down that democratic road by offering billions of dollars on condition that they become democratic.

Or are they?

For 4 decades the West has mobilised enormous resources for what it has proclaimed to be a battle to free the "enslaved and oppressed peoples" of Eastern Europe and the USSR from "Soviet totalitarianism". This great effort has been mounted in the name not of capitalism but of democracy and self-determination. The West has repeatedly indicated that its goal in the Cold War has been for the peoples of Eastern Europe to enjoy democratic liberties, free elections, the rule of law and respect for human rights.

Is that what is now being offered to the countries of Eastern Europe? After the elections scheduled for this spring and summer, will these countries be treated as normal states, integrated into the West's international economic and political order? In particular, the following questions are pertinent:

(1) Will they be allowed to participate fully in normal international trade according to the principles of liberalism, regardless of the nature of their internal social and economic order?

(2) Will they be allowed to determine for themselves in a democratic fashion their own social systems, without coercive attempts at interference from outside?

The purpose of this article is to investigate these issues. But we will leave out of account the FRG's work on the GDR, simply because that particular operation has too many special (and anything but edifying) features of its own.

To appreciate the West's policy today, we must very briefly remind ourselves of the relationship between East and West Europe before the start of 1989.

The relationship before 1989

The main features of the relationship between the EC and Eastern Europe before the beginning of 1989 can be summarised very briefly:

(1) an economic embargo on exports to Eastern Europe organised through CoCom, a body without legal status, but nonetheless effective for that, run from the basement of the US embassy in Paris: while publicly presented as a system of sanctions against the export of military technology to the Warsaw Pact, it was, in fact, a generalised

instrument of technological warfare, covering half of all items traded on the world economy. Western states which broke this export blockade would be punished by the US.

(2) a system of tariffs, quotas (quantitative limitations) and outright bans on imports of a very wide range of goods from the Warsaw Pact countries.

(3) Some limited trade and co-operation agreements of the E.C. with individual East European states, notably Romania and, in 1988 Hungary. These allowed some more favourable treatment of imports to the E.C., though by no means removing very substantial barriers. They also, particularly in the case of the pioneering Hungarian agreement, gave special rights to EC companies in these countries. There was also an industrial trade agreement with Czechoslovakia, mainly to allow certain Czech exports wanted by the EC to come into the Community.

(4) Poland, Hungary, Romania and Yugoslavia had become members of the IMF and the World Bank.

(5) All the East European countries, with the exception of Romania and, to a lesser extent, Czechoslovakia, were heavily indebted to Western governments and private banks. The heaviest debt burdens were those of Poland, now 41 billion dollars, and Hungary, now 11 billion dollars.

(6) There was finally the military confrontation. Leaving aside the details of the military balance (but just to say that the International Institute of Strategic Studies in London considered throughout the 1980s that there was a rough parity of ground, air and sea forces in the European theatre), the military drain on resources took a far heavier toll in the Warsaw Pact than in the West for the simple reason that gross domestic product in those states was far smaller than GDP in the West: probably about one third the size.

An end to the blockade?

Leaving aside for the moment any question of whether the new regimes in the East deserve any special help from the West, we will first examine the extent to which the West is ready to offer normal principles of trade and commercial relations to Eastern Europe today – normal, that is, according to the liberal approach to international trade. We will look first at exports to Eastern Europe, then at imports from Eastern Europe, then at the opening up of the East to Western capital.

(1) Exports to the East: CoCom Down But Not Out

After very acrimonious debates between the US and various West European states, especially the FRG, the CoCom countries seem ready to cut the number of goods blocked from export to Eastern Europe by about half. This agreement will not, however finally by sealed until a CoCom summit meeting in July. The US seems ready for a greater relaxation of the technological blockade against East European countries, as opposed to the USSR, if the former allow the US to police their economies to ensure the extra liberalised goods are not re-exported to the USSR.

But we should note that CoCom remains very much alive and the East European states are still far from being able to participate fully in the world capitalist economy as far as imports from the West are concerned. We may wonder why this is the case. What could the democratically elected governments of Eastern Europe do to get the West to cease technological warfare against them?

(2) Imports from the East: Still Far From Liberalism

One of the most urgent ways in which the West could help the new states of Eastern Europe would be by actually applying the liberal international trade principles it preaches, in other words by ending all blocks and embargoes of imports from Eastern Europe. This would not, according to the neo-classical economics of the capitalist market, be an act of altruism, but an efficiency measure for Western Europe itself.

Yet no such full trade liberalisation has taken place. To illustrate this, we can take the most liberal trade agreement so far reached with any East European country, that with Poland ratified in October 1989 between the EC and the new Solidarnosc government of Prime Minister Mazowiecki. Instead of swiftly opening the EC to exports from the debt- strangled Polish economy, the Treaty commits the EC only to "remove or liberalise the quantitative restrictions it applies to Polish exports by 31 December 1994 at the latest, subject to exceptions."

Furthermore, Article 3 of the Treaty makes clear that products covered by the European Coal and Steel Community will not be included in the liberalisation measures: in other words, Poland's coal and steel exports will still be restricted. Article 4 indicates that textile restrictions will also continue to apply.

As to the extent of the embargo on Polish exports to the EC after 1994, this will be decided through negotiations between Poland and the EC in 1994.

(3) Opening up Eastern Europe to Western Capital

The economic co-operation part of the agreement with Poland is directed to "supporting structural changes in the Polish economy" – in other words, privatisation.

Meanwhile, Poland must agree to a series of liberalisation measures: there must be no discrimination against EC companies in the granting of import licences for goods entering Poland, no discrimination against EC companies operating in Poland over the giving out of hard currency to pay for imports. Help must be provided for EC firms wishing to establish themselves in Poland and international invitations to tender for contracts must be offered to EC firms (Art.16). And the Polish government must not seek to promote counter-trade (in other words, barter deals, very valuable for countries with acute hard currency shortages and widely used in Third World trade as well as in commercial relations with Eastern Europe in the past). Meanwhile Poland must help Western firms with "investment promotion and protection, including the transfer of profits and repatriation of capital" (Art.18)

Since the legal basis of the treaty is not only Article 113 of the Treaty of Rome but also Article 235, the European Parliament must be consulted. Such consultation has not resulted in any changes to the Treaty's terms.

A similar agreement was signed with Hungary in 1988 and the Commission expects similar trade and economic co-operation agreements to be signed with Bulgaria, Romania, Czechoslovakia and Yugoslavia later this year.

The debt noose

Every child learns that debts should be repaid, so it might appear that the East European states should pay every penny. But that is the economics of the kindergarten. Anyone in business knows that old debts are being written off every day. Furthermore, governments such as the present Thatcher government have written off billions of pounds worth of debts of public enterprises in preparation for selling them off cheap to the private sector.

The great bulk of Eastern Europe's debts are owed to Western governmental institutions: only $9 billion of Poland's $41 billion debt is, for example, owned to private sector banks. Therefore no one will suffer in any significant way in the West from the writing off of most of this debt.

The debts were accumulated by the old regimes: are the peoples of Eastern Europe going to be made to pay for the mismanagement of governments for which, the West has argued for years, they bear no responsibility? Furthermore, we should not forget that the West loaned money to Eastern Europe to enable it to increase East–West trade in the 1970s, then itself erected new barriers against improving the trade and thus easing the debts.

Yet little has been done to ease the debt burden. Hungary's $11 billion debt for the population of 10 million people is not being tackled: rescheduling of the debt, let alone cancelling it, does not appear to be on the agenda.

At the beginning of February, Polish Prime Minister Mazowiecki demanded from members of the European Parliament in Brussels that Poland should be freed entirely from its need to make debt repayments; he also urged that Poland's creditors should considerably reduce the debt burden itself.

On February 16th the Group of 24 (G24) agreed that Poland could stop any payments of principal (the original sum borrowed) or interest on debts owed to Western public bodies till March 1991. They also asked the private sector banks to follow suit as far as interest was concerned.

But the interest owed has not been cancelled. It will be repaid over a 14 year period. G24 also agreed to reschedule $3.4 billion of arrears, built up by the end of 1989 (Financial Times, 17 February, 1990).

What is the motive for this ruthlessness? Greed, understandable on the part of private banks and their shareholders, can hardly be an explanation of government behaviour. It is a matter of public policy objectives. There is one great advantage in having a debt noose around weak countries: you can control them politically, above all by making them desperate for roll–over credits and bridging loans and ready to take drastic domestic action to get them. Could this be the motive?

Loans: altruism or coercive domestic interference?

In the kindergarten, lenders are generous and borrowers should be humble and grateful and are free, after all, not to ask. The adult world is a little different: billions upon billions of dollars, Deutsche Marks and Yen floating around in a search for something to invest in to make a profit. It takes a considerable effort for the average person in the UK to resist the enormous pressure from the financial sector to borrow, take out an extra loan.

But the debt–ridden states of Eastern Europe, desperate for new loans must turn to the IMF and World Bank for extra cash. So Hungary has been trying to get a modest loan of a little over $200 million from the IMF. This has been all the more important because a further $1 billion dollar loan from the European Community to Hungary has been made dependent upon the Hungarian government's agreeing terms on the IMF loan.

The problem is that the IMF is very unhappy about the cheap rents that most Hungarians pay for their homes. It is refusing the loan until the Hungarian government ends its rent subsidies. The Hungarian government has not wanted to end the subsidies. But the IMF insisted, and the government is desperate to keep up its debt repayments. So it introduced a bill to end the subsidies into the Hungarian Parliament. But the Parliament threw out the bill. So the IMF has refused to agree terms.

It perhaps needs to be stressed that such interference by the World Bank and the IMF has nothing whatever to do with technical matters of good economic management, quantitative balances in the national economy or whatever. It is interference in profoundly political questions of basic social organisation.

A similar determination to interfere in Eastern European countries' internal affairs has been expressed by the World Bank. In February 1990, it announced a plan to lend $5 billion to Eastern Europe over the next three years, half of which will go to Poland. But its President, Mr. Barber Conable, made clear that this money "will focus on restructuring all facets of the economy and market–oriented change" and he underlined that the World Bank was working for a new system in Eastern Europe "vesting economic decision–making in the individual and in private enterprise". Specifically, Mr Conable wants to open up the East European economies to Western trade and investment, wants legislation and institutions there for free markets, for bankruptcies and for unemployment (Financial Times, 23 February).

We should also note that it has never been a legal requirement for countries to have capitalist economies in order to join or do business with these organisations. There are two key criteria for membership: does the country pursue an independent foreign policy? Can it supply adequate statistical information about its economy? Ceausescu's Romania was long a member of these organisations as were Kadar's Hungary and Jaruzelski's Poland. The World Bank's plans for massive internal interference in basic social choices facing the peoples of Eastern Europe are new.

The same pattern of internal interference has been adopted by the EC in its credit policy towards Eastern Europe. The EC is planning to offer credits from its own budget to the East European states and also loans from both the European Investment Bank and from the European Coal and Steel Community to be guaranteed by the EC budget. But the Commission is revising the formal framework of such credits to link them, as far as Eastern Europe is concerned, to backing "market–oriented reforms" (Commission Communication 1 February 1990).

The projected new European Bank for Reconstruction and Development, suggested by the French Socialist Party government and agreed upon at the 8–9 December EC summit meeting adopts the same approach. Once again, one of its central objectives was laid down to be to "assist moves to market–oriented economies and structural

adjustments" in Eastern Europe. The G24 group discussed the bank at a meeting in the second week of December 1989. They agreed that the USSR could qualify for special aid, including from the EBRD, provided that the so-called "economic preconditions for democracy were met". (Europe, January- February, 1990) It is true that the US, at a March meeting to plan the bank, objected to the fact that not all the bank's lending would be to the private sector: some of the resources will be devoted to public sector work on infrastructure. But the real worry of the US was that the West Europeans would try to turn the new bank into a rival to the (US dominated) World Bank for funding infrastructure projects: there is no basic disagreement over the privatising mission of the bank.

Aid: or is it internal interference?

Normally, embargoes on exports or barriers against imports at the levels planned to remain in East-West economic relations signify intense conflict between the states in question: a desire by one side to exert political pressure on the other. They certainly don't make life any easier for the governments of the weaker side. And neither does the maintenance of the debt noose nor the attempts to use loan instruments to pre-empt democratic social policy-making

But, it may be asked, is not the West's good-will towards the democratic aspirations of the peoples of Eastern Europe demonstrated by the very substantial amounts of aid now being offered by Western governments in G24, co-ordinated through the E.C. Commission?

The Group of 24 Western states decided on August 1, 1989 to empower the EC Commission to co-ordinate aid for Eastern Europe . At that stage the aid was to be limited to Poland and Hungary. On 26 September the Commission presented its Action Plan to the second co- ordinating meeting of the Group of 24. The plan is known as operation PHARE (acronym for "Poland, Hungary: Assistance for Economic Restructuring"). The plan envisaged a total of some ECU 600 million for 1990 of which 200 million will come from the EC budget, 100 million will come from individual EC member states and the remaining 300 million with come from other G24 members. On 9 October the E.C. Council of Ministers amended the 1990 budget to allow for its ECU 200 million commitment.

But the EC documents reveal that this is not money for the Hungarian and Polish economies as a whole, but for a very tiny part of them. The relevant E.C. Regulation declares that the projects funded "must benefit the private sector in particular".

Furthermore, the regulation makes clear that the aim is for this aid to me made up largely of counter-part funds: in other words, to get the aid, Poland and Hungary must switch parts of their own budgetary resources towards projects backing the private sector of their economies.

Finally, while the plan envisages taking into account the preferences of the recipient countries, "The Commission will take steps to identify areas where such aid can be most useful". In other words, ultimate authority for the aid allocation decisions will be kept in the hands of the EC and not the elected governments of Eastern Europe.

In the first weeks of 1990, the other countries of Eastern Europe put in applications for G24 aid under the PHARE programme. But the Commission made clear on February 1st that such aid would not be forthcoming unless the countries concerned committed themselves to "economic liberalisation with a view to introducing market economies" (i.e. capitalist markets).

In short, this aid amounts to an effort to strengthen one side of the political divide that is becoming increasingly sharp and increasingly central in Hungary, Poland and even Czechoslovakia: do we want our market to be private capitalist or in large measure non-capitalist.

To round off its effort, the EC will be offering "vocational training", which turns out to be training for "executives, instructors, managers and students" linked to the vital need for "economic reform", which is "especially urgent" in the fields of banking and finance.

In case anyone should retain a vestige of admiration for the G24's generosity in at least coughing up funds for aid, we should bear in mind that the overwhelming bulk of the Aid offered so far is not, in fact, new resources at all. It is simply raided from the aid money ear-marked for the Third World. Thus the total of $3.7bn hitherto offered to Poland from the World Bank, the IMF, the EC and G24 is recycled from the Third World. The capital from the EC for the new European Bank for Reconstruction in Eastern Europe will come from the EC's regional funds. And Japan's $2bn for Eastern Europe comes from its existing budget for aid to the South. (Guardian, 23 January 1990) Britain's $250 million for Poland during the next financial year will also come out of existing aid resources (Independent, 19 January 1990).

The reward for the right domestic political line: association status

The 8-9 December 1989 European Council meeting of EC heads of government asked the Commission to work out the terms for future Association Agreements between the EC and the various individual East European states. They felt such agreements would help to "promote political stability" in Eastern Europe. They also felt the USSR should probably not be offered an Association Agreement.

It has been stressed that Association status is not a prelude to the states of Central and Eastern Europe becoming members of the so-called "European Community". Indeed, it is presented as an alternative, for in the words of one EC Commissioner, these states are too backward to become members of "Europe" in the foreseeable future.

But Association status is by no means automatic: there are strings attached: the EC "will expect decisive steps to have been taken towards systems based on ..... economic liberties". While the G24 aid will be available for counties committing themselves to capitalism, Association status will "relate to performance as well as commitments".

A further, very important point about association status should be stressed. The EC is doing all it can to ensure that the states of Eastern Europe are tied individually into the world capitalist market, drawn individually into the economic division of labour in Western Europe centred on the Golden Triangle. There is no encouragement whatever given to attempts by the East European

states to collectively regulate their relations with the West or to collectively re-organise their regional economic relations. Association status will be a purely bilateral matter between each state and the EC, while the EC will retain the last word as to the allocation of funds to projects within each state, further re-enforcing such trends.

The West's policy and respect for self-determination

What is at stake in this discussion of the West's policy towards the new democracies of Eastern Europe is not its evident enthusiasm for capitalism. This is only to be expected from bodies like the European Community. In itself it in no way entails any coercion of the East European states.

Let us acknowledge also that the express wish of the majority of people in Eastern Europe may well be to go for full-blooded capitalism. In a country such as Czechoslovakia, there can be little doubt about the great interest at least on the part of students and the intellectual middle classes for some form of capitalism.

The issue of concern is the fact that the entire policy of the EC and other Western institutions is evidently geared to a coercive economic diplomacy to drive these new governments to take pro-capitalist measures whether this is the democratic choice of the people or not. The entire thrust of Western policy is, in fact, premised on the assumption that coercive diplomacy is required in order to force the populations of these countries onto a capitalist road of internal development.

This pressure is already acutely felt in and around the governments of Hungary, Poland and Czechoslovakia. In the GDR we cannot speak of pressure: it has been a steam-roller.

Yet in the West, the Socialist Parties seem completely oblivious while many of their leaders are no doubt fully complicit, if not playing a leading part in the process like Jacques Delors.

If this complicity continues and spreads it will only go to show that these parties' fifty year struggle against Communism was not in essence a battle for democracy at all, or at any rate has become simply a battle for capitalism.

After all, what exists in Czechoslovakia at this moment approaches what the Western Socialist Parties have always proclaimed to be their ideal: a genuine social democracy, a state with political pluralism and one which at the same time has an economy preponderantly under public, and therefore potential social control, in a country with far greater equality of wealth than can be dreamed of in the West.

Perhaps more to the point for pragmatic Social Democrats, their current belief that they stand to gain the lion's share of voter support in the new central and eastern Europe will prove a pipe-dream if the Western states' current coercive drive to force the new elites into draconian pro-capitalist measures is allowed to continue. This drive will involve profound social conflicts in these states and if a new, parvenu capitalist class does manage to claw sufficient wealth our of the living standards of workers there to consolidate itself, we should hardly expect the winners in this struggle to be waving social-democratic flags.

For people schooled in the old liberal tradition, the whole idea that the use of economic instruments by states may be coercive is difficult to grasp. This tradition limits its understanding of coercion to the activities of police and armies and especially to their lawless use: the sort of thing that the Stalinists engaged in for decades in Eastern Europe. Curiously enough, the old Stalinist tradition tended to share this view of coercive power to a great extent: power grows from the barrel of a gun, and so on.

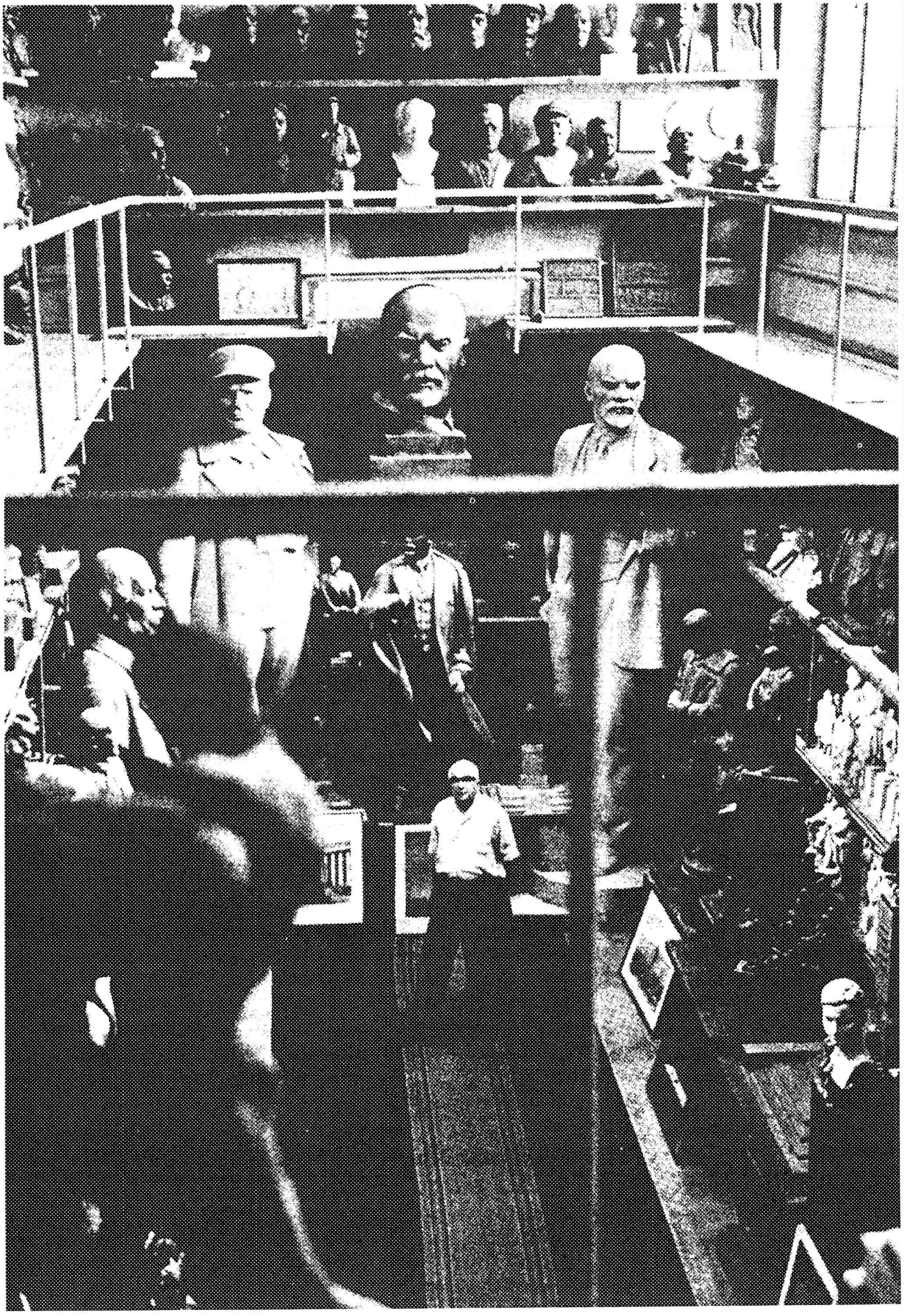
The whole notion that resource allocation, financial policy and economic policy can be coercive is doubted. This naivete which ignores the enormous capacity of the strong to coerce by exclusion and to subvert the popular will by the manipulation of financial and economic instruments is a great danger for the new democracies in Eastern Europe today.

Another secret of the success of the current Western drive lies in the institutions that are carrying it out. They are not overtly political bodies at all: not the Thatchers and Bushes of this world. Instead they are the seemingly neutral, technocratic bodies of non-political expertise, bodies that the overwhelming majority even of people involved in politics know very little about: institutions like the IMF and World Bank, the G7, the G24, the OECD as well as the Commission of the EC. The very influential New York banker from Lazard Freres, Felix Rohatyn, put this rather well recently when talking about how to penetrate Eastern Europe:

"Economic institutions, especially ones that are considered politically benign and not political in nature, by being multinational, by being 'neutral', and whose efforts are perceived as having improved well-being among recipients .... can ask for changes as part of an economic development programme" that other more patently partisan bodies could not get away with. He goes on: "The multi-national structures that operate between the private and the public sectors can be a very useful buffer and negotiator for a lot of things that are going to have to be done." (Europe, January-February, 1990). Quite so.

Under the guise of taking the technical measures needed to prepare the countries of Eastern Europe for participating in the world market, such bodies can force internal social upheavals on the unsuspecting and disoriented mass of the population. Under the guise of the need for austerity in this or that country, measures are insisted upon which are designed to prepare the way for selling off state assets at ridiculously low prices to the big Western multinationals. And if the parliaments and governments try to resist, the screws of trade embargoes, debt confrontations and loans famines are applied.

Yet when it suits, Western capital and Western governments are perfectly able to expand trade and normalise economic relations with countries where the state owns the bulk of industry. Nothing illustrates this better than the West's relations with China. In the words of the 1985 Hindley Report on behalf of the Committee on External Relations of the EC (PE Doc. A2-74/85) concerning relations with China (p.13): "The development of relations between the Community and China .... shows that different economic systems are not a major hindrance to close economic and political relations, provided that there is sufficient political will on both sides."



Lenin in exile?

An unrepentant communist

Interview with Rossana Rossanda

AT 66, ROSSANA ROSSANDA is one of the leading intellectuals of the Left in Europe. An active resistance fighter in the Garibaldi brigades in Northern Italy from 1943, she then joined the Italian Communist Party. In 1958, she became a member of its Central Committee and a close associate of Palmiro Togliatti. In 1963 she moved to Rome as a member of the Italian parliament. In 1969, she was one of the founders of the left opposition journal Il Manifesto, *and expelled from the PCI. Since then, she has worked with* Il Manifesto *and is now a leading member of* Democrazia Proletaria.

***Jeremy Lester** and **Gemma Borriello** went to interview Rossanda in her office in Rome to talk about her views on communism today and, in particular, her views on the present developments in the USSR. This is a shortened version of the interview.*

Would you say that the "forces of history" are still on communism's side or is this religion–like faith the only thing communists can now cling to?

No, I never had any kind of religious faith in my ideas. To those who ask me why I still think about communism, the answer is that I will do so for as long as there is capitalism. No one can deny the scientific proof of capitalism's existence and its high level of exploitation, nationally and at a world level. And not just capitalism. The North–South division was once called "imperialism" and according to me it still is.

Moreover, we have reached a stage whereby for capitalism to grow it can do so only by destroying the resources of the planet and that is a real problem of contradiction. Marx certainly never imagined that capitalism would not only produce wealth but pollution and rubbish as well.

What is your attitude to the current reforms in the Soviet Union?

In my opinion, the political system in the USSR certainly had to be destroyed. The lid had to be taken off so that a real social dialectic would emerge. I have never thought that the social basis of socialism ever existed in the USSR. It was always my firm opinion that they possessed a system of state, monopolist capitalism with a state, rather than a private, form of exploitation. In these days of horrible corruption, however, private exploitation certainly exists; it's enough to go around the USSR to see the social inequalities, the luxuries and so on.

I'm very much in favour of reopening the class struggle and I'm certainly not worried that the USSR will become capitalist tomorrow. First of all, because in Soviet conditions I don't see how state property can become privatised. You would really have to be crazy to do this! And secondly, despite all these people who are constantly going on about the "West", it will be a very different tune that they play when they realise that they would have to pay the market price for everything that they have been given so cheaply over these years – telephone, gas, electricity, transport, rent and so on.

Obne thing that has worried me greatly has been the emergence of the great new Slavophile Right. For a good while I really thought that there was a major danger here because they are fascists in the true sense of the term – fascist, extreme Orthodox Christians, racist and anti–Jewish. The picture of Great Russia versus the other Soviet nationalities was really a horrible one to conceive. At the elections last spring I thought that they would be successful. They had candidates and supporters everywhere; in the party and in the Central Committee as well. Bondarev, the writer, is one of the worst.

Anyway, they were completely routed at the elections and this has given me considerable heart because they were defeated by communists who were, on the whole, not members of the bureaucratic apparatus. So it's not a lost country by any means, but the political fight must be carried through; no one will grant socialism on a plate.

These are really interesting times in the USSR. To be sure, there are great contradictions, but nothing could be worse than the kind of deathly situation that prevailed under Brezhnev. Now, everything at least comes out in the open.

There are numerous articles in the press and there are many well-known reformers, very intelligent people like the new Deputy Prime Minister, Leonid Abalkin, who are convinced, for example, that the introduction of the market will be the Soviet Union's salvation. All this clearly demonstrates that there is a strong "rightist" current in the Soviet Union; of that I'm absolutely convinced. But I certainly prefer this right wing current to the aforementioned Slavophile one; at least it's a modern philosophy.

It's indisputable, I think, that the Soviet intelligentsia have made enormous gains over the last 4 to 5 years of reforms. But what about the Soviet working class? There have been numerous warnings, recently, that the party is losing the working class and that when the working class wakes up to the fact that it is disappearing from the political arena, then a political storm, maybe of revolutionary proportions, is going to break.

To some extent, of course, this has happened already with the miners' strikes earlier on this year. One of the most significant events in the whole period of reforms was the 21-points platform that the strikers formulated at the height of the strikes, and the workers' organisations that they then established once the strike had ended.

Gorbachev's response to this was very positive, especially when compared to the kind of comments we were hearing from leading economists and members of the intelligentsia. The latter, in particular, have a tendency to be deeply anti-worker and I have always been in conflict with the Soviet intelligentsia over this attitude.

Anyway, the real point is, we can now begin to see the beginning of a very strong and mature debate taking place within the working class movement. We are aware, for example (from Tatyana Zaslavskaya's Sociological Research Centre), that in Sverdlovsk workers' districts have begun to organise themselves into a common movement and have reopened old political issues like the struggle for equality in Soviet society. Thus, for example, this is a heavy industrial region which suffers acutely from pollution and the workers are now beginning to campaign against the fact that they have been forced to live in the centre of the pollution belt, with all the accompanying problems of chronic diseases, while the factory managers and the party cadres live very happily and cleanly in their dachas in the distant forests.

For me, this is the beginning, and only the beginning, of a new class struggle of a very mature type. After years of humiliation, this is an unexpected positive occurrence in the working class.

Eastern Europe is without doubt on the move at the moment and this has raised all kinds of speculations and prospects about some future unity of Europe. For the most part, such speculations fall within the realm of an enlarged, pro-capitalist EEC. Should the European Left accept this structure or should it be putting forward an alternative structure of unity? And who should the Western Left be talking to in Eastern Europe now?

I should perhaps ask you what the European Left is! At its best I can see a social democratic Europe; a "capitalist Left" that accepts the capitalist system with some corrections. In the German SPD, for instance, there is a left faction which takes a reformist stance, not anti-capitalist by any means but at least reformist in an interesting way. This is not a majority faction, but it is the best we have in Europe. I cannot comment on the British Labour Party because it's an organisation that I am not too familiar with, but the French Socialist Party is a poor thing and the Spanish Socialist Party is really a Liberal Party. Mind you, I don't want to morally condemn the Spanish Socialists because the historical conditions out of which they have recently emerged were appalling.

As far as the Spanish Communist Party is concerned, this has been very badly led by Santiago Carrillo; the Communist Party in France, meanwhile, is led by a band of old sectarians.

Consequently, I simply don't see a "European Left" that can pose itself the problem of developing a relationship with the East in terms of a growth in socialism and in terms of a widened democratic, anti- capitalist position.

And the PCI?

The position of the PCI at the moment is bordering on the suicidal. I certainly don't think it's benefiting the party, not even tactically, to simply discard the whole history of communism; if nothing else, it's a sign of great theoretical weakness. Basically, they have never critically faced the history of communism; the democratic centralism, the regimes in the East, the concentration camps and so on, and those of us who tried to do so were silenced. And then all of a sudden, without any kind of theoretical analysis whatsoever, they said that all of communism was nothing short of a horror story. For me, this is a shameful thing and I am more furious with the PCI now than when they threw me out. When I left the party, it was still a great movement. This is no longer the case. I'm happy I left and I wouldn't go back now (despite offers to do so). I really find detestable what they are doing now. Yes, communism has been the tool of Stalin, but it has also been the banner under which the best people in the world this century have struggled...

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The European Left

The text on these centre pages was drafted at the beginning of this year in Berlin by Peter Brandt and Günter Minnerup, in order to initiate discussion around the political positions put forward in it, to canvass support for what the authors believe must be the cornerstones of socialist policy in Europe in the coming decade, and to take the first step towards a broadly-based, socialist campaign for a new Europe following the disintegration of the Stalinist camp.

Already, a number of socialists from both East and West, including the British Labour Member of Parliament Eric Heffer as well as members of the East German SPD and United Left, have declared their support for this initiative. Labour Focus on Eastern Europe *urges all readers to do likewise and to give it the widest possible circulation. The initial aim is to organise a meeting of as many supporters as possible later this year, probably in Berlin, to prepare the launching of a campaign along the political lines indicated in the text.*

Please send your messages of support and requests for further copies of the appeal to our editorial address:

Labour Focus on Eastern Europe
(Appeal)
P.O. Box 128
Southsea, Hants.
PO4 OTT

THE 9 NOVEMBER 1989 – the day the Berlin Wall fell – marks a turning point in the history of Europe. The European post-war order is disintegrating. One way or the other, the 1990s are going to be a decade of transformation. But what role will the European Left play in this process, and what will its outcome be? Will the collapse of Stalinism lead to capitalist restoration in the East, or will it be possible to build, for the first time, a democratic-socialist alternative to capitalism? Will the EC evolve into a new political and military superpower, or will we see the birth of a new pan-European order based on democratic and socialist ideals of freedom and equality?

The answer to these questions will, at least in part, depend upon the ability of the European Left to rise to the challenge of the 1990s. For decades, its two main components reflected the confrontation between two power blocs in Europe: while the communists were pro-Soviet and Stalinist, the social democrats were pro-American and atlanticist. Neither the cause of democratic reform in the East nor that of socialist change in the West benefited from this confrontation. Now that the Stalinist grip over Eastern Europe has been broken and the Soviet Union has committed itself to asymmetrical disarmament, the maintenance of NATO only serves to prolong the existence of the Warsaw Pact, the continued presence of American nuclear weapons and troops, particularly in Germany, only serves to keep Soviet nuclear missiles and armed forces in Eastern Europe, including Germany. In this sense, the European Left that we need now must be as anti-Atlanticist as it must be anti-Stalinist.

But anti-Stalinism cannot be the same as anti-Sovietism, now less than ever. The democratic revolutions that swept away the old regimes in Eastern Europe during 1989 were made possible by the political reforms in Moscow. The Soviet Union is an integral part of Europe: Europe's political fate this century has always been determined by the relationship between Germany and Russia, and will continue to be determined by it into the next century. Just as it is inconceivable that a future European order could be lastingly based on the division of Germany, it is inconceivable that the Soviet Union be locked out from it.

The Soviet Union needs Europe, and Europe needs the Soviet Union. If Gorbachev's slogan of the "common European house" is to have any real meaning, it is surely that from the military-strategic, economic- technological, ecological and cultural standpoints alike the interests of Europe form a complementary whole. But with every month that passes without perestroika showing the desired economic benefits, the voices demanding either a radical marketisation of Soviet industry and agriculture – in effect, the reintroduction of capitalism – or a return to an iron bureaucratic dictatorship are growing louder in Moscow. At the same time, the pressure from the West increases, and so do the centrifugal tendencies in the USSR itself and in the "socialist camp".

Nobody should have any illusions about the terrible orgy of reaction this could lead to. But that is not inevitable. The capitalist reconquest of Eastern Europe has barely begun in earnest, the Stalinists are on the run, and the labour movement remains strongly entrenched in Western Europe. The building blocks for a common European home not dominated by the Right are there, the important job now is to get broad agreement about its architecture to enable the construction work to begin.

- The democratic revolutions in Eastern Europe will fail their historic task if their economic results are general privatisation and unfettered capitalist market economies. Instead of returning to the working people control over their living and working conditions, this would remove the economy from social control and transfer real power from the bureaucratic elite of Stalinism to a new ruling class of private capital owners, rather than to the people. The revolt against

in the 1990s

bureaucratic privileges would have led not to social justice and equality, but to deepened class divisions, social insecurity, unemployment, poverty and exploitation. The first task for the European Left as a whole is therefore to oppose the threatened restoration of capitalist relations of production in Eastern Europe.

- Such a stance, however, can only be credibly taken if at the same time the Left takes seriously the deep economic and ecological crisis in which the East European societies find themselves after decades of bureaucratic mismanagement – which have brought much discredit over socialist ideas – and offers viable non-capitalist solutions. Opposing capitalist restoration does not mean opposition to Western economic aid and close East-West cooperation, even if the Western parties involved are capitalist states and enterprises. On the contrary, the problems of the Soviet Union and Eastern Europe will not be solved without a comprehensive program of European cooperation – but such cooperation must take place on the basis of equality and mutual advantage, without one-sided exploitation and sell-outs. There is only one power that can guarantee this: the democratic control of the producers over the use of their products. Democracy and the transparency of social development are incompatible with the private marketisation of the decisive means of production. Of course, the chances for a non-exploitative economic cooperation between East and West are better if socialist governments and democratically-controlled enterprises represent the Western side. In that sense, there is a true complementary unity between the interests of the democratic Left in the new democracies of Eastern Europe and the old democracies of Western Europe.
- The military confrontation between the two blocs in Europe has had very damaging consequences for the living standards of their peoples: particularly, of course, in the Soviet Union and Eastern Europe where the arms race was directly at the expense of meeting consumers' needs, due to their weaker economic-technological foundations, but also in Western Europe. A security system under the roof of the common European home is therefore not only necessary in order to finally lift the fear of war from the Europeans, but also as an essential precondition for an all-European economic revival. Such a security partnership on the basis of minimal and purely defensive armaments and, above all, freedom from ABC weapons, would also make a great contribution to the ecological health of the continent of Europe.
- Another urgent requirement is for an all-European ecology plan, in order to find new approaches in energy and industry policy to clean up the environment through international cooperation and division of labour. The need for such an ecology plan, which will demand deep intervention in the economic infrastructure and existing investment autonomies (at both micro and macro economic levels) is yet another reason for rejecting an extension of the market economy.
- Overcoming East-West confrontation and substantial disarmament will also release the means for quantitatively and qualitatively increased, fraternal aid to the peoples of the Southern hemisphere. A united Europe independent of America would be a far more effective force in bringing about a new world economic order.
- A common European home must be based on the principles of equality and self-determination both internally and externally: all nations must have the right to freely decide upon their statehood and thus also, in the final analysis, to form new associations or to secede from existing ones. This is only possible with the simultaneous dissolution of NATO and the Warsaw Pact and the withdrawal of all foreign troops from all European countries. Existing economic and financial groups (EC, CMA, EFTA, etc) can only continue to exist in their present form for a transitional period and should immediately be cleansed of any military-strategic dimensions.

These six principles constitute a minimum program on the basis of which social democrats, socialists, anti-stalinist communists, left Christians, Greens, radical democrats and others on the Left in Europe East and West can unite without abandoning or denying their remaining differences. Such a broad alliance beyond traditional party barriers and national frontiers will prevent the new Europe from becoming a playground of the trusts and reactionaries, making Eastern Europe as the "new frontier" of capitalist expansion.

Democratic opposition in CPSU rallies

Translated and introduced by Rick Simon

THE PUBLICATION OF the "Democratic Platform" in Pravda on 3 March 1990 is an historic event. For the first time since the 1920s, a programmatic statement of an organised tendency other than that of the party leadership has been published in the official party press.

The months leading up to the 28th Party Congress in June/July will now be filled with a rather more substantial debate about the internal democracy of the CPSU and its future role in Soviet society and there has been much speculation that the Congress itself will witness a split in the ranks of the party with the possible formation of a social-democratic alternative.

"Democratic Platform" is the party-based analogue of the parliamentary Inter-Regional Group. Many of the latter's leading figures are also members of "Democratic Platform". It was founded on the 20-21 January 1990 in Moscow at a conference attended by 1,000 delegates from 164 party clubs in 102 cities representing 55,000 party members. Its founding document, the "Democratic Platform", claims the new organisation has members in 13 of the 15 Union republics.

The "Democratic Platform" is a counterposition to the official Draft Platform adopted by the CPSU Central Committee Plenum in February 1990. The main differences between the two platforms are outlined in a round-table discussion of "Democratic Platform" in Pravda's "Discussion Sheet No.11" on 3 March 1990. Speaking on behalf of "Democratic Platform", V. Lysenko argues that the common features that do exist between the documents enables a dialogue to take place between tendencies in favour of democratisation of the party. There is agreement on the need for a multi-party system, on the abolition of Article 6 of the USSR Constitution, which guarantees the CPSU's "leading and directing role" in society, i.e. its monopoly of political power, on the necessity of the CPSU to fight for its positions in society within the framework of competitive elections and on certain mechanisms needed to democratise the party.

The differences are the following: firstly, that the CPSU continues to consider itself a "vanguard party", the only force capable of consolidating society and of taking perestroika through to its conclusion. "Democratic Platform" considers that this standpoint only serves to discredit the CPSU still further and that the successful completion of perestroika demands the formation of a parliamentary party on an equal footing with other political parties. Secondly, the leadership of the CPSU fails to acknowledge the crisis in which the party finds itself and is thus unable to advance adequate measures for its resolution. Thirdly, that the party's functions in terms of cadre policy and elaborating theory are just the same as before and that the CC's Draft Platform is supposed to underpin the activity of the entire Soviet people. This denies the possibility of alternative programmes for a way out of the crisis and denies the democratic right of the Soviet people to choose between competing programmes. Fourthly, the Draft Platform fails to address the crisis of communist ideology (although it does not mention the word "communism"). Fifthly, it maintains the principles of democratic centralism and of territorial-productive organisation which, without exception, are principles of operation of "totalitarian" parties. It is interesting that this mainstay of Cold War ideology should re-emerge in the language of radicals inside the CPSU at a time when it has been largely discredited in the West. Finally, there is an adherence to unity for the sake of unity, which has been a ruling idea for decades but which is now completely at odds with reality both within the party and in society at large.

There is a clear tension in the "Democratic Platform" between the need and possibility of reforming the CPSU and thus staying inside it and of forming a new party as part of the transition to a multi-party system. Yeltsin considers that "before arriving at a multi-party system, it would be necessary to allow separate factions and platforms to exist inside a single party. This would be an interesting transitional moment..." Interesting indeed! There are thus a number of embryonic political parties inside the CPSU and this fact is reflected inside "Democratic Platform" itself. While "Democratic Platform" as a whole calls itself a "left" bloc, this expression serves to mask a wide variety of political opinions within it. This ranges from extreme marketisers to those, whose emphasis is on democratic planning, maintenance of social guarantees and workers' self-management.

Yuri Afanasyev is emerging as a leading proponent of social- democratic ideas within "Democratic Platform". At the January founding conference, he argued strongly against the entire Leninist tradition. He considered that, in essence, the CPSU was faithful to Lenin's original ideas and he resurrected the old social-democratic notion that Russia had been unprepared for socialism, "consequently, this socialism could not arise naturally, but could only be attached to this society and introduced into it from above through the dictatorship of the proletariat. But since matters were unclear both in relation to the proletariat and to the possibility of its dictatorship, a vanguard party was required" (Russkaya Mysl, 26/1/90). The party as the leading and monopolistic force in society was also part of the Leninist legacy. What was at issue, therefore, was a re-examination of the

entire heritage of the October Revolution which gives the party apparatus its legitimacy. The logical conclusion of this viewpoint is that the CPSU is irreformable and that there is a need to found a new, distinctly different party.

In reply to allegations of a split, V. Shostakovsky, a member of "Democratic Platform's Co-ordinating Council, argued in the Pravda Discussion Sheet that there was a danger, but that it came from the maintenance of a "centrist path, a centrist policy, a policy of the party leadership's endless compromises and not from the formation of any platforms or groups in the party". Instead Shostakovsky argued for the departure of those responsible for slowing down the processes of renewal and for stagnation inside the party.

Nevertheless, the run-up to the Party Congress is going to produce many tensions inside the CPSU. Already a number of local party leaderships have been forced out and replaced by democratically-elected officials but the procedures for electing delegates to the Congress seem to have been left obscure, with the possibility that different party organisations will adopt different methods, that many delegates will be elected on an undemocratic basis and that the whole legitimacy of the Congress will be open to challenge. Yeltsin is confident that the Draft Platform can be radically amended through discussion in the primary party organisations and that it will again be amended at the Congress if delegates are elected democratically. What will be his reaction given the likelihood that this will not happen is open to question. What is certain is that stormy political debates will continue inside the CPSU and that the tension inherent in the "Democratic Platform" will be resolved, one way or another, in the practice of trying to transform the party.

DEMOCRATIC PLATFORM FOR THE 28TH CONGRESS OF THE CPSU

To the Editorial Board of Pravda:
Dear Comrades!

We propose the publication in the Party's central organ, Pravda, of the "Democratic Platform in the CPSU". This was adopted at the All-Union Conference of the country's Party clubs and Party organisations on 20-21 January 1990 in Moscow. While having a number of positions in common with the Draft Platform of the CPSU, it is, at the same time, radically different from the Central Committee document both conceptually (the concept of turning the CPSU into a parliamentary and not a vanguard party) and in content.

We think that communists will only be able to make a conscious choice and determine precisely how they want to see their party in the future in the conditions of broad intra-party pluralism, in the course of free discussion and by having the opportunity to become acquainted with all points of view and platforms which exist in the Party.

We hope that the words of the CC's Draft Platform on the readiness "to examine alternative drafts" will not be divorced from reality.

The Co-ordinating Council of the "Democratic Platform in the CPSU", 15 February 1990.

DEMOCRATIC PLATFORM FOR THE 28TH CONGRESS OF THE CPSU

1. The Crisis in Society and in the Party

We, communists of 162 Party clubs and organisations from 102 cities and 13 Union republics, united on the democratic platform, actively support the radical changes begun in all spheres of the social life of our country on the initiative of progressive forces in the Party.

At the same time, we are seriously worried at the fate of perestroika in connection with the crisis situation both in society as a whole and in the Party itself.

The crisis, with its roots stretching back into history, is taking hold of ever more spheres in the life of society. Reforms are suspended in mid-air. Inflation is rising. The supply of food to the population is deteriorating despite the measures that have been taken. The list of goods in short supply is constantly increasing. The accident rate involving large-scale technological systems is assuming menacing proportions.

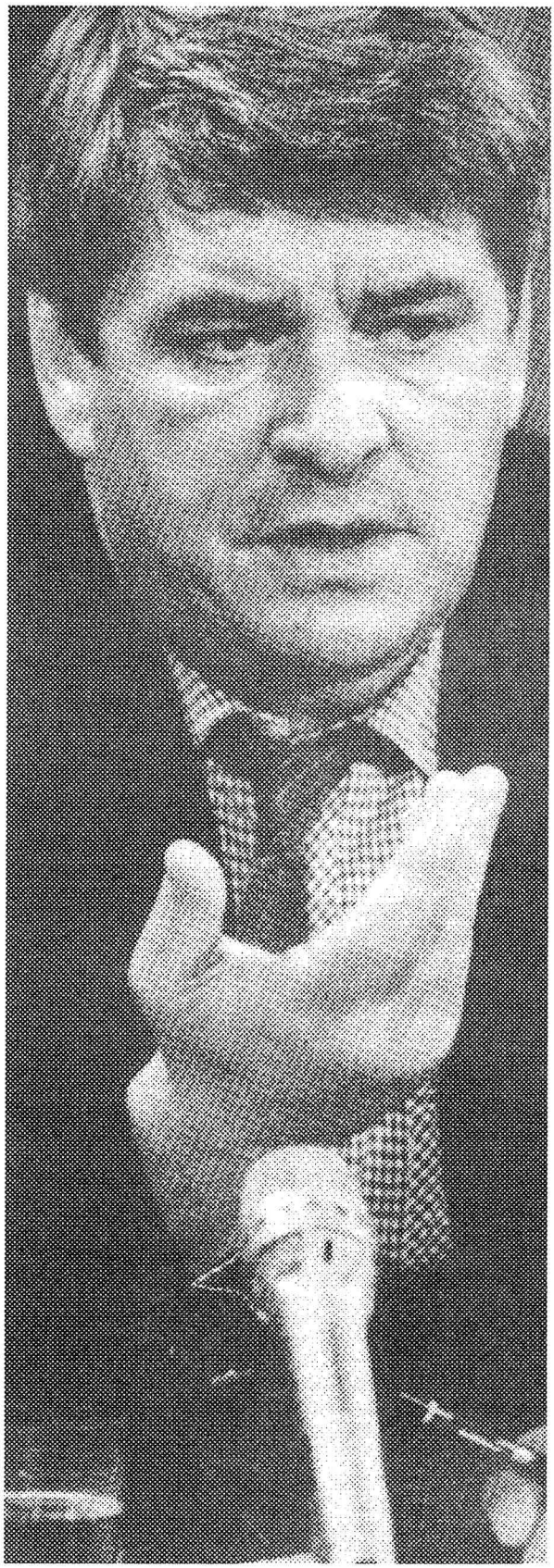
Their is ever increasing tension in the relations between peoples. In many regions of the country, a calamitous ecological situation has arisen. Crime, particularly organised crime, is on the increase.

Political and legal reforms, the transfer of real power from the hands of the Party apparatus to the Soviets, the creation of legal guarantees of openness (glasnost) and socialist values, are being carried out extremely inconsistently.

This is all increasing the masses' discontent, leading to a decline in the leadership's authority and fuelling the rise in social tension and political instability in society.

The ruling party bears fundamental responsibility for further deepening the crisis which has brought society to the danger mark. In present conditions, the CPSU is itself experiencing a crisis which is affecting all aspects of the Party's vital activity: ideological, political, organisational and moral.

The starting point is the crisis of communist ideology and first and foremost that modification of it which has dominated the CPSU for decades. In present conditions, in a world of new political thinking, the inconsistency and amorality of many means and methods for achieving proclaimed goals and the incommensurability of the price with the actual results of "real socialism" is evident. Dogmatic notions of the historic mission of the working class, of the dictatorship of the proletariat, of the inevitability and necessity of socialist



Professor Yuri Afanasiev, historian and Member of Parliament, represents the liberal wing of the Democratic Platform. He caused furore recently by ascribing all the ills of Soviet society to Lenin and the Bolshevik revolution.

revolution, of socialism without markets, of the possibility of popular power without political pluralism, of the law-given growth of the leading role of ruling communist parties, of the primacy of social over individual, and of international over national, interests, are in need of radical revision. Today, only the first steps have been taken on the road to the renewal of the party's theoretical baggage, and the process of the CPSU's interpretation of the real processes of perestroika, which has been implemented in the main through old, undemocratic methods, is being more and more delayed while lagging behind social needs and creating an ideological vacuum in society.

The most important manifestation of the crisis is the increasing ideological and political differentiation within the Party. At present, the following basic tendencies have formed and exist alongside each other inside the party:

1. Conservative-Stalinist, which stands for a cosmetic repair of party structures and is against any serious changes either in the party or in society;

2. Moderate-reformist (centrist), which is for partial changes which would permit a transition from a direct and open partocracy to the CPSU's indirect rule within the framework of a one-party system;

3. Radical-reformist, which struggles for a radical reform of the CPSU in the direction of a modern democratic parliamentary party, operating in the conditions of a multi-party system.

The concealment of the existing principled differences, the suppression of dissent in the party through organisational measures, the striving to preserve the mythical unity at any price will lead to the further deepening of the ideological crisis in the CPSU and to the weakening of the party's ideological and political influence over the masses.

The crisis of ideology is indissolubly linked with the political crisis of the party, and of society as a whole. The present ideological system, which has become that of the state and totally dominant, has determined the path of social development for decades on end by leading the country towards state, totalitarian socialism. It would, therefore, be incorrect to see the crisis of the CPSU simply as the manifestation of current contradictions in its development. Its sources reach back to the establishment of the totalitarian system of power in our country, the joining of party and state and the turning of the CPSU into the core of this system, enjoying a monopoly over property, power and ideology... The CPSU has not been a political party, as a social movement and a mass democratic organisation, in the true sense of the word for many years.

Today, when the crisis of the totalitarian system and of the entire preceding model of our development is upon us, the utter inappropriateness of the neo-Stalinist, anti-democratic model of the party and of its place and role in the political system to contemporary processes of social development becomes ever more obvious. There were sufficient healthy forces among progressive layers in the party to turn the helm of leadership and begin perestroika but, in its present condition, the party cannot cope with the task which has fallen to it of carrying the processes of perestroika through to their logical conclusion. While having provided the impulse to economic and political reform, the CPSU has not embarked at the same time on a radical revision of its role in

society and on its own democratic reform and is falling ever further behind positive social processes and turning into a fundamental brake on perestroika. The further retention of its monopoly position in society by the party, or more precisely the party–State apparatus, is extremely dangerous not only for society but also for the party itself for it leads to its degrading and loss of authority and influence among the masses.

The serious lag of party democratisation behind the democratisation of society was distinctly revealed during the spring elections for people's deputies, the work of the First Congress of Soviets and the session of the Supreme Soviet.

The elections exposed both the electorate's increasing mistrust of the party–State apparatus, of candidates from the nomenklatura system and the people's broad support for democratically–minded candidates, including communists.

The work of the session and of the Congress graphically demonstrated that power remains, as before, in the hands of the apparatus, and that the Politburo and the Central Committee have no intentions of re–examining their functions. Millions of Soviet people were convinced that, having failed to alter the party's position in society and having failed to rebuild the CPSU on a democratic foundation, it was impossible to ensure the transfer of all power into the hands of the Soviets and thereby carry out a radical restructuring in society.

But this strategic lag of the CPSU made itself known especially sharply during the summer miners' strikes when local authorities and the central apparatus proved completely unprepared to control the situation, when in a number of regions there was actual dual power with the strike committees becoming the real power, and the party–state structures had only a nominal hold on it. The general re–election of management and of trade union and party committees and the demands for the calling of extraordinary party forums are a serious warning to the ruling party.

The further deepening of tendencies to delay could lead to the party's defeat in the elections to republican and local organs of power, the consequences of which would be catastrophic for the CPSU.

Indissolubly linked with the ideological and political crises is the organisational crisis of the party. The present party structures, which began to take shape at the turn of the century and became definitively ossified in the 1930s and 1940s, were designed for the seizure and maintenance of power and served to ensure the monolithic unity of the "order of Knights", to suppress all democracy, pluralism and dissent in the party and to enable the party apparatus to manage the economy and culture directly.

The super–centralised, anti–democratic, strictly hierarchical structure of a party of the totalitarian, neo–Stalinist type directly contradicted the interests of millions of rank–and–file communists, the needs of perestroika and the values of democratic socialism.

The chief link cementing the undemocratic character of both the party itself and the whole political system is the principle of democratic centralism.

Democratic Centralism:

a. does not guarantee genuine pluralism of opinions in the party and the opportunity, through organisational means, to defend those opinions and criticise decisions that have been taken;

b. does not guarantee the defence of the rights of minorities, which frequently generate innovative ideas, and thus condemns the party to permanent stagnation;

c. gives no rights to take decisions to those directly affected by prescribing the necessity for lower organisations to be subordinate to superior ones on all questions;

d. forbids the formation within the party of horizontal links, as a result of which the party apparatus becomes all–powerful and uncontrolled, capable of manipulating the opinions both of individual communists and of entire party organisations;

e. dictates iron executive discipline, which excludes creative originality and activity from below, thereby leading to the levelling of the party ranks and the turning of communists into appendages of the party apparatus;

f. does not permit members of the CPSU, elected as people's deputies, to express the will of their electorate but that of superior party organs.

The second major source of the party's undemocratic character is the nomenklatura system of selection and placement of cadres for everything, which leads to the "partisation" of all leading positions and the formation of a party–state elite with its own corporate interests, corrupted by irresponsibility, surrounded by privileges, wallowing in corruption and protectionism and abusing power and a section of which is closely linked with the shadow economy and organised crime.

The moral crisis of the party is patent and this in turn provokes a crisis of confidence on the part of the population and also of rank–and–file communists in leading party workers and the entire party. Symptoms of the progressive sickness are the decline in the numbers of those wishing to join the party, an increase in those leaving the party and the declining number of those writing for the party press.

All these manifestations of the general party crisis are evidence of the fact that the old model of the party is no longer working. Moreover, as the experience of several years of perestroika in our country and in a number of other East European countries has shown, it cannot be reformed from above. Thus, at the present stage, what is needed is not the improvement and perfecting of existing party structures but a radical democratic reform of the party which envisages a transition from the totalitarian party model to a modern, democratic, parliamentary party model within the framework of a multi–party system.

The achievement of the consistent implementation of this reform from below, in its radical variant, is the strategic task of Democratic Platform and of all advanced forces in the party.

2. Radical Reform of the CPSU

In present conditions, the foremost task is the elaboration of the conception of democratic reform of the CPSU and, on that basis, of an anti–crisis programme for our party. This reform must become the central link of an ensemble of democratic reforms aimed at the definitive elimination of the regime and a transition to democratic socialism.

Democratic Platform advances its own notion of reform of the CPSU. Our starting–point is that the implementation of reform and the transition to

political pluralism cannot be instantaneous. It presupposes a considered and prepared transformation in stages. If haste in carrying out the reform might lead to chaos and anarchy, to the loss of control over society, then slowness and inordinate carefulness will threaten to turn into the restoration of totalitarianism and the downfall of perestroika.

To carry out reform of the party there appear to us to be two basic stages which comprise the following:

1st Stage: the transfer of power from the monopoly ruling party to the Soviets and the democratisation of the party.

The beginning of this stage was the "March" revolution – the elections in spring 1989 to the Congress of People's Deputies. Its content is the gradual curtailment of the party's functions of power. The party refuses to interfere directly in economic, social and spiritual life and narrows the scope of its cadre policy by concentrating its attention on ideological and political leadership. Supreme power is transferred to the Congress of People's Deputies and, in the localities, to the Soviets. This is all realised within the framework of the concept of the separation of legislative, executive and judicial power.

The leading role of the party in society ceases to be a constitutionally reinforced monopoly and is based exclusively on its authority and ability to continue the role of initiator of the processes of perestroika.

A division occurs between the radical and conservative wings of the party and various platforms, group and fractions are formed.

At the same time, the formation of the democratic structures of civil society, the creation of new political organisations and movements, which are preparing the ground for the appearance of different political parties, continues. We believe that only the alliance of the progressive wing of the CPSU and the independent democratic movement of the people is capable of providing perestroika with a real social base and of leading it out of its present state of crisis.

To realise these changes within the framework of the first stage the following are necessary:

1. The revision of the USSR Constitution (repeal of Article 6) and the adoption of a Law on Social Organisations (or a Law on Political Parties) in which the freedom to found political parties and their equal rights would be guaranteed and their political status defined.

2. The implementation of a reform of ideology which must find its concentrated expression in a new party Programme.

We have the following understanding of such a reform:

a. The rejection of a dogmatic interpretation of Marxism. The utilisation of that part of the Marxist heritage which retains its significance in contemporary conditions. In future, the party must make the widest use of the leading achievements of human thought, repudiating approaches and schemas which hinder the process of constant renewal and creative research;

b. A truthful acknowledgement of the massive responsibility which the CPSU bears for the results and consequences of the totalitarian regime in our country. A full and irrevocable condemnation of the model of state socialism, which has led our country into profound crisis, is essential.

c. A scientific definition of the aim of the reforms being carried out, the definitive liquidation of the totalitarian regime and the transition to democratic socialism, founded on the priority of universal human interests and values: the principles of democracy, humanism, pluralism, social justice, non–violence, solidarity and tolerance towards other philosophies and social systems.

3. The implementation of a reform of organisational structures and intra–party relations on the basis of new and democratic Rules of the CPSU.

The goal of the reform is the replacement of the principle of democratic centralism by generally agreed democratic principles (the elective principle, openness, removability, the subordination of the minority to the majority while granting constitutional guarantees to defend minority rights) and the complete repudiation of the nomenklatura system.

To this end, we propose the following principled changes in the Rules of the CPSU:

► the introduction of elections for the secretaries of primary party organisations, raikoms, gorkoms, members of party committees and delegates to party forums that are direct, alternative, platform–based, by secret ballot and with the free nomination of candidates;

► a return to the freedom of factions, groupings, and ideological tendencies by repealing the resolution of the Tenth Congress of the RCP(b) "On the Unity of the party";

► the opportunity to create horizontal structures in the party (for example, associations for particular aims, or according to functional, professional and other interests);

► the removal of party control organs and party communications from subordination to the party's executive organs, making them accountable only to a party congress or conference;

► a guarantee that delegates to party congresses and conferences retain their powers for the whole period up to a new party forum (unless the delegate is recalled);

► the elimination of special privileges and advantages for elected activists and the apparatus which undermine the party's authority;

► the replacement of the nomenklatura system by elections, competitions and other democratic mechanisms for selecting cadres;

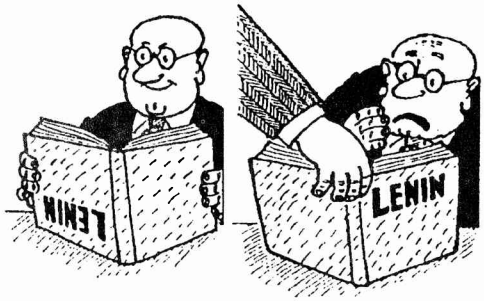
► in view of the awakening of people's national self–consciousness, which is reinforcing the tendency of republics towards independence (and the possible renewal of the agreement on the formation of the USSR), to go over as conditions mature to a federal principle of building the CPSU to accord with the building of our state and to create a Communist Party of Russia.

The temporary boundaries and character of this transitional stage will be determined in the main by the boundaries of political and ideological pluralism in the party itself: the more quickly and radically the process of democratising the CPSU advances, the softer and more painless will be the transfer of all power to the Soviets and to the formation of a multi–party system.

2nd stage: Turning the CPSU into a parliamentary party, operating in the conditions of a multi–party system and of a law–given, parliamentary state.

We consider that the feasibility of a transition to this stage is connected: first, with the definitive

confirmation of the Soviets' complete power and the foundation of a new parliamentary, law-given state; second, with the appearance of mass political parties and organisations, capable of genuinely participating in the implementation of power and of assuming the responsibility for governing the country; third, with turning the CPSU into an



authentically modern, democratic party, prepared for a dialogue on equal terms with other political forces, including those in opposition to it. These all create the possibility of a transition to a parliamentary system with proportional representation of parties in the organs of power in conformity with the direct will of the electorate. The logical beginning of this stage is the preparation and holding of the next (or extraordinary) elections for USSR people's deputies.

While being in favour of our party's preservation of its leadership positions, we believe that the CPSU's right to political leadership must be gained exclusively through elections and must be corroborated by its theoretical and practical activity and its ability to resolve constructively the problems facing society.

In this period the party focuses its attention on four basic functions: programmatic (the elaboration of socio-economic, political and other programmes representing alternatives to the country's parliament), political (the struggle to win a majority of seats in elections to the organs of power at all levels and, in the event of victory, the formation of a government and the carrying out of its electoral programme), ideological (fighting for its ideas and views in conditions of ideological pluralism, propaganda and agitation for its ideas, winning citizens to its side and into the ranks of the CPSU) and organisational (the organisation of intra-party relations on genuinely democratic foundations).

The maximum simplification and decentralisation of the party structure and the elimination of superfluous intermediate links between the Central Committee and the primary party organisations take place.

The further democratisation of inner-party life is realised in accordance with the principle that decisions taken by party organisations, within the limits of the powers granted to them, cannot be overturned by higher party bodies.

A mechanism is created for the holding of referenda on radical problems in the life of the party and its individual organisations.

The CPSU's parliamentary fraction enjoys broad autonomy in its activity and is subject only to the party congress.

At this stage, the final organisational demarcation takes place between radicals and conservatives in the party. The various currents of ideas, platforms and factions, which arose at the previous stage, can form the basis for several political parties representing various models of socialism and the means for its achievement.

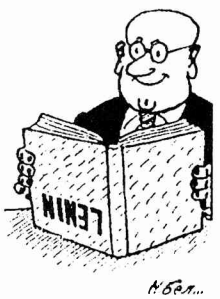
In general outline, these are the political, ideological and organisational changes to the CPSU proposed by "Democratic Platform".

The most effective means for the consideration and adoption of a concept of democratic reform of the party is, in our opinion, the holding of an all-party discussion within the framework of the preparations for the 28th Congress of the CPSU. Taking into account the exceptionally difficult situation in which the party and country finds itself, "Democratic Platform" insists on the holding of an extraordinary CPSU Congress with the following agenda:

1. The crisis in the party and the means for getting out of it; 2. On the transfer of power to the Soviets and the new place of the party in the political system of society; 3. The fundamental directions of radical democratic reform of the CPSU; 4. Election of a new Central Committee, Politburo, General Secretary, editor-in-chief of Pravda and other party organs.

At the same time as being in favour of a radical reform of the party, we do not entertain any illusions that the conservative section of the party and the party apparatus will willingly go along with such a form of change. A stubborn fight is in prospect. But we are convinced that, if the CPSU strives in the future to maintain its leading positions, which will be based on popular trust, then there is no real positive alternative to democratic reform. By the same token, if the healthy forces inside the CPSU are unable to carry through a radical, democratic transformation, the crisis will inevitably lead the party either to political bankruptcy (as in Poland), or to the iron hand (as in China).

We appeal to all who adhere to democratic principles to come out in favour of democratic reform of the CPSU, to declare yourselves, to unite and create something that is not contrary to the party rules – "Democratic Platform", the means for reforming the party is the creation of horizontal structures; party clubs, inter-regional associations of communists, councils of secretaries of party organisations with similar political positions; the winning over of the majority in the official structures. We appeal for the nomination and election of delegates to the party congress according to platforms.



APPEAL FOR MATERIAL AND FINANCIAL ASSISTANCE FOR SOTSPROF

At this time of fast moving revolutionary upheaval throughout Eastern Europe and the Soviet Union, socialists in the West face a paradox. On the one hand, we delight in seeing the collapse of oppressive bureaucratic regimes. On the other hand, however, it is "socialism" rather than Stalinism that is loudly pronounced dead by politicians, pundits and the media alike – while they constantly seek to inject "free market" rhetoric with a new lease of life, despite the savage crisis of capitalism raging throughout the world.

This is why the emergence of an independent socialist and trade union movement in the Soviet Union is such an encouraging development. SOTSPROF has now been legally recognised and is a growing organisation, yet it does not have the basic means to function effectively in terms of office and printing equipment.

We, the undersigned, have been authorised by Boris Kagarlitsky and SOTSPROF to publicise this new movement in Britain and, perhaps more urgently, to raise funds for it. In the new year we are hoping to arrange public meetings in most major towns throughout Britain with guest speakers from SOTSPROF. We are appealing for donations, and labour movement sponsors of the tour.

Tony Benn MP Oliver Macdonald Hilary Wainwright Branka Magas Eric Heffer MP Tamara Deutscher Quintin Hoare Paul Foot Alice Mahon MP, Treasurer; endorsed by the Campaign Group of Labour MPs

PLEASE SEND DONATIONS AND OFFERS OF HELP TO:

Alice Mahon MP, Treasurer, PO Box 2988, London WC1 N3XX Cheques to be made payable to Alice Mahon, SOTSPROF

The Self-Management Alternative

Programme of the Polish Socialist Party (Democratic Revolution)

Introduction

The building of a new socialist movement in Eastern Europe is inevitably a fraught and tortured struggle. Nowhere is this more the case than in Poland, where a disoriented workers' movement is confronted by what some see as "their own" government presiding over living standards that are falling through the floor; the return of mass unemployment (165,000 reported in February 1990: the Government hopes to hold unemployment to 700,000 in 1990, some IMF observers predict 1.7 million before the end of the year); and a Sale of the Century of national assets to foreign capital.

As the "threat from the East" declines, inevitably the traditional threat from Germany to Polish independence comes once more to the fore. This is not first and foremost a question of Poland's Western borders – though Chancellor Kohl's posturing to his domestic right wing has caused much alarm – but rather the threat of a hegemonic and expansionist German capitalism reducing Poland to neo–colonial status.

Local government elections will take place shortly in Poland, as will the Solidarity Congress – both against a background of a threatening growth of right wing and authoritarian political currents, together with a corrosive anti–semitic paranoia, in the midst of a continuing profound economic and political crisis.

For Polish socialists, this situation poses sharp strategic choices. They could act as domestic agents of foreign, especially German, capital, perhaps under the umbrella of the Socialist International: this way lies the chance of very substantial funding from abroad. Alternatively, they can decide that the Polish working class needs above all its own independent political representation to defend it against austerity, unemployment and privatisation. This means building organised resistance on the left of Solidarity. The only likely allies for such a project are authentically socialist currents in the international labour movement.

It is against this background that substantial shifts and realignments are taking place amongst the small groupings of Polish socialists. The immediate issue is the construction of a common platform for the local government elections, but behind the scenes powerful international pressures are at work.

Of the two documents published below, the first is the programme adopted by the Polish Socialist Party (Democratic Revolution) at its Congress in December 1989. PSP(DR) has been a leftward moving group, defined by the 1988 strikes and the rejection of the acceptance of the market and wholesale privatisation, which underlay the Round Table Agreement and the Mazowiecki Government subsequently produced by it.

At the December Congress, sharp conflicts emerged. The document produced here was amended in a number of significant respects by left wing delegates. The original draft for example, written by Piotr Ikonowicz, identified the market as the only mechanism for structuring the economy. An amendment introduced the concept of a market regulated from below by democratic institutions of social control. Further amendments incorporated a section on the environment and a paragraph in the preamble which identified the Party with the revolutionary tradition of the international workers' movement.

An uneasy compromise was therefore achieved at the Congress, with agreement on a Statute which permitted full freedom of tendency and faction in the young Party. This compromise broke down in February this year, with a campaign of expulsions by the Ikonowicz group, directed against the left. A major split followed. The Ikonowicz group have now launched a non–Party newspaper, under the title "Inaczej".

The most prominent representative of the left of PSP(DR), Jozef Pinior, formerly a member of the underground leadership of Solidarity, has regrouped the left of PSP(DR) in the Socialist Political Centre in Wroclaw. Pinior earned himself a five minute standing ovation at the recent Regional Solidarity Conference, when he handed back $50,000, which he had safeguarded as Treasurer of the Region in 1981, until this first democratic regional Congress since martial law. Candidates from the Socialist Political Centre will be standing in the local government elections.

David Holland

Adopted at the First Congress of PSP(DR) in Wroclaw on 10th December 1989.

The socialist movement, established in the Nineteenth Century, is an expression of protest against the economic exploitation and the political expropriation of working people. At the same time it is the inspiration for a systemic socialist alternative, which is opposed to the inhuman models of development which characterise both capitalism and communism. The basis of socialist thought is the conviction of the need for a role for man as a subject in social development, the need for labour to be treated as a means to make possible liberation from exploitation, poverty, domination and alienation.

The Polish Socialist Party from its foundation (in 1892) has played an active part in the struggle for the practical realisation of socialist ideas, orienting the struggle of the workers towards Freedom, Equality and Independence. The activities of Polish socialists during the 1905 revolution belong to this tradition. It was on the initiative of the PSP, during the dawn of the Second Republic, that some of the most progressive social legislation was introduced. It was owing to the consistently resolute opposition of Polish Socialist Party activists to anti–democratic activities that they more than once paid a high price. In the history of the PSP are inscribed the names of such people: Boleslaw Limanowski, Feliks Perl, Edward Abramowski, Ignacy Daszynski, Mieczyslaw Niedzialkowski, Kazimierz Puzak, Adam Ciolkosz and Zygmunt Zareba.

More than 40 years ago, the communists crushed the Polish socialist movement. After the war, the crypto–communist PSP subjected itself to the Polish Workers' Party and eventually united with it to form the Polish United Workers' Party (PUWP). This led to the destruction of the Polish Socialist Party. Many activists who stood by their beliefs perished in Soviet and Polish prisons.

The reborn PSP, established in 1987 ended a 40–year period in which no organised political subject existed. In December 1988, the PSP adopted the suffix "Democratic Revolution," which is the term used to characterise the process of change that began in

1980, and has now engulfed the entire Eastern bloc.

PSP(DR) wishes to be the heir of the best revolutionary traditions of the international workers' movement, from the Paris Commune, via the Budapest workers' councils in 1956 and the mass world-wide workers' and students' struggles in 1968-69. PSP(DR) adheres to the independent democratic Polish tradition, to the programme of social democracy of the Warsaw Rising and to the radical social principles of the Testament of the Polish Underground, from the 1st July 1945. Likewise it associates itself with the struggles of Polish workers for a dignified life and political freedom in 1956, 1970, 1976, and 1980. Our immediate roots stem from the underground trade union, publishing and political activity of Solidarity in the 1980's. We conceive ourselves as the continuation of the revolutionary conceptions of Solidarity and of the struggle for a Self-Managing Republic, as adopted by the First Congress of Solidarity in 1981.

PSP(DR) is a workers' party which must ensure political independence for the workers, the trade union and self-management movement.

PSP(DR) is a party of the Democratic Revolution. This is a process of social emancipation from below, which will lead to a fusion of parliamentary democratic forms with self-managing ones.

PSP(DR) is a party of the new left, which seeks its own novel road to the realisation of the principles of Freedom, Independence and Self-Management.

PSP(DR) is a party of international solidarity, which sees in close co-operation with anti-totalitarian and socialist movements and workers parties the possibility of liberation from state oppression and economic enslavement.

Polish Changes

The alliance concluded between the opposition elite and the nomenklatura rests upon an agreement on a pro-market and pro-capitalist course of change in the economy. The immediate result of this has been the rescue of the ruling nomenklatura at the price of the admission of part of the opposition to power. At the same time, Solidarity has been transformed from an organisation struggling for the rights and interests of the workers into an instrument for wielding power. This is expressed in the conception of the union as a partner in government. In reality it has had to become a mechanism for transmitting orders from the government to the workers. The union has become burdened with co-responsibility for production. The nomenklatura has realised that the previously existing system of rule over society has broken down and has executed indispensable manoeuvres to adapt. It is to this end that changes have been effected in the public face of the PUWP from a communist style to a social democratic one, from governing to co-operating in government. Part of its privileges are being exchanged for the profits arising from ownership, rather than political authority. They have maintained control over the institutions which will give them influence during the period of changes in the system (The Office of the Presidency, the Ministries of Defence and Internal Affairs, local government).

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The nomenklatura's strategy for its survival depends upon three factors:

1) The Geopolitical Argument

The geopolitical argument justified martial law. It has also been used by the Lech Walesa group to justify the alliance it has concluded with the martial law team. Its modern version finds its expression in the disciplining of society under the slogan of not hindering Gorbachev and his policy of perestroika. This reasoning arises from the identification of the Soviet liberalisation as the main cause of the changes taking place in the bloc as a whole. However, perestroika must of necessity modernise the state, since this is the essential condition for maintaining the USSR's power. It also requires a continual widening of grass roots social movements, over which the liberal Kremlin team is ever more clearly losing control. The goals of perestroika are therefore in contradiction with those of societies emancipating themselves. To the architects of perestroika the question is the modernisation and strengthening of the governing system. For the societies it is a question of exiting from the totalitarian system and moving towards political democracy. The limits of perestroika are defined by the interests of the nomenklatura. It is still a fact though that perestroika is using the inclination of the opinion-formers of the opposition elites to identify themselves with the Soviet policy of liberalisation and reform.

2) The Support of the Opposition Elites.

The alliance between the nomenklatura and part of the opposition has been concluded in circumstances of intensifying economic and political struggles by working people. The elites of the authorities and of the opposition drew closer together in the face of economic catastrophe and the fear of an uncontrolled social explosion.

The alliance with the totalitarian authorities allowed the group which concluded it – in undemocratic conditions – to usurp the right to represent the whole of society. Part of this pact was that those admitted to government agreed to act as intermediaries between Western capital and the nomenklatura. The possibility of gaining new credits was the most important part of the package on offer at the Round Table.

In order to maintain its position the PUWP is concerned that the part of the opposition which has given it its backing should be positively received by society. This manifests itself in the presentation of the opposition as exercising power, although most important decision-making powers remain in the hands of the old apparatus. Solidarity's people have facilitated this process of winning credibility and have eased the adaptation of the old governing elite to a new political situation.

3) The Alliance with Western Capital.

The nomenklatura cannot now count on the support of the shaky structures of the Soviet authorities and is therefore trying to ward off revolutionary changes by seeking an alliance with Western capital.

The interest of the West (chiefly West Germany and the USA) arises from the debt, which creates the possibility of dictating conditions and taking control over the Polish economy. It should be recognised that this is not very likely, since if one takes into account the fact that national assets are still in the hands of the nomenklatura, then complete or large-scale privatisation would mean it dissolving itself. Its present privileged position arises from the fact that it is setting the conditions for the sell off of national property. Western capital is also interested in the continuation of this situation, since it makes possible much more favourable conditions of investment than would be encountered in a democratic state.

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The elite leaders of Solidarity have entered into a contract with the totalitarian authorities because:

1) Reform From Above

They consider that the only road to systemic change is a process of reform from above, which will give them full control over its course and scope. They believe that changes in ownership will deprive the nomenklatura of the coherence arising from the defence of its group interests. They believe that the position of capitalists will give adequate compensation to the nomenklatura people for their loss of political and economic power over society. They consider that liberalisation of the system by the Kremlin's perestroika will produce an evolution towards democracy and the beginning of the dissolution of the ruling system.

2) Help comes from the West

The inflow of capital has to be the instrument of democratic transformation. Efforts are therefore being undertaken to facilitate the input of foreign capital to Poland and provide more favourable

conditions than hitherto for investment. The chief factor to ensure that investment in our country is attractive must be favourable conditions for the transfer of profits. The readiness with which the conditions imposed by the IMF for the so–called adjustment programme have been accepted implies the conviction that the only way in which the crisis can be resolved is by obtaining further credits.

3) Capitalist development

All the political and economic activity flowing from the alliance between the nomenklatura and the opposition elites arises from the conviction that privatisation will bring the structure of ownership closer to that existing in the highly developed countries. The development of private entrepreneurship is supposed to lead to the emergence of a strong middle class, which will be the natural ally of the chosen course of change.

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The process of privatisation and sale of national property which today serves the end of maintaining the dominant position of the nomenklatura must eventually produce systemic changes which will undermine this position. In such a situation, either there will be Stalinist reaction, reversing the reform process, or the nomenklatura will create, together with the Solidarity elite, a new ruling oligarchy on the basis of representing the interests of foreign capital. The logic of opening the economy and joining the international capitalist market means a place for Poland amongst the countries of the Third World. Already today, the majority of Polish society, which maintains itself from work and not from profits or perks arising from involvement in government, are proletarians spending the greater part of their incomes on food. A strategy based upon the creation of a middle class, which is the condition of building modern capitalism, is unreal when any kind of accumulation of national capital is rendered impossible by the necessity of directing all surpluses to the service of the foreign debt.

This process will lead to poverty, unemployment and desperation for millions of wage earners. Sooner or later resistance to the rising rate of exploitation will express itself politically. The task of every socialist is to aim to create the possibility of building institutions of universal democracy and self–management.

The Democratic Revolution

The inability of existing socio–political systems to meet the aspirations of working people means that their only chance is to become an alternative governing force. The function of this force is the socialisation of the state; the take–over of decision making powers in the work–places by the workers and the election of a democratic representative body for society: a commonwealth of producers and citizens.

In August 1980 the process of the democratic revolution began in Poland – a revolution for democracy, which is the only way in which changes in the system can be achieved. We are not talking here about a mythological once–and–for–all revolutionary act, but about a process of social self–organisation from below. The overturn of the prevailing juridical state system will be only the reflection of this process.

The disintegration of totalitarian political, economic and social structures in the Eastern bloc has already long ago gone beyond the bounds set by the Communist reformers. In strikes and struggles with the old regime, the workers' movement has been reborn. This creates an unrepeatable chance for a common co–ordinated struggle, the meaning of which is the search for a new form of social relations. This struggle can lead to the emergence of a systemic alternative common to societies living today in diverse systems of dependence and domination.

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So that the democratic revolution can become a fact and democratic rules of play can be established in Poland, the fundamental obstacle to this must be removed: – the nomenklatura. Therefore we counterpose to the legitimacy of the post–martial law governments the self organisation of social groups, a strong, struggling trade union movement, the construction of a self–managing systemic alternative (geographically, in the work place and occupationally). Finally a mass strike movement is needed, connected with the activation of production under the command of representatives of the workers. Democratic development will be needed and therefore political parties that are against the system, which express the interests of various social groups. The activity of the Party in the context of the democratic revolution will be realised without the use of force. The experience of the workers' movement shows that the best place for carrying through this conflict is the workplace. It is necessary to undertake the following activities:

1) The Rebirth of Strong Trade Union Organisations in the Work Places.

This requires the separation of Solidarity from the state administration that has been established as a result of the agreement of the elites; the rebirth of internal union democracy as well as genuine organisational trade union and educational work in the work places. The independent trade union movement must establish itself once more as the active and effective defender of the rights and interests of the workers. The co– ordination of strike actions is needed with this in mind.

2) Support for the Independent Self–Management Movement

From the ranks of the present self–management movement, cadre must be found who can play the key role in the take over of their work places by the workers. Vertical and horizontal agreements between workers' councils will create active and sovereign economic relations, acting as the basis of a socialised structure of management. it is indeed in the self–management movement that consciousness matures first as to the necessity of systemic change.

3) Taking Over the Workplaces

The establishment of the sovereignty of the workers can follow amongst other courses, the road of transformation of relations of ownership. Decisions about such a change should be exclusively in the competence of the self–management bodies, after seeking the opinion of the workers concerned through a referendum. This will be preceded by legislation, or in the case of resistance by the structures of government – by a mass strike movement.

4) The Holding of Free Elections

Parliament, established on the basis of free elections, should exercise the highest authority in the state. Elections to its political chamber (the Sejm) should be open to all political parties, social organisations and groups of citizens, freely nominating candidates, thus restoring its representative character. Simultaneously, the workers should appoint a national representative body in the form of a Chamber of Self–Management.

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These activities imply the beginning of the construction of a self–management systemic alternative. Its basis is the enriching of parliamentary democracy with diverse forms of self managing democracy. This will constitute a new vision of the Self–Managing Republic.

The State and Society

The basis of the systemic self–management alternative is the construction of the Self–Managing Republic – a state, which does not express the interests of any social group, but is rather a framework providing law and services to all. The Democratic Revolution exploits the opportunity afforded by the fall of the nomenklatura and the absence of any domestic finance oligarchy. The absence of any expressly dominating group makes possible

he emergence of a dynamic state of equilibrium between the conflicting interest groups of which society is composed, as well as preventing the take over of the state by any of them. The road to achieving this goal is the development of forms of self-managing democracy alongside traditional parliamentary democracy. This will be made easier by the transference of many functions hitherto carried out at the level of the central state to the local level.

If the state is not at the disposal of any concrete group, it will lose its capacity to act autonomously in relation to social goals and structure.

Territorial Self-Management

A) Local Government

1) The basic unit of self-government should be the urban and rural neighbourhood. It should dispose of communal property, be endowed with legal identity and have its own self-governing executive apparatus, appointed and dismissed by it. The self management structure should be the only unit of local government.

2) The autonomy and independence of the neighbourhood should be guaranteed by:

- a local government budget, separate from the state and ensuring its autonomy, resting upon local and individual taxes from enterprises, property and land. All taxes should be collected at a local level, from which a definite percentage should be handed over to the regional and national authorities.
- the right to modify or annul central instructions if they are in contradiction with the local policy of the neighbourhood.
- the right to a final decision on the undertaking of all investment (even of national significance) within the territory of the neighbourhood.

3) The area of the economy and of institutions directly subject to management at a local level should include:

- the majority of social services, including education (apart from higher education), health services and social care, health resorts, recreation, culture etc.
- public service establishments, such as urban transport, gas and energy producing enterprises, heat and power generating plants, water supply and so on.
- economic activity of a local character, such as housing, commerce, catering, the building trade, petty production and so on.
- institutions maintaining order (the fire brigade, the police)

B) Regional Government

Regional (provincial) self-management should be the connecting link between local and national government as well as undertaking wider tasks, exceeding the capacities of local government. Regional self-management should also balance local budget deficits by equalising grants and sums allocated to neighbourhoods for particular purposes.

C) The Electoral System

In properly functioning territorial self-management, the largest role is played by groups and associations with a local character. Therefore the electoral system must even up their chances in electoral contests with big political parties organised on a national level. Only a system of proportional representation can create this possibility.

National Self-Management

1. The highest legislative authority in the country should be Parliament, elected on the basis of universal, equal, secret, direct and proportional elections. Parliament should be made up as follows:

- The Political Chamber (Sejm) representing all citizens.
- The Self-Management Chamber, representing all workers.

We are in favour of the institution of a Self-Management Chamber because:

- In all economic systems up until now, capital in various forms, has taken primacy over labour. Therefore an institution representing the workers on a parliamentary level should equalise the opportunities of employees in relation to employers.
- It will be an expression of the direct political sovereignty of the workers. An independent representative form of workers' expression would thus be created, which would not be mediated by the party system.
- This would serve to integrate milieux in an express and representative manner into a wider national level of self-management (and so workers') interests, opinions and views, essentially on workers' and economic matters.
- The people who should have the deciding voice on the economy and its problems are the people most directly connected with it, the producers.
- The creation of a Self-Management Chamber should be decided by a referendum of all employees.

2) The executive arm of the state should be the government, appointed and dismissed by parliament (the Sejm).

3) The state administration should be active only down to the regional (provincial) level, apart from the administrative institutions for services to the population that operate at neighbourhood level (e.g. the postal, telegraphic and telephone services). The state administration should have the right to monitor self-management activities in the area of compliance with legislative decisions of parliament and obligations connected with them. Areas of uncertainty should be regulated by the courts, which would be empowered to settle such matters.

The Administration of Justice

The foundation of a democratic state is the equality of citizens and all social and political institutions before the law. The guarantee of this equality should be an independent apparatus for the administration of justice. In order to ensure conditions for the proper functioning of the administration of justice, it is indispensable that there should be:

1) Full self-government of the judiciary, which would have the deciding voice in all judicial appointments, together with the appointment of the President of the Court.

2) Compliance with the principle that judicial functions should have no connection with any other public function, especially in political organisations.

3) The replacement of the so called lay people's assessors with elected juries.

4) The restoration of the institution of the independent investigative magistrate. This should be situated in a definite court, which should have responsibility for the conduct of investigations and take decisions about the use of temporary detention.

5) The restriction of the rights of the Procurator to the role of prosecutor and subjection of the office to the Ministry of Justice.

6) Dissolution of the lay magistrates courts.

The Army and the Police

1. We are for the progressive elimination of the influence of the army on society. The first step in this direction is the transformation of the Polish armed forces into a professional army with a defensive role.

In order to ensure suitable social control over the army it ought to be the case that:

- the structure, size and budget of the army should be fixed

and confirmed by the Sejm.

- a guarantee of the apolitical character of the army as a whole. This does not mean the prohibition of participation in political life for individual soldiers and officers, outside their military units.
- prohibition of the use of the armed forces for police activity, even outside the frontiers of the country.
- so that the police can be placed under real social control, they should be subjected to the territorial self-management organs. At the same time the Security Services should be dissolved.

The Mass Communication Media

1. The institution of censorship cannot be reconciled with full democracy. Military and economic secrets should be safeguarded by the relevant institutions without the help of the state. Academic publishing should be statutorily free of any kind of censorship.

2. The state enterprise "Polish Radio and Television" should be subject to social control. To this end its Supervisory Board should include representation from all political forces electorally represented.

3. The transition to political democracy requires that all political forces have proportional access to cheap credit for publishing and information purposes.

The Market Economy and Planning

The market and its laws of supply and demand is the least arbitrary instrument in relation to the real functioning of the social mechanism of the division of labour. Unfortunately, this mechanism leads to uneven accumulation of capital and the appearance of monopolies, which negate the virtues of this mechanism. From an instrument of equivalence of exchange between different groups of producers, it becomes the instrument to impose conditions of exchange by the stronger partner – the monopolist.

Central planning and a planned economy are only possible when the economy is treated like one huge enterprise. In this situation, the social division of labour is determined by arbitrary decision or vote. In economic conditions of lack of choice every planning decision serves the interests of one group of producers at the cost of satisfying the needs of others. At the same time, economic planning is a necessary condition for an optimal strategy of economic growth.

Neither a market economy nor a planned one give much influence to the direct producers on the social conditions of the division of labour. Neither of them allows full social exploitation of the productive forces. The free market economy is extolled by its advocates as providing equality of opportunity, freedom and unrestricted development, but in fact leads to unemployment, waste and ecological catastrophe. Maximisation of profits is taken as the criterion of growth. The bureaucratically planned economy endeavours to satisfy rising social needs with ever more new centrally fixed criteria for growth, which lead to a permanent lack of choice in goods and services, waste and ecological catastrophe.

Neither anti-monopoly legislation in the West, nor successive attempts to rationalise and democratise the planning process can fundamentally alter the structural faults of either system. The only way out is a third road, a road which will confer sovereignty on the producers by endowing them with ownership rights and through reconstructing state structures, so that they not only do not become monopolies themselves, but also efficiently prevent the establishment of monopolies.

The key to these transformations is workers' self-management and the break up of the state sector into many sectors, including a private one. A market controlled from below by institutionalised mechanisms of social control will make possible equivalent exchange in the framework of a social division of labour. Every modern state is compelled to plan a definite strategy and basic goals of economic development. Plans should indicate to economic subjects the courses of development preferred by the state.

Workers' Self-Management

1. All publicly owned factories and enterprises should be transformed into self-managing ones, provided the work force agrees. This means that the work place will be managed by the workers' self-management, which at the same time will act as the representative of the owner.

In order to run the factory, the self-management should lay down:

- a statute of the self-managing enterprise adopted by a general meeting of the workers (delegates).
- The Workers' Council has the right to set the course of development of the enterprise, establish funds and determine the principles for their utilisation; conduct a financial policy, take decisions on all changes in the enterprise; conclude agreements and appoint and dismiss the director.
- The director of the enterprise is the executor of the resolutions of the self-management, appointed by the Workers' Council in the course of a competitive selection.

2. In private enterprises (joint stock companies etc.), legal guarantees of the rights of the workers are necessary, through rights of participation in the management of the enterprise. There should be a legal guarantee of the right of workers' self-management to operate in a consultative role, together with a guarantee of 50% representation for workers' representatives on the Supervisory Council.

3. Workers' self-management bodies at all work places must have a guaranteed right to associate in vertical and horizontal structures at all levels, including on a national level.

Ownership

The basis of the self-management movement is a struggle for an increase in the powers of the workers' councils, and therefore the workers who have elected these councils. The eventual result of the growing influence of the workers' council on the course of development of the enterprise, investments, the division of the profit etc., is the transformation of the enterprise from a state enterprise into a workers' enterprise. The owner ceases to be the whole society represented by the state and becomes the workers represented by the workers' council. The nomenklatura has defended itself from developments of this kind by restricting the powers of the self-managements to the point of destroying the self-management movement. The present coalition government has adopted the tactic of substituting self-management with workers' share ownership, i.e. a form of privatisation, in which the worker has the right to become the individual owner of some sort of tiny part of his work place. The effect of this system can only be to break up the links between the workers, since part of the workers will become co-owners and therefore the employers of the others.

Workers' ownership gives rise to problems connected with the course of its disengagement from state ownership. Inequalities in endowments resulting from such a procedure would arise between workers taking over factories of differing values, as well as in the case of workers taking over bits of property created by the labour of the whole society. These can be evened out with the help of taxation on gains made as a result of the sale of property that has been taken over and also through different rates of current taxation.

Another form of ownership, which promotes the efficiency of the economy and is conducive to social democracy, is communal ownership. The widening of the powers of territorial self managements, as with the establishment of workers' ownership, leads to the establishment of this form of property.

In conditions of lack of choice of the best means of defence against pauperisation, joint undertakings arise, which have given birth to the co-operative movement. Co-operative ventures arise when the scale of production conducted by one unit is too small

to ensure a return. Through the linking up of productive forces or co-operative agreements, remunerative production and a way out from poverty becomes possible, together with a rational division of labour and specialisation.

In every modern state there must exist a state sector, which does not represent particular group interests and acts as the agent of civilized progress. It is the basis of the social process of planning.

The Foreign Debt

The precondition for the restructuring of the economy and exit from conditions of permanent economic crisis is the immediate suspension of repayment of the foreign debt.

The debt is rising and has a crushing effect on our economy, whilst it stimulates inflation. It does this because it demands the export of all surpluses. This makes impossible the accumulation, which is needed, so that it can be directed towards the reconstruction of the economy. This in turn provokes the undertaking of new debts, bringing about a situation of neo colonial dependency. In a situation of tightening bonds of debt, the ruined country must accept foreign investment even on the worst terms. In this way it becomes a reserve of cheap labour power and raw materials, a place for the export of dirty technology and waste storage. The gap of civilization grows and the characteristic Third World vicious circle of non-development is established.

The creditors are well organised. There is the Paris Club, the World Bank, the IMF. The debtor countries too need to be organised if they are to negotiate conditions of repayment which will make it possible to avoid ruin. A single country has no prospects in negotiations. If however the sum of indebtedness represented by the organisation of debtor countries is suitably high, then their bargaining position improves.

One ordered way of meeting debts is for repayments to be directed towards ecological investment in the debtor country.

Agriculture

The acreage per head employed by farming must be diminished. It is also necessary to export agricultural products. These goals, together with an optimal level of nourishment for working people, can be achieved through a highly productive agriculture. This means a well organised agriculture, able to achieve modern levels of agricultural technology. At the same time this needs to be an agriculture which is attractive to work in for young and old alike.

If we evaluate individual farming, especially the sector which manages high levels of productivity, we can see that achieving higher levels of agricultural technology requires large acreage fields. The present preferred route of developing the agricultural economy by dispossessing the majority of small and medium proprietors is a long term and inhuman process. This type of policy in Latin American countries has produced armed resistance and mass migration to the slums of the Moloch like cities, thereby worsening unemployment.

We are in favour of a multi-dimensional strategy of development in the countryside, with an authentic co-operative movement, together with producer co-operatives. Hungarian agriculture affords a positive model. On the basis of principles of full freedom of co-operative production, the mass of small and middle farmers can still feel that they have stewardship of the land, whilst they become modern agricultural teams. In this framework it will be easier to organise peripheral production, including non agricultural varieties and so widen the area of social achievements.

Ecological Problems

The development of modern civilization has led to the destruction of the natural human environment to a degree which threatens the biological existence of all kinds of life on Earth. Economic growth directed towards the maximisation of profit for narrow social groups instead of satisfying social needs, has become the onerous goal to which the lives of millions of human individuals have been subjected. Narrowly conceived prosperity leads to the rapacious exploitation of natural resources and living nature. In authoritarian systems, the governing elite not only treats people brutally, but also steers towards ecological catastrophe.

PSP(DR) considers, that neither in the states governed by the nomenklatura, nor in the capitalist states can ecological problems be properly resolved. In both types of systems, the indicators of socio-economic progress are fundamentally in contradiction with the requirements of conservation of the natural environment. Moreover, in the countries of the Eastern Bloc, as in the countries of the West, the immediate producers do not have influence on the direction of industrial development. Capitalists concerned with profit are as little inclined to take note of social protests as is the post-Stalinist bureaucracy. Certain successes in nature conservation are achieved in the West by imposing branches of industry that are harmful to the environment on more poorly developed countries. The uncontrolled activity of foreign capital in Poland threatens to bring with it, what is known as "dirty production." The rich European and American investors thus free themselves of it. In this regard the PSP(DR) holds the position that it is insufficient to ensure the input of technology which is not inimical to the environment.

What is necessary is a fundamental change of the social and economic system, which will consist of the complete destruction of the ruling Party bureaucracy and will not cause social dependence on the dictate of foreign capital. Only then will the conditions be fulfilled for a humanisation of economic growth, which will be subjected to the satisfaction of the needs of working people and not to the interests of either capital or the ruling bureaucracy.

Society must function in a way that can guarantee the right to human life in a clean environment through:

1. The possibility of taking decisions on the directions of economic development by the whole society. This should be achieved through the conduct of referenda, in which the inhabitants of Poland can choose between alternative economic programmes, which take into account ecological imperatives in an definite way. At present a referendum should be carried out in Poland on the subject of the development of nuclear energy.

2. The direct exercise of social control over local industrial plants.

3. Unlimited information relating to the threats resulting from the activity of various branches of industry. There should be guaranteed freedom of access for every citizen to this type of information.

4. Industry should be restructured in order to give preferential encouragement to small scale industry devoted to the satisfaction of the needs of those living in the immediate neighbourhood. A programme for the utilisation of alternative energy sources should be developed.

5. The development of ecological education. Models of life in accord with the requirements of the natural environment should be propagated. A style of life resting on the artificial stimulation of consumer needs through advertising should be rejected. The necessity of change in the criteria for social progress should be indicated (qualitative instead of quantitative criteria).

6. Independent social experts should be introduced to groups taking economic decisions, together with people with a humanistic background, enjoying social authority. Decisions that are important for society cannot be taken only by technocrats and politicians.

7. Comprehensive social security and guarantees of work should be provided to people employed in work places which will have to be closed, owing to their harmfulness to the environment.

8. Rights of compensation should be given to people living in polluted areas, whose health has been damaged by continual exposure to harmful agents, on the same basis as people are compensated for damage to their health from their work.

9. People living in environmentally polluted areas should be guaranteed the possibility of changing their domicile.

The PSP(DR) considers that as long as the political and economic enslavement of humankind continues, the environment of human life will be subjected to devastation as well. Moreover, in order to put a stop to the destruction of nature it is first necessary to liberate people from various forms of subjection. Social and economic liberation are the necessary (but insufficient) condition of "ecological liberation."

Social Insurance

Social insurance should be comprehensive and compulsory. The proper functioning of a system of social security is dependent on fulfilling the following conditions:

- The separation of the system of social insurance from the state apparatus. The Department of Social Insurance should be a self governing unit with legal identity. At the same time social insurance funds should be separated from the state budget.
- The Department of Social Insurance must also be decentralised. The basic unit undertaking civic services should be at a regional (provincial) level.
- A generally elected Supervisory Council should supervise the activity of the social insurance institutions.

Housing Construction

The right to housing is one of the basic human rights. The systematic denial of this right to the citizens of Poland makes it impossible to realise any kind of life plans and condemns people to vegetation. The taxation and financial administrative policy of the state is leading to the bankruptcy of the state building industry – the only area which disposes of significant technological resources and skilled personnel. This may lead to the sell off of their collective property, with the result that the industry will cease to be an instrument of social policy . Housing will just become another commodity, which private entrepreneurs will manufacture only to the extent that will guarantee them maximum profits. In order to prevent this it is necessary:

- to exempt building from taxation, entirely or in part (e.g. completely exempt house building).
- to create a bank for housing construction, which would be able to provide loans and invest in the fixed capital of building enterprises, which could then be put at the disposal of local government.

The Health Service

The fundamental system of medical care should be free and available to all citizens. With the exception of closed institutions (hospitals and sanatoria), the health services should be maintained and administered by local government.

Education

Only a system of universal and free education will ensure an equal start in life for young people. This should be maintained and run by local government (with the exception of higher education supported by the central budget). We are against the establishment of what are known as "social schools" [private voluntary institutions –transl.], which will lead to the deepening of inequality in society. The fundamental mechanism for the education of citizens should be a system of state and social grants.

The Congress appointed a Commission to prepare documents on international policy.

Programmatic Platform

I Political Declaration.

The Polish Socialist Party (Democratic Revolution) is a Workers' Party, which wishes to ensure the political independence of the workers and trade union movement. PSP(DR) aims for the destruction of the existing system of domination of the post Stalinist bureaucracy and is opposed to the restoration of capitalist relations in Poland and in the whole of the Eastern bloc.

In place of the structures of exploitation and domination hitherto known in East and West alike, we wish to substitute a self–management system. This will be characterised by universal political democracy from below. The basis of this system will be concrete forms of self organisation of the workers and of the whole of society, thrown up in the course of social and political struggles in the interests of the working class. Examples of these are factory and regional strike committees, residents' associations, committees of farmers, soldiers, students or national minorities, women's' and youth self–defence groups etc.

Change of the existing system of domination requires the destruction of the material basis of the nomenklatura authorities in the army, the police and the economy. It will require the break up of the still highly important structures of the State, which remain in the hands of the post–Stalinist bureaucracy. Society, in the course of emancipating itself, will appoint its own State representation, in the form of the Self–Managing Republic. This will link up representative democratic forms with ever fuller forms of direct democracy.

PSP(DR) has adopted the watch–words of Freedom, Equality and Solidarity. It considers that democracy, human rights, and democratic control over the economy by the immediate producers and consumers, and by oppressed and exploited of the entire world, should be the means for dealing with the problems of humanity on the threshold of the Twenty First Century. Neither the capitalist free market, nor the bureaucratic system established by Stalinism can solve the problems of famine, the threat of nuclear annihilation, the pollution of the environment and the totalitarian enslavement of whole societies. Only co–operation and solidarity between the exploited and oppressed can make a better world a more immediate reality.

PSP(DR) in association with the international workers' movement will take part in the struggle for a world in which the workers have the right to create their own trade union organisations, political parties, tendencies and factions, nations have the right to self determination and everyone has the right to freedom, free expression and a secure material life. At the same time PSP(DR) will oppose authoritarian, national chauvinist and racist tendencies.

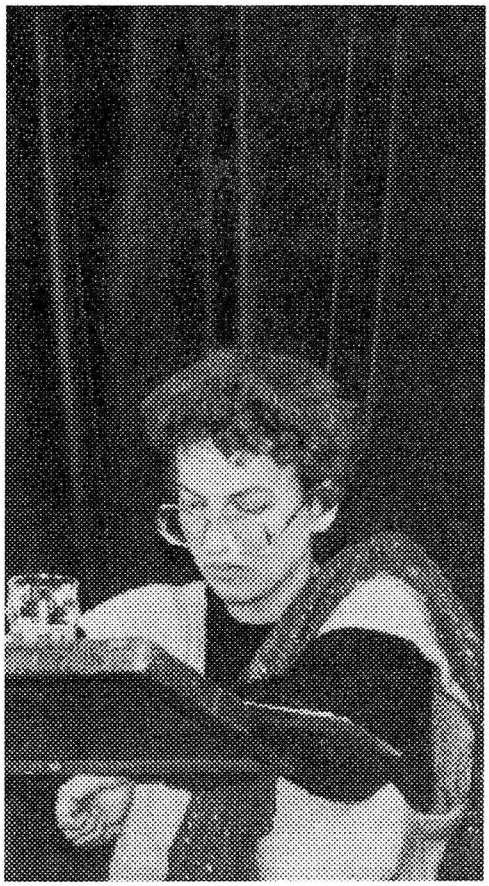
PSP(DR) wishes to be the heir of the best revolutionary traditions of the international workers' movement, from the Paris Commune, via the Budapest Workers' Councils in 1956 and the mass world–wide workers' and students' struggles in 1968–69. PSP (DR) adheres to the independent democratic Polish tradition, to the programme of social democracy of the Warsaw Rising and to the radical social principles of the Testament of the Polish Underground from the 1st July 1945. Likewise it associates itself with the struggles of Polish workers for a dignified life and political freedom in 1956, 1970, 1976 and 1980. Our immediate roots stem from the underground trade union, publishing and political activity of Solidarity in the 1980's. We conceive of ourselves as the continuation of the revolutionary conceptions of Solidarity and of the struggle for a Self–Managing Republic, as adopted by the First Congress of Solidarity in 1981.

Czeslaw Borowczyk
Robert Golas
Robert Kasmierczak
Jozef Pinior
Jaroslaw Wardega
Gregorz Francuz
Dorota Greszta
Gosciwit Malinowski
Milka Tyszkiewicz

A Solidarnosc activist's journey to the left

Interview with Milka Tyszkiewicz

If there is one glaringly obvious feature of the Western Left's perceptions about political events in Eastern Europe, it is the tendency to read these events as if people's experience of life and politics over there was easily understandable by the Left here, and perhaps even roughly similar to life in Thatcher's Britain. So I would like to ask you questions about politics in Poland in the 1980s, as you experienced it at the time. But first some biographical information about you at the time of the great August strike in Gdansk in 1980.



Well, I had grown up in Elblag, a town which is part of the Gdansk conurbation, up on the Baltic. As it happened, as a child of nine I had walked into the midst of the bloody massacre of December 1970. My father worked in an engineering factory in Elblag, producing equipment for the shipyards and he was involved in the 1970 strike, as well as the later 1980 strike. People often think that 1970 was simply a battle in the streets, but that's not true.

What kinds of activity were you involved in during the Solidarnosc period before 13th December 1981 when martial law was declared?

I was too young to be involved in any concrete field of work. I had just finished at secondary school. I didn't understand very much about politics (though I really tried to) and spent most of my time running around the local Solidarity office doing various odd jobs.

Did most of your school friends get involved?

No, most didn't: they were more preoccupied with studying and going to university, whereas I and a few others threw ourselves into politics. Later, those who went on to university did, in many cases, become politically active. But as far as I was concerned, I started moving in a new circle of people once Solidarity was formed.

Do you remember the moment when the Gdansk Agreement was signed at the end of August 1980?

Yes. I happened to be in the post office at that moment. The radio was on and we heard the news. Everyone in the post office came out into the street. Cars stopped and their passengers got out. People cried and kissed each other.

What were you doing on 13th December?

My friends and I very much liked going for long walks. On the 13th, we got up at 4am for one of these walks: we made straight for the forest and walked twenty kilometres until we reached a point where a car picked us up. On the car radio we heard about the crackdown. We didn't believe it: we hadn't been expecting anything of this sort. But when we got back to Elblag we found everything was over: people had been arrested. My friends and I thought everybody had been killed or deported deep into Russia perhaps.

We knew that there was to be a gathering at the Church of St. Michael, the biggest church in Elblag, on 17th December. Some people had already gone into hiding but everybody else went to the Church. It was bitterly cold. There were speeches and there was a large Solidarnosc banner in the Church. The priest told us after the speeches to go home and avoid going to the Solidarnosc statue in Elblag because it was too dangerous. But we went to the statue with flowers to lay them there. The statue was in the middle of a large square and when we got there we found that the police had turned off all the street lights and they surrounded us, wearing black uniforms I had never seen before, and heavily armed. We went into the centre of the square and put flowers on the monument. Then the police moved in and beat us and arrested us, then beat us badly again. Then I was released.

So 17th December was a decision point for you?

Yes it was. My sister and I took part in clandestine activity. We did what we could: mainly distributing underground literature.

Was there a central leadership in the city under whom you were working?

To be honest, I don't know. I had one contact, with a person who gave me instructions and then contacts with people to whom I distributed the material. But I assumed that there was a central, city leadership: the leaflets were mostly in the name of Elblag Solidarity.

How much of your time did this work take up?

Most of it: it completely dominated my life. Typically, I would sleep during the day and work at night. We would change our flats a lot so that we wouldn't get caught. At night we would be preparing packages of material and then distributing them. Some factories just had places where we had to drop the material and other factories required personal contact with individual workers. We went from place to place on foot. Sometimes it was very exciting, because in 1982 the police would stop people on the street and check bags.

I was not fully underground. I did have three jobs during the 18 months between the declaration of martial law and my arrest, but they never lasted long.

Can you say something about various reactions within the local society to the declaration of martial law?

One reaction was desperation: a kind of nihilistic hostility to everything in the field of politics: this was an attitude not only among young people but among the middle aged as well. Another reaction was of withdrawal into private life: just staying inside their four walls and refusing to face anybody or become involved in anything. This affected some of the former activists and leaders. Also you should remember how many of the Solidarity leaders left the country. In Elblag, in 1981 I had done photographs of leaders of the regional committee on Solidarity. And in 1982 I found that out of the 20 people I had photographed, only 2 remained in Poland. And one of those retreated within his four walls. From those outside Poland we would sometimes get letters, telling us what we should be doing in Poland!

You were arrested in April 1983.

Yes, my sister and I were arrested together at a meeting. We were only in prison for three months because there was an amnesty. Then I worked in the factory where my father was an engineer. It was supervised work and went on for one year. Metal work, very bad conditions – polluted atmosphere and very cold in the Winter. A number of former prisoners worked there. We had to report to the police every week.

I could not continue with my former political activity because I was a marked person. But I could speak out and talk openly about things that others might be reluctant to talk about. That was the extent of my political activity after my release.

What was the atmosphere at this time, 1983–84?

There was a very strong sense of social resistance to the regime, a sense of complete breakdown of relations of trust between the people and all forms of public authority. But at the same time, there was very strong pressure from above and it was as if martial law had broken the spine of the movement: people were afraid to act.

Did the Church appear as an important refuge?

Not for me. I saw all sorts of problems created by the Church's distribution of resources from the West. I didn't have a Catholic background and when I was arrested I didn't get any help from Church organisations.

But many people did feel the Church was valuable: when they went to church, they felt they were doing something. And many people who had not been Catholic before martial law, become involved in the Church. This was true of many young people I knew. They began taking religion seriously.

After a year of this supervised work, what did you do?

I went to college: first to a Teachers Training College and then to a Drama School. For a whole year, I was almost completely out of politics. Then we organised a street theatre and underground theatre and started getting into trouble, again. We performed not only in Gdansk but in other parts of Poland. There were even underground theatres, stage, tickets and everything, but in the underground.

I had become a bit disillusioned with the leadership of Solidarity. I had felt that the movement had enough strength to engage in various forms of open political action but any such ideas had been rejected by the underground leadership. They were also hostile to local political initiatives.

Then I moved to Wroclaw to finish my studies – there was a very fine theatre director there with whom I wanted to work. I started working there as an assistant director. Because the leaders of the theatre group there were internationally famous, we had no trouble from the authorities. But then the main leader was killed in a car crash and we were plunged into conflicts with the local authorities. Myself and six or seven others from the theatre were expelled and then they closed the theatre altogether. So I went back to street theatre, with something called the Orange Alternative in Wroclaw.

These were rather large street actions organised by someone called Major. They were designed to be both entertainments and with a political accent. Thousands and thousands were involved in the biggest of these actions.

Can you give an example?

Well, for example, we announced that there was to be an international secret police festival to which all secret policemen from all over the world were invited. I was in British intelligence, with a suitable hat and coat and wore dark glasses – I'm not sure if that was authentic. Twenty thousand people came!

But this work didn't fully satisfy me and through the man in charge of our work, Major, I met Jozef Pinior when he came out of prison and became

involved in the PPS. I had been reading the *Mazowszcze* journal produced in Warsaw, but I wasn't satisfied with its approach: too much about the church and far too little about trade union and workers' problems. On the other hand, the Wroclaw Solidarity newspapers were very different: very much concentrating on concrete problems facing the population. This was the work Pinior was involved in and I thought this was the right approach.

I had also been influenced by the Fighting Solidarity programme with its stress on a self-managed republic. I felt this was much closer to my point of view than the views of the Warsaw solidarity leadership.

In November 1987, there was the referendum on economic policy. Were you at all active at that time?

Yes, actually I was counting the votes of people going into the polling booths: I did that for Fighting Solidarity. We wanted people to boycott the referendum. In fact, we expected that 90% of those who voted would support the government's reform proposals. But the majority didn't so that was a bit of a surprise.

In any event, after discussions with Pinior I decided to give up my work in the theatre and to return to political activity: I had to make a choice.

In the spring of 1988 there was the new wave of strikes. Did they make an impact on you?

An enormous impact, and not only on me: on a much wider spread of people than those actively concerned with politics. It felt like a new beginning. There was great excitement, though still too much fear to join them. The strikes started to change the whole atmosphere: people began openly talking about politics again for the first time. And suddenly the question of Solidarity's revival came right back into the centre of people's thoughts.

Then came the August 1988 strikes, involving the miners in Walbrzych and other parts of Silesia. Were you prepared for them?

Apart from myself and one other member, everybody from the Wroclaw branch of the PPS was on holiday when the strikes began in the mines. Someone from Walbrzych came to us asking for help to show them how to do silk screening and make newspapers. This was before the strike started. We went down there and they told us that they wanted this help because they were planning a strike. This was a very small group of about 20 people in the Thorez mine. They were all under 30 years old. But they took me to an old miner, retired by then. They sat me down at one end of a table, while the old miner sat at the other end of it. He was very slow and cautious, with long silence and pauses in the conversation. But to every question I asked, it turned out that they already had the answer: a food system prepared, a communication network between the mines, all sort of organisational prerequisites had already been tackled. The one thing they needed me for was to actually print the leaflets. I said they would have to prepare the text, and much to my surprise they already had a text, which they handed over to me. During the night we ran it off for them, then I took them in the morning to a special rendezvous in the Walbrzych area where they had told me to wait. Everything was very well organised. Every half hour as so, miners from different pits would come to pick up their batch of leaflets. Next day the strike started throughout the region.

The Thorez Mine also started the Silesian miners' strike in August 1980, the decisive blow, forcing the Party to sign the Gdansk Agreement. And at that time in Thorez, one third of the miners were in the Communist Party: one in three. Many of them were Polish miners from Belgium, who had come back to Poland after the war.

Yes, and it also started the strikes of the autumn of 1989 as well. And the old miner I was talking about was from Belgium originally. He called himself a socialist. He was very patriarchal: telling his 30 year old son what to do and the son automatically obeying!

By joining the PPS you had done something doubly strange: first you had joined a political party; secondly you had joined a socialist party. What did people make of that?

Yes, some of my friends thought I was crazy and the word socialism was very discredited at that time: very many saw socialism and Stalinism as the same. But we were involved in rank-and-file work and people came to trust us.

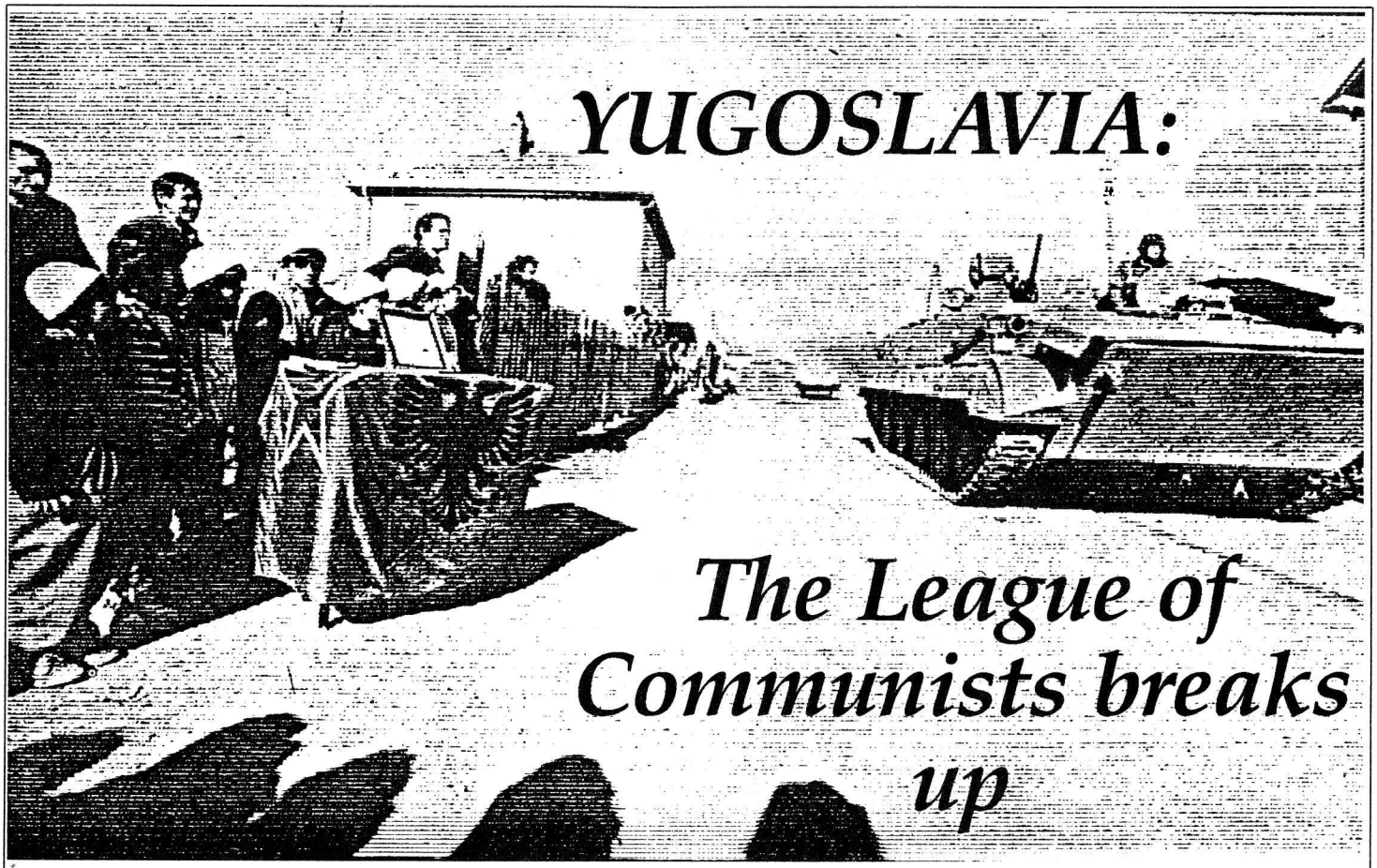
One final question: what kind of socialist tradition does the PPS identify itself with? Is it really an outgrowth of a new beginning in the Polish labour movement that started in August 1980? Or does it look back to the pre-war PPS finally destroyed in and after the Warsaw Uprising of 1944? Or does it find any links with any currents of post- war Poland including currents within the history of PZPR?

This is a very complicated issue which is very much debated. Of course we look back to August 1980, but Solidarity did not arise from nothing. We have been very interested in 1956 in Poland (as well as 1956 in Hungary and 1968 in Czechoslovakia). People have ambivalent feelings about Gomulka. And at the same time, the inter-war Left was quite strong in Poland and people do look back to that.

But you know that it is very difficult to sort out these questions. Let me give you an example. There was a moment in the spring of 1981 when there was a very real and strong movement at the base of the PZPR, the so-called horizontal movement, which wanted to link up with Solidarity and which maintained it links with the factories. If that had developed everything might have been different.

Or let me tell you another story which perhaps shows how difficult it has been for us to make sense of Polish politics. Before martial law, we used to go to a little cafe next to the Solidarity regional committee headquarters. Many of the members of the regional committee used to go there. I remember sitting in that cafe in October 1981. Members of the regional committee were there and we heard on the cafe radio that Kania had been replaced as leader of PZPR by General Jaruzelski. Everybody stood up and cheered. The cafe manager got out champagne and we celebrated!

If Jaruzelski had used that opportunity to reach an understanding with Solidarity, how different would the whole future of Poland, and indeed of Eastern Europe have been.



YUGOSLAVIA: The League of Communists breaks up

by MICHELE LEE

THE 14TH CONGRESS of the League of Communists of Yugoslavia is very likely to be its last. It took place only to end in complete disarray with the walkout of the entire Slovene delegation. Despite the fact that this was widely expected, the break-up of an organisation as old as Yugoslavia itself and one with which the country has been strongly identified for almost half a century has produced a grave sense of foreboding in the population. Indeed, the most striking aspect of the Congress was not what happened at its sessions, but the gulf that existed between its preoccupations and the needs and aspirations of the popular masses. No resolution, from whatever side, managed to transcend this gulf. The departure of the Slovene delegation was made inevitable by the political primitiveness of the Milosevic cadre, who came to the Congress with the sole intention of defeating each and every Slovene proposal in the name of "unity', 'democratic centralism" and an "integral Yugoslavia". Having won several important votes by large majorities, Milosevic claimed that the Slovene delegation represented an unimportant minority. This shows the extent to which his growing megalomania has deformed the Serbian party's sense of reality. Milosevic's proposal that the Congress continue without the Slovenes was rejected by the delegates from Croatia, Bosnia-Herzegovina, Macedonia and the Army.

The individual republican parties had prepared themselves for the eventuality of a split and come to the congress with the sole wish to avoid being blamed for this. A proposal made by several Bosnian and Croatian delegates – that the Party should formally separate into a socialist and a communist wing – would have resulted in a horizontal split, allowing the reformists to keep an all-Yugoslav organisation. This, however, was rejected. Instead, the Party split vertically, into republican, i.e. national, organisations. This is virtually bound to split the republican parties themselves into national components, wherever the conditions exist for this. A deepening polarisation of the country's political life along national lines is thus to be expected.

Such an option, naturally, is denied to the Army. The disintegration of the LCY has led to a crisis of identity in an institution that, more than any other, is rooted in the state created in the war of 1941-45. The Army, it seems, is staking its hopes on prime minister Ante Markovic's reforms, which if successful would lead to a re-centralisation of political power in the hands of the Yugoslav government and the all-Yugoslav assembly (in that order). This would allow the Army to keep its all-Yugoslav profile. Yet Markovic's reforms have no hope of being implemented, in the absence of a consensus within the present political establishment. The Party's accelerated fragmentation over the past two years has inhibited the central institutions – the Federal state presidency, government and assembly – from guiding the country towards peace. The fact that despite its popularity the Federal government was unable to insist on a negotiated settlement in Kosovo bodes ill for the country's future.

Everything thus depends on the nature and tempo of decomposition of the existing power bloc in Serbia. This decomposition has already begun. Over the past few months, several new parties have been formed in this republic, the most important of which so far is the Democratic Party, assembling as it does Serbia's most prominent intellectuals, including Milovan Djilas.

To maintain its control, the Serbian Party is ready to play over and over again the Kosovo card. Each time it does so, the political spectrum not just in Serbia but throughout the country shifts perceptibly to the right. The interview with Veton Surroi, a prominent member of the democratic opposition in Kosovo, which we publish below, shows that in Kosovo we are dealing not with an ethnic conflict but with a struggle between the forces of democracy and the forces of reaction.

In a recent interview published in the Zagreb daily *Vecernji list*, Zdravko Grebo, a member of the Bosnian party's Central Committee and one of those who at the Congress argued in favour of a formal split into two currents, described accurately what is at stake. "The kind of unity which disappeared at the 14th Congress (excluding the fact that the Party had already split into republican–national fractions, since this was never officially recognised) could be maintained only within a single–party system, when membership of the Party provided the only channel for political activity. It is not surprising that, as a result, the League of Communists came to incorporate a multiplicity of mutually exclusive political options. But since at the Congress the League declared itself against its monopoly of political power, sooner or later these will split up into different organisations. To demand democratisation of the party's internal life is to overlook this fact. People who at the 14th Congress called for unity do not wish to acknowledge this painful truth. Such calls are motivated by the fear which the loss of political monopoly has induced, not only in certain party leaders but also in the vast nomenklatura, which is perfectly aware that only thanks to this monopoly were they able to become deputies, enterprise managers, directors, officers, ambassadors, representatives, secretaries or university professors. These are weighty political factors – we know what happens when 'consciousness becomes a material force'."

If the League of Communists has become incapable of keeping the country together, then new political organisations are required to reconstruct its fractured unity. There is little doubt that most crucial in this regard will be the emergence of parties on the political left, whose programme of economic and political reform will incorporate the socialist values now being thrown into the gutter, including scrupulous adherence to the principle of national equality. Much hope will rest in this respect with the newly founded Social–Democratic Alliance of Yugoslavia.

Yugoslavia's contemporary political spectrum can be divided into approximately five groups. First, there is the "official bloc', made up of the republican Leagues of Communists, Alliances of Socialist Youth and Socialist Alliances of Working People. These days, the latter are busily transforming themselves into autonomous organisations, at least in Slovenia and Croatia, with their counterparts in other republics likely to follow suit. Second and most numerous are the new national parties, which include, among others, the Peasant Alliance, Democratic Alliance and Christian Democrats in Slovenia; the Peasant Party, Democratic Union and Christian Democrats in Croatia; the Radical, Liberal and Democratic parties in Serbia proper; the Democratic Alliance in Kosovo; the All–Macedonian Action in Macedonia; the Hungarian League in Vojvodina. Thirdly, there are parties like the Croatian Social Liberals, the Croatian and Slovene Social Democrats, the Montenegrin Liberals, the Macedonian Socialists and the Social–Democratic Alliance of Yugoslavia, all of whom aspire to partnership with similar Western European formations. (It is difficult to tell as yet whether these names in all cases accurately reflect party policies.) The fourth category is made up of a host of non–party "citizens" initiatives', such as Greens, Helsinki Watch Committees and Committees for Human Rights. Here belongs also the Yugoslav Democratic Initiative, first swallow of the democratic spring. Last but by no means least are the sprouting independent trade unions, whose muscle was displayed in mid–January when an engine–drivers" strike in Croatia cut the interior of the country off from the coast for two days and a night. Elections to the communal and republican assemblies, and perhaps also to the Federal one, are due in April in some parts of the country and are bound to reshuffle the political pack of cards.

The following interview with Veton Surroi, a leading member of the Yugoslav Democratic Initiative and of Social–Democratic Party of Kosovo, was conducted in February 1990.

Kosovo and the Struggle for Democracy in Yugoslavia

Interview with Veton Surroi

Is there a direct link between the failure of the 14th Congress of the League of Communists of Yugoslavia and the subsequent events in Kosovo?

At the Congress, a unity that had existed only on paper broke up for good and with it the very structure of the LCY. The Albanians of Kosovo understood this as the beginning of the end of a policy from which they have suffered for the past nine years. So they demonstrated to mark the end of the old policy and to express a hope that the coming multi–party system would make possible also the articulation of their national demands. You should understand that the situation in which Kosovo lives – a state of isolation maintained by police terror – simply generates demonstrations. The violent anti–Albanian campaign has excluded Albanians from all political life, so that national frustration takes precedence over all other concerns. At the same time, however, there are those who believe – and there is evidence for this – that initially spontaneous demonstrations were in fact fanned by provocateurs.

The spark that set aflame the deep anger existing in the population was the death of an Albanian man in a village near Skopje in neighbouring Macedonia. He died as a result of the local authorities" decision to demolish – in the name of brotherhood and unity! – the traditional high wall surrounding his house. He was killed by a

bulldozer when he tried to take down his front gate to save it from destruction. The result was an immediate popular protest in Kosovo, despite the fact that all public gatherings are illegal there. The first demonstration was held in Prishtina on 23 January: it lasted for two or three hours and passed off peacefully. The protest continued on the second day, when political demands were also raised, ranging from lifting the state of emergency to a referendum on the status of Kosovo. This time the police intervened in a very brutal manner, using water cannon, teargas, truncheons and boots. As in the occupied West Bank, the police used the tactic of singling out individuals for very heavy beatings as a warning to others. Not even children were spared this treatment. Protests consequently spread, especially to places that are traditionally restless and outside effective control, such as the small town of Podujevo, where 20–30,000 people can gather within a very short time. Podujevo, because of its proximity to the Serbian border, is usually the first to suffer military or police action. It is very poor, and has an educated but largely unemployed young population. The protests spread initially because there was no possibility of a dialogue about the people's grievances. After the killings, things became quite different.

The first deaths occurred on the third day, in Orahovac. That day the police opened fire without warning at mourners returning home after attending the funeral of a person who had died of natural causes. They killed three people and wounded about twenty. Such incidents were repeated in the following days, which suggests that there was a conscious policy of trying to provoke a national uprising. In Malishevo, for example, fire was opened from a convoy of armoured personnel carriers without any reason – even the local police station was sprayed with bullets. Three people were killed and a dozen wounded. This daily carnage made the revolt grow until at some point it began to involve the villages, a development unprecedented since the war. When the Albanian villages rise, then one really is dealing with a national uprising.

People went to the demonstrations unarmed. This must be true, since otherwise many more people would have been killed, including policemen and non–Albanians. One would have had a general bloodletting, a general civil war. But this did not happen – the only deaths were on the Albanian side. The police was in fact conducting a massacre. Our information, based on hospital records, speaks of 35 dead and 139 wounded, but it is very likely that the number is larger, since many probably did not go to hospital. Every wounded demonstrator is considered a criminal and is liable to at least 60 days in prison. So it is better to be treated at home. As far as we can establish, the vast majority of the dead were killed without any provocation.

The intentions of the authorities are indicated by the fact that the Kosovo party committee had sent a warning to the hospitals, even before the demonstrations began, that they should prepare themselves for a lot of casualties. These days, hospitals in Prishtina regularly lack such basic medicaments as penicillin – but now fresh supplies were rushed in. A shortage of blood soon developed, however, and when the chief surgeon asked for fresh blood supplies – we were also involved in asking for blood donors – we were accused by the mass media of preparing an all–Albanian uprising. Serb and Montenegrin doctors refused to operate on 'terrorists". There were many other examples of actions that would be considered criminal even in wartime. For example, fire was opened on people coming out of a bus at a bus station and those who tried to help the wounded were severely beaten. On another occasion, some passers–by who had taken a wounded man into their car to drive him to hospital were stopped and beaten up. A man coming to the aid of his wounded brother was beaten unconscious and the wounded man was then shot dead at point blank range. In Kacanik, a small boy was shot by a sniper outside his house though there were no demonstrations then taking place. He is right now on a life–support system. A 17–year–old girl was killed when a policeman stopped his car, saw a crowd of people in the distance and opened fire. A secondary school teacher was arrested and died in custody. Workers going to work were fired on. All this was done by Serbian "specials" and reservists.

Aren't the Special units multinational?

Yes, they are, but the vast majority were in fact bussed directly from Serbia. It must be remembered that in Yugoslavia any man can become a police reservist. If the police considers that the situation demands it, any adult citizen who has completed military service can be enlisted. There are reasons to believe that the same people who had demanded arms during the mass rallies in Serbia now joined the police force. The demonstrations have continued to this day, although not in such intensive form. 20,000 workers were on strike throughout this period and in some factories the strike is still going on. The authorities are threatening the strikers with dismissal.

What is the reason for the police brutality?

Over the last few months Milosevic has been losing ground in Yugoslavia, thanks to a visible shift of power from the Party to the state: in the first instance, to the Federal government and prime minister Ante Markovic. Markovic's economic programme needs a different political framework, a dispersion of political decision– making. This amounts to a direct attack on Milosevic's power base: Party monopoly combined with nationalism. And the only way that he can preserve the status quo is to play the Kosovo card, to present himself as a defender of the territorial integrity and sovereignty of Yugoslavia. This trick always works, not because there is any real danger of Albanian secession, but because Albanians can be presented as a foreign body within a Slav state and society. Albanian political demands can, therefore, always be treated as suspect. Even demands for a multi–party system and free elections can be interpreted as 'separatism', etc.

A new category – that of "terrorism" – is being used today to describe their actions. In the past, Albanians were accused of 'counter–revolution', "nationalism" and "irredentism". The charge of "irredentism', with its implication that the territory is ethnically Albanian, has now been replaced by "separatism". After Tiananmen Square, and also because the communist regimes in Eastern Europe had used it against their political opponents, the term "counter–revolution" was no longer found suitable. 'Terrorism" has been chosen instead, partly because it justifies the use of the repressive apparatus and partly to combat growing Western protests against the evident violation of the human and civic rights of the Albanian population.

From Milosevic's point of view, the demonstrations could be used to postpone free elections in Kosovo and maybe also in Serbia. For in his speeches he has argued that parliamentary democracy is impossible until the rights of the Serb and Montenegrin minority in Kosovo are safeguarded. But since these rights are an infinitely flexible category, it will never be possible to prove that this has been achieved. The practical consequence is a spiralling repression that has no obvious cut-off point. Also, and this is very important, Milosevic has used the demonstrations in Kosovo to argue that the suspension of the 14th Congress has itself led to a further destabilisation of Yugoslavia. This, then, is the inter-relation between the failure of the Congress and the demonstrations: while Albanians saw it as the incipient disintegration of a nine-year-long repression, Milosevic argued that the break-up of Party unity amounted to Yugoslavia's own disintegration. In the short term, moreover, he has been successful. He managed to get the Federal Assembly to insert the term "terrorism" in its resolution on Kosovo. This will oblige the executive to use "anti-terrorist" methods of policing – which, as we have seen, are very draconian.

But in the long run?

As far as Kosovo is concerned, the repression has not solved a single problem. Nor will it be able to do so. This is why we will see demonstrations continue and take this periodic form. According to our information, thousands of people are leaving the Party every day, indeed it is realistic to expect that within ten days it will become an almost purely Serb and Montenegrin body. Albanians are instead joining alternative organisations.

We in Kosovo, and in Yugoslavia as a whole, need a respite from the " Kosovo problem". It seems that we will not get it. The Serbian party has recently come out in favour of large-scale expulsions of the Albanian population and settlement of the area with Serb and Montenegrin colonists. This is the policy the state of Israel practises in the occupied territories. By proposing to settle 100,000 people in the already overpopulated province of Kosovo, Milosevic is in fact calling for a full-scale civil war. The racist ideology according to which Kosovo can be saved for Yugoslavia only by altering its ethnic composition will act as a permanent barrier to democratisation of the country as a whole. Only two outcomes are possible: either this reactionary policy will fall, due to internal and external pressure – i.e. from within Serbia and/or from other parts of Yugoslavia – or it will lead to a generalised conflict throughout the country. A middle solution is impossible.

Adriz Ajeti

What has been the reaction in other republics and from the Federal party and state authorities?

Slovenian and Croatian leaders have made it clear that Serbia's repressive policy leads nowhere and should be replaced by a dialogue with the opposition. We in the opposition were the first to suggest – with our declaration "For Democracy – Against Violence" – that the opening of a dialogue is a precondition for ending the vicious circle of violence in Kosovo. The dialogue should take place at all levels, but must include the Federal one, since the provincial authorities are a direct party to the conflict. The response of the Federal government and presidency was to endorse such a dialogue, but only after the demonstrations have ended. The demonstrations, however, will not stop unless the dialogue begins. The real relationship of forces at the Federal level was shown by the fact that the Federal Assembly adopted the resolution in which the demonstrators were called 'terrorists', which puts the whole situation into a completely new context.

How do you explain the adoption of such a resolution, when the Assembly is made up of delegates from all over the country, many of whom do not approve of the repression in Kosovo?

My guess is that the Assembly simply expressed the balance of forces within the Party. The Federal leadership is split down the middle, and this makes all forward action difficult. From Markovic's point of view, Serbia is a strong political factor which can endanger his political reform. He therefore chose to appease it on the issue of Kosovo. But this is very short-term thinking, since instability in any part of the country brings the reform into danger.

What was the effect of your Declaration in Kosovo itself?

One of our wishes was to canalise the protest around five rational demands, which is why we offered the Declaration for the public to sign. We have had more than 400,000 signatures so far! The very act of signing, with full name and address, concretises the individual political demand and provides a solid basis for collective negotiation. With the signing of the Declaration, the protests went beyond the purely national dimension and acquired a universal human and democratic form. The people understood this. They understood that local action was insufficient and initiative had to be concentrated in the hands of the opposition, to enable it to become a real political force. The people placed their trust in the opposition, which in turn did something that had never been done before: to make each death a public fact. This allowed everybody, even those who had not attended the demonstrations or signed the Declaration, to participate in actions that we subsequently organised – such as the two "days of mourning', with the sounding of factory whistles and car horns at a specific hour one day to commemorate the dead, etc. In fact, we did not call them "days of mourning" but "days of sorrow', since public mourning is normally an act of state, but we have a state that is killing its people and that is ready to arrest all who wish to express public grief in its place.

Who forms the Kosovo opposition?

The day before the demonstrations began, the Kosovo branch of the Association for a Yugoslav Democratic Initiative (UJDI), the Association of Philosophers and Sociologists of Kosovo, and the local Committee for Human Rights, appealed to the public not to go onto the streets. It was clear to us that such an act would only feed the repressive regime and would in any case endanger human lives. After the bloodshed began, we offered the Declaration for people to sign. The Democratic Alliance of Kosovo came out at this point in support of our action. We have now formed a Coordinating Committee of the signatories of the Declaration, which is headed by three people: myself for UJDI, Adriz Ajeti for the Committee of Human Rights and

Usuf Berisha for the Philosophers" and Sociologists" Association. We hold press conferences and initiate other actions – such as the appeal for the re-start of the school term to be postponed because of inadequate public security. In addition to the four organisations I have mentioned, others have now joined: the Initiative Committee for a Social-Democratic Party, one of whose founders is Shkelzen Maliqi; and the Initiative Committee for a Youth Parliament, whose president is Blerim Shala, a journalist on the local youth paper *Zeri e Rinis* (it is significant that the Initiative Committee for a Youth Parliament was founded in Vranjevac, the shanty suburb of Prishtina.) We expect these days also the formation of a Liberal Party and a Green Party.

What do the Democratic Alliance and Liberal Party stand for?

The former has about 200,000 members. It calls for parliamentary democracy, free market and – something specific to them – a "constitutional emancipation of the Albanian people". The Democratic Alliance, in other words, aspires to be a kind of national movement. It is not so much a party as a product of the popular response to so many years of repression. In my opinion, however, political pluralism cannot be subsumed within a national movement, but must be the articulation and crystallisation of all the different and antagonistic social interests present within Kosovo society. The Liberal Party is being formed by Albanian graduates of the University of Zagreb, who are on the same wavelength as the Croatian Social-Liberals.

A further important component of the pluralistic scene will be independent trade unions, which are in the process of formation. In contrast to Slovenia, where the new unions are being formed from above by simple transformation of the official trade unions, in Kosovo they will be formed from below, at the level of individual enterprises, schools, etc. and will later join up. Already, journalists, doctors, historians and others are forming their own professional organisations.

These are all city-based organisations. What about the peasantry?

There is a problem here, in that the Kosovo village is backward and unproductive. Because it exists at a subsistence level, it has no distinct awareness of its own specific interest and is not the bearer of a new agrarian development. The strong trends of emigration into the cities and abroad also militate against this. The peasant himself does not know what to do with his land and there are no models elsewhere in Yugoslavia that he can follow. The Peasant Party in Slovenia, for example, is a political party which will fight for agricultural interests, for example over the price of fertilisers or milk. The Kosovo peasant, who does not produce for the market, cannot follow the Slovene example.

Kosovo is specific in that, unlike the situation in the rest of Yugoslavia where villages are faced with a labour shortage, the land is overpopulated.

Indeed, Kosovo as a whole is overpopulated. The density of population is in fact the greatest in the country. Yet right now we are expecting new settlers!

Where will they go?

Before the war, Kosovo was settled by several waves of Serb and Montenegrin colonists, who were given land taken away from Albanian peasants. This will happen again, since land transactions very often take place without official registration, so that many owners do not have any proof of legal purchase. Also, state land amounting to 40,000 hectares is envisaged for distribution to the colonists. The trouble is that, even if this could be achieved without a massive social upheaval, it would merely bring new problems. For example, a settlement of some 20,000 people is planned in Glogovac, where there is already a population of that size without the conditions for a decent life. It is a kind of madness, characteristic of this regime! A popular slogan in Serbia and Montenegro right now is: "Just give us the order, Slobodan [Milosevic], and we'll march to Tirana!'

Blerim Shala

The settlement proposal is in fact intended for its psychological effect. Milosevic's politics is based on launching the most impossible ideas, which then serve as points of conflict. The first intention is to provoke Albanians into further action. And the Croats and Slovenes, if they react, will be accused of wishing to see a purely Albanian Kosovo. This is a politics of conflict-making. The aim is to gain time.

There is an emerging opposition today also in Serbia too, isn't there? Can one realistically expect some positive gesture from it in regard to Kosovo?

The very emergence of opposition to Milosevic is a positive development. But one should not expect any early differentiation on the Kosovo issue. Serb national hysteria has been nurtured for so many years that it will take time before it calms down. I do not think that the Serbian opposition is strong enough to choose Kosovo as point of confrontation with Milosevic. In any case, some of the new parties, such as Vuk Draskovic's Party of Serb National Renewal or the Radical Party, are even more hysterical on the issue of Kosovo than the Serbian League of Communists under Milosevic.

The Democratic Party, which has recently been formed in Belgrade, has on the other hand come out in favour of dialogue and a political solution to the Kosovo problem.

This is very true and is to be welcomed. Our problem is that constitutional changes are coming which will decide the status of Kosovo within the Federation very quickly: the elections for the Federal Assembly are due to take place in May. The Serbian opposition is demanding that these elections be postponed and that, in the meantime, new elections should take place in Serbia. But the opposition is not sufficiently strong right now to enforce this demand. This means that Serbia (including Kosovo) will be represented in the new Federal Assembly by individuals who are not only unknown and rather primitive, but also highly unrepresentative. These people will undermine every constructive step by the Assembly. All this at a time when power is moving towards the Federal Assembly and government.

The importance of the democratic opposition goes beyond its modest size, however. In the context of a pluralisation of the media, one could see a very quick transformation of the balance of forces in Serbia. Leading Serb intellectuals who in the past provided Milosevic with his nationalist vision, but who now – having realised that he intends to cling to power, come what may – have left his camp and

Veton Surroi

are forming their own political organisations, could play a crucial role. This, and the steadily mounting social pressure coming in particular from the factories, could bring a quick turnabout in the balance of forces within Serbia.

In Serbia, as in large parts of Yugoslavia, frustration with the existing system is producing not only an anti-communist but also an anti-socialist mood. In Serbia, however, we have in addition an extreme nationalism centred on the issue of Kosovo. It is, moreover, spilling today beyond the ethnic into the religious sphere: Yugoslav Moslems (the main national group in Bosnia-Herzegovina) will be the next to suffer the accusation of being an "alien" – non-Christian, non-European – element in Yugoslavia. The reactionary stance of the Serbian party is tending to produce a right rather than a left opposition. Milosevic himself, moreover, is still moving to the right. The key ideas found in 'Peace in Kosovo', a document recently adopted by the Central Committee of the Serbian League of Communists (this name has become a pure joke!), have been taken directly from the programme of the extreme chauvinist Party of Serb National Renewal. And one still has to ask: is this right-wing enough for contemporary Serbia? My impression is that the Serbian Party leadership simply does not comprehend that the world has changed. Milosevic and his henchmen place their hopes in the trilogy of nationalism, the police and the army, all under the control of the nomenklatura. Confronted with the tangible popularity of the communist parties in Slovenia and Croatia and, to an extent, also in Macedonia and Bosnia, the Serbian Party can only play the Kosovo card. This it does, gaining each time a few months of respite.

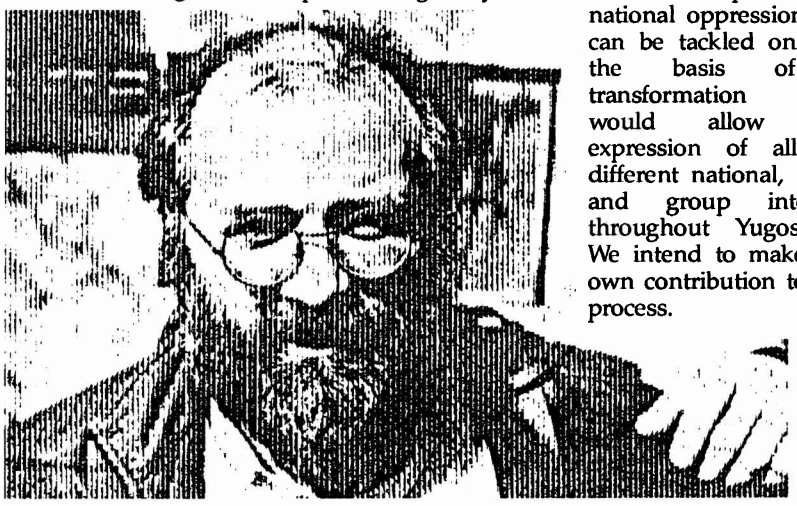
What effect on this constellation could a democratizing Albania have?

It is unrealistic to expect a rapid democratic change in Albania. The lack of a democratic tradition is combined here with the fact that the Albanian population has made some real gains since the War, especially in the sphere of education and general social security, however rudimentary these may be. In addition, the Albanian regime too lives off the politics of nationalism, rooted in the sense of being endangered by neighbours. Today, you see, Kosovo can be offered as an example of what could happen to Albanians, if the Albanian leadership were to compromise. Of course, a certain de-Stalinisation is taking place, in favour of a more realistic form of "real socialism', whose life could be maintained a little longer, given that a certain amount of capital will come in by way of belated German war reparations, in the form of credits; as the result of a settlement with Great Britain on the vexed issue of the Albanian gold; and thanks to the great interest shown by Italy in Albanian raw materials and markets. France too has become more active in wooing Albania. But it is Germany which has most to offer. All this will prolong the life of the existing system, until such time as the new inputs produce also new forces of qualitative change. There is no doubt that if Albanians in Yugoslavia could freely elect their representatives, this would have a tremendous impact on Albania.

Finally, if free elections were held in Kosovo today, who would win?

Those individuals who have actively resisted repression. And in this regard, we are all different. There are democrats, but also old village chiefs. The provincial assembly is very large and it is possible that we will see elected to it quite a few village characters who have made their name by being more Albanian than the next man. These people would not concern themselves too much with the content of new laws, but would shout about Albanianism just like those who today swear by Serbianism. This is a real danger. A six month armistice on the issue of Kosovo would make their neutralisation easier. The left democrats, who have been formed in contact with others in Yugoslavia, need the time to define their political profile within the Albanian national discourse. I myself, for example, have considerable differences with certain people from the Democratic Alliance; but I am unable to formulate them openly, for fear that this would be misused by the current regime. We are, therefore, engaged in a desperate race not only against Milosevic's policy of constantly raising the stakes, but also against sheer time in our efforts to create an organisational basis for the genuine pluralisation of Albanian political life. We do not wish to see a party-based monism replaced by one based on nationalism.

We operate today under the tremendous pressure of a national uprising that draws its inspiration also from the fact that Ceausescu's regime was overthrown precisely by a popular uprising. After nine years of repression and a year of martial law, after so many have died, the people are no longer afraid. However, despite the obvious parallels between Kosovo and Romania, we know that the situation in Yugoslavia is different; that direct confrontation will not work; that Kosovo's problems go beyond the immediate problem of national oppression and can be tackled only on the basis of a transformation that would allow free expression of all the different national, social and group interests throughout Yugoslavia. We intend to make our own contribution to this process.



Shkelzen Maliqi

REVIEWS

W. Brus and K. Laski
From Marx to the Market. Socialism in Search of an Economic System
Oxford University Press
1989
pp177

THIS BOOK makes interesting and challenging reading for socialists struggling to come to terms with recent changes in Eastern Europe and their implications for the project of constructing a socialist economy free from the inefficiencies and exploitation of Stalinist centralised planning.

Wlodzimierz Brus was an advocate of economic reform as a high-up official in the Polish planning system prior to 1968, and since emigrating to Britain in the early 1970s has always continued to define himself as working within a broadly-defined Marxist tradition. His book *Socialist Ownership and Political Systems*, which won the Isaac Deutscher Memorial Prize in 1975, argued strongly for political democracy and for a conception of social, as opposed to merely state, ownership as preconditions for economic efficiency in a socialist economy. Now, writing with a long-time collaborator, Kazimierz Laski (at present Professor of Economics in Linz, Austria), he gives a balance-sheet of the two decades of economic reform in Eastern Europe which he helped to inspire and instigate; and, more importantly, offers suggestions for future changes. This is of interest not only as two people's views but as a barometer of the thinking prevalent amongst many reform-minded intellectuals now catapulted into power in Poland, Czechoslovakia and the GDR – even in the Soviet Union itself. Unfortunately, the book suffers from several weaknesses which in some respects make it, I believe, a step backwards from Brus' earlier work.

Brus and Laski give a succinct and detailed overview of the problems of the traditional model of central planning and of the progress of alternative approaches in Hungary and Yugoslavia. However, while this part of the book is well-written and well-constructed, it adds little new to existing material on these subjects. Consequently, I shall concentrate on the most significant part of the book, the lessons drawn from this experience and the proposals for the future. Brus and Laski present themselves (p. 150) as merely describing tendencies at work in centrally planned economies rather than offering "a normative model of an economic system which ought to emerge from the process of reforming 'real socialism'". However, this is disingenuous; the whole thrust and argument of the book makes it clear that they are actually offering a blueprint for reform and confronting the old question of "What is to be done?"

Essentially their answer to this question is that central planning needs to be replaced by a system they call "market socialism" (MS) which includes not just a market for producer and consumer goods – such as has been introduced in large measure in Hungary and Yugoslavia – but also a capital market with associated dealing in shares and bonds and decentralisation of most investment decisions. This marks a considerable departure from Brus' earlier conception of "a planned economy with a regulated market mechanism" in which the freeing of the goods market is meant to strengthen the planning process by allowing planners to concentrate more effectively on long-run investment activities while being unburdened of responsibility for day to day enterprise targets and monitoring. That model of a socialist economy saw the market as a politically neutral instrument to be used for the benefit of socialist construction. MS, on the other hand, appears to imply the replacement of planning by the market; state economic policy is restricted to long and short-run management of demand to ensure full employment and the control of a small non-enterprise sector which undertakes desirable investments which would be neglected by the market – for example, environmental projects. Further, MS clearly has implications for the question of enterprise ownership. Brus and Laski do not envisage large-scale privatisation of state enterprises, largely for pragmatic reasons: "The process unfolds from a position in which state enterprise dominates, and this fact of life cannot be changed overnight" (p. 149). However, they do argue that MS requires all forms of ownership to be placed on an equal footing and also present possible reasons for the eventual incompatibility of MS and large-scale state or public ownership.

What is one to make of this conception of a socialist economy? Here I think three questions need to be addressed. Firstly, why do Brus and Laski argue for the introduction of a capital market, and are their arguments good ones? Secondly, is the account given of the probable functioning of the economy under MS convincing? Thirdly, what are the implications of MS for ownership? I shall consider each of these in turn.

In Chapter 7 of their book, Brus and Laski present four reasons for regarding the introduction of a capital market as a necessary adjunct to the introduction of a product market. One reason is that without such a market the planners have to operate an incomes policy in order to balance savings and investment and ensure full employment. A capital market would allow enterprises and households to bring the two into balance through market forces. This seems to me a bad argument, since the planners could generate savings in order to fund investment by offering workers higher interest rates; it is not clear why an incomes policy is needed or why wages have to be held back in this case. Argument two simply says that without a capital market the central planners will interfere too much in the economy, using their control over investment to spread into other areas. In order to accept this one has to start from the premise that state involvement in enterprise decision-making is by definition inefficient and undesirable. It is not clear that with political democratisation this need necessarily be so, nor that a democratic polity could not impose political constraints on state involvement if so desired. Argument four draws on Kornai's work in Hungary on "soft budget

constraints". The reasoning is that if the state controls investment spending, enterprises will face a soft budget constraint where funds are available from the centre as a result of political bargaining and firms are not subject to the "discipline of the market" or to potential bankruptcy. This seems to me to be vulnerable to two objections, one specific and one general. Specifically, Brus and Laski seem to have missed the central insight of Kornai's work, which is that economic efficiency in a socialist economy depends not on the precise mechanism of planning used but on the social relationships between planners and enterprise managers and workers. It is a social relationship, founded on a particular political conjuncture which fives rise to the soft budget constraint. No tinkering with the economic mechanism can alter this. This is graphically shown by the recent bale-out of US savings and loan institutions which took place despite the most well-developed of capital markets – in fact, because of the failure of such a market. More generally, Brus and Laski assume that efficiency is only to be attained through market discipline. If one believes that then clearly expanding the scope of the market becomes desirable, almost as a logical consequence. Yet Brus' earlier work put forward the alternative that democratic control of decision making can obviate the need for the market as an instrument of discipline. It seems to me that part of what being a socialist involves is having faith in such an alternative rather than the coercive discipline of the market. It is sad to see Brus and Laski moving away from this viewpoint without even discussing it as an alternative.

These three reasons for introducing a capital market into a socialist economy appear to be flawed. Brus and Laski's third argument, however, has more validity. Broadly speaking, this states that, because of the limitations on enterprises' freedom to take decisions which result from central planning of investment, such planning reduces the beneficial effects of competition in the goods market. This is, I think, an inescapable conclusion. If investment plans are laid down at the centre it does reduce the flexibility of enterprises and limit the scope of decentralised decision making. This is a real challenge to Brus' old model of central planning with a regulated market. Ironically, Marx himself stressed, and later Marxists, particularly Isaac Rubin and his followers have emphasised, the role of the market under capitalism not just as a mechanism for distributing final products, but primarily as a means of regulating the flow of capital between sectors of the economy. To divorce these two aspects of the market totally, as Brus did in his earlier work, is at variance with large parts of the Marxist tradition. There are two ways of dealing with this problem. Firstly, one can argue that the competitive market is not the best way of determining investment decisions anyway. Here one is backed up by a mass of theoretical material from orthodox economics on "market failures" with regard to R&D and innovation, and by the empirical example of economies such as Japan, where state direction of investment flows has been relatively successful. Secondly, one can argue that central planning of investment does not unduly limit the short-term competitive activities of firms. This is the case, for example, if investment projects are flexible enough to be used for a variety of purposes, so that they do not circumscribe the decisions of firms about day to day production too much. Infrastructural and large-scale investments will surely be of this nature. It may well be that some small-scale investment decisions are better decentralised to enterprises and financed by them, but this does not require the wholesale introduction of a capital market which Brus and Laski recommend.

What of the account which Brus and laski give of the functioning of the economy under MS? This is contained in Chapter 9 of their book. It is very disappointing. Their analysis of the short-run behaviour of the economy is textbook Keynesianism with fiscal policy used to ensure full employment. The long-run analysis is taken straight from Kalecki, with a capital charge used to provide funds for the state to maintain a full-employment growth path. The focus is almost entirely on the demand side of the economy with virtually no discussion of the supply side or of the structure of production. The recent outpouring of orthodox economic literature on the problems of government regulation of industry or on game theoretic models of firms' and workers' responses to government policy is just ignored. So is the Marxist and institutionalist account of markets as institutions which absorb resources, express group or class interests and have different results depending on how they are regulated and controlled. There is no discussion of uncertainty or information and the whole process is abstracted from the international context of the economies being discussed, particularly with regard to the vital question of foreign investment.

Brus' and Laski's discussion of ownership in Chapter 10 hinges on an old argument stretching back at least to Hayek's work in the 1930s. It is that state ownership cannot encourage innovation because it does not allow for the combination of risks and responsibilities which alone can lead to entrepreneurial behaviour. This seems overly pessimistic. Specifically, as Ernest Mandel has emphasised on many occasions, many innovations are made by workers in the research departments of firms who have no connection whatsoever with the ownership of those companies. More generally, Brus and Laski do not discuss the possibility that democratic decision-making and self-management within enterprises might be an adequate substitute for entrepreneurial attitudes in bringing about creative developments and new ideas.

On balance, the, the case for MS as a blueprint for economic reform remains unproved. That is not to deny that economic changes are necessary in Eastern Europe, nor that there is a vacuum on the Left in discussing what those changes might be. I hope that this book will start a much-needed debate on this question, which is of the utmost importance for socialists East and West. However, having said that, two final, more general observations about the book are in order. First, the viewpoint presented is one which appears to view economic issues in severely mechanistic terms. The approach is to concentrate exclusively on the identification of a coherent economic system and to gloss over the analysis of what social groups that system may or may not serve. Second, the book is deeply pessimistic about any solutions based on collective values; or in fact on anything other than individual self-interest. The separation of economics from politics and the abjuring of any appeal to the traditions of solidarity, altruism or democratic commitment make this a step back, in my view, from the best of Brus' earlier work. It is ironic that this should be so, at a time when politics and economics are linked as never before in Eastern Europe and when the people of that region are demonstrating such heroic collective discipline and initiative. The absence of a perspective in this book which can relate to these factors makes it, despite its many individual insights, an unreliable basis for the reconstruction of the socialist economic project.

Andrew Kilmister