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VIEWPOINT

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The 35 hour week A realistic utopia



South Korea
IMF twists
the knife

IMF deepens Korea's misery

A top IMF team was rushed to Seoul after dramatic plunge of the Korean won on the foreign exchange market in November. Its mandate was negotiate the terms of a "Mexican-style bail-out" with a view to "restoring economic health and stability".

For the first time the IMF's standard "economic medicine" had been launched in an advanced industrial economy...

Michel Chossudovsky

The details of the economic reform programme had already been decided, in consultation with the US Treasury, Wall Street's commercial and merchant banks as well as with major banking interests in Japan and the European Union.*

A Letter of Intent (*Memorandum on the Economic Program*) was put together in a hurry, on behalf of the Korean government, with virtually no analysis of the broader causes of the financial meltdown. (The "policy solutions" had already been decided upon: no analysis was deemed necessary).

A covering letter was drafted with the help of IMF officials, dated December 3, and signed by the Governor of the Bank of Korea Kyong shik Lee and the Minister of Finance Chan yuel Lim. The Memorandum included the usual Policy Framework Paper (PFP) imposed by the Bretton Woods institutions on indebted Third World nations.

IMF Managing Director Michel Camdessus was in Seoul during the final days of negotiation. The IMF's mission was wrapped up in one week; a "proposed decision" on the stand-by arrangement had already been drafted by IMF staff for adoption by the IMF Executive Board on December 4th. In close consultation with IMF negotiators, the World Bank and the Asian Development Bank had also sent in their own teams. A World Bank package with stringent conditionalities on "financial governance" was announced on December 18th.

A safety net for the creditors

On Christmas Eve December 24th, officials from six leading US commercial banks including Chase, Bank America, Citicorp and J. P. Morgan were called in for talks at the Federal Reserve Bank of New York. The "big five" New York merchant banks (Goldman Sachs, Lehman

Brothers, Morgan Stanley and Salomon Smith Harney) were also involved in these discussions on South Korea's short-term debt. (*Financial Times*, 27-28 December 1997, p. 3). Almost simultaneously, some 80 European creditor banks, chaired by Deutsche Bank were meeting behind closed doors in Frankfurt while Japan's big ten banks (which account for a large portion of Korea's short term debt) were involved in high level discussions in Tokyo with Mr. Kyong shik Lee, Governor of the Bank of Korea.

No capital inflows

The bail-out (to be financed by G7 governments, the IMF, the World Bank and the Asian Development Bank) will evidently not result in capital inflows into Korea: it largely serves the interests of the international banking community, enabling US, European and Japanese banks to cash in on Korea's short term debt. In turn, Korea will be locked into the servicing of this debt under the Agreement until the year 2006.

The macro-economic agenda

The IMF programme derogates Korea's economic sovereignty, it plunges the country virtually overnight into a deep recession. The social impact is devastating. The standard of living has collapsed; the IMF programme depresses wages and creates massive unemployment. (Wages expressed in US dollars have already been cut in half as a result of the devaluation). The Agreement also requires the government to introduce "labour market flexibility" including procedures for compressing wages and shedding "surplus workers".

The IMF Agreement consists in tearing down Korea's banking system while creating conditions which enable the speedy acquisition of the most profitable industrial assets by foreign capital. The Agreement lifted the ceiling on individual foreign ownership to 50% by the end of 1997 and 55% by February 1998. The IMF Agreement requires further trade liberalisation as well as the opening up of the domestic bond market to foreign capital. It also marks the demise of central banking in Asia's most vibrant economy. The Agreement allows for 100 percent ownership by foreign merchant banks: "foreign



financial institutions will be allowed to purchase equity in domestic banks without restriction" (para. 32, p. 44).

A *de facto* "parallel government" has been installed. The Bank of Korea (BOK) is to be reorganised, the powers of the Ministry of Finance are to be redefined. Under the bail-out, fiscal and monetary policy will be dictated by external creditors. Monetary policy under the IMF's stewardship will be tightened. Government spending on social programmes and infrastructure will be curtailed.

Financial blackmail

During a special session of the legislature on December 23rd, "lawmakers endorsed the four government motions concerning the IMF rescue plans". (Choe Seung chul, "Assembly Opens to Legislate Key Financial reforms", *Korea Herald*, 23 December 1997). Legislation following IMF guidelines was approved which dismantles the extensive powers of the Ministry of Finance while also stripping the Ministry of its financial regulatory and supervisory functions.

South Korea's Parliament has been transformed into a rubber stamp. Enabling legislation is enforced through financial blackmail: if the legislation is not speedily enacted according to the IMF's deadlines, the disbursements under the bail-out will be suspended with the danger of renewed currency speculation.

The IMF had also demanded the speedy passage of legislation which will provide for "central bank independence". The latter provision will thwart the financing of economic development "from within" through monetary policy — a process of State supported credit which has largely been instrumental in Korea's dynamic industrial development over the last 30 years.

The central bank has been crushed. Its foreign exchange reserves have been

pillaged by institutional speculators. In late November, the Bank of Korea's reserves had plunged to an all time low of 7.26 billion dollars. Under the IMF Agreement which freezes the supply of domestic credit, Korean corporations will increasingly rely on foreign lending institutions (para. 28) (The latter are also routinely involved in speculating against the Korean won).

President-elect supports the IMF

President elect Kim Dae-jung had warned in a press conference during the electoral campaign on December 5th (following the IMF Executive Board decision of December 4th) that "...now foreign investors can freely buy our entire financial sector, including 26 banks, 27 securities firms, 12 insurance companies and 21 merchant banks, all of which are listed on the Korean Stock Exchange, for just 5.5 trillion won," that is, \$3.7 billion". (Michael Hudson, "Draft for Our World", Dec. 23, 1997). But upon winning the election on Dec. 18th, Kim announced his unbending support for the IMF: "I will boldly open the market. I will make it so that foreign investors will invest with confidence".

The IMF's bankruptcy programme

The devaluation of the won has generated a deadly chain of bankruptcies affecting both financial and industrial enterprises. The devaluation has also contributed to triggering sharp rises in the prices of consumer necessities.

Ironically, rather than restoring "economic stability", the IMF programme has served to heighten the impact of the devaluation leading to a further string of bankruptcies. A so-called "exit policy" (i.e. bankruptcy programme) has been set in motion: the operations of some nine "troubled" merchant banks were suspended on December 2 prior to the completion of the IMF mission. In consultation with the IMF, the government is to "prepare a comprehensive action programme to strengthen financial supervision and regulation..." (Agreement, para. 25).

Dismantling the chaebols

The IMF Agreement has created conditions which facilitate so-called "friendly" mergers and acquisitions by foreign capital. The automotive group Kia, among Korea's largest conglomerates declared insolvency. A similar fate has affected the Halla Group involved in shipbuilding, engineering and auto-parts.

The IMF programme contributes to fracturing the *chaebols* which are now invited to establish "strategic alliances with foreign firms" (meaning their eventual control by foreign capital). In turn, selected Korean banks will "be made more attractive" to potential foreign buyers by transferring their non performing loans to a public bail out fund: the Korea Asset Management Corporation (KAMC).

The freeze on central bank credit im-

posed by the IMF prevents the Central Bank from coming to the rescue of "troubled" enterprises or banks. The Agreement stipulates that "such merchant banks that are unable to submit to appropriate restructuring plans within 30 days will have their licences revoked (para. 20, p. 8).

Crippling domestic enterprises

The freeze on credit demanded by the IMF has contributed to crippling the construction industry and the services economy: "banks are increasingly reluctant to provide loans to businesses while bracing for the central bank's tighter money supply" (Sah Dong seok, "Credit Woes Cripple Business Sectors", *Korea Times*, 28 December 1997). According to one observer, more than 90 percent of construction companies (with combined debts of \$20 billion dollars to domestic financial institutions) are in danger of bankruptcy" (Song Jung tae, "Insolvency of Construction Firms rises in 1998", *Korea Herald*, 24 December 1997).

The contraction of domestic purchasing power (i.e. lower wages and higher unemployment) has also sent "chills through the nations perennially cash-thirsty small businesses". The government agrees that "quite a number of smaller enterprises [which rely on the internal market] will go under in the coming months". (*Korean Herald*, 5 December 1997). Some 15,000 bankruptcies are expected in 1998.

Western business on "shopping spree"

Korea's high tech and manufacturing economy is up for grabs. Western corporations have gone on a shopping spree with a view to buying up industrial assets at rock-bottom prices. The devaluation has already depressed the dollar value of Korean assets, the IMF sponsored reforms should contribute to a further slide.

Already, the Hanwha Group is selling its oil refineries to Royal Dutch/Shell after having sold half its chemical joint venture to BASF of Germany." (Michael Hudson, op cit). "Samsung Electronics, the world's largest producer of computer memory chips, has seen its market value fall to \$2.4 billion, down from \$6.75 billion at the beginning of October before the crash was engineered... It's now cheaper to buy one of these companies than buy a factory — and you get all the distribution, brand-name recognition and trained labour force free in the bargain..." ★

Notes

The author is Professor of Economics, University of Ottawa, and author of *The Globalisation of Poverty, Impacts of IMF and World Bank Reforms*, Third World Network, Penang and Zed Books, London, 1997. He can be contacted at <chosso@travel-net.com> Copyright by Michel Chossudovsky Ottawa 1997. All rights reserved.

* See International Monetary Fund, Korea, *Request for Stand-by Arrangement*, Washington, December 3, 1997. The text of the IMF Agreement together with the "Memorandum on the Economic Program" were published by *Chosun Korea*, Seoul, December 1997, and can be consulted at WWW.chosun.com

contents

South Korea's economic crisis

- 2 IMF deepens Korea's misery
 - Michel Chossudovsky
- 4 The paper tiger economy
- 6 Revenge for the Kwajun massacre
- 6 The labour candidate
- 7 The split in the ruling camp
 - Terry Lawless

asia

- 8 India: A one-sided class war
 - Kunal Chattopadhyay
- 10 China: The capitalist road
 - Zhiang Kai

europa

- 11 France's unemployed movement
 - Dominique Mezzi
- 12 Spain's dis-United Left • Pedro Montes, Jesús Albarracín and Jaime Pastor

africa

- 15 Congo-Kinshasa: reconstruction
 - Colette Braeckman

americas

- 18 USA: Teamster trouble II
 - Dianne Feeley
- 20 Which way for Carey's supporters?
 - Charles Walker
- 21 Business unionism • Kim Moody
- 22 A dirty little war in Southern Mexico • Braulio Moro

The 35 hour week in Europe

- 24 Introduction • Michel Dupont
- 26 Our reform of the labour market
 - François Vercaemmen
- 27 Italy: Keeping the pressure high
 - Gianni Rigacci
- 29 Belgium: What would the neighbours say? • Alain Tondeur
- 31 France: Two steps forward, one step back... • Michel Husson
- 32 Germany: Early retirement for Helmut Kohl! • Angela Klein
- 33 Netherlands • Robert Went

regular features

- 35 Conferences: October 1917
- 36 Radical press review
- 36 NetWorking • Internet action

No books or history columns this month, to make space for the 35 hour dossier and extended Korea coverage.

The paper tiger economy

The economic crisis in South Korea calls into question the whole economic strategy pursued by the so-called Asian tigers.

Terry Lawless

The average income has been halved in a matter of months: from \$US10,000 in August to \$5,000 in late December. The stock market has collapsed. In 1996, the total market value of the listed stocks came to 117 trillion won (\$139 million), at an exchange rate of 844 won/dollar. On Christmas Eve 1997, it stood at 66 trillion won (\$34 bn.), at an exchange rate of 1,965 won/\$. That meant that the total price of all listed companies was now less than that of the Dutch bank group ING, the world's seventieth largest corporation.

Korea has been bailed before: in 1969 (by the IMF) and in 1983 (by Japan). This indicates a fundamentally structural problem related to the economic strategies of the *chaebols* (conglomerates) which expose them badly to such things as the steep drop in the price of a given commodity and the more general tendency of the rate of profit to fall. The breaking up of the *chaebols* is essential for what KCTU trade union leader Kwon Young-gil calls the "democratisation" of the economy.

The first warning signs in the current crisis were the steep fall in the price of semi-conductors and the simultaneous global overproduction of steel. Both these developments seriously damaged the 1996 profit margins of the biggest *chaebols*.

Their strategy, which consisted of borrowing huge sums, as short term loans, to finance dramatic expansions in productivity, only worked during the years of very high regional growth.

Each of the failed *chaebols* has gone under with incredibly large amounts of debt. The most mediatised collapse, that of Hanbo, offers a textbook illustration of political corruption and economic miscalculation. But all of the *chaebols* practice the same kind of hair-raising risk-taking. When it crashed in November, *Halla chaebol* had debts amounting to 20 times its assets.

The long economic boom of the East Asian region appears to have entered a new period, with an undertone of stagnation. Profit levels have fallen below 5% for the first time in twenty-five years. The recent crisis, should be analysed in much the same way that the Marxist economist Ernest Mandel analysed the long post-war boom in the G-7 countries. The region is in crisis because of what Marx called the tendency of the rate of profit to fall with the generalisation across the region of a given level of technological infrastructure. South Korea recently celebrated the sale of its ten millionth automobile.

The breaking up of the *chaebols* will probably now occur under the auspices of foreign capital and without democratisation. The lack of democratic control will of course facilitate foreign take-over under the worst possible terms for Korean workers. The first major "anti-crisis" step taken by the Korean government was the ending of the Trade Diversification



Package, which prevented a whole range of Japanese goods, including cars and electronic goods, from entering the Korean market.

Because former President Park Chung-hee slavishly imitated Japan's industrial orientation, a whole range of South Korean industries may now be absorbed by their larger, Japanese counterparts. The ceiling on foreign ownership of domestic firms was raised to 55% on 30 December 1997, and will be eliminated entirely at the end of 1998.

For the relatively weak Korean bourgeoisie, an unequal partnership with selected G-7 countries appears to be the only solution. In the medium term, the economic power of Japan, Europe and the U.S. in Korea seems set to increase, although perhaps we will first see a period of global recession or depression.

Of course, Japanese ownership of Korean industry would recreate a potentially explosive dynamic, with the re-emergence of intertwined class and national grievances. The Japanese bourgeoisie would have to proceed cautiously, with nominal control remaining with Korean bosses. This would not be a new experience for the family-dominated *chaebols*. This was essentially the role played by their landowning grandparents at the turn of the century, when Korea was a Japanese colony.

Kim Dae-jung has emphasised the importance of small businesses, and has already announced a package of funds to be injected into the economy in order to increase liquidity. But his ability to move against the twenty families who together comprise about 60% of the economy seems extremely limited.

For their part, the *chaebols* are considering the possibility of achieving specialisation in particular industries through the selling off of their various

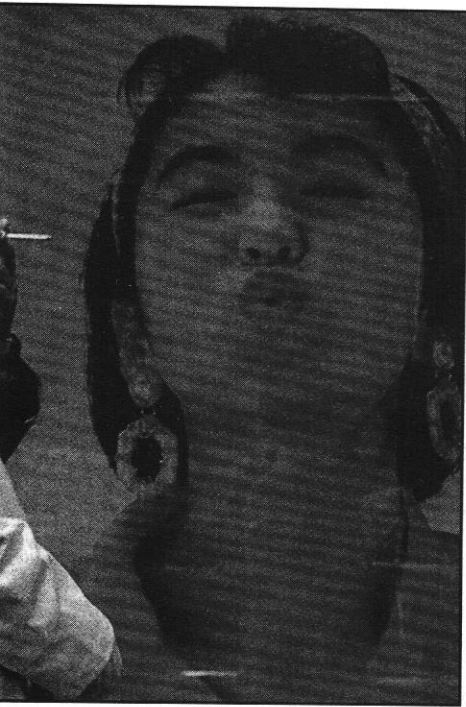


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World Bank/IMF/WTO: The Free Market Fiasco

Eric Toussaint and Peter Drucker (Eds.)

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to introduce a long term government bond, with no questions asked on the source of the funds. The bond would be paid out after the expiry of the statute of limitations on financial crimes.

Will the unions fight back?

What of the possible fightback by the unions? The battle, if it comes, will be in the heavy industries, a repeat of the General Strike of December 1996-January 1997. This sector is primarily organised by the Korean Confederation of Trade Unions (KCTU), the militant split from the state-sanctioned Federation of Korean Trade Unions (FKTU) in 1995.

This time, it will be the IMF that will be pressing the unions, not the Korean bourgeoisie. Obviously, the outcome of the struggle will affect the decision of foreign capital to invest in Korea, especially that interested in taking over companies or *chaebols*. It will be a defensive battle, reminiscent of the kinds of strikes we have witnessed in the past few years in the G-7 countries.

The prospects for victory are not great, seeing that victory could reintroduce capital flight. This would cause the further destabilisation of the won with more inflation, rising import costs and more bankruptcies in a vicious cycle of failure. The fight must be waged for both a minimising of job losses, compensation for those who do lose their jobs in the case of actual bankruptcies and the creation of a state unemployment scheme for jobless workers. In the Korean case, the opening of company books would probably be a traumatising experience, providing material for multiple economics dissertations on the creative practices of *chaebol* accounting.

In order to carry out the financial reform promised to the IMF, the Kim Dae-jung government will have to rewrite the Labour Code in the first part of 1998. The Korean Confederation of Trade Unions has promised an all-out general strike should this happen.

The state-sanctioned union organisation, the Federation of Korean Trade Unions, is taking a more IMF-friendly approach. Its leader, Park In-sang, suggested in a recent meeting with Kim Dae-jung that he will send letters to the IMF and other Western donor organisations pledging his organisation's willingness to observe the terms of the bailout agreement. After the meeting he said, "Union members will start campaigns for employment sharing and holding wage down wage rises. Union members believe that layoffs must be the last option".

Two issues look like being central to any mass mobilisation. The first is the Labour Code provision regarding redundancies in the case of mergers and acquisitions. As a result of last year's general strike, no mass lay off can occur before the year 2000. The government must overturn this provision if the Korean economy is to become respectable again in the eyes of foreign investors.

The second issue is the legal stipulation that workers must be compensated before other creditors are paid off in the case of bankruptcy. This is a crucial demand for workers, since Korea has no unemployment insurance scheme for those affected by lay-offs. ★

extra interests — to other interested *chaebols*! This is an indication of their Korean patriotism and their inability to see beyond their limited extended family horizons. This plan seems doomed to fail, if it even gets the chance to be tested. The economic mess is too great.

The government is also trying to re-integrate the illigitmate wealth amassed through bribes and extortion into the mainstream economy. There is reported to be \$50 bn. underground, the accumulated loot from years of bribes, forced gifts and extortion. The money went underground when Kim Young-sam introduced measures to bring Korea into line with OECD financial transparency regulations.

All candidates promised to abandon the Real Name Transaction System, which has driven much of this money underground. Since his election, Kim Dae-jung has changed his mind, and now proposes



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Revenge for the Kwangju massacre

The recent elevation of the long time bourgeois dissident Kim Dae-jung to the Korean presidency is not a victory for democracy, but it is a defeat for the ruling camp and its policy of regional divide-and-rule.

It is also a form of revenge for the deliberate economic exclusion of the south-western Cholla Provinces from South Korea's long economic boom.

Terry Lawless

A comprehension of Korean regional loyalties and antagonisms is central to any attempt to understanding this election result.

Under the rule of President Park Chung-hee (1961-79), there emerged a strategic pole of military, political and economic power whose centre of gravity

was the Taegu/North Kyongsang Province in the south-east of the country. President Park, who himself came from this region, channelled project after project into the cities of the two Kyongsang provinces and systematically rewarded and promoted those from his home region. The corollary of the "Yushin" economic policy, modelled on the Japan that Park had militarily served and admired, was the economic exclusion of the south-west of the country from his plans.

Shaken by the enormous popularity of Kim Dae-jung, who emerged as a youthful candidate from Cholla province in the 1970 presidential election, Park drew two conclusions. The first was the declaration of martial law in 1972 to ensure the indefinite continuation of his rule. The second was the forbidding of the hiring of anyone from the Cholla region in the state bureaucracy. These people were "too intelligent and cunning", according to the peasant-General.

One consequence the prolonged martial law was Park's own assassination in 1979. And the systematic exclusion of

the south-west from development projects led to the 1980 massacre in Kwangju, capital of Cholla. That military intervention followed local refusal to yield to a second suspension of democracy by another South-Easterner alliance of Army generals (Chun Doo-hwan and Rho Tae-woo) in May 1980.

Regional tensions were deliberately inflamed in a country in which Confucian ties to family, school and region, were already strong.

The voting pattern in the 1997 presidential election shows that this regional antagonism remains very strong. Kim Dae-jung received an astounding 97% in Kwangju itself; 95% in South Cholla and 92% in North Cholla Province. In contrast, he received just 12% in Taegu; 14% in North Kyongsang; 11% in South Kyongsang Province; 15% in Pusan and 15% in Ulsan.

The votes for Lee Hoi-chang, *de facto* representative of the South-Eastern alliance, were almost exactly reversed: 73% in Taegu, and 3% in South Cholla.

Only in cities like Seoul and Incheon, and the provinces of Kyonggi, and Cheju Island, regions removed from this regional antagonism, did the local election result resemble the nation-wide vote:

As Kim Dae-jung's victory became clear, tens of thousands in Kwangju took to the streets to celebrate, occupying the central plaza where the Army massacred between 1,000 and 2,000 people in May 1980. The victory of Kim Dae-jung was seen as a satisfaction of the lingering *han* (bitterness, grudge) from the Kwangju massacre and the rule of the military juntas of Park and Chun. This was the first time in fifty years that the presidential nominee of the party in power had failed to win an election.

Kim Dae-jung's plans

Overall, however, this victory does not herald major progressive change. President-elect Kim Dae-jung is a very corrupt man — as much a product of Korean bourgeois politics as he is its supposed nemesis. One of his first moves was to outline plans for a law outlawing criminal investigations motivated by political revenge, in the knowledge that he continues to be a prime target for such investigation.

More significantly, the conditions laid down by the IMF, which Kim Dae-jung has vowed to follow, ensure that his room for manoeuvre is incredibly small.

His basic goal is to pay back the loan as soon as possible in order to resume an independent Korean economic policy. The chances of his being able to do this in the new time frame of two years which he has set himself seem virtually non-existent.

The labour candidate

Trade union leader Kwon Young-gil's People's Victory 21 campaign knew that they were building for the future, and did not expect their candidate to win. But they must have been disappointed with the election result. The leader of the Korean Confederation of Trade Unions took only 1.2% of the vote (306,026 ballots), finishing fourth in the field of seven.

Kwon, who was the only candidate from the Kyongsang region, was also affected by the regional factor. His vote was more or less consistent except for the Cholla region where it fell sharply, ranging between 0.4% in N. Cholla and 0.2% in Kwangju and S. Cholla. It soared to 6% in Ulsan, the home of many Hyundai factories as well as the largest shipbuilding yard and steel mill in the world.

The biggest problems faced by the campaign were lack of money and the monopoly of media attention by the three bourgeois candidates.

Another significant factor is the nature of Korean union membership which is concentrated in large and heavy industrial concerns. The overall union rate in Korea, as Kwon pointed out to the *Mal* readership, has fallen

from a high of 18% in 1987 to 12.6% today. Factories with work forces of less than twenty persons usually experience difficulty in organising a union. There are further restrictions on teachers and civil servants forming unions in their workplaces. There are also still legal restrictions on union officials' electioneering activity. Two union leaders were arrested for supporting Kwon in front of their members.

The fact that this was a national presidential election and not an election of local party candidates to the National Assembly surely also played a role. The next National Assembly elections will not take place until the year 2000. The election was also cynically timed for final exams week. It is possible that this limited the student vote to some extent, even though polling day itself was a national holiday.

The biggest reason, however, is undoubtedly the lack of awareness of the difference between a bourgeois dissident and a labour candidate. The majority of progressive students surely voted for Kim Dae-jung in order not to "waste" their vote. It seems that political education is therefore a priority for the new labour party. [TL] ★

There is talk that some continuing police-state practices will be curtailed: movie censorship, the domestic activities of the Agency for National Security Planning and the release of some, but not all, political prisoners.

But the political compromises that Kim Dae-jung has made since he came out of retirement means that there will be little to distinguish his rule from that of his predecessor Kim Young-sam.

To secure a majority voting block, Kim Dae-jung joined forces a month before the election with the United Liberal Democrats of Kim Jong-pil. Kim Jong-pil was for many years the central figure of Korean repressive politics.

He was the co-author of the Park Chung-hee *coup d'état* in 1961 and the long time chief of the Korean CIA. It is unfortunate but true that his support was crucial to Kim Dae-jung's victory, particularly in Kim Jong-pil's home region, the two Chungchong provinces.

According to labour candidate Kwon Young-gil, who scored 1.2% nationwide, this alliance with Kim Jong-pil stripped Kim Dae-jung of whatever lingering progressive content he might otherwise have possessed.

Kim Dae-jung has spent a good deal of his time since his return to politics in courting the right wing. He has systematically taken his distance from the student movement, praised highly the achievements of President Park, and even addressed a gathering of geriatric anti-communists — something he would have once found distasteful.

As official leader of the National Assembly last year, he sat firmly on the fence during the biggest General Strike in Korean history, fearing that any support he might show for the workers would irretrievable damage his presidential chances.

And he made it clear before the presidential vote that he would support the release of Rho Tae-woo and Chun Doo-hwan, the politicians responsible for the Kwangju massacre, in the name of national reconciliation. He did this to secure the hard core vote from the Kyongsang region, even though it appeared not to make the slightest difference in the election outcome.

To his credit, Kim Young-sam refused to consider Lee Hoi-chang's proposal of a release for the two mass murderers before the election was held on the grounds this would be seen as a cynical vote-catching ploy on behalf of the ruling camp.

A small test of Kim Dae-jung's freedom for independent political action would be the pardoning of left wing political prisoners, following on the release of Chun and Rho in the name of "national reconciliation".

This issue was raised by Kim Dae-jung during the election, during a television interview in Kwangju. At the time Kim stated that he would pardon "prisoners of conscience who, being non-Communists, were arrested because of

their love of the nation".

During the actual campaign, he was forced to backtrack somewhat by the Grand National Party's attacks on him as a closet Communist and the Justice Ministry's denial that Korea has any prisoners of conscience, despite the evidence put forward by Amnesty International. Kim pardoned some criminals at Christmas; it would appear that no political prisoners were set free at the same time.

Nevertheless, the election was a further sign of Korea's relative democratisation. For the first time in Korean history, the public saw three televised presidential debates (and one minor candidate debate featuring trade union leader Kwon Young-gil).

These mediated debates replaced the mass public rallies which dominated previous election campaigns. Those campaigns were notorious for the large sums of money which were handed out to participants by rally organisers. In contrast, the money distributed this time around appears to have gone almost entirely to accountable sources.

What now?

The Grand National Party now looks set for a batch of defections to Kim Dae-jung's National Congress for New Politics. The further decline of this highly opportunist regional grouping of career politicians should be welcomed. Rhee In-je is threatened with a similar fate overtaking his organisation, especially given its lack of funds.

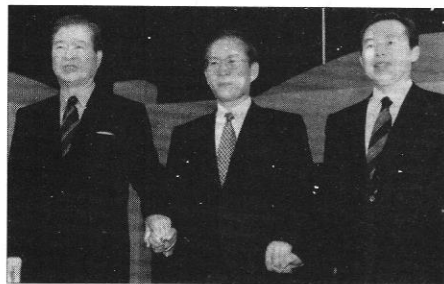
The Washington Post suggested in a recent editorial that Kim Dae-jung will

have to preside over a National Assembly majority hostile to his interests, but this view results from the mistaken application of western party political norms to the different Korean situation.

Kwon Young-gil suggested in a recent interview with the Korean language progressive monthly *Mal* that organisations like the Grand National Party should not be honoured with the title "party" in the first place.

These organisations lack the most elementary of programs; and never outlast the defeat, defection or imprisonment of a leading personality. This explains why figures seemingly from the right and left of the Korean political spectrum can unite with a minimum of ideological fuss.

The slow and difficult formation of a workers' party based on the trade unions seems to be the only way of overcoming this confused situation. ★



President-elect Kim Dae-jung, during a television debate with rival candidates Lee Hoi-chang and Rhee In-je

The split in the ruling camp

President Kim Young-sam became a liability to the ruling camp sometime between the January 1997 General Strike and November's IMF bailout, writes Terry Lawless

Kim had tried to rule in the manner of an incorruptible Confucian sage from the Chosun Dynasty. But a whole series of money scandals and the mounting tide of corporate bankruptcies robbed him of any claims either of breaking with the bad past of political corruption or of creating a bright future of global competitiveness. The conviction and imprisonment of his second son, Kim Young-chul, on bribery charges following the bankruptcy of the Hanbo business group summed up Kim's limitations in both endeavours.

The fate of Hanbo was also a distant early warning of the much wider problems that the *chaebols* were soon to encounter. When Hanbo failed in January 1997, it owed debts 16 times higher than its net capital worth. Through a typically over-optimistic assessment of markets and growth potential and the persuasive power of the President's son in the halls of lending institutions, Hanbo

expected to enter the economic big league virtually overnight.

When it crashed, its reverberations were felt across the entire economy. It soon became apparent that such practices were not confined to Hanbo, and the banks began to grow nervous about the ability of businesses to pay back their huge short term loans. The collapse of Kia, the eighth largest *chaebols* in August, was proof that the entire economy had entered into protracted crisis.

The "unholy alliance"

Kim Young-sam's New Korea Party was the result of an earlier unholy alliance in 1990 which brought together his Pusan-based organisation with that of the South-Easterner forces of Rho Tae-woo and Chun Doo-hwan. Formerly known as the Democratic Liberal Party, it was renamed the New Korea Party in late 1995, after Chun and Rho had been arrested. The renaming of the organisation was part of the attempt to remake Korean politics known as "settling accounts with history" which led to the 1995 trials of Chun and Rho on charges of mutiny and massacre.

★ South Korea

There was a large element of opportunism involved in these trials since it was the means by which Kim Young-sam informed the South-Easterner forces that the balance of power had decisively shifted against them. It was also an intimidation tactic, threatening anyone who might wish to reveal the details of Rho's financing of Kim Young-sam's successful presidential campaign in 1992. At the same time, it ought to be seen retrospectively as a genuine limited attempt to rewrite the bourgeois rules of the game in order to rule out the violent overthrow of the constitutional order by the Army.

The verdict on Kwangju, on the other hand, was muffled; the bourgeoisie indicating that the violent suppression of pro-democracy movements is not ruled out in the future.

Factionalism continued

The shift in the balance of power inside the New Korea Party did not mean that the two basic factions had disappeared. On the contrary, they were alive and well and battling over who to nominate as their presidential candidate. In the end, this became a two-man race between the South-Eastern backed Lee Hoi-chang, a millionaire supreme court judge from the Chun Doo-hwan era, and Rhee In-je, the former governor of Kyonggi province, the favourite of Kim Young-sam's faction. After initially giving Lee support by nominating him as party chair a year before the election, Kim chose to stay neutral during the actual nomination contest.

The election of the presidential candidate by a vote of the membership was a first for the ruling camp. Lee was duly nominated, but the result was acrimonious. The division in the party opened to a chasm when it was revealed that Lee's two sons had evaded compulsory military service by being declared underweight. Overnight, Lee's popularity dropped like a stone; and the NKP appeared to be heading for certain defeat. It was at this point that Rhee decided to break with the NKP and run

against Lee, despite having pledged to honour the outcome of the vote.

At more or less the same time, the prosecution initiated and then just as suddenly dropped charges against Kim Dae-jung over the existence of a secret political slush fund. Lee decided that Kim Young-sam was personally responsible, and he called on Kim to leave the New Korea Party! Kim did so, and Lee then renamed his South-Easterner alliance the Grand National Party. From this point on, Lee's campaign began to regain momentum. However, his new found popularity was not enough to overcome the early lead Kim Dae-jung had already secured. In the end, Lee managed to obtain more or less the same percentage from the same segment of hard-line voters as Rho Tae-woo in 1987; the presence of Rhee In-je probably benefited Kim, especially in the second largest constituency, Kyonggi province.

No nostalgia for authoritarian past

Contrary to some world media reports, there is no popular nostalgia for authoritarianism in Korea. There has been a sustained but small campaign waged by some in the ruling camp on behalf of President Park, and weekly attendance at his graveside by old folks has risen a little bit. This is not cause for alarm. Indeed, this nostalgia seems primarily to be taking the form of people attempting to sell fairly unpopular Park memorabilia to make some money.

There is no nostalgia at all for the rule of Rho Tae-woo and Chun Doo-hwan, who are seen as vicious, unimaginative and stupid. Most adults and some university students can still remember the just struggle against the authoritarian regime. Even Lee Hoi-chang emphasised his democratic credentials in holding up the rule of law against arbitrary military government during the election campaign. And one battalion commander now faces a heavy prison sentence for interfering in politics, after issuing a statement denouncing Lee for his sons' evasion of military service. ★

A one-sided class war

Upper caste violence against the Dalits ("untouchables) in Bihar state reached new levels in December, when 61 people were slaughtered in an attack on a village in Jehenabad district.

The communist left is not immune from caste prejudice, writes **Kunal Chattopadhyay**. Nor is it willing to unite against it.

This was the biggest upper caste carnage on record, even in this increasingly bloody and lawless province. Upper caste violence claimed over 200 lives in Bihar in 1997. So, with parliamentary elections due later this month, every bourgeois party in Bihar rushed to show its concern. Bihar Chief Minister Rabri Devi expressed her sorrow. Her husband, ex-Chief Minister Laloo Prasad Yadav, out on bail but facing charges related to the theft of millions of rupees in cattle and food, also rushed to the scene of the massacre. The [Hindu communalist] *Bharatiya Janata Party*,* the *Samajwadi Party*, the Congress, and the *Janata Dal* vied with each other to condemn the massacre and other expressions of "caste war".

Much of the Indian left tried to explain the killing as a class, rather than cast issue. Of course, caste identity is never the whole picture. Nevertheless, it is a basic fact of Bihar's class structure that the bulk of the rural rich belong to a handful of castes: *Rajput*, *Bhumihar*, *Yadav*, and *Kurmi*, whereas the overwhelming majority of *Dalits* are wage labourers or landless/near-landless peasants.

Caste-based politics...

Caste sometimes divides the rural ruling class. But it rarely prevents them from uniting against the rural poor.

In earlier years, communists of the CPI(ML) Liberation group managed to rally landless peasants in Bhojpur district and elsewhere on a class programme, across caste divisions. But the great success of the rural elite in the 1980's and 1990's has been the division of the exploited masses along caste lines.

The bourgeois parties, and the left, have played a disgraceful role in this process. Caste is written in large letters right across the Bihar political map. The *Rashtriya Janata Dal*, led by Laloo Prasad Yadav, is a Yadav-Muslim outfit. Its counterpart in Utar Pradesh state, Mulayam

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The Chinese Revolution and the Shaping of the Maoist Outlook

Pierre Rousset

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Singh Yadav's *Samajwadi* Party, is seeking to become an all-India party. Nitish Kumar's *Samata* Party draws its core support from members of the Kurmi caste. The SJP of former Prime Minister Chandra Sekhar is dependent on his *Rajput* identity for its fortunes. Even India's two 'national' parties, the *Bharatiya Janata Party** and the Congress, can only maintain their 'national' identity by federating the support of a range of castes. For Congress, this is increasingly difficult.

As a result, none of these parties is able or willing to do anything about the caste-armies financed by a range of Bihar landlords. On the contrary, each party has weak links with one or more of these private armies. The *Ranvir Sena* (responsible for this latest massacre) is known to be close to the *Bharatiya Janata Party*.

...even on the left

The left too contributes to the division of the rural poor along caste lines. The Communist Party of India in central and North Bihar draws its support from the specific castes strongest among middle and rich peasants. Each of the three major far left groups operating in this area also have caste links. For example, the Communist Centre (a Maoist group) is heavily *Yadav* based, and is known to be in proximity to the RJD. This is not the sole reason for conflicts within the far left, but it certainly contributes to it.

The caste conflicts make for a degree of instability in bourgeois politics, as electoral results in Bihar and U.P. have shown in recent years. But parties are not mechanical reflections of a class. Conflicts between the dominant parties sometimes become so acute that the state apparatus is incapable of sufficient resisting the struggles of workers and the rural poor. This is why Bihar's rulers 'need' armed *senas*.

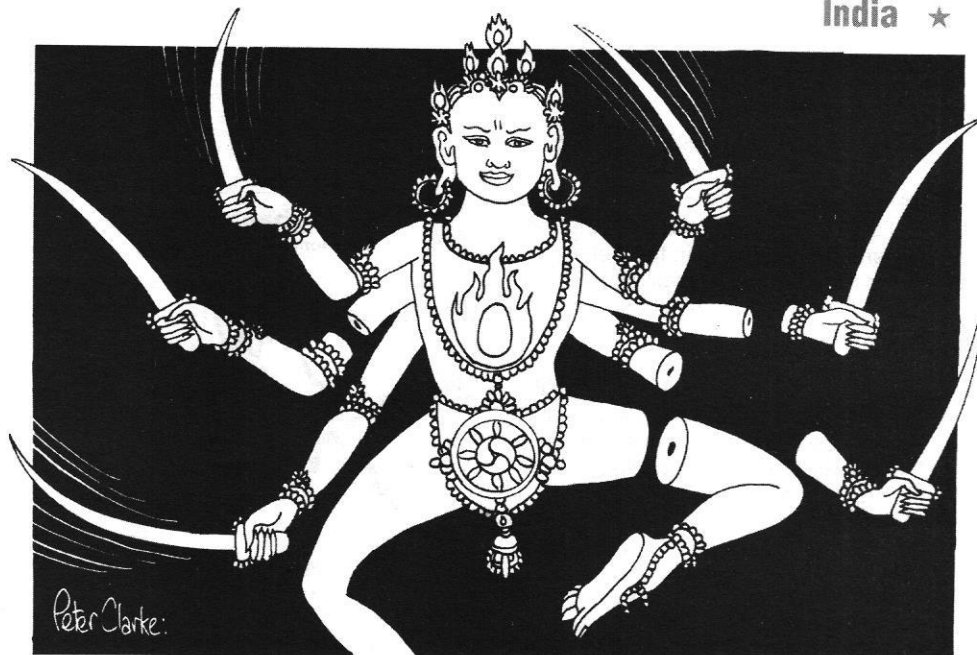
The class issues peep out from behind the 'caste war' all the time. The conflict at the base of this latest massacre was a dispute over 60 acres of land, opposing *Bhumihar*-caste landlords and poor peasants organised by the CPI (ML).

The massacre took place in Jehanabad, an area close to the CPI (ML) Liberation stronghold. But the Liberation current is being challenged in Jehanabad by a rival CPI (ML) current, called Party Unity. This massacre obviously aimed to demoralise local CPI (ML) supporters, and weaken their organisation in the area.

Sectarian violence...

Immediately after the massacre, the CPI (ML) Liberation proposed a united front stretching from the CPI (which is in government) and the CPI(M) across to the CPI (ML) Party Unity group on the ultra-left.

Maoism in India began with a glorification of violence, of terrorism decked up as class war, and of every manner of ultra-leftism. Those parts of the CPI (ML) which have begun to act above ground since 1977 have been condemned, and physically attacked, as "liquidationist."



The CPI (ML) Liberation current and others have lost hundreds of activists and sympathisers in inter-group violence. One police report claims that over 450 Maoist activists and their sympathisers have been killed in inter-group conflicts since 1994. The real total is much higher, since conflict between the CPI (ML) currents began several years earlier.

In this depressing situation, the extreme left groups have taken the easiest way out. They have joined hands with the CPI(ML) Peoples War Group, active in Andhra, which in turn has proclaimed solidarity with practically every ethnic, religious minority or other group in India that uses guns. Through links with some of these groups, Peoples War Group has acquired AK-47 rifles, and other weapons. This is changing the traditional pattern, where the upper class's gunmen have always been better armed than P.U. and MCC fighters. With training and equipment provided by the PWG, these groups can now put up a stiffer fight.

But this politics of retaliation is useless, and even counter-productive from a class standpoint. The MCC has in the past killed and maimed in the name of revolutionary justice. Its logic is no different from that given by the anarchist Emile Henry at his trial, a century back. "We will not spare the women and children of the bourgeois, for the women and children of those we love have not been spared."

...or united front?

For all its shortcomings, Liberation's United Front appeal is the only strategy that makes any sense. If the left is unable to unite even to defend direct assaults on cadres, how is it supposed to resist fascists like the *Bharatiya Janata Party*?* Ultra left nihilism, posing as Marxism, can only damage the revolutionary cause. It is only when masses are mobilised, when hundreds of thousands come together for their class demands, that any question of real class terrorism can come up.

We are not Gandhians. As long as the ruling class murders us, maims us, we have to fight back. But the gun must not dictate politics. A united front, on even the simple goals of mobilising to resist the *Sena* thugs and to carry out the redistribution of surplus land can bring about a major change in class relations.

Unfortunately, for most of the left, transitional demands and a conception of the united front corresponding to them, is a sealed book. Each group, including PU and MCC, talk about democratic rights, but expect human rights groups to keep silent when their own group murders activists of rival left groups. This narrow vision prevents them from any serious struggle for democracy.

The response to the Jehanabad massacre will probably be counter-killings, rather than a united front to defend and broaden democracy, and to re-distribute land to the poor.

As long as the larger left parties, the CPI and the CPI(M), can claim that the conflict is only between "rival armed groups", they can continue their united front with the bourgeoisie, in which a "Communist" [CPI] Union Home Minister sits in silence as the landlord's armies go on murdering the exploited.**

But by repeatedly offering issue-based united fronts, the far left can force the "mainstream" left into action. One encouraging example comes from Calcutta, where even the CPI (M) led Centre of Indian Trade Unions (CITU) was drawn into protests after the Jehanabad massacre. ★

Notes

The author is a member of the Inquilabi Communist Sangathan (Indian section of the Fourth International).

* The author calls the BJP "fascists." Some Indian revolutionaries prefer to characterise them as "communalists", mobilising on the basis of the majority Hindu community in opposition to the Muslim minority.
** India's Union or Central Government Home Minister (Interior Minister in some countries) is a leading member of the Communist Party of India, Indrajit Gupta. The CPI unlike the CPI (M) is a member of the United Front Government. The larger CPM is also part of the UF electoral alliance and now regards its non-participation in the bourgeois government as a "historic blunder".

China

The capitalist road

Jiang Zemin's report to the 15th National Congress of the CCP offered a general breakthrough in theoretical terms for China to go capitalist politically and economically.

Zhang Kai

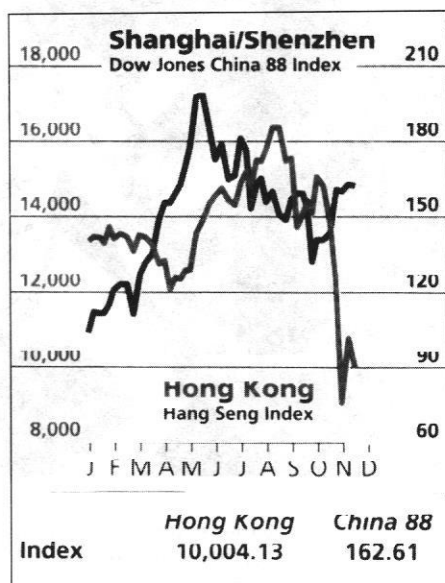
Deng Xiaoping Theory is now officially paralleled to Marx-Lenin-Maoism, and written into the Party Constitution, as the guideline for party policies.

The crux of Deng Theory is "to develop the market economy under socialist conditions, so that the market will play a fundamental role in the allocation of resources under the state's macro regulation." The economic system is "to have the public ownership system as the main pillar and diverse ownership systems to develop simultaneously." However, in China's present system, the so-called public ownership system includes not only the state economies and the collective economies, but also mixed economies in which there are some elements of the state or collective economies, even if the latter two only constitute a minority. As for the collective economies, privately owned collectives, such as shareholding cooperative systems, are also included. The misnomer is intended to exaggerate the strength of the public ownership systems in name.

The 1988 Constitution stipulated that "privately owned economies are a supplement to the socialist publicly owned economies." The revision this time is to designate non-publicly owned economies such as those owned by individuals or foreign capital as "important constituent sections of China's socialist market economy." The previous formulation of the state "channeling, monitoring and managing privately owned economies" is now revised to read "to continue to encourage and channel it so that it will develop healthily."

Jiang Zemin asserts that the implementation of the shareholding system will become the most important policy for the reform of state owned enterprises. While the reform is hastened in mainland China, Hong Kong will play an important role in capital formation. For small state owned enterprises, they will be amalgamated with larger ones, or will be sold or leased out. "Inevitably, there will be temporary layoffs and interim difficulties for the workers."

In appealing for innovative measures to be taken to activate the economy, pretexts abound for privatization or co-optation of enterprises. There is also no stipulation as to the maximum proportion of private shareholding for different types of enterprises. With



much arbitrariness, shares of state owned enterprises are falling into private hands.

The Beijing municipal authorities lately announced that for small state owned enterprises that have suffered from losses for three consecutive years, and their products lack market competitiveness, then the enterprises' employees are entitled to purchase the shares, with 30% discount for those paying in one lump sum. Different ways are employed to sell enterprises running on deficits. If the employees do not want to go unemployed, they are forced to buy the shares. If the enterprises continue to do badly, they may end up without a job and without their savings.

Unemployment Increasing

Official figures on unemployment have always been untruthful and variant. The usual picture that is drawn is that the unemployment rate does not exceed 3%. Recently, the State Statistical Bureau gave a figure of 8 million temporary layoffs for the first nine months this year, and unemployment rate was between 3% and 4%. An official magazine *Lookout (Liao Wang)* reported an urban unemployment rate of 7.5%. On August 8th, *Ming Pao*, the Hong Kong publication, reported that some scholars and officials attending the 15th National Congress pointed out that urban unemployment rate had reached 8%. On 19 July *Ming Pao* quoted the Chinese official media as reporting that by the end of 1997, unemployed urban workers would amount to 60 million, which did not include workers "temporarily laid off" by enterprises.

Worker grievances and resistance are increasing. The Chinese Labour

Bureau admitted that labour dispute cases had drastically risen, amounting to hundreds of thousands of cases in 1995 and 1996. Of this, over 50% were cases related to state owned enterprises, and 20% related to foreign investment enterprises. Most cases were related to labour contracts, economic compensation and social security. When workers could not obtain their demands, many turned to the streets or went on strike.

Social security is a crucial issue with privately owned enterprises. A survey conducted by the Beijing General Labour Union Service Centre found that the overwhelming majority of workers "temporarily laid off" by state owned enterprises in Beijing requested to go to other state owned enterprises that provided social security, even if the wages were low. Less than 1% of workers interviewed were willing to go to privately owned enterprises.

Because of a general resentment against privatization, the CCP has found it necessary to retain in the Constitution the jargons of "persisting in socialism", "persisting in Marxism-Leninism", and maintaining the primary role played by the state owned economies and the public ownership systems.

Party Control

In the face of more resistance from the workers and the general populace, the 15th National Congress called for further solidarity of Party members in "defending the Party's authority, maintaining unanimity with the Party Centre ideologically and politically, and assuring that the Party's line and the Centre's policies can be smoothly implemented and executed." The 58 million Party members were called upon to carry out "democratic centralism", of course without reference as to how internal party democracy or freedoms of dissent or formation of factions could be exercised. In the name of "solidarity", the authority of the Party Centre was to be obeyed. Power is now concentrated in the hands of Jiang Zemin, who is all in one — State President, Party General Secretary, and Chairman of the Military Committees. The sign is not one of greater solidarity, but of greater tensions and struggles for power within the top echelons of the Party leadership.

With social contradictions accelerating, political repression is seen as more necessary than before. This implies further clampdown of dissent within the Party and in society at large. ★

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Passive people?

Dominique Mezzi explains “who’s who” in the French unemployed movement, and the background to the recent occupations of social security offices

Today’s unemployed movement is partly the result of patient work by Act Together against Unemployment (AC!). This unique campaign was created in 1993 by the trade union left, unemployed groups and women’s groups.¹

AC! organised the May 1994 unemployment demonstration in Paris: the first major appearance of the jobless as actors in politics. The movement spread to most towns and cities. Then, as now, most AC! committees are dominated by the unemployed, and very active in their immediate demands (free public transport, subsidies, no cutting-off of gas and electricity). But some AC! committees also have trade union activists, and also agitate to popularise the reduction of the working week.

At the national level, AC! has always tried to maintain the presence of “founder-member” trade union and associative groups, combined with local committees open to everyone. This mixed identity has enabled AC! to bring together the usually isolated unemployed and the organised labour movement.

In December 1995, some unemployed groups joined the demonstrations of striking public sector workers. And AC! was able to begin united front work with other groups:

- APEIS, an anti-unemployment group set up by Communist Party (PCF) supporters in Paris working class suburbs.
- DAL (The Right to Housing) – known for its direct action in re-housing homeless families by mass squatting.

Together, we formed the *Collectif des ‘sans’* (“Collective of the -less” – homeless, job-less, paper-less immigrants, roof-less and all the other rights-less. From this moment on, our trade union support grew steadily. A few months later, the Financial Services section of the Communist-led CGT joined us.

Communists begin to join in

The second major component behind this movement is the network of CGT-sponsored unemployed committees. These structures were dormant for many years, but were re-activated by the union, at the same time as AC! began to grow.

These committees are usually very local, and usually very dependent on the CGT itself. Perhaps for this reason they failed to mark the national political scene like AC!. In Marseilles, however, the CGT unemployed movement did have massive



local support, and in 1995 won the first victory for the unemployed movement, by forcing the payment of tens of thousands of Christmas bonuses from the unemployment insurance discretionary fund.

In December 1997, however, the occupations of social security (ASSEDIC) offices in Marseilles sparked a national reaction. The occupation was in protest against the cuts in discretionary payments by the new president of the social security administration – Nicole Notat, leader of the CFDT trade union confederation.

The “Marseilles effect”

A “Marseilles effect” boosted participation in the national week of action which the “Collective of the -less” had organised on related demands. We soon added demands for a universal increase of minimum welfare payments by 1,500 FF (US\$260), to bring them up to the poverty level,² and the extension of these minimum revenues to those under 25.

The final barrier to unity fell in June 1997 when the CGT unemployed committees elected a new leadership, determined to support unitary action in word and deed. [The CP tradition has often led these groups to do otherwise] By December 1997 this unitary action was successfully established. The organisational support was ready when a relatively small number of activists occupied a few dozen public buildings. Over 70% of the population reacted sympathetically to their demands!

The unity of the unemployed movement is in stark contrast to the sectarianism of trade union leaders. France’s trade unions marched alongside each other in the public sector strike of December 1995, but refused to organise joint initiatives. There were no common meetings.

In December 1997, however, there were frequent joint meetings of AC! and the other movements. We used a common logo, and, where tensions and differences arose, we tried to re-absorb them. This unity was reinforced by the explicit support which the more radical sections of the trade union movement gave to the

unemployed protests.

The Communist-led CGT, France’s biggest trade union confederation, gave their support, but probably don’t want to see the emergence of a stable, autonomous front of trade unions and civic initiatives. But they also know that their rank and file is unhappy about the Communist Party’s participation in the Jospin government. And that a growing part of the CGT is renewing its trade union work in a more dynamic, less top-down way.

Union leaders betray (again)

The other major trade unions didn’t even support the unemployed protests. The third-largest confederation, *Force ouvrière* (FO) claimed that supporting the protests would divide workers and the unemployed. FO leaders said the unemployed movement was being manipulated by the Communist Party, the Revolutionary Communist League (LCR – 4th International)³ and the [fascist] National Front,

The second-largest confederation, CFDT, co-manages the social security system with the Employers’ federation (CNPF). These partners have pushed benefit levels down in recent years, and now refuse either to increase payment levels, or restore the discretionary payment funds to their 1980s levels. Increasing employer contributions to the social security fund is also out of the question! They claim that the social security fund must be used to “activate” the labour market, and not spent on “passive payments” – presumably on the assumption that the unemployed are nothing but “passive people”.

In the face of the occupations of social security offices, and massive public support for the demands of the unemployed movement, the CFDT passed the buck to the government. The government doesn’t want to interfere with the CFDT’s cosy position in the social security administration, because it wants the confederation (which did not call for a vote for Jospin in the last elections) to help it win employer support for the introduction of a 35 hour week, while preventing a labour radicalisation on the question.

Once again, the CFDT has publicly opposed a strong, popular social movement. And once more sectors of the CFDT majority are coming over to the positions of the minority “CFDT in Struggle” current, which is a key component of AC! and other radical initiatives. ★

Notes

1. CFDT militants opposed to the moderate leadership of Nicole Notat, SUD, FSU, and some CGT militants; the National Movement of Unemployed and Precarious (MNCP) which is a federation of local collectives of the unemployed; the National Collective for Women’s Rights, itself a regroupment of 160 trade union, political and civic groups; and a wide range of smaller groups.

2. The *minima sociale* is the residual payment to the poorest of the poor, once their contribution-based social security benefits (if any) have expired. There are eight ‘minima’ programmes, of which the most widespread is the RMI, currently at 2,400 FF/month (\$410). The poverty level (defined as half the average wage for those aged 26 and over) is 3,900 FF/month (\$670)

3. The Lambertist current is increasingly influential within FO

Spain's dis-United Left

This month we publish two viewpoints on the situation within Spain's United Left.

Pedro Montes and Jesús Albarracín are members of the United Left's federal leadership, and associated with the "Critical Sector" current in the trade unions.

Jaime Pastor is a leader of the Alternative Space current, which won 9% of delegate votes at the United Left's 5th Assembly last December.

A Balance Sheet of the 5th Federal Assembly – Pedro Montes and Jesús Albarracín

An analysis of an assembly dominated from beginning to end by the question of the incoming leadership must start by explaining the results of the election of the members of the Federal Political Council ("The Council") – the IU leadership body – decided by the assembly.

Only 1,286 of the 1,370 accredited delegates participated in the election of the new Council. Of this number, 112 cast blank ballots, signifying rejection (for different reasons) of the majority federal slate headed by Julio Anguita, who received 966 votes.

The Alternative Space ticket obtained 108 votes and the so-called Third Way slate 102. Of the 89 members elected to the Council, 73 (82%) come from the the majority, and 8 (9%) from each of the other two slates.

Party of the New Left?

The Democratic Party of the New Left (PDNI) was expelled from IU before the congress. This was a party favourable to the Maastricht Treaty, and wanting to make agreements with the social democrats at whatever price.

The PDNI also supported Spain's union leaders when they agreed to make layoffs cheaper and easier and reduce pensions in the name of "modernisation."

The Third Way

Despite their departure, the spectrum of political views represented in IU has not been significantly reduced. The Third Way current, which has significant support from the majority sector of Spain's biggest trade union federation, the Workers Commissions (CCOO), occupies practically the same right-wing political space as the PDNI. Though it has not openly put forward its positions yet, nor

has it acted with the same degree of disloyalty towards IU as the PDNI did.

Time will tell whether this current, which is dispersed and uneven in its level of implantation, will loyally defend its positions inside IU or whether it will play the role hitherto performed by the PDNI, undermining IU's public image and, in the final analysis, doing the dirty work for the

The basic, latent problem in IU has not changed. There is a massive political struggle taking place between the more moderate, defeatist left, and those sections of the left which are still oriented to militant struggle in both the political and trade union fields.

The future of IU, and particularly the behaviour of the Third Way, depends on the policies of the leaders of the "official" sector of CCOO, notably its general secretary, Antonio Gutierrez. He denounces imaginary interventions by IU and the Spanish Communist Party (PCE) in CCOO but has openly put "his" union confederation at the service of the PDNI or the Third Way.

Although the Third Way's results in the assembly were greater than the current's numerical weight among the delegates, they did correspond to their real support within IU.

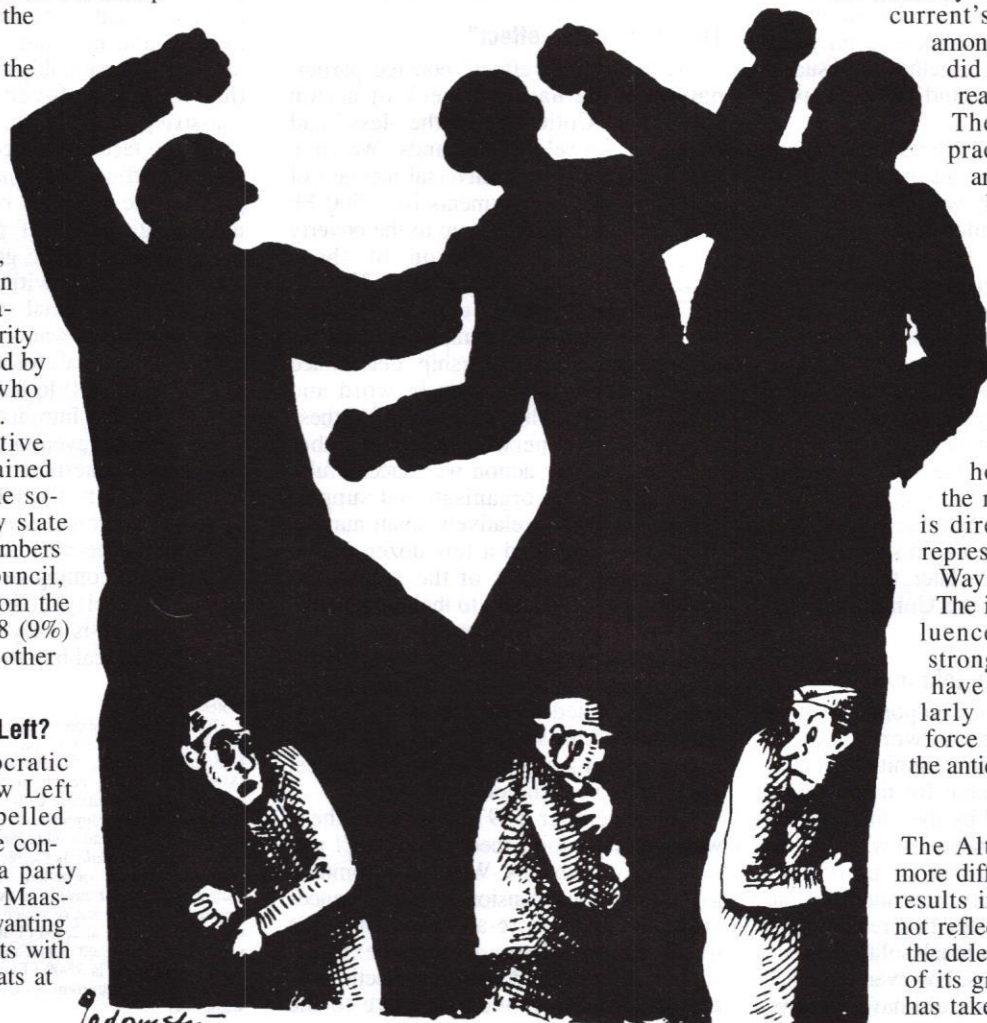
The positions and practice of the current are implicitly accepted by some sectors and intermediate leaderships, including the Madrid region, who still identify with the federal majority.

Although its base is dispersed and does not represent a homogeneous layer, the right-wing inside IU is directly or indirectly represented by the Third Way current.

The implantation and influence of the right is stronger than one might have expected. Particularly within a political force that claims to be on the anticapitalist left.

Alternative Space

The Alternative Space is more difficult to evaluate. Its results in the assembly did not reflect its weight among the delegates, to say nothing of its grassroots support. It has taken advantage of the



discontent provoked by the majority slate among wide layers and the high percentage of blank votes.

In Madrid, one of its strongholds, Alternative Space obtained its delegates to the assembly through the umbrella of the Federation majority, which is among the most right wing and bureaucratic in the IU. Once at the congress, it proposed its own delegate slate!

Alternative Space is composed of a heterogeneous combination of layers of diverse origins, with little cohesion, and a weakly shared political basis.

Despite the public role played by leaders like Jaime Pastor or the ecologists, Alternative Space is more of a conglomerate than a current, in which positive agreements are given less priority than reacting against the federal majority or the PCE apparatus. This is sometimes justified by the bureaucratic practices from which IU is not exempt, but it is not enough to give political cohesion to the current.

To some extent, this is a platform that exists to protect the interests of an assortment of leaders with weak bases. The leaders of the Alternative Space have "invested" in dissidence, an investment that gives good returns due to the majority's concern to demonstrate that plurality is a hallmark of IU.

The ambiguity of the Alternative Space is such that is difficult to say whether it is on the right or the left of the IU majority – since everything fits in the category of "alternative".

In practice, however, it is on the right; in terms of social policy, and in the way it relates to the class struggle. The current advocates a 'red, green and violet' alternative, but its red credentials are unclear. Some members of the Space even have ties with the official sector of CCOO).

There is a gap between the rhetoric and the reality of the Alternative Space. They put themselves forward as champions of internal democracy, but in their Madrid stronghold they have not stopped supporting a bureaucratic and unscrupulous regional leadership.

The Alternative Space's victory at this 5th Assembly is likely to be artificial and ephemeral because of its lack of ideological consistency and the diversity of its components. Its real influence is very limited, though there is the risk that the media might use the Space as a launch pad for continuing to harass IU, presenting it as a divided organisation with permanent internal tensions.

Inside the majority

The federal majority has come out of the assembly as politically dispersed and confused as it went in. None of the serious problems of leadership were resolved. IU is *still* a rather inefficient organisation – its message, decisions, and objectives are only weakly translated into action, and its mobilising power is practically zero.

Nevertheless, continuity has been imposed. Despite the critical balance sheet

of the outgoing leadership, all the members of the FPC elected at the 4th assembly continue in the same posts.

Unfortunately, the departure of the PDNI has not served to promote a clarification of political positions within the IU, including the sectors that supported the federal majority. On the contrary, the ideological hothouse of this majority was reproduced in the 5th Assembly.

The political documents adopted (Manifesto and Programmatic Fundamentals) express a coherent, reinforced left line – anticapitalist objectives, the struggle against neoliberalism, autonomy from the PSOE, a proposal for unity of action on the left, the 35-hour week, mobilisation as the key strategy, a federative Spanish state, and so on.

But at the same time, the "new" leadership and Council are a clear repetition of their predecessors. They even include those who have (actively or passively) fought the positions of the federal leadership, and are very close to the Third Way.

The political degeneration represented by the saying "paper accepts anything written on it" has been accepted. The majority refuses to express disagreements on past or future policies, keeping every position of authority for itself, so that its policy can be imposed, regardless of the documents approved by the 5th Assembly.

Weak leadership

Although the majority of the delegates opted for a firmly left policy, a leadership capable of carrying it out did not emerge at the 5th Assembly. Partly because a leadership core did not emerge capable of implementing the line. But also because many opposition elements, who to a greater or lesser degree reject the federal line, remain in the central leadership and above all, in the regional federations. And these are the IU structures that have the resources to put decisions into practice.

The gap between the documents and the composition of the leadership, and the lack of a leading group with acknowledged authority, are very negative aspects of this 5th Assembly.

This gap between theory and practice was identified, in the outgoing leadership's organisational report, as a fundamental concern. In exactly the same terms as it was at the 4th Assembly! Again we heard self-criticism for the poor functioning of the federal leadership – tasks not carried out, compartmentalisation, lack of communication, duplicating work, power struggles, excessive numbers of bodies, etc.). But it seems that none of these problems are going to be resolved.

All of which gives rise to the concern that as an exercise in reflection, evaluation and correcting errors, this 5th assembly may prove to have been a fiasco.

This lack of leadership became evident as the Assembly developed. There was no team in charge to follow the debates and defend the documents of the outgoing leadership. And no-one to impose a candidate list for the Council based on *political* criteria, in face of the terrible pressure for seats from the federations, parties, and collectives.

On a subject as important as the statutes, wide-reaching changes were introduced, the repercussions of which no-one was in a position to judge.

On the equally essential question of how to put the IU's 'federalism' into practice, delegates approved motions in favour of reinforcing the authority of the federal leadership, *and* broadening the powers of the federations.

In the final analysis, this Assembly ended in political disarray. It's still impossible to produce a definitive set of texts, and no-one really knows what parts of which amendments were approved.

The majority remains as ill-defined as before, and with the same divisions and tensions. We will have to wait for the composition of the Presidency and the Executive Commission to see how the balance of forces between the various viewpoints has changed, and whether there is any greater political clarity within the leadership bodies.

And the far-left?

There is some evidence that the revolutionary left has been reinforced, though this has yet to be confirmed in practice.

The most important aspect of the 5th Assembly from our viewpoint was the presentation of the new force that will be responsible for the IU's policies in Catalunya. After the breakdown of relations between the IU and the Initiative for Catalunya (IC), sections of the latter, along with other parties and groups, like the Catalan Communist Party (PCC) and the Alternative Left (EA – 4th International), have founded a new organisation with anti-capitalist, radical demands.

Unlike IC, this new Catalan sister organisation will participate fully in the IU Federal Political Council. This can only move IU's centre of gravity towards the left. ★

Jesús Albarracín is a member of the Executive Committee of the Comisiones Obreras (CCOO). Pedro Montes is a member of the Presidency of the Madrid federation of Izquierda Unida. Both are members of the Federal Political Council of IU. Militants of the Fourth International, they are also members of the editorial board of *Quadernos Internacionales*.

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“This congress has brought no solution to the internal crisis” – Jaime Pastor

The debates before the 5th Federal Assembly of Izquierda Unida, and the meeting itself, have not put an end to the crisis in the organisation. Nor have they permitted a better political clarification.

The main themes of the Assembly were the report by General Co-ordinator Julio Anguita, the new statutes, and a discussion on the candidate lists for the election of the new Federal Political Council (“the Council”).

There was little discussion of the political documents -- the Manifesto and the Programmatic Axes. Though the Assembly did criticise the IU leadership for its criticism of the Basque pro-independence party *Herri Batasuna*, and approve plans to prepare conferences to deal with the women question, the federal nature of the Spanish state and the national question, and on the Basque question.

General Co-ordinator Julio Anguita’s report was a self-criticism concerning the organisational functioning of IU, but without admitting any errors in the political orientation followed since the 4th Assembly, or in the leadership’s treatment of conflicts within the organisation. This he euphemistically referred to as the “democratic normalisation” of IU.

Anguita reaffirmed the organisation’s opposition to neoliberalism and to the way the majority [social democratic] tendency in the Spanish left has adapted to it. But there were no alternative proposals for how to react to the European Union and the governing right-wing bloc [the Peoples Party of Prime Minister José-Maria Aznar, and conservative nationalist parties from Catalonia and the Canary Islands].

There was nothing in Anguita’s speech about searching for formulas for alliances with a pluralistic left to respond to political, social, cultural and national questions.

For these and other reasons, most delegates from our current, *Espacio Alternativo* (Alternative Space) abstained in the vote on Anguita’s report.

The leadership’s attempts to impose a neo-centralist organisational project were blocked thanks to the numerous amendments to the statutes presented by IU federations from Valencia, the Basque country and Madrid. This enabled us to preserve the principles of pluralism and federalism, and introduce new methods of democratisation, including the increased use of “primary” elections, and the suppression of the system whereby some 200 members of the outgoing party

leadership have *ex officio* delegate rights at the Assembly. Another amendment allowed currents to present lists with less candidates than the number of seats available – this will help smaller currents achieve greater representation in the larger leadership bodies.

There were three lists of candidates for the national leadership. The majority current was the result of a pact between the Communist Party (PCE), the largest component of IU, and some other constituent parties and “independents.” Some sections of the PCE and the Andalucian Workers’ Unity Collective (CUT) felt that they were under-represented in this list. The PASOC party and the Republican Left, however, were visibly satisfied with their share of the seats.

The Third Way current (close to the leadership of the main trade union, *Comisiones Obreras*) had better-than expected results (considering that they were under-represented in this Assembly.) The current is particularly strong in Valencia, Andalucía, Aragón and Madrid.

Our current, *Alternative Space*, presented our own list. A few days beforehand, we had been invited to join the majority list, but under conditions which would have prevented us from clearly preserving our political identity. And we would have been “penalised” [in number and ranking of candidates] compared to other currents which had pledged allegiance to the majority all through the internal crisis.

Almost all our delegates agreed that we should present our own list. This required us to collect 150 delegate signatures (10% of the total). In fact, we collected 225 signatures, including delegates from practically every federation inside

IU. With this support, we were able to make one of the rare political speeches at the Assembly, and our electoral results were even better than we expected. Our 9% of delegate votes entitled us to eight seats in the new national leadership. Those selected represent the plural nature of our current – ecosocialists, “alternatives,” the Madrid-based Democratic Left Current (CID) – as well as our geographical diversity – Extremadura, Basque Country, Madrid, and the overseas branches of IU. Half our candidates were women and, unlike the other lists, we had some young candidates.

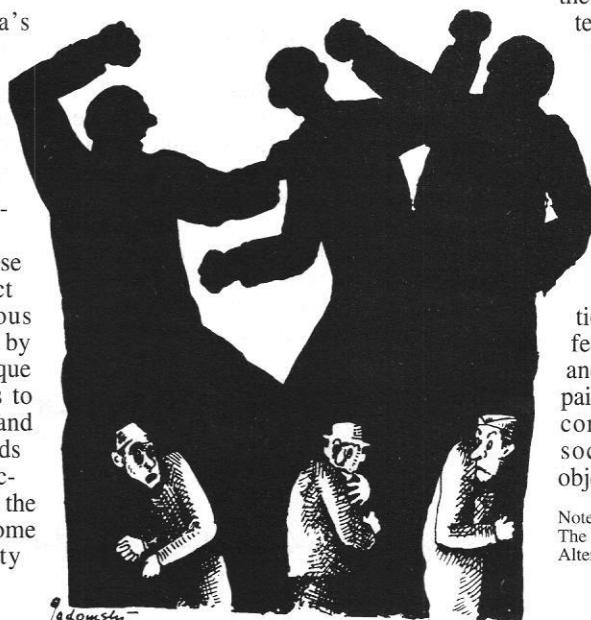
Since our foundation in October 1996, we have affirmed our own identity: in favour of a multi-national federalism; support for the self-determination of the Basque people, and a negotiated solution to the conflict there; in favour of a programmatic and practical red, green and violet [feminist] articulation of the emancipatory project, including the question of how best to share work, time and wealth in a framework of sustainable development and equal participation of men and women in all sectors of life. We also call for the transformation of IU into a new type of political formation – going beyond the current coalition of parties.

On the basis of these ideas, we took an independent position in the conflict which polarised IU in the run-up to the Assembly, with the majority on one side, and the New Left [current arguing for a *rapprochement* with the social democrats - Ed.] and other sectors on the other side. While we are politically far removed from that current (which is no longer inside IU), we said that the differences would have been settled at this 5th Assembly, and not, as the leadership did, by taking administrative measures which often broke the federal statutes.

Those who thought that this Assembly could, by itself, solve the crisis, and provoke a “fundamental clarification” were mistaken. The wounds of the crisis are not yet healed. There are still open conflicts in some federations – Madrid, Aragón and the Basque Country – and this was reflected in the 10% of blank ballot papers in the election of the national leadership.

The Assembly also witnessed the beginnings of the debate for the Communist Party’s own Congress. Someone will have to replace Julio Anguita as head of the CP. But who? In this situation, and lacking a political strategy for the coming period, there is a real risk that campaigns like the 35 hour week, opposition to privatisation, and in favour of a federal Spanish state, will be conceived and run as institutional and media campaigns, rather than by searching for a real convergence with those sectors in the social movements which share these objectives. ★

Note
The author is a leading member of the *Espacio Alternativo* current inside Izquierda Unida.



Congo's reconstruction

Peace has been restored to most of the country by an army about which very little is known.

Now the new government in Kinshasa is trying to put the country back on its feet again after thirty years in which Mobutu drained it of its resources – with the complicity of the West.

The economy is still paralysed and the transition period is proving difficult for the impoverished population, desperate for democracy. But gradually, by trial and error, life is returning to normal.

Colette Braeckman

As soon as they arrived in Kinshasa on 19 May 1997, Laurent-Désiré Kabila's team began to tackle the most urgent problems before starting to rebuild the country's infrastructure and create a political system. They had a clean-up, literally as well as figuratively. The physical effects are already evident in the capital.

They began by making an inventory. At the foreign ministry, junior officials who had not been paid were selling passports on the street. The civil service, which employs half a million people, had no pencils or paper. The National Bank, with a staff of 3,300, had a garage and a carpentry workshop, but not a single computer. On the morning of 18 May its tills were emptied as Mobutu's men made off with its last \$175,000 before the great exodus.

Now the ministries are clean and freshly painted. The lifts are gradually starting to work again and staff arrive on time. Foreigners arriving at the capital's airport think they have landed in the wrong place. The hordes of comen and porters who used to grab documents and luggage have gone, kept away by the soldiers. Formalities are speedy, politeness is the norm. But the disappearance of these little jobs is causing social problems for the families who used them to scrape a living or who benefited – directly or indirectly – from the fruits of corruption. Now even the well-placed "cousins" who could be asked for money at the end of the month (or even the beginning) are unemployed, if they have not left the country.

The streets are still full of enormous holes like bomb craters, but the verges have been weeded and carefully planted

with vegetables and there are flowerbeds at the crossroads. The drains have been cleaned and the Gombe river, once a foul-smelling mosquito-infested sewer, has been thoroughly cleaned out just before the rainy season. Leaders in every field are making it clear that they want to restore order and eventually rebuild the state, which, by the end of Mobutu's rule, had become no more than an asset to be plundered.

The health minister, Dr Jean-Baptiste Sondji, is launching a polio vaccination campaign. Though the disease has been stamped out in most countries, a thousand children contracted it last year in the diamond capital, Mbuji Mai. The minister plans to close down the *ligablos*, the little parallel health centres where self-styled doctors used to operate on kitchen tables.

The tourism ministry, Edi Angulu, has made a survey of the national parks, which used to contain more species of animals than any other African country. Sixty per cent of the wild animals have gone. White rhino in the Garamba park were killed with machine guns.

Trigger-happy, but "correct" police

People are happy to see the policemen in their yellow shirts and caps on the main roads in Kinshasa, directing the traffic and trying to control the always overloaded *fula fula* taxis and minibuses. They are also getting used to the rapid deployment squad called in when there is a serious incident. But they hate violence and guns. They are much less tolerant of armed confrontations between members of the squad and soldiers working for the other security services, or even for private interests, especially since all of them shoot first and ask questions later. The market women say "Mobutu's soldiers used to hold us to ransom, robbed us and beat us up, but you could always talk to them. With this lot, we can go home with our goods and profits intact, but the slightest problem and they start firing..."

The problem is made worse by the large number of "state security" services, difficult to identify and often competing with each other. There are frequent disputes between the "ill-gotten gains office" responsible for recovering state-owned houses and property amassed by Mobutu's people, which makes it its business to question all outward signs of wealth, and other security services like the National Intelligence Agency (ANR) or the Special Investigation and Intelligence Division.

Real or alleged supporters of the Mobutu regime have been arrested, presumed guilty rather than innocent. The better off are in the notorious Makala jail,



where people used to disappear in the dungeons, but could also bribe the guards to let them spend the night at home. Makala has been renovated and renamed the Kinshasa Penitentiary and Rehabilitation Centre. In the car park, shiny four-wheel drive jeeps are parked next to the Mercedes left over from another era. In the visiting rooms, leading figures from the old regime, like the ex-governor of the National Bank and the former chairman of President Mobutu's party (*Mouvement populaire de la révolution*), are brought food by their families and talk to their wives (dripping with jewellery) in freshly-painted visiting rooms. Elsewhere, though, the prisons are less comfortable, like in the basement of the National Intelligence Agency or the military quarters.

A faceless army

The army is less and less in evidence on the streets, and it is still an unknown factor. Who is really in charge of it? Who are its officers? However much Kabila claims that this is a deliberate strategy to avoid manoeuvring by foreign powers,¹ the general feeling is that power struggles within the army are damaging the government's transparency, if not its stability.

The Tutsi soldiers (simply known as Rwandans or Ugandans) have gone off to Rwanda or to the east where operations are still going on, and have been replaced by "Katangans" (refugees of Katangan origin in Angola).

Some military leaders close to the Rwandan regime are still there, like the Uganda-trained Lieutenant-Colonel James Kabarebe from Rutshuru in Nord-Kivu. Rwandan vice-president, Paul Kagame, has himself admitted that Kabarebe has been given the task of organising the future Congolese army.²

These officers are soon likely to have to answer for the massacre of the Hutu refugees, but apart from them (and very little is known about them, not even their real names), the identities of the real military leaders are still a secret.

★ Congo-Kinshasa

This faceless army remains such a mystery that some people think President Kabila is, at the moment, the only common link between the country's various forces which could well become rivals. There are the "Tutsis" from the south and Nord-Kivu, the now famous Banyamulenges who spearheaded the war, who are akin to the Rwandans and still regarded as foreigners; the "Katangans", descended from refugees, who in fact were part of the Angolan army and fought against UNITA in the diamond regions; the "resistance", young people who had never known anything but the bush or any authority apart from their immediate commanders (known as *affande* in Swahili); and the "Lumumbists", supporters of the late Kisasse Ngandu who died last January in suspicious circumstances.

Mobutu's soldiers, who supported the Alliance during the war, are also in the new army, side by side with former comrades back from exile who are trying to set up a national police force. Most of the officers from the old army have been sent for rehabilitation, a sort of military and political retraining. Those who have been reintegrated are not happy about being downgraded, despite their rank and in some cases foreign training, to make way for the resistance fighters whose only training has been armed struggle in Uganda, Rwanda or the Congo.

UNICEF believes that the 15,000 young soldiers who can be seen patrolling Kinshasa need to be retrained and redeployed as quickly as possible. They are strangers in the city, they do not speak the language and the locals refuse to have anything to do with them. It will take time to integrate all the parts of such a heterogeneous army which has fought on different fronts.

Economic stability...

As far as the economy is concerned, the governor of the National Bank, Jean-Claude Masangu Mulongo, notes with satisfaction that the budget is balanced and inflation has been halted (between December 1996 and January 1997 it dropped from 400% to 5% and the exchange rate for the zaire, Congo's currency, has stabilised at 111,000 to the dollar).

But this enforced stabilisation has a cost: the state is not paying its external debt (estimated at US\$14 billion) or its civil servants' and soldiers' wages. That is the main criticism levelled at the government. How can corruption be stamped out if people are not paid?

The International Monetary Fund has given the go-ahead for the long-awaited monetary reform which will revive the Congolese franc. This is urgent: the country has several currency zones using different notes. The 50,000 "new zaire" notes are accepted in Kinshasa, while Katanga takes notes worth 100,000, 500,000 or 1,000,000 "new zaire" issued in the last days of the regime, known ironically as *Outenika*, Metastases or Prostates.³ Kasai rejected the recent monetary reform and is still using the old zaires that have been withdrawn from circulation in the other provinces. So 80% of the money supply is in the form of dollars, the only currency they all accept.

There have been several promises to invest in mining, but the economy has not revived either in the state or private sectors.

This is partly because Finance Minister Mawa Mawnapanga, an agricultural economist who studied at the University of Kentucky, is reluctant to spend the meagre tax revenue (\$310m) and no international aid has yet been provided. A senior UN official admits that "In reality, as far as aid goes, the international community has no mechanism to help 'countries emerging from crisis'".

Aid isn't flowing

It is not just because the new team is still finding its feet that international aid has been frozen. European aid has come to a standstill, partly because of French pressure, but also until the UN investigation into the massacres in the east of the country has been resumed. For months, in various forums, the United States has been offering \$10m in immediate aid via the NGOs, but it is always talking about the same sum.

The international community is so slow and reluctant either to pay out a few emergency loans or provide technical assistance that there is a danger of the government turning more and more to the private sector.

The powerful American company, Bechtel, has already proposed a "master plan" to relaunch the economy and undertaken to find investors who will not ask political questions.

The Rwandan refugee question

But whatever its reservations, the government cannot escape the United Nations investigation into the massacres alleged to have taken place in the east of the country. For many countries and for the European Union, this is a prerequisite for any further aid.

The United States ambassador to the UN, Bill Richardson is facing growing criticism from Congress, which regards him as the "godfather" of the new Congo.

At the end of October he tried to prepare the ground by arranging for the investigators to return and securing permission for them to work all over the country, in exchange for a promise of discretion and the government's right to inspect the investigation's findings. The UN had already agreed to appoint the Togolese lawyer, Koffi Amega, head of the mission in place of the Chilean, Roberto Garreton, (a dangerous precedent) and to include 1993 and 1994 in the investigation so as to cover the ethnic tensions in Kivu, the effects of the exodus of Rwandan refugees and the militarisation of the camps. It seemed that the Kinshasa government was not going to place any further obstacles in the way of a mission which would simply confirm facts already known.

And the facts are that Rwandan civilian refugees were massacred in their thousands as they fled into the interior of the Congo. All that really remains to be established is the exact number.

Non-combatants, surviving in appalling conditions, were trapped between two warring Rwandan armies. One was the former army of Rwandan President Juvenal Habyarimana, who died in April 1994 before the Rwandan genocide, together with the militias responsible for the genocide – this was the only army to fight inch by inch on the front line, and even hand to hand in the Buta region. The other were the Alliance troops, with a hard core of young Tutsi trained with the Rwandan Patriotic Army.

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Even the Rwandan government admits that civilians were killed in "acts of war". So it is hard to see why President Kabila and his government still insist that they never authorised the Rwandan army to carry out massacres in Zaire,⁴ and why they try to hold up the work of the commission and conceal information. In sensitive areas like Kivu, Maniema and Kisan-gani, potential witnesses are intimidated or arrested.

Why trust the West?

Although any further stalemate could have serious consequences, the Kinshasa government's distrust of the UN investigation goes back a long way. The ruling Lumumbists in President Kabila's immediate entourage have never forgotten the 1960s. They know that the UN failed to prevent the murder of Patrice Lumumba, the elected prime minister, although he asked for its help.

They know that the international community, in other words the West, supported the Mobutu regime for thirty years, abandoned Rwanda at the time of the genocide and turned a blind eye to the arms trafficking in the camps.

This distrust of what is seen as Western interference, perhaps even an attempt to undermine the Congolese government, is now fairly widespread in the region. Ten African presidents, including the highly respected Nelson Mandela, backed Mr Kabila in his deadlock with the UN. That might be why Western pressure, whether for the investigation or for the government to be open to the opposition parties, is coming up against a brick wall. Mr Kabila has always carried on his struggle in Africa itself, from Tanzania, and he feels he has the other countries in the region behind him.

The setbacks of the commission investigating the Hutu refugee massacres have caused very little comment amongst the Congolese population. The press and the people who read their newspapers standing up in the street, because they cannot afford to buy them, think that the country has already suffered enough from the settlement of refugees in Kivu, with Mobutu's blessing, and from the repercussions of the war between the Rwandans. They think a devastated nation should not be penalised for something that is not its concern.

Press, parties, and polls

On the other hand, arbitrary acts by the new government are reported in detail. The press is still free and a human rights organisation, *la Voix des sans-voix* (Voice of the Voiceless), responds to any abuses.

Allegations against the Alliance of Democratic Forces for the Liberation of Congo-Zaire (ADFL) are flying around Kinshasa. It is accused of turning itself into a new state party, banning other groups and setting up its own sections and cells all over the country.

Its willingness and ability to hold multi-party elections by the original target date of 1999 is questioned. A Constitutional Committee was appointed on 22 October to draw up a new constitution by 1 March 1998. This would be followed by a referendum.

The committee is coming in for strong criticism because its members are politicians from the 1960s (chairman Anicet Kashamura was Patrice Lumumba's minister of information).

Some of the members of the committee are respected individually. But the opposition parties complain that these are men co-opted by the government, and anyway unrepresentative of the generations that grew up under Mobutu. Contrary to what Mr Kabila claims, the opposition parties protest, not everyone was corrupted by the Mobutu system.

The government's response to these claims is to point out that its legitimacy comes from its military victory which brought down the Mobutu regime. And yet, instead of governing on its own, the ADFL is coopting figures associated with the old opposition.

Faced with the small world of his advisers, his security forces and his ministers, who have barely started to form a team, and with tribal conflict in which the "Katangans" have replaced the "Tutsi", President Kabila seems to be ruling with pragmatism, if almost by guesswork. He has no hesitation in arresting anyone guilty of malpractice.

His approach has not so far led to any major catastrophes. Direct involvement in the Congo-Brazzaville war has been calmly avoided. This huge country, with so many opposing forces confronting and eventually destroying each other, breeds an inertia of power. Which is allowing the new regime to settle in – despite its makeshift start, criticism from political circles and the reservations of the people, who were hoping for a democracy. It might be government by default, but it is more secure than it appears. ★

Notes

1. Interview in *Le Soir*, Brussels, 31 October 1997.
2. "Rwandans led revolt in Congo", *Washington Post*, 7 July 1997.
3. After the South African ship on which Mandela, Mobutu and Kabila held talks, and the organ which caused Mobutu's death.
4. Interview with President Kabila, *Le Soir*, 31 October 1997.

Teamster Trouble II

The leader of North America's biggest trade union has been disbarred by a state-appointed election officer. Dianne Feeley explains how this came about, and how the left in the union is reacting.

Dianne Feeley

Ten years ago the U.S. Justice Department filed a civil suit against the International Brotherhood of Teamsters (IBT), North America's largest trade union, with 1.4 million members, representing workers in both the United States and Canada. The Justice Department charged that organised crime deprived union members of their rights through a pattern of racketeering which included 20 murders, a number of shootings, bombings, beatings, bribes, extortion, theft, and misuse of union funds. Since 1957, every IBT president, except Billy McCarthy, had been convicted and sentenced for one or another federal offence.

Originally the Justice Department announced it would indict and remove the president of the IBT and impose a trusteeship on the union under the provisions of the Rico Act, an anti-racketeering law. This meant complete supervision of union affairs, including finances, until a free and fair union election could be held. The IBT denounced the government action as a tactic of "fascists or communists" and said implementing the trusteeship would lead to the destruction of free trade unions.

"No mob control, No government control Teamsters need the Right to Vote."

Teamsters for a Democratic Union (TDU), a rank-and-file movement within the Teamsters, opposed trusteeship with the slogan "No mob control, No government control, Teamsters need the Right to Vote." TDU launched a national right-to-vote petition that gathered 100,000 signatures and elected 275 reform delegates to the 1991 IBT convention (15% of the total).

By the time the Justice Department filed its suit in summer 1988, it had backed off from the trusteeship idea. Instead it indicted 48 IBT officials for illegal activities and ordered the election of new officers.

The 1989 consent decree – an agree-

ment between the Justice Department and the IBT officials – created an Independent Review Board to investigate corruption in the union and provided for impartially supervised elections of all convention delegates and International union officers for the next two elections, 1991 and 1996. It didn't even ban the practice of multiple job and pension holding that brought 134 IBT officials salaries in excess of US\$100,000. Mere corruption could be tolerated as long there was no outright violation of the law or open connection to the Mafia.

The new leadership

The 1991 government-supervised election saw the underdog, Ron Carey, a TDU-backed candidate for president, beat the two old guard candidates even though the latter had far more financial resources. The reform slate of top officers included working teamsters as well as local union officials. It included the first woman and Latino to sit on a teamsters executive board, and also included an African American.

It would be a big mistake to see Carey as the person who singlehandedly transformed the union. While Carey never joined TDU nor shared its vision of a radically restructured and democratic union, he was an effective ally. As TDU explained it, there was now a sympathetic and militant leadership that fought for change at the same time that the rank-and-file movement continued to push for change from below.

The IBT, however, is quite a decentralised union and the continued domination of corrupt officials at the regional and local level impacted heavily on the life of the union. TDU ran opposition slates and won a number of important locals to a reform perspective. In 70 cases, Carey removed corrupt officials and placed the locals in receivership. In other locals, officials who had at least gone along with the old guard began to co-operate with the Carey leadership.

Carey used his presidency to utilise the resources of the union, build the IBT's new organising and strategic campaigns departments, remove corrupt local officers, cut wasteful spending, and eliminate the regional conferences, a whole level of parasitic bureaucracy.

He opposed union participation in various employer "team concept" programs and carried out effective mobilisations of the membership, most notably in a one-day wildcat against United Parcel Service in 1994 and the 16-day UPS strike in 1997, but also a 24-day strike in 1994 to maintain full-time jobs in the freight industry.

Mis-use of union funds?

Now Carey stands accused of improper swap schemes that donated IBT dues money to organisations that, in turn, had individuals write checks to his campaign. These organisations have close ties to the Democratic Party. "Donorgate" was first uncovered by a Hoffa supporter, who doggedly sifted through the Carey campaign's financial statements, then alerted the election officer of his findings. What was first unearthed suggested a kickback—the wife of political consultant Michael Ansara donated \$95,000 to the Carey campaign. The election officer ordered a thorough investigation. As a result, the election was voided and a rerun ordered.

On September 18, 1997 three political consultants¹ with ties to the Democratic Party pleaded guilty to crimes: Jere Nash, to one count of conspiracy and one count of making false statements; Martin Davis, to one count of conspiracy, one count of embezzling union funds, and one count of mail fraud; and Michael Ansara, to one count of conspiracy. As part of their plea bargains, each agreed to co-operate fully with the U.S. Attorney's Office.

Carey himself has not been accused of personal corruption (taking money for his own personal gain). Yet after months of investigation, it has been established that between October 17 and November 1, 1996, Carey authorised \$885,000 from the IBT general treasury for political contributions. He did so in a year in which the IBT was suffering a negative cash flow and its net assets had been halved.

Although it had been usual IBT procedure to seek General Executive Board approval for general treasury expenses in excess of \$10,000, such procedures were not followed with these contributions. In addition, the contributions themselves were controversial: Aaron Belk, Carey's Executive Assistant, felt that funds for political or advocacy groups should be donated from DRIVE, the Teamster's political action fund. Yet by October this fund was depleted. Further, Belk believed it was unreasonable to make contributions at the very end of the 1996 congressional campaigns, when the outcome would not be affected.

Carey barred from re-election

On November 17, 1997 – nearly one year after Carey won his bid for re-election – Judge Kenneth Conboy – the court-appointed election officer in charge of investigating Carey – disqualified the IBT president from participating in the court-ordered rerun. In his decision ruling Carey ineligible, Conboy concluded that Carey approved expenditures of at least



\$735,000 “based on his understanding that those contributions would assist his campaign’s fund-raising efforts” and that this represented a clear and serious violation of the election rules.²

Carey took an unpaid leave of absence to appeal Conboy’s decision, but the appeal has already been rejected. (Secretary and Treasurer Tom Sever is acting General President.) Meanwhile, the date for the IBT rerun election has been suspended, to allow for an investigation into James Hoffa, Jr.’s fund-raising. The initial delay was for 45 days, but Election Officer Michael Cherkasky has asked for, and been granted, an additional 30 days.

The union left’s response

For its part, TDU has circulated a petition calling for a thorough investigation of Hoffa and demanding that the election officer be provided with all the necessary resources to conduct a full inquiry. TDU is particularly concerned with Hoffa’s ties to the Mafia and with pension fund transfers that may have aided his campaign. Disqualification is a long shot, but if it could happen, rank-and-file Teamsters would have levelled the playing field of the elections, and would have a greatly improved chance at campaigning, and electing, a reformer.

While acknowledging the role Carey has played in helping to implement change, I would suggest that the reform movement is much broader than the elected officials who identify with those reforms. In fact, this situation reconfirms the importance of a rank-and-file movement that can fight to transform the union.

There is no evidence that the Clinton administration or the oversight committee singled out Carey. IBT election processes have been closely monitored by govern-

ment-appointed officers since the 1989 consent decree. It’s not that the federal government has suddenly become convinced of fair elections, either, but it has made a calculated decision to rid the union of the Mafia.

For its part, however, TDU is convinced of the importance of a free and open election process. In contrast, some on the left point to the media and right-wing attacks on Carey, particularly for the role he played in the UPS strike. They draw the conclusion that the government and the right wing are out to destroy Carey because he led militant strikes. They denounce “government intervention,” forgetting that there would not have been a procedure to elect the International officers had it not been for the consent decree, and Carey wouldn’t have been elected to office in 1991.

It’s clear the *Wall Street Journal*, the right wing of the Republican Party, and several corporations that employ teamsters are delighted Carey is now barred from reelection. The right intends to continue its investigation through the use of congressional hearings organised by Republican Congressman Peter Hoekstra. Certainly the right has taken advantage of the situation, but they didn’t create it.

Carey’s big mistake

Clearly Carey made the wrong political choice when he hired political consultants tied to the Democratic Party. They bring with them the sleaze of mainstream politics: “test marketing,” direct mailings, and “soft money” donations to the Democratic National Committee. Not only are such things costly, but they do what union members should be doing, whether that’s phoning the membership or planning the campaign. While several of

the left groups that defend Carey are *for* independent political action, they fail to understand how the IBT president’s use of these political consultants created a direct pipeline to the Democratic Party and its methods of operation.

As long as one accepts the “rules of the game” that the mainstream politicians set up, a union or an individual is almost inevitably led into corruption. After all, the rules mean you have to come up with the big bucks to finance a campaign, and the only place there’s money is around the mainstream parties. A rank-and-file strategy presents the only viable alternative: it suggests that a mobilised membership can carry out an effective campaign even without the big bucks—and the 1991 IBT election is the proof.

The unrealistic far-left

Denouncing “government intervention” may be a quick fix for some of the left, – who were never very much involved in Teamster politics to begin with – but it doesn’t mean much to workers who have been fighting for democracy inside their union. They’ve won the right to honest, open, and informed elections by making demands *on* the government.

The fact is that U.S. unions have to comply with government regulations all the time. (U.S. labour law is more restrictive than in most OECD countries.) Some of the laws are relatively straightforward and reasonable, some are less so.

In other words, the issue here isn’t protecting the IBT from the government. Rather it is to maintain and extend the gains of union democracy that made the IBT qualitatively more independent of both organised crime and the employers.

Some leftists predict that if the progressive movement doesn’t unite to fight against “government intervention,” unions will be transformed into little more than company unions. That view seriously misrepresents the state of the labour movement today, where most unions readily collaborate with both government and employer. The government report ruling Carey out of the rerun election contains serious charges against AFL-CIO Secretary and Treasurer Richard Trumka and AFSCME President Gerald McEntee. Indictments are possible.

Don’t touch the money

But diverting the members’ dues money is a serious offence against the democratic rights of the membership. How can radicals and progressives defend such practices? Only by overlooking the actual evidence. If they actually discuss Conboy’s decision, they confine themselves to challenging Jere Nash’s testimony (which is admittedly dubious, since if the government deems him to have become an uncooperative witness, Nash will face a heavier sentence).

It’s as if many left-wingers don’t think the actual charges, the actual evidence, matters. I believe that’s a profound mis-

estimation. It is essential to remember that history has demonstrated that those socialists who have not consistently defended democratic rights lose their authority with the working class. In the face of a right-wing assault, we pay a price if we do not speak the truth, even if we wish the facts were different. We simply can't gloss over the evidence.

The disqualification of Carey is a reactionary decision, though for a different reason. It deprives the membership of its hard-won right to vote for the leadership of its own choosing. The effective democratic remedy would have been to re-run the Carey-Hoffa contest, under stringent financing rules to prevent further abuse by either campaign.

In any case, defending Carey "against government intervention" is not only a Herculean task, it is pointing in the wrong direction. The focus needs to be on the master freight contract, which covers 100,000 workers and will expire on March 31, 1998. It may be a more difficult fight than the fight over the UPS contract because there is more than one employer, and no one made a billion dollars in profits, as UPS did.

The union has been organising visible actions and a petition campaign, on the model of the UPS campaign. Almost half of all freight workers submitted surveys to help fashion the Teamsters' bargaining proposals: job security that would limit subcontracting and double breasting (a company operating under another name, which would be, conveniently, non-union); increased pensions; safety issues, and increased income and benefits. The members also understood that organising the non-union shops in the freight industry is a key priority.

For their part, the companies want to avoid a strike, but will also attempt to take advantage of any disunity or weakness they perceive in the union.

TDU, meanwhile, is aggressively organising itself. It is setting up regional offices and it is discussing possible reform candidates for the next election, whenever that will be. It is continuing to challenge the old guard in local elections, and circulating information on Hoffa's long association with Mafia figures. It's monthly newsletter, *Convoy Dispatch* is spreading information about the campaign for the Master Freight Agreement. The Teamster reform movement is alive and well. ★

Notes

1. The 1991 election campaign was more of a grassroots effort, but the campaign manager brought in some political consultants, who later provided their services to the IBT in the 1992-96 period. These included political consultant Martin Davis, who was a partner in a direct mail firm, the November Group; Jere Nash, who became Carey's campaign manager in February 1996; and Share Group, Inc., a Boston area telemarketing firm that assisted with fund-raising. Michael Ansara was a partner in the Share Group.

2. www.lw.com/lathamwatkins/teamsters/decision.htm

Which way for Carey's s

The revolutionary left is divided in its response to the disqualification of Teamster President Ron Carey.

We reproduce arguments reflecting both sides in this important strategic debate.

Comment #1 Which way for Carey's supporters?

Charles Walker

In 1989, when Ron Carey asked a Teamsters for a Democratic Union Convention (TDU) for its endorsement, most delegates knew little or nothing about him. But weeks before the convention, the top TDU leadership asked Carey to run for the Teamsters most powerful post, in the wake of the government-imposed Consent Decree.

Carey had never shown any particular support for TDU. In fact, he told the 1989 TDU convention before it voted to endorse him that he had never seen the need for TDU in his local union.

But Carey was attractive to the TDU leaders because he was a militant unionist; he bucked the bureaucracy four times when he led local strikes against United Parcel Service (UPS), and he won the affection and loyalty of the 7000 members of New York Teamsters Local 804.

During Carey's almost six years as the general president of the Teamsters Union, he continued to be a militant trade unionist — and very often, a very sharp burr under the Teamsters bureaucracy's backside. So much so, that even before Carey gained widespread recognition because of his leadership of the August 1997 UPS strike, he stood out from all other American international union leaders for the same reasons he had stood out as a local union leader.

On Nov. 17, Black Monday, a government election officer ruled that Carey could not be a candidate in the court-ordered rerun of the union's 1996 election. Carey challenged the disqualification order, but also took a leave of absence from the presidency.

Erstwhile supporters

Carey's disqualification revealed, or triggered, serious differences among Carey's allies and supporters, inside and out of the Teamsters union.

A number of progressives, including those connected to the radical newsletter *Labor Notes*, have argued that Carey is politically responsible for the wrongdoings alleged by the government's so-called Independent Review Board (IRB) and by the court-appointed election officer. Not that these allegations have been proven, and despite the obvious bias of the "independent" decision-makers

Rather than challenge the government's right to restrict the members in their choice of leaders, some have chosen this critical time to argue with Carey over his alleged lack of understanding of the notion of bottom-up, rank-and-file control, his appointment of conservatives to important positions within the union, and his hiring of slick consultants with no union background to run his 1996 re-election campaign.

Solidarity should be unconditional

Isn't this the time to set aside the debate of what Carey should have done yesterday and focus on what Carey and all partisans of rank-and-file power and democracy ought to be doing today?

Isn't the government's new level of intervention in the Teamsters Union and its threats against other labour leaders the paramount issue at this time?

Should not partisans of workers democracy utilise whatever power they have, including whatever access they have to the popular media, and counterattack the government's undermining of union power?

Contributors to *Labor Notes* and *The Nation* have made an unnecessary rush to judge Carey's alleged complicity in the fund-raising schemes. This judgement is based solely on the so-called evidence against Carey contained in the election officer's written opinion.

Writing in *The Nation* on December 14th, David Moberg argues that the scandal poses risks to the reform movement if Carey persists in trying to save his candidacy. That proposition was not discussed at TDU's recent convention, but probably is shared by some TDU delegates, as well as some of TDU's central leaders.

In any event, the top TDU leadership seemed to think that the Carey era is over, and so did not take actions to encourage Carey to hold out against the government's assault. But judging from the tumultuous reception that the delegates gave Carey, the delegates



Supporters?

were prepared to do more than just settle for a contingency game plan for the rerun election. It seems more the likely, that a large majority also would have endorsed a plan to rally the union's ranks against the government's edict that the members did not have the right to freely elect any Teamsters member to any Teamsters office. But such a proposal would have needed the authoritative backing of key TDU leaders, or failing that, Carey himself.

Why Carey and the TDU leadership failed to present such a proposal is not entirely clear. Perhaps Carey has confidence in the legal system? Perhaps he truly believes that the courts are impartial arbiters of fact, and since he's innocent, he ultimately must prevail in the courts.

But while there were no convention votes that clearly indicated a majority sentiment, it appeared that only a small majority of the delegates backed the TDU leadership's view that Carey was not going to win his fight to run in the rerun election. Therefore, the immediate practical task was to consolidate TDU's strength behind another candidate who would build on the reform achievements of the Carey period.

Ken Paff, the principal TDU leader, told the delegates that, "if you are going to take on Corporate America, if you are going to win major strikes, if you are going to start turning the movement around, you better make sure you are not vulnerable."

The truth is that his statement is historically inaccurate. More precisely, his statement is historically silly. No American leader who takes on Corporate America is safe. All real leaders are vulnerable. That aside, what is most disturbing is that in the context of the convention, Paff's statement may be read as accepting the other critics ready acceptance of Carey's guilt, chagrin over Carey's piecemeal acceptance of TDU's advanced view of membership participation in unions, and frustration over the prospect that the reform momentum may be slowed. More disturbing still is the TDU leadership's failure to propose actions based on Carey's well-established outlook on militant trade unionism — the quality that brought Carey and TDU together in 1989.

The rerun election has been postponed until the spring. Chances are that it may be postponed again.

Hopefully, during the interval Carey and the TDU leadership will listen carefully to those who argue that there no contradiction between building a militant reform movement and defending the Teamsters members vital right to choose their leaders. ★

Comment #2

The Business Union "short-cut" — when will we learn?

Kim Moody

It's easy to look at the situation in the Teamsters and write it all off to the usual suspects: Carey became a threat to big business. He not only presided over a profound transformation of a major union situated at the heart of the economy, he took on UPS, won, and set an aggressive new pattern for labour as a whole. So, corporate America, their Republican buddies, and the courts (under pressure or by preference) did him in. No doubt about it, this cast of characters went after Ron Carey like hound dogs after a bleeding fox. Rest assured they're not done yet. They, in one of their many forms, will probably get their teeth into Rich Trumka and maybe others. Some of labour's best will go down, while many of the worst will walk away unscathed and grinning. Corporate America won this one.

There's another culprit here, however. The tragedy at the Teamsters was, at least in part, an inside job. The problems now faced by Ron Carey and the Teamster reform movement were born in the actions and political culture of top-level labour and their Democratic Party "friends." This culprit's name is business unionism. It comes clean or dirty, and in many political shades. Call it what you like, its basic characteristics are: top-down organisation, closed-door negotiations, dependence on the Democratic Party, a fetish about the union's material property and accumulated wealth, a softness on employer "competitiveness," and a general distrust of the rank and file. Everything in the top-down world of business unionism is "let's make a deal." Shuffling money around to win elections, legally or not, in the unions or the nation, is second nature.

Hoffa Junior offered a particularly crude version of it when he said during the 1996 Teamster election campaign, "What you want is a union with a big bank account and a strong leader."

Today's AFL-CIO leaders certainly aren't a bunch of Hoffas. But they are still basically business unionists. They promise change and bring new energy to organising and speaking out on issues. But they have taken on more high-priced consultants, more multi-million dollar media campaigns, more bureaucratic institutes, more talk of "partnerships" with business. They have spent millions on the federation's headquarters, and despite talk of a new way of doing politics, forked over more money to don't-deliver Democrats than ever. Union democracy is not on their agenda. They have not transcended business unionism so much as given it an information-age makeover.

Carey, too, must share some of the responsibility. All that happened did so under his presidency. He hired the consultants. In choosing old style money-driven electioneering in 1996, he, in effect, chose business union methods over the rank and file campaign advocated and conducted by the Teamsters for a Democratic Union.

The consultants hired by Carey were the conduit to labour's old ways of doing things. What the whole bunch did was introduce the old back-room political culture into a Teamsters' union that was fighting to get past all that. Carey was, in turn, drawn further into this swamp. The federation officers, consultants, and politicians are so rooted in that old culture, they probably didn't even know they were corrupting something. And that points to the problem.

Revitalising the labour movement

Business unionism and its culture of bureaucratic functioning and top-down dealing is so familiar and so ingrained that both its high-placed practitioners and rank and file victims often don't even notice it at work. That's just the way the world is and always has been. Right?

Wrong! It wasn't always like that and nothing was proving the old business unionism wrong more than the reforming, fighting rank and file Teamsters, above all the Teamsters for a Democratic Union, and the leader of the reform coalition Ron Carey. They had won the direct vote on top leaders, wiped out layers of time-serving bureaucrats, lowered staff and officer salaries, trusted dozens of mob-run locals and trained members to run them, launched new forums of accountability, and, yes, taken on corporate America like no business union has or could in decades.

But Carey made a mistake. It's not just that he hired some self-serving consultants. When he let in these impeccably "pro-labour" fund-raising and marketing professionals he took a step away from the rank and file approach that won the election in 1991 and made the reform movement one of the most powerful and thorough ever.

In a speech at the TDU convention in November, Ken Paff said, "If you're going to take on corporate America, you better make sure you're not vulnerable." Carey is basically a straight arrow and his accomplishments in the last six years are enormous, but he made himself and the reform movement vulnerable when he sought the media-blitz shortcut and took on the political pimps and methods of business unionism.

The lesson here is too easily lost in the details of guilt or innocence. Revitalising the labour movement isn't just about cleaning up a few worse-than-average unions, much less hiring a bigger horde of money-guzzling media and PR experts. Hoffa is wrong, it's not about big bank accounts. It's about rank and file power and accountable leadership. That's the prize. That's where to keep your eyes. ★

A dirty little war in Southern Mexico

Braulio Moro explains the “low intensity war” behind the recent massacres of Indians in Chiapas state.

On 22 December, in the northern Chiapas municipality of Chenalhó, Acetal, 45 Tzotzil Indians, mainly women and children, were massacred by members of a paramilitary group promoted by government authorities.

This provoked a huge wave of protest in Mexico and abroad. On their television screens, people saw the ghosts of the death squads that stalked several Central American countries in the 1980s. For those abroad, the photos of dismembered bodies exposed the real nature of Mexico's decomposing regime, which is willing to lead the country to the brink of war.

This massacre was an escalation of the military strategy President Ernesto Zedillo has been implementing since 1994 to exterminate the Zapatistas (*Ejército Zapatista de Liberación Nacional* — EZLN) and the indigenous communities of the southeastern state of Chiapas. This was a state crime, not some “confrontation between communities”¹

The “Chiapas '94” campaign

The weekly magazine *Proceso*² recently published a text prepared in late 1994 by the Defence Ministry, giving instructions to the Seventh Military Region, based in the Chiapas state capital of Tuxtla Gutiérrez. The Army's central aim was to “break the relationship of support that exists between the population and the outlaws.” To do this, the army “should continue with offensive tactical operations, with the aim of eliminating the tactical forces of the outlaws, and their bases of support.” This is the real strategy the government has been applying for the past four years, independently of its repeated calls for “dialogue” and against Zapatista “intransigence.”

In December 1994, several days after President Ernesto Zedillo took office, and in the face of growing military pressure, the EZLN launched its campaign “Peace with Justice and Dignity for the Indian Peoples.” They broke through the army's siege, and took possession of 38 municipalities, where new authorities were installed, declaring the creation of new rebel territories and municipalities.³ Including Palenque, Tila, Sabanilla, Pantelhó, Chenalhó and Las Margaritas — the towns where these paramilitary groups have recently emerged, and where there has been an incredible growth in the presence of the Mexican army.

On 9 February 1995, President Zedillo

broke the year-old truce between the government and the EZLN, and sent over 10,000 soldiers to Chiapas. These troops had two specific aims: occupying most of the communities that provided a social base for the EZLN, and assassinating *Subcomandante* Marcos and the other members of the Zapatista military leadership, the Indigenous Clandestine Revolutionary Committee (*Comité Clandestino Revolucionario Indígena* — CCRI).

The ambush of EZLN leaders almost succeeded, and as the army advanced, more than 5,000 Indians were forced to abandon their villages and seek refuge near the Guatemalan border.

Only the pressure of Mexican civil society, and international solidarity, finally forced the Mexican government to stop the offensive and order a partial withdrawal of its troops. As time passed, the displaced Indians returned to their homes. But the federal troops did not leave these villages. Instead, they followed orders: “to eliminate the urban commandos, and take control, or cause the disintegration of the mass organisations.” According to the Campaign Plan, the “friendly population” should be encouraged and helped “to defend its own property, (this is) particularly valid for the ranches and small landowners” — the local power brokers known as *caciques*.

The failed ambush on 9 February, 1995 and the EZLN's solid determination to achieve “Peace with Justice and Dignity” led to a series of alternative moves on the chessboard of Mexican politics. The Interior Minister and the Governor of Chiapas were replaced. The Chamber of Deputies approved the “Law for Dialogue, Reconciliation and Peace with Dignity in Chiapas”.⁴ The Legislative Peace Commission (COCOPA) was created, and the EZLN organised its “National and International Consultation for Peace”. In October 1995, negotiations on “Indigenous Culture and Rights” began. Four months later, these culminated in the famous San Andrés Accords, signed by a government delegation and the EZLN (but which the government refused to implement).

Low Intensity War?

Not surprisingly, the authorities reject the EZLN claim that this latest massacre represents a “government plan.” According to the new Interior Minister, Francisco Labastida, the Zapatistas are “trying to profit politically” from the massacre, which is “morally unacceptable.” Labastida claims that the conflict between the EZLN's indigenous communities and the government is only confined to “four municipalities in Chiapas.”⁵

Most observers consider the Chiapas conflict to be a “low intensity war.” But how does one measure the intensity of a war? By the number of deaths? By the number of refugees? Or by the daily suffering of the forgotten victims of injustice and repression? However one measures the conflict, it affects a much wider area than the Interior Minister claims. Hence the chain of events that led to the Acteal massacre on 22 December 1997.

In 1994-95, the war was concentrated in the Tzeltal region (the Lacondona rain forest), the main bastion of the EZLN. This region includes the municipalities of Ocosingo, Altamirano and Las Margaritas. In 1996 the conflict shifted to northern Chiapas, inhabited mainly by Chol indigenous communities. This region includes the municipalities of Tila, Tumbalá, Sabanilla and Salto del Agua. It was here that paramilitary groups and the Chiapas state Public Security Police appeared for the first time as actors in the conflict, according to the CIACH.⁶

In 1997 the conflict shifted to Los Altos, a mainly Tzotzil region of Chiapas, encompassing 20 of the state's 111 municipalities, including Chanal, Chenalhó, Pantelhó, and San Cristobal de las Casas.

To understand the government's strategy, it should be pointed out that the Chol, Tzotzil y Tzeltal communities are the social base of the EZLN. And the municipalities mentioned are precisely those that the EZLN occupied in 1994.

Most of the deaths in the Mexican government's war against the indigenous peoples have been in these three regions. According to the National Intermediation Commission (CONAI) and human rights groups, more than 500 Indians were killed between 1995 and 1997.⁷ And, according to ex-Interior Minister Chuayffet, at least 15,000 people have been displaced.

This level of violence is the result of the concentration of 30,000-40,000 soldiers in Chiapas, a state with under 2.3 million inhabitants. This Rainbow Task Force is the best-equipped part of the Mexican armed forces, and under the direct control of the Army Information Centre in Mexico City. The government can hardly pretend that this massive force has been unable to prevent the anti-Zapatista paramilitary groups from acquiring weapons and operating in the region.

These paramilitary groups are closely linked to, and supported by, the armed forces. They are an integral part of government strategy. Their role is to counter the Zapatistas' growing influence, and sabotage the functioning of the dozens of communities that demand autonomy (but *not* separatism) for the indigenous peoples. The state hopes that the proliferation of

paramilitary groups will be able to block this power from the grassroots. With this strategy, the government is seeking to gain time, let the war run its course in terms of dividing and disintegrating local society and provoking a war between the poor.

Six main paramilitary groups operate in Chiapas, all controlled by members of the Institutional Revolutionary Party (PRI), which has ruled Mexico since 1929.¹⁰ Most of their members are young men from the indigenous communities, as well as policemen, soldiers and non-Indian peasants.¹¹ These groups all benefit from the support and tolerance of the local and federal authorities.

Five days before the Acteal massacre, the press reported that the Governor of Chiapas had given more than half a million US dollars to the "Peace and Justice" (*Paz y Justicia*) paramilitary group, to "support and encourage agricultural production." The "witness of honour" at this ceremony was General Mario Renán, Commander of the Seventh Military Region at the time the "Chiapas '94 Plan" was drafted.¹²

In Chiapas today, all political, social, and economic developments and decisions are discussed by the federal government's State Security Council, which includes representatives of the state and national authorities, and the intelligence forces of the Defence and Interior ministries.¹³

Why now?

Plenty of warning signs gave advance notice of the Acteal massacre. The first reports about the worsening situation in the Chenalhó municipality date from August 1997. The victims were not members of the EZLN, but a community group known as "The Bees" (*Las Abejas*). In the government's logic, whoever is not with them is an enemy, including the progressive sections of the Catholic Church (the main religion in Chiapas and Mexico), which demand that the government respect the San Andrés Agreements.¹⁴ Through its terror, the regime wants to create panic, and a psychosis that will paralyse the growing Zapatista presence in the region. Fresh in the generals' memories is the image of 1,111 Zapatista Indian representatives arriving in Mexico City last September: "one for each of the communities where we are present," according to *Subcomandante Marcos*.

Ironically, the massacre was used by the regime to justify dispatching a further 5,000 troops to Chiapas, in a "saturation" operation, supposedly "to protect communities, persons and property."¹⁵

The military siege has extended like a spider's web throughout the zones controlled or influenced by the EZLN, without laying a hand on members of the paramilitary groups. One week after the Acteal massacre, the President's office announced that one AK-47 assault rifle had been found.

There are now 136 army bases in Chiapas, a state with slightly more than



two million inhabitants, as well as 40 Public Security Police posts, 10 Judicial Police posts, 20 National Migration Institute (border guards) posts and three Special Forces bases.¹⁶

The logic is one of open war. Not surprisingly, before his visit to Europe in October 1997, President Zedillo declared that he did not see any "short term solution in Chiapas."¹⁷ The way the government seeks to "resolve" the Chiapas conflict will take its time. Unmasking this strategy of open and covert warfare is an essential task for the solidarity movement. The only way to prevent another massacre is to stop the Mexican government from pursuing its criminal policies. ★

Notes

1. See the declarations by Mexico's Federal Attorney General, *La Jornada*, 24, 25 and 26 December 1997.
2. *Proceso* #1105, 4 January 1998.

3. "Los Partes de Guerra del EZLN," 11, 19 and 20 December 1994, in *EZLN, Documentos y comunicados*, vol. 2, published by ERA, 1995, pp.167 and appendix.

4. Official Decree, 9 March 1995.

5. *La Jornada*, 9 January 1998.

6. Centro de Información y Análisis de Chiapas, *La Opinión* #74, 1 October 1997.

7. *La Jornada*, 31 December 1997. As high as 1,500, according to *Proceso* #1184, 30 December 1997.

8. *La Jornada*, 30 December 1997.

9. *La Jornada*, 11 August 1997.

10. These groups are "Paz y Justicia" and "Chinchulines" in northern Chiapas, "Máscara Roja", Movimiento Indígena Revolucionario Antizapatista (MIRA) and "Tomás Munzer" in the Altos region, and "Alianza Fray Bartolomé de los Llanos" in the central valleys. See "Chiapas, mapa de la contrasurgencia," *La Jornada*, 23 November 1997, *El Tiempo*, 27 October 1997, and *Proceso* #1104, 28 December 1997.

11. A. Aubry y A. Inda, "¿Quiénes son los 'paramilitares'?", *La Jornada*, 23 December 1997.

12. *La Jornada*, 17 December 1997.

13. *La Jornada*, 28 December 1997.

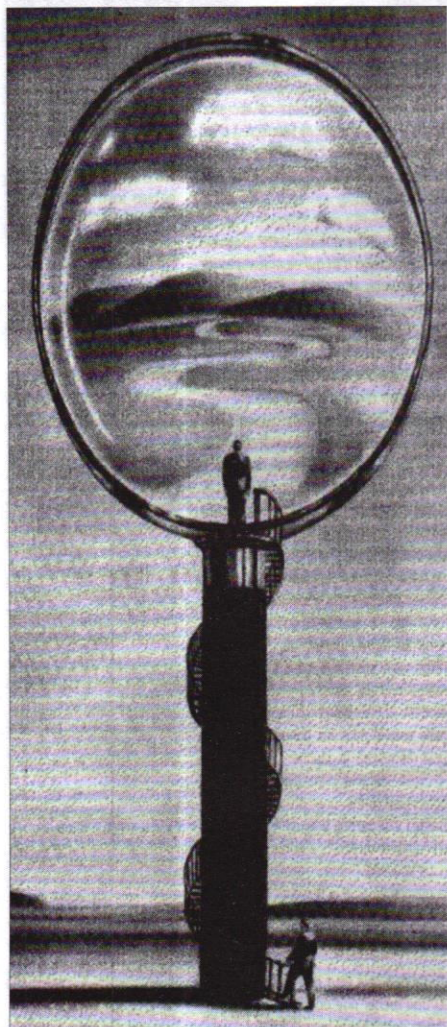
14. This is the sense of last November's assassination attempt against Bishop Samuel Ruiz and his assistant. No-one has been detained for this crime.

15. According to the Defence Minister, *La Jornada*, 29 December 1997.

16. *La Jornada*, 30 December 1997.

17. *Le Monde*, 2 October 1997.

The 35 hour week in Europe



Growing sectors of the labour movement in Western Europe are calling for reductions in the working week, to create new jobs, and reclaim some of the benefits of productivity increases registered during the past last decade. In each country, employers and the media claim this will destroy jobs, because none of the other countries will follow suit. Many workers are concerned that a shorter week could mean a lower wage. Or that they will have to do the same job, but in less time.

In the following pages, our correspondents in France, Belgium, Italy, Germany, and Holland discuss the dynamics of the campaign for shorter hours.

In this introduction, **Michel Dupont** looks at the similarities and differences across Europe

The European Union is an essentially capitalist project. Particularly since the Single Market Act of 1985, EU economic policies have concentrated on reducing barriers to the free circulation of capital between the member states. "Harmonisation through progress," supposedly one of the objectives of the Treaty of Rome, which is the basis of EU legislation, has never been seriously pursued. On the contrary, the race for competitiveness and reduction of public sector deficits has led each member country to increase the pressure on wages and social programmes — in the name of European integration!

From 1960 to the early 1980s, most European countries experienced a general tendency towards the reduction of the working week. But this was not the result of European Community policies. It reflected a shift in strategy by the labour movement. With the post-war reconstruction largely complete, the working classes and the trade unions in each country began to demand that employers share the benefits of productivity increases with the workforce, through a reduction in the number of hours people worked.

Considerable diversity marked this general trend. Some countries started at the beginning of the 1960s, others at the end of that decade. In the Scandinavian countries, the mechanism of progress was calm, constant negotiation, whereas in France and Italy the massive social upsurge in 1969-69 played a crucial role.

This diversity reflects the fact that the reduction of labour time is not, as France's social democratic government pretends, some kind of long-term trend, which was — somehow — interrupted by the "crisis" of the 1980s. In fact, cuts in the working week are the result of a fundamentally conflictive process — the redistribution of the gains from improvements in productivity, and increases in national income. This conflictive reality was clearly shown in the 1980s and 1990s. The long process of downward convergence of working time across Western Europe was broken by the anti-labour offensives of each national bourgeoisie.

Three groups of countries emerged. In Britain (but only in Britain) the neo-liberal offensive had immediate success, leading to a massive de-regulation of labour time, and all other aspects of working conditions. This has inevitably led to an extreme variation in the number of hours people in Britain work.

In a second group of countries — France, Italy, Belgium, and Ireland — the working week either stayed the same or declined slightly during the 1980s (France adopted a 39-hour week in 1982).

In the third group — Germany, Holland, Denmark, and Norway — the workers' movement was able to maintain the pressure, and working time continued to decline, despite management's hostility.

Britain

In 1979, a series of strikes took place in the metalworking industry in favour of the 35-hour week. This movement succeeded in imposing a reduction of the 'normal' week to 39 hours in the metalworking and some other sectors. But as the Thatcher era took hold, the average working week for full-time workers began to increase. Overtime expanded so much that, by 1992, more than one quarter of men were working more than 48 hours a week.

Meanwhile, the average working week for the whole workforce declined, because of the significant increase in part-time work. One quarter of the workforce, and half of all women workers, are part-time in Britain today. The attractiveness of part-time work for the employers is obvious — they pay no social security contributions for employees who work less than 16 hours a week (and nor do those workers have access to most of these benefits).

There has been an unprecedented widening of the range of working-hours across the economy, between men and women, and between those with different levels of qualification.

In 1989, after a new series of strikes in the metalworking sector, again concerning reductions in labour time, the employers decided to sabotage that industry's collective bargaining process [which had always had a broader impact on labour relations in the country]. Some large enterprises like the auto producers Rover and Ford introduced a basic 37-hour week, but continued to rely massively on overtime work.

Without collective bargaining, working hours are negotiated company-by-company, factory-by-factory or, in most cases, not negotiated at all, but imposed by the employer.

Since Britain has never had a legally enforced maximum working week [until the European Union limit of 48 hours was accepted], the collapse of collective bargaining has meant a massive return of employer arbitrariness, everywhere the unions are not strong enough to impose negotiations.

Employment blackmail

It is in the second group of countries — France, Italy, and Belgium in particular —

that the reduction of working time has returned to centre-stage in the 1990s. However, nowadays the argument is from the employers — using the threat of unemployment to reduce salaries in enterprises “in difficulty.”

In France, part time work has grown from involving 5% of the workforce in 1980 to 15% in 1997. Apart from the effect of this part-time work, average labour time has not been reduced since 1982.

In 1995, the conservative-dominated parliament approved the Robien Law, which established a system of public financing to smooth the introduction of a 35 or 32-hour week in almost 1,500 small and medium enterprises. The macroeconomic results are negligible — 25,000 jobs created or protected, and a 0.1% reduction in average labour time across the economy!

Similar legislation is being applied in Belgium, as Alain Tondeur explains (p.29). In Spain, 1983 legislation fixed a maximum working week of 40 hours, but in most cases defined this as the *average* weekly hours during a one-year period. This has led to a growing diversity of working patterns. Despite the relative marginal importance of part-time work (only 8% of the workforce in 1996), the average working time across the economy fell from 1,900 hours/year in 1983 to 1,800 hours in 1993.

In Italy, the fascist legislation of 1923, which fixed a 48-hour week, was only replaced by 40 hour legislation in 1997, though a series of labour struggles in the 1970s actually established a week of 40 hours or less in most branches of the economy. In the early 1990s, a series of experiments in reducing labour time took place, smoothed with public funds, in companies that were threatening to cut jobs. But as Gianni Rigacci explains, only the Refounded Communist Party and the left in the trade unions propose a generalised reduction in working hours. (p.27)

Collective and individual

In the third group of countries, most of the reduction in working time during the 1980s was due to the increase in part-time work. Germany is an exception (p.32) Although Nazi legislation fixing a maximum 60-hour, six day week is still in force, collective bargaining has imposed, across the economy, shorter maximum hours. After the campaign led by the IG Metall union in the 1980s, the metalworking industry functions with a basic week of 35 hours.

Although these collective agreements have allowed a greater implementation of “flexibility” measures, German workers still enjoy more protection in terms of labour time than in most other European countries.

Nevertheless, the recession in 1993 led to multiple-fold increase in the number of enterprise-level agreements to reduce average working time, in exchange for

maintaining all or most existing jobs. In other words, shortening the working week is no longer an offensive weapon of the labour movement for creating jobs, but a tool of the employers for reducing salaries and imposing “flexible” working conditions.

In Denmark, the state imposed a reduction of the legal basic week from 40 to 39 hours in 1985, after the failure of negotiations aimed at introducing a wage freeze. Two years later, the powerful LO trade union was able to force a further reduction, to 37 hours, by conventional means. And since 1996, workers have been able to take long breaks from work, paid at 70% of the unemployment benefit level, provided that they are replaced by someone who is unemployed.

The Netherlands has been presented as a “model” of wage restraint. Real salaries fell 5% between 1982 and 1985, with an average 2 hour/week reduction in working time. Subsequent years saw faster economic growth. A trade union offensive in 1994-5 led to further reductions in working time in banking, the chemical industry, and local government services. One third of professional services will move to a 36 hour week during 1998.

In 1996 the Dutch-based multinational Phillips launched a counter-offensive, arguing for an increase in salaries (6% over two years) rather than further cuts in working time.

The Dutch trade unions are no longer prioritising the collective reduction of labour time. (p.33) Instead, they are encouraging the development of individual “long” part-time work. The social security benefits of part-time workers in Holland are far superior to those in countries like France, let alone post-Thatcher Britain. According to the 1993 agreement between trade unions and employers, part-time workers have, in principle, the right to specify their total hours. If the employer refuses, s/he has the obligation to prove that this is not possible!

“Long” part-time work is an important trend in Sweden too. Unlike the other countries of Western Europe, average working time has been increasing in Sweden. This is mainly because part-time workers, mainly women (42% of women workers are part-time), have been increasing the number of hours they work.

Unlike in Britain, the gap between average hours worked by men and women is actually narrowing. Sixty percent of Swedish part-time workers work more than 20 hours/week, compared to an EU average of only 38%. Generally speaking, part-time status in Sweden is less of a discriminatory position than in the rest of the EU. Part-time jobs do not, generally, demand lower qualifications than their full-time equivalents.

The situation is not very good for young workers, though. A growing number of unskilled young workers are trapped in dead-end part-time contracts.

All this goes a long way towards explaining

the lack of enthusiasm of the Swedish trade unions for the collective reduction of average labour time. If part time work can be negotiated and chosen by the individual in good conditions, why impose a general, uniform framework? However, the growing unemployment and social inequality in Sweden since the early 1990s may lead some sections of the labour movement to reconsider this position

European action for a shorter week

Despite the deregulation of working time, and the expansion of part-time work everywhere (except Britain, where these changes occurred much earlier, and Spain, where part-time work is still very underdeveloped), it is still the case that most workers in the EU live in countries where the working week is regulated — by negotiations between unions and employers, or by law. This provides a clear basis for a Europe-wide movement to re-regulate working relations.

Despite neo-liberal calls for “subsidiarity” [returning power to the lowest possible level at which decisions can be made effectively], working time is still a responsibility of the European Commission in Brussels. A 1975 recommendation (never applied, like most social recommendations) called on member states to take the necessary measures for the generalisation of a 40 hour-week, without loss of salary, and four weeks paid annual holiday.

Article 118A of the Single Market Act (1986) makes it possible to adopt, by a qualified majority of states, those directives concerning labour time that aim to protect the health and well-being of workers.

In 1993, after pathetic procrastination and hesitation, the European Commission finally produced a directive, fixing the maximum working week at 48 hours, defined as a weekly average over four months. This directive imposes 11 hours daily rest (the minimum time between the end of one shift and the beginning of the next) and a break of at least 24 hours every week. Paid holiday is fixed at a minimum of four weeks.

In other words, the EU is fixing *worse* minimum conditions than exist in every member state except Britain, which refused to approve the directive. The directive contains a large number of exceptions, notably for the transport industry, where European harmonisation is most urgent. Most of its provisions can be overruled by undefined “collective agreements.” And, worst of all, countries can ignore the weekly maximum if there is an “agreement” between the employer and the employee concerned.

No surprise, then, that, outside Britain, European employers’ associations hardly protested the new directive.

The British government, under John Major, decided to attack the directive as a matter of principle [can Brussels ‘inter-

★ The 35 hour week in Europe

fere' in British labour relations], rather than use the numerous escape clauses to empty the directive of its contents. [In 1995 the British government had been obliged to improve the status and social protection of part-time workers, most of who are women, because of EU legislation against sexual discrimination.]

In December 1996, the European Court of Justice rejected Britain's protest against the directive on maximum labour time. The application of the clauses on the maximum 48-hour week and four weeks paid annual holiday, represents significant progress for many British workers.

A real social Europe

Of course, this is not enough. Reduction in labour time should become a major axis of European integration. Not just to improve living and working conditions,

but also as a way of cutting unemployment, and reducing the unequal distribution of wealth.

The 1993 directive is a weak caricature of the "Social Europe" we should fight for. We should push for a new directive, establishing a 35-hour week, without loss of pay, in all member states, to be introduced by negotiation or by law, within a fixed period — no more than one or two years.

The details of negotiation (enterprise, sector, or national) and implementation should be left to the national level, given the significant, legitimate differences between the member states. But the directive should fix the general principles of job creation, measuring work time on a weekly basis [rather than annual averages], and limiting exceptions to the strictly necessary.

The goal would be a "levelling up" of national norms, in a dynamic of progress. German, French, or Italian advances on the 35-hour week should be generalised. And so should Dutch and Swedish social security benefits for part-time workers.

Of course, raising these Europe-wide demands does not mean spreading the illusion that the European Commission and European Council, in their present form, and within the Maastricht straight-jacket, could concede easily.

But without common demands, and mobilisation of the labour and social movements around themes like the reduction in work time, advances by the labour movement in each country will be partial and fragile. The single market will make it easier for employers and the state to oppose, and roll back gains at the national level. ★

Our reform of the labour market

To everyone's surprise, calls for a 35 hour week have returned to the centre-stage in continental Europe.

François Vercammen

The German metalworkers union IG Metall carried this demand forward in the 1980s, mobilising the rank and file in a powerful campaign which combined propaganda and workplace struggles.

At the end of the 1990s, we face a top-down movement: France's social-democratic government is bringing in fast-track legislation for a shorter working week. To our surprise, he is implementing one of his electoral promises. Under pressure from Italy's Refounded Communists, the Prodi government has done the same. The two governments have even signed a declaration which fixes a pan-European horizon for their reform.

Could this be the beginning of a large, international struggle for cuts in labour time? Maybe. But there are many obstacles in our way.

Just like in the 1980s, social democracy — in its political and trade union forms — is as still as stone. The call for a 35 hour week makes them perplexed, incredulous, even hostile. There is no sign that they want to seize this opportunity.

They are paralysed by their support for European integration under the European Union — and by the opposite process of competition between EU member states. Schröder, the social democratic candidate to replace Helmut Kohl as Germany's Chancellor, was particularly cynical: "Jospin wants a 35 hour week? Great news for the German economy!"

Once again, the European Trade Union Confederation (ETUC) is conspicuous by

its absence. At the EU's Luxembourg Employment Summit, ETUC once again bowed to the neoliberal policies of the European Commission and the EU Council of Ministers. In exchange, it received a little carrot — the promise of "social dialogue" with the Union of Industrial and Employers' Confederations of Europe, and the European Commission.

ETUC protests that it cannot go further than the national trade union leaders. Who have tried their best to block any spread of the French 35-hour "disease." National trade union leaders are frightened that this would undermine what is left of their "social co-ordination" with the employers and the government.

The 35 hour week will only be achieved, in conditions favourable to workers, if there is a real struggle. The more active and combative sectors of the European trade unions are beginning to realise this opportunity. These could be the first signs of the development of a new alternative line for the labour movement.

There have been demonstrations, congresses, declarations and even strikes in favour of the 35 hour week. But only touching a minority of workers, and without much contact between the various local initiatives.

What we need is a broad movement demanding a radical and generalised reduction in labour time, without loss of pay, with new jobs to absorb the hours "saved," and the conversion of part-time contracts into full-time for those who wish. This would mean much less overtime, and legal guarantees on maximum overtime, and double pay for extra hours. There should be no "annualisation" of working time and no more "flexibility." Workers should be able to supervise the application of these reforms in their workplaces.

In the absence of this kind of movement, many workers have serious reservations about cuts in labour time. Most of the reduction in working hours since the early '80s has meant smaller salaries, and a terrible increase in the intensity of work. Men have been pushed to early retirement, and women obliged to accept part-time contracts. Productivity has increased dramatically, but the extra benefits have gone to shareholders, not workers.

With the balance of forces in their favour, and with generous state subsidies, many employers are imposing their own version of "labour market reform." The dramatic decline in social security contributions is threatening the whole social security system.

The violent opposition of French employers to the Jospin government's plan for a 35 hour week may provide the spark which inflames the workers' movement in that country.

While the left was warning that Jospin would try to back down from his promises, the employers launched a verbal war against the principle of Jospin's proposal, and sabotage against the timing of the reforms. The result was to unify different layers of workers, with different contractual status. The balance of forces has swung towards the workers.

Neo-liberal economists say the solution to unemployment is to reduce budget deficits, interest rates and labour costs, so as to increase investments. We say the best solution is a rapid, sharp decline in working hours, without loss of pay. This would make it possible to re-absorb the mass of unemployed workers into the economy.

The bourgeoisie has always resented the "laziness" of the common folk. For them, our free time is a lost opportunity to exploit our labour power. For 150 years the length of the working week has been defined through class struggle. The same is true in 1998. ★

Italy: keeping the pressure high

The Refounded Communists (*Rifondazione*) have repeatedly tried to force the centre-left Prodi government to discuss the unemployment question seriously. Without much success.

Gianni Rigacci

In October, *Rifondazione* finally forced the Prodi government to introduce legislation for a 35 hour week, starting in 2001. The mass media immediately launched a virulent attack on the party. Using means with which *Rifondazione* cannot compete — the party's own newspaper *Liberazione* is in such big trouble that there have even been strikes against the "restructuring" project.

These attacks continued/intensified in January, as parliament discussed the details of the project. The conservative parties are using all the means at their disposal to prevent the timetable being maintained.

Towards the end of 1997, the government implemented two measures which go in the opposite direction to a reduction in working time. The first was to adopt the European Union directive fixing a maximum working week of 48 hours. The agreement on this subject between trade unions, the employers' organisation *Confindustria* and the government reveals two common goals — bring Italy into line with EU directives, and practice the strategy for isolating *Rifondazione* which all three "partners" realised would be necessary when the debate on the 35 hour week started.

This tripartite agreement, which, when implemented, will replace 1923 legislation, will introduce, for the first time, a definition of 40 hours as the 'normal' working time. Hours in excess of this will not be counted as overtime (as is common practice at the moment) but compensated for by time off "during a multi-week period, which cannot exceed one year." In other words, flexibility.

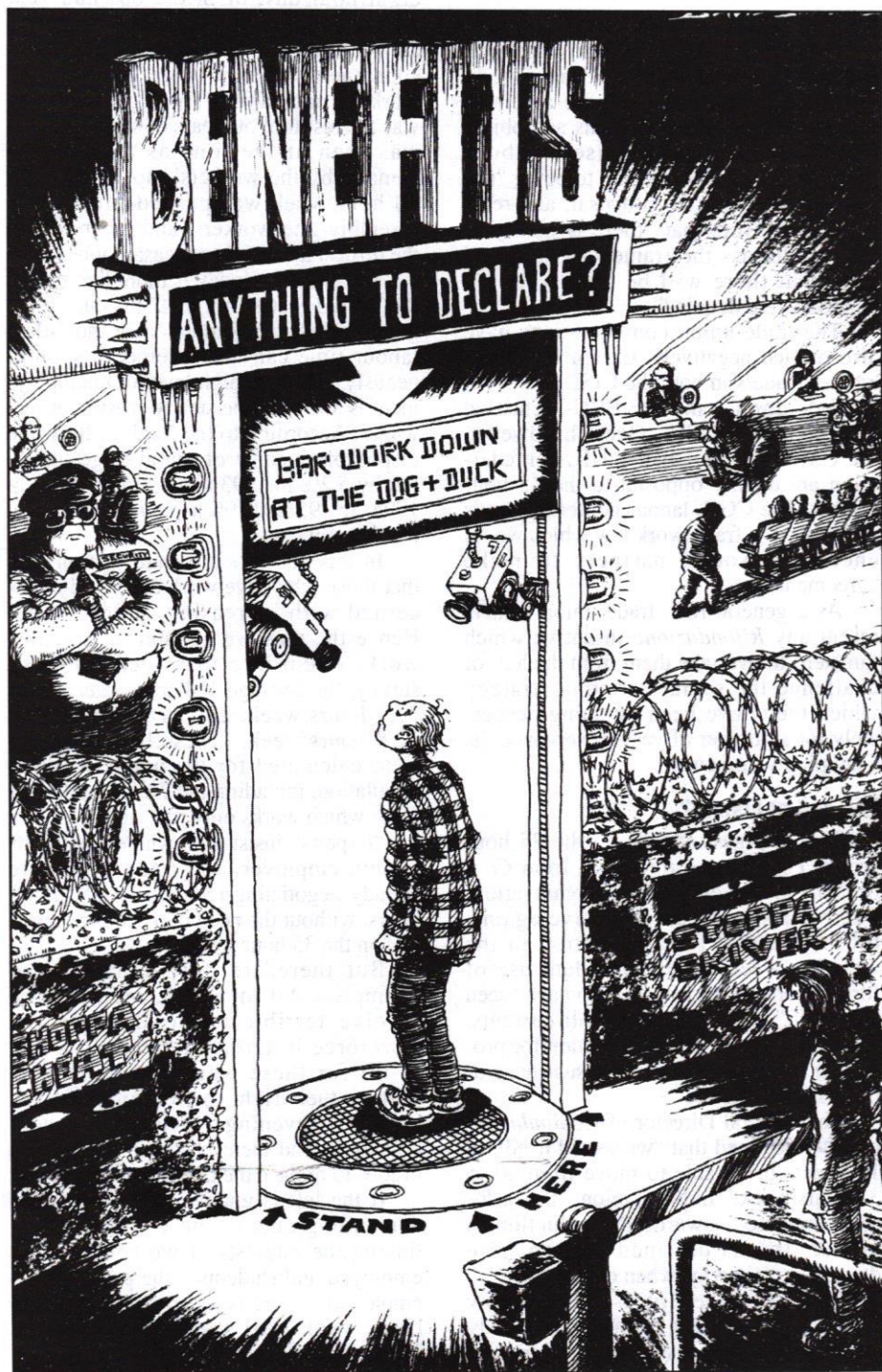
The Minister of Labour claims that 200,000 jobs will be offered through a new temporary job agency scheme. Though he admits that few of these jobs will go to currently unemployed people. Most will be people currently working in the huge "black" (undeclared) economy, or workers who are currently obliged by their employers to register and pay tax as autonomous entrepreneurs.

This initiative is likely to have no effect whatsoever in reducing unemployment. Some will be private sector jobs, others "socially useful" work, paid by local administrations. Most of the 165,000

jobs so far offered seem to come from mainly small entrepreneurs, looking to pick up a couple of workers who cost almost nothing. Under the scheme, the monthly salary during these 10-12 month "training placements" will be 800,000 lira (US\$450) for 20 hours/week work. Employers are supposed to give regular contracts to those who complete these placements, and will benefit from a range of tax and social security reductions.

In a number of larger enterprises, employers are now insisting on inserting into collective bargaining agreements a clause allowing re-negotiation if the 35 hour week is adopted. Workers in the paper industry recently struck for eight hours to protest this tendency.

The European Parliament's recent vote condemning the legal reduction of the working week encouraged all opponents of the 35 hour week. So did the Euro-



★ The 35 hour week in Europe

"Given France and Italy's declaration of our desire to promote a common European labour policy, the government promises to present, in January 1998, draft legislation establishing the reduction of the working week to 35 hours, from 1 January 2001. This reduction will apply to all enterprises with more than 15 employees." Extract from the agreement between *Rifondazione* leader Fausto Bertinotti and Prime Minister Prodi

Parliament's resolution inviting member states to increase "flexible labour and working hours through non-legislative and non-restrictive channels, on the basis of social dialogue at the enterprise level."

This is clearly an operation to surround the French and Italian governments, both of which have announced their intention to begin the process of reducing weekly working time.

A lively debate

Ever since the Prodi government promised legislation for the 35 hour week, Ministers have been using the media to express a range of reservations and objections to their own promises. Labour Minister Treu openly admits to being "unconvinced" about the proposal, and reassures employers that "there is plenty of time to discuss the framework law, and after that there will be three years to negotiate [the details.]"

The trade union confederations have also reacted negatively. Except for metal-worker leaders in both the CISL and CGIL confederations, and the PRC-identified currents in the CGIL. Overall, however, the CSIL and the smaller UIL confederation are openly opposed to the 35 hour project. The CGIL labour confederation is in favour of a framework law which would encourage social partners to make agreements.

As a general rule, trade union leaders resent any *Rifondazione* initiative which threatens to overtake them from the left, or challenge the social harmony strategy which they have been pursuing desperately for a number of years (ever since the Ciampi government).

The end of history?

The strongest attacks on the 35 hour project come, not surprisingly, from *Confindustria*, the employers' organisation. Their massive media offensive against those who call for a reduction in the working week makes abundant use of former trade union leaders who have "seen the light," journalists from all currents, academics with a (past) reputation for pro-worker sympathies, and the usual unscrupulous intellectuals.

The General Director of *Confindustria* recently declared that "we would need 80-100 years to be able to move from 40 to 35 hours/week." In his opinion, "the historical tendency towards the reduction in labour time is destined to stop." He doesn't explain why, when or how.

In contrast, the British author Jeremy Rifkin calculates that productivity in Italy actually makes it possible to move *past* 35

hours, to 30 hours in the foreseeable future, without loss of salary.

Does anybody care?

Most worrying for the left, however, is the attitude of sectors of the working population itself. There is simply not the same demand for a reduction in the working week as there was after the first world war, when Italian workers won the eight hour day, or in the 60s and 70s, when the 40 hour week was imposed across Europe. Those demands emerged spontaneously, amid wide layers of the working population. The eight hour day was the result of 50 years of struggles, and was seen at the time as a minimum demand by the workers' movement. The 40 hour week was pushed forward by assembly-line workers, and others doing the dirtiest and most unpleasant jobs.

The situation today is more like that in the United States in the 1930s, during the great depression. Reduction in individual labour time can hardly emerge spontaneously, since the high level of unemployment is allowing the steady erosion of real wages. According to the Bank of Italy, the disposable income of the average family fell by 5.2% in 1993 and a further 0.3% in 1994. In '95 and '96 it grew by less than one percent.

In this context, it is hardly surprising that those who have work are mainly concerned with increasing their income. Hence the massive amount of overtime work. According to a recent ISFOL survey, the average Italian worker works 39.9 hours/week, 20% work more than 52.8 hours/week. [These high averages were calculated for the whole working population, including the 7% of the labour force which works only part time.]

"Experts" insist that, where conditions permit, employers and trade unions are already negotiating reductions in working hours, without the need of a "constraining" law on the 35 hour week.

But there are only a handful of examples. All of which, incidentally, involve terrible concessions by the workforce in terms of flexibility. The result for these workers has been to destroy their right to free time at fixed moments (evenings, weekends, school holidays). And there has been no creation of jobs to replace the hours "saved."

If the left is unable to lead struggles demanding cuts in the working week, linking the interests of workers, the unemployed and students – the potential unemployed – there is a real risk that the 35 hour week will remain an abstract slogan. ★

The Belgian government is determined to prevent the 35 hour week becoming the central element of the unemployment debate.

Alain Tondeur

Belgium's official unemployment rate is 12.7%. Though this statistic now excludes all those older than 50, as well as the growing number of unemployed people who have lost the right to social security payments.

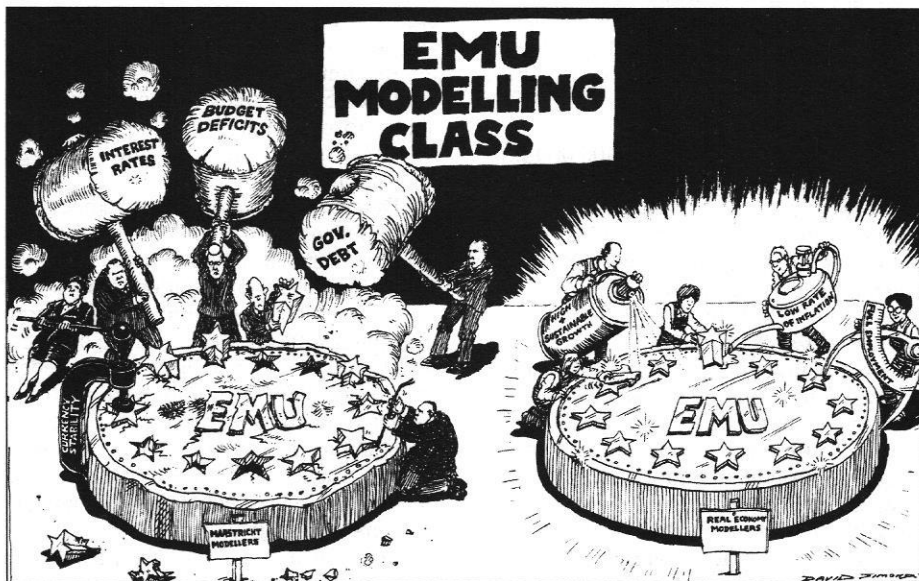
The total number of people dependent on the National Employment office is closer to 27% of the workforce. In some regions of Wallonia (the French-speaking south of the country) 25 or 30% of adults are out of work. And more than half of the 'official' unemployed have been out of work for at least two years.

In response to this human waste, the government has presented no less than 28 successive plans for employment. "Piled up like carpets in a Mosque," commented Michel Jadot, General Secretary at the Ministry of Employment. The result of these initiatives is zero. This is hardly surprising, since "job creation" is a pretext and packaging for policies seeking to flexibilise the labour market, weaken the trade unions, and reduce salary-related costs. The European Union's 1994 Essen summit fixed the axes of employment policy as: reducing costs; redistributing work; re-inserting 'target groups' into the labour force, and improving training.

In Belgium, the official quest for employment has involved:

- Allowing employers to propose four successive fixed-term contracts, of at least three months duration, in a maximum period of two years.
- Allowing employers to vary working hours by two hours above or below the contractual daily limit, and five hours above or below the weekly limit. The period of time over which the weekly average must be respected has been increased to a full year.
- Part-time work has been massively encouraged, and is now the experience of 14% of the workforce: three percent of men, and 30% of women! It is still a marginal phenomenon in industry, but the government is taking lessons from other countries on changing that.
- Reducing or eliminating employers' contributions to social security. In 1996 this saved employers almost 59 million BEF (US\$1.64m.). Categories affected include most manual workers, those affected by workplace "job creation" programmes (which may simply involve splitting an existing post into two part time positions), the first three employees of any new company, any person registered as unemployed, or out of work for a long period and drawing social security payments; anyone hired on a low wage (\$600-1,690/month);

Belgium: what would the neighbours say?



anyone under 25 and for household aids and servants.

- New regulations allow municipalities to engage the long-term unemployed to do "odd jobs." The unemployed can work up to 45 hours/month for these new Local Employment Agencies, for which they receive a supplementary benefit of 150 BEF/hour (\$4.20). Significantly, over 80% of those "activated" under this programme are women.
- In the name of equality, the restriction on night work for women has been abolished.

The only good news in this employment fire-sale is the pre-pension scheme, which allows 58+ year old redundant workers to receive benefits until they reach retirement age (65), without being considered as unemployed. Over 90% of those affected by this scheme are men. In fact, the programme dates from the 1970s, when the balance of forces between employer and employee was not as unfavourable as it is today.

Only 40% of jobs 'liberated' under the pre-pension scheme are filled by younger workers. Nevertheless, the pre-pension programme is the most efficient (and most social) barrier to the further increase in unemployment.

Of course, economists and right-wing politicians complain that the scheme is too expensive. What basically bothers them is that Belgium has one of the lowest rates of labour market participation in the European Union. Only 50% of Belgians of working age are actually part of the labour force, compared to 58% of Germans and 56% of the French. One way to increase the percentage of Belgians available for work would be, of course, to raise the minimum age for pre-pension deals, or for

retirement itself. This would increase competition between workers, with greater downward pressure on wages and working conditions.

The government proposals

Given the failure of its current "employment policy," reducing the working week seems to be the only thing the government has never tried. According to a recent poll by *Le Soir* newspaper, just over half the population in the French-speaking south of the country claims to be "ready to reduce working hours, even with loss of salary, if this helps create jobs."

A number of the country's key trade union sectors are already arguing for a generalised cut in the working week, without loss of salary, and accompanied by job creation.

But the government coalition of Social-Christian and Socialist parties is determined to avoid this becoming the central axis of the unemployment debate, or even a major element of employment policy. They say that it can only be one of many measures, alongside reducing company costs, and all kinds of flexibilisation.

Inspired by the Robien law in France, socialist party leaders in Belgium's French and Dutch-speaking regions have proposed a double strategy — "offensive" in healthy companies, and "defensive" where the enterprise is in difficulty or restructuring. After long debate, this proposal has finally been adopted by the government.

Under the "offensive" programme, employers will pay reduced social security contributions for six years for all existing and new workers who shift from a 38 to 32 hour week over a six year period fixed by an enterprise plan. The reduction in employers' contributions is 97,000 BEF

for each worker for the first two years, and gradually less in the remaining years. It is conditional on the creation of new jobs from the hours 'saved.' The workplace plan must also fix the level at which the employer compensates the worker for the salary cut which comes with shorter hours. The legislation *recommends* a monthly increase of 3,250 BEF (\$90).

The "defensive" programme is similar, except that the enterprise can benefit as long as it reduces the working week to at 35 hours or less. And there is no obligation to create new jobs from the hours 'saved.' And the enterprise can obtain the benefits of this programme as well as any subsidies for pre-pension plans, voluntary redundancy, etc.

The "offensive" programme is being tested in 20 enterprises — the government is determined that reduction in labour time should not be seen as a general solution to the unemployment problem. This extreme prudence is reinforced by the pressure on the budget — Belgium's public sector debt is 126% of Gross National Product, the highest in the European Union.

Also, the government accepts the OECD argument that if unemployment falls lower than 11%, it will be easier for workers to win wage increases. Belgium has a higher Non-Accelerating Wages Rate of Unemployment (NAWRU) than other industrialised countries because, according to the OECD, there is a high proportion of long-term unemployed workers, and other marginalised groups who do not 'fully' compete in the labour market.

Employers will benefit

The original plan was to reduce employers' contributions to social security for the first four years of a programme to reduce the working week. But the employers' organisations lobbied successfully for a six year hand-out. A generous move by the government, considering that, since productivity is increasing 2.5% every year, in six years time, Belgian workers will be producing as much in 32 hours as they do in 38 hours today.

With this level of government support, and the most productive labour force in the world (according to the US Bureau of Labor Statistics), it is not surprising that a number of employers are enthusiastic about the reduction in average working hours, provided that it gives them:

- More efficient use of equipment: by increasing the time each machine is used.
- More bodies to juggle with — by treating the 32 hour week not as a rigid agreement, but an average, over a 12 month period, the employer can send people home when there is less work, and mobilise a larger workforce than

★ The 35 hour week in Europe

before the reduction to 32 hours during moments of maximum activity. [This is known as the “annualisation” of hours worked.]

• New blood, half price — after 15 years of cuts a restructuring, the core workforce of many companies is old and tired. The government-sponsored programme to cut the working week, and create new jobs from the hours ‘saved’ allows companies to recruit new workers with flexible contracts, and reduce the size of the “old” workforce. Employers hope this will give them a better qualified, and more highly motivated workforce, with a lower rate of absenteeism. All of which translates into higher productivity.

This is the essence of the new legislation. The state offers a structured programme for those employers who want to reorganise their production through a reduction in individual labour time. The costs of this reorganisation will be carried by the ‘community’ — the social security system — rather than the enterprise.

What way out?

Another worrying factor is the government pledge that wages will not rise faster than in Belgium’s three main trading partners, France, Germany and Holland. Since the reduction in individual working hours will increase the hourly average salary, this leaves little space for ‘normal’ pay increases. There are so many limitations that it seems that individual labour time will be cut where, when and how the bosses decide. Though some employers may accept it in the hope that it will bring social peace.

All this creates a difficult situation for the most conscious sections of the trade union movement, which have been struggling for a generalised reduction in individual labour time. They have a choice: scrabble for a few small salary increases, or make a few small steps towards a shorter average working week, hoping to set an example for the rest of the labour movement. This second attitude is the most serious, and the only decent option where jobs are at stake. But once we start negotiating, we fall into the trap of flexible working conditions, wage-restraint, and public compensation of the employers for whatever “concessions” they make.

All this is creating a long-term deficit in the social security system.

Some recent labour struggles have shown the limits of this struggle so far. Workers at the VW-Forest plant won a 35-hour week without loss of pay, and with creation of new jobs, but in exchange they agreed to greater flexibility, and increased production at the plant. Their colleagues at the Cockerill-Sambre factory won a 34-hour week, with new jobs created to fill all hours ‘saved,’ but only in exchange for a total wages freeze until 2002.

In other workplaces, the results are worse. Threatened with factory closure,

workers at the Uniroyal (Conti) factory in Herstal agreed to a 23 hour week, with loss of salary, and a reduction in the workforce.

The only way out is by going forward! Through a common struggle to break the straight-jacket of wage restraint, and impose a generalised reduction in working hours, without loss of salary, and with creation of new jobs to fill all hours ‘saved.’ These demands can and should unify our struggles.

The unions representing 400,000 non-commercial sector workers are already demanding this. For several months, workers in the (highly profitable) electricity sector have been taking action in favour of a 32 hour week.

Last year’s “white” mobilisations [see *International Viewpoint* #285] have created a favourable climate for resolute action which puts human interests before economic ones.

Unfortunately, the leadership of the trade union confederations are not interested. They know that this kind of struggle is incompatible with their main goal — regaining their place alongside employers and the state in the ‘social co-ordination’ of past years. They are frightened by the worsening balance of forces between the classes, and overjoyed to realise that capital actually needs the labour bureaucracy to oil the wheels of the Euro (the new European Union currency, which will be introduced in 1998-2002). The leadership of the trade unions is determined not to miss this opportunity to be an indispensable ally of the system, even if the distrust Belgians now feel for “the institutions” inevitably rubs off on the unions.

The neighbours, again

So the Belgian establishment was embarrassed and furious on October 10th, when the French government announced a framework law for the introduction of a 35 hour week. Prime Minister J.L. Dehane and Flemish Socialist Party leader L. Tobback have made undiplomatic criticisms of French Prime Minister Lionel Jospin. Walloon Socialist leader Philippe Busquin tried to divert the debate towards the vague goal of a four-day week, with or without a reduction in individual hours, and not in any universal application. Employers too made a few negative statements.

This was enough to convince trade union leaders to remain “reasonable.” Their only public reaction was to repeat the call for a four day week, wherever possible.

Many rank-and-file trade unionists, however, recognised the French move as an opportunity to push forward in Belgium too. A broad range of intellectuals, politicians and personalities from the community organising and trade union spheres signed an appeal for “Thirty-five hours in Belgium, too!” The petition had a real impact on the congress of the socialist trade union confederation

in early December. Particularly since it was signed by former FGTB/AVBB president George Debunne and famous economist Riccardo Petrella.

The congress reaffirmed its call for co-ordinated action to implement the 32 hour week without loss of salary, and with full creation of new jobs. This motion was amended to stress that 38 hours should be the maximum working week, and identifying the 35 hour week as “an intermediate stage, to be reached through collective negotiations or, failing that, through legislation.”

Delegates rejected a more radical call, presented by Karel Gacoms, a delegate from the Renault-Vilvorde factory and the Brussels FGTB confederation, proposing a campaign to fix 35 hours as the legal maximum working week. But the congress was by no means a victory for the federation leadership, which hoped to win support for its own strategy — isolated negotiations in each sector and workplace over a gradual shift to a four day week, and then a gradual reduction in the number of hours worked to 32.

Once again, the trade union leadership has failed to demonstrate its control over the movement. This is the third failed attempt to establish a social pact between unions and the state in the last five years. It seems that the government has now decided to follow a different path. Even before the congress, Prime Minister Dehane called for an increase in the minimum age for pre-pension plans, and the introduction of compulsory “training” programmes for the young unemployed (as recommended by the EU’s Luxembourg summit). A clear message to the trade union bureaucrats that the government is ready to implement painful measures, with or without the support of labour “leaders.” ★

Shorter week means more jobs

The move to a 35-hour work week could create 40,000 new jobs in Denmark.

A recent study, carried out by the metalworkers union in the city of Horsens, suggests that a two hour per week reduction in working hours will have a much greater job-creating impact than increasing vacation entitlements by a week.

Denmark’s national federation of metalworkers (Dansk Metal) is not planning to raise the question of the 35-hour work week in the 1998 round of collective bargaining. But this report will help those in the union movement who want to increase the profile of the 35-hour week. [AF] ★

Source: *Dagbladet Arbejderen*, 21 January 1998

France

two steps forward, one step back

Lionel Jospin's Socialist Party government is preparing legislation that will introduce the 35-hour week as of 1 January 2000. Both sides in the class struggle know this is a victory for France's social movements.

Michel Husson

This unexpected promise from the Prime Minister reflects the progressive exhaustion of each neo-liberal explanation for unemployment. After 15 years of increasing flexibility and reducing labour costs, unemployment is higher than ever.

The result is growing political and practical opposition to the traditional recipes of the French National Employers' Council (CNPF), the main employers' organisation. They protest that reducing labour time without cutting salaries will discourage enterprises from investing. The problem is that the share of wages as part of total added value has fallen from 69 to 60% during the past 10 years, and investment is no higher than before. What has increased is the rate of non-reinvested profit, particularly financial revenues.

The last decade has seen a steady increase in labour productivity, chiefly through intensifying work processes. But workers have seen none of the benefits — salaries are blocked, in real terms, and the number of working hours is just as high as in 1982.

According to the Labour Ministry, "general indicators illustrate, unambiguously, the overall situation facing French companies. Financial constraints on enterprises have been loosened, and companies now make investment decisions mainly on the basis of their chances of finding a market for their products."

In other words, it is not just fair, but economically efficient to re-establish a redistribution of income that gives a bit more to labour. This will not reduce investment, which is stagnating in part because salaries are not increasing fast enough to allow workers to buy new goods!

The employers' federation's second objection to the 35-hour week is competitiveness. Increasing labour costs would reduce companies' share of the market, and this would create unemployment, they argue.

In fact, increased wage expenditures could easily be compensated for by a reduction in financial costs. After years of importing more than it exported, France now has an almost 2% trade surplus.

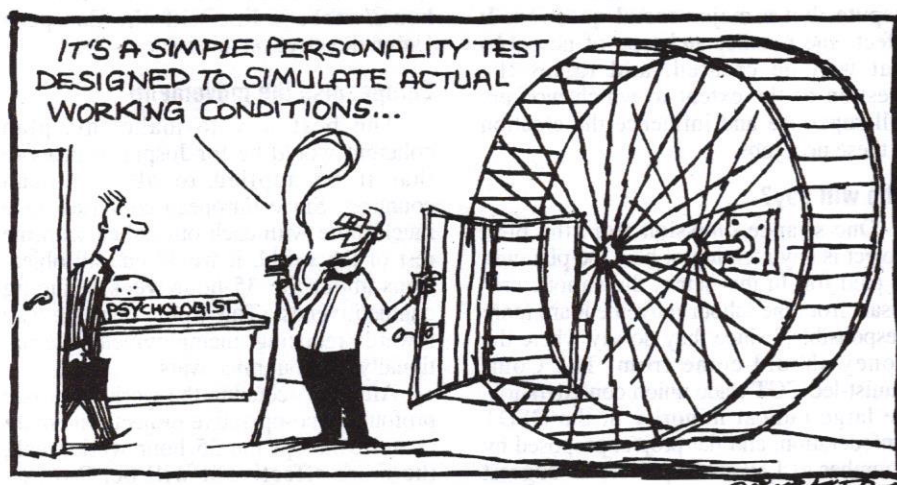
This provides considerable manoeuvring room for reorienting the economy towards satisfying domestic

demand. Shortening the working week without cutting wages would boost consumption, providing that new jobs were created to fill the hours 'saved.'

This new distribution of income could be financed through extra taxes on financial revenues, precisely profits that have swollen so quickly thanks to the combination of flexibility and wage restraint. In macro-economic terms, this would represent a transfer of revenue from "rentiers" (those who live on unearned income or profits from their investments) to wage-earners. This would boost consumption, which would lead to economic growth.

35-hour week must be introduced without loss of pay has progressively gained ground within the movement, and has even been accepted, in principle, by the Jospin government.

But workers' main hesitation to the project comes from scepticism that new jobs will really be created to fill the hours 'saved.' After all, reducing working hours without creating new jobs to compensate would mean increasing the pressure on the workforce — doing the same job in less time. Since workers are already feeling the pressure of a massive drive to intensify their labour, they are particularly sensitive to this problem with the 35-hour week.



The problem is that even if the economy grows by 3% a year for five years (i.e. twice as fast as in the past half decade), this will only reduce employment by 0.33% annually, from the current 12.5 to 11% by 2002. So the only way to reduce unemployment created by years of anti-worker policies would be through a massive, and rapid reduction in working hours, with creation of new jobs to compensate.

Sceptical workers

The employers are not the only ones sceptical about the 35-hour week. It is important that the social movement and the left also respond frankly to concerns some workers have about the project and its implications.

For example: if the reduction in working hours is accompanied by a proportionate cut in salary (from 39 to 35 hours is a 10% reduction) then we would be sharing unemployment, rather than sharing work. And no-one is going to join us in a campaign for reducing salaries, particularly when such a large proportion of the workforce is earning very low wages.

Not surprisingly, the insistence that the

The only way to win support for the project, and implement it successfully, is to have a real control over the creation of the new compensatory jobs.

For the above reasons, the workers' movement has gradually (though to a varying degree) accepted the idea that the 35-hour week should be introduced via legislation (rather than by direct negotiations with the employers).

This, of course, is particularly unacceptable to the employers. Instead, they argue for the complete elimination of the concept of a legal working week, so that management can hire people to work whatever hours they choose.

Jospin's limits

The government's proposals are a step forward. But there are several ambiguities. First of all, the proposed implementation is much too slow. The shift to a 35-hour week is justified on the basis of *past* increases in productivity that were not compensated for by wage increases. To delay implementation of the 35-hour week is to finance the reduction from *future* pay increases, which will not take place, or from future productivity increases. This could

★ The 35 hour week in Europe

mean creating less new jobs than the number of hours saved calls for. The workforce would work harder, and their working conditions would worsen.

The state's proposals for aid to companies that begin to reduce the working week before the year 2000 reinforce these fears. Companies will benefit from reduced employer payments to social security if they reduce working hours by 10%, and employ new workers to fill 60% of the hours saved. The remaining 40% of the hours saved will be made unnecessary by increases in workers' productivity. In other words, paid for by the workers, and not reducing unemployment.

This plan is a step backwards. Particularly since the previous, conservative government had already introduced the Robien Law, which offered state aid to companies that cut working hours by 10%, providing they created new jobs to fill all the hours 'saved.'

This is not a minor mathematical dispute, but a major social question. It affects the number and type of new jobs that will be created, and raises the question of the extent to which workers will supervise and influence the creation of these new jobs.

Who will pay?

One strange omission from the pilot project is any mention of how the plan will be paid for. In this sense, the various proposals from the labour movement are more "responsible," since they do say where the money should come from. The Communist-led CGT trade union confederation, the large radical minority in the CFDT confederation, and the project proposed by a number of Labour Inspectors all suggest the creation of a compensation fund, to be financed through the savings made by the unemployment insurance system, and a new tax on financial revenues.

No miracles are forthcoming. It will not be possible to create jobs, maintain current salaries, preserve favourable investment conditions and guarantee rentiers their current, bloated revenues.

In principle, there is no problem with state compensation of companies that introduce a shorter working week. But not if the way the state finances this aid means the final bill is paid by workers, rather than the *rentiers*.

At the moment, these budgetary questions are still a mystery. This may mean the government does intend to create many new jobs, but doesn't want to say how this will be paid for. Or it might mean the government is not planning to create many new jobs at all, which means no budget problems, but also abandoning the proposal to cut labour time.

What the law doesn't say

The law confines itself to a very narrow part of the problem. For instance, it has no provisions to limit, or at least prevent, state subsidy of precarious contracts and part-time work, which in practice

discriminates heavily against women, who form 85% of the part-time workforce [See "The feminisation of underemployment," by Myosotis Walner, *International Viewpoint* #296, January 1998]

The Jospin plan will exempt companies with less than 20 employees (i.e. most workplaces) from implementing the 35-hour week until 2002. This will obviously encourage larger enterprises to sub-contract production to these firms. This measure effectively creates a two-tier workforce in the private sector. And yet, since workers in smaller companies face the worst conditions, they should have increased legal protection.

Public sector workers are not covered at all by the current proposals.

It is not clear what legal regulations will govern overtime work once the 35-hour week is introduced. Nor does the Jospin plan say anything about the maximum period people can be obliged to work — for the moment this is fixed at 48 hours/week, in line with the European Union directive on this issue.

Europeanise the movement!

The best way to make this plan coherent would be for Jospin to propose that it be applied to all European countries. Since European countries trade much more with each other than with the rest of the world, it would end all objections about the 35-hour week reducing competitiveness. This would open the way towards reducing unemployment internationally, without price wars.

After all, reducing the work week is a profoundly co-operative project. The more countries adopt the 35 hour work week, the more effective it will be. Protests against the closure of the Renault plant in Vilvorde, Belgium (and shifting production to a Renault factory in Spain, where wages are lower) demonstrated how the reduction of working hours in a co-ordinated way can be a coherent and popular strategy for opposing management's attempts to increase competition between workers in different factories within the same enterprise.

The recent success of Italy's Re-founded Communists (*Rifondazione*) in forcing their government to adopt a plan for the 35-hour week shows the potential for spreading these demands, and winning popular support for them.

France now faces long negotiations on Jospin's Framework Law. But the real challenge is not over legal niceties; it is to go into workplaces, housing projects, trade union meetings, and everywhere else where workers, together with unemployed groups, need to start preparing their own plans for reducing labour time, using the government's proposal as an opening, a springboard. Now that the 35-hour week is on the agenda, we need to give it a positive content. To make it as pro-labour as possible, and a powerful weapon against Europe-wide unemployment. ★

Source: Reprinted from the Belgian magazine *Avancées*

Early retirement

In the German workers' movement, shortening labour time has usually been argued on the basis of social concerns - health and working conditions - rather than on the basis of the need to fight unemployment, and impose a different economic logic in society.

Angela Klein

In the post-war years, Germany suffered high unemployment, exacerbated by the influx of German-speakers from Eastern Europe and the demobilisation of the armed forces. But this was absorbed by the economy, thanks to sustained, high economic growth.

Only in 1960 was it decided to gradually reduce the work week from the 48 hours stipulated in the 1938 Order on Labour Time. This Nazi-era legislation also allowed employers to impose a 60-hour week for up to two months every year.

By this time, there was a labour shortage. Official unemployment was 'only' 235,000, and 200,000 foreign workers had been recruited in the 1950s. During the 1950s and 1960s, GDP (the value of goods and services produced every year) increased by 6-7% annually. Until the early 1970s, output increased faster than productivity

A position of strength

This meant trade unions were in a position of strength in their negotiations over the introduction of the 40-hour week. The DGB trade union confederation had been calling for a 40-hour week since 1955 (when unemployment was 761,000), but was unable to reach an agreement with the employers' confederation until 1960. No-one tried to link the demand for a 40-hour week with the need to create new jobs. Only in 1978, looking back, was it pointed out that, if the 40-hour week had been introduced in 1970, 4.0 million workers would be employed in the metalworking industry, instead of 3.5 million.

Reducing the work week had only created 500,000 jobs. Annual working time fell from 2,084 hours in 1960 to 1,714 in 1979.

The 40-hour week, with eight-hour shifts and free Saturdays, was introduced in the metalworking industry in 1968. By 1974, almost all wage earners had won the right to a 40-hour week, and one month annual holiday, of which the employer paid 23 days.

The call for a 35-hour week arose in the mid-70s, as a response to the interna-

ent for Helmut Kohl!

tional crisis. It was first discussed in those companies where management's strategy (job cuts and 'rationalisation') was most transparent. In March 1977, an assembly at the Opel auto plant in Rüsselsheim voted unanimously to calling on delegates to the IG Metall trade union congress to struggle for the seven-hour, five day week: "35 hours without loss of pay!"

Opel workers had seen their ranks cut from 36,000 in 1973 to 28,000 in 1975. Their demand for a reduced work week was motivated by solidarity with their unemployed colleagues, and the need to protect the remaining jobs. This was a new argument in the trade union world.

A radical movement

By autumn 1977, 25 sections of the IG Metall union, representing 662,000 members, had submitted the same motion. Seven larger sections (representing 308,000 members) had called for a 32 or even 30-hour week. At the end of August that year, the union leadership openly opposed all calls for a reduction in the working week to 35 hours or less. This did not prevent the IG Metall union congress from voting in favour of the demand (275 for, 261 against, four abstentions). The following year, the entire DGB federation called for the 35-hour week, against the advice of the Motions Committee, and in the face of opposition from leaders of a number of trade unions.

The left in the union had been able to win support for a strategy that had the potential to become a realistic strategy for the whole labour movement, in response management's own anti-crisis strategy.

Traditionally, trade union leaders had considered reducing unemployment and job creation to be the government's domain, particularly since the social democrats were in office. The DGB demanded that the government reform the 1938 legislation on the work week, and, above all, reduce the retirement age. The 35-hour week was, for trade union leaders, at most, an advance that could be negotiated for a few specific categories (like those who worked nights, or rotating shifts, or were paid on a piece-work basis).

Only the left in the unions had understood that the reduction in the work week could also be presented as a way of opposing 'rationalisation' and job-cuts.

After the 1977 congress, the IG Metall union began debating how to implement the reduction in labour time. If the goal was to humanise working conditions, then the changes could be negotiated and introduced gradually. But if the aim was to save jobs and create new ones, then it would be necessary to implement significant reductions, more quickly.

Victory within sight...

In 1978, the union leadership incorporated the call for a shorter work week into its demands concerning the restructuring underway in the steel industry, which faced a massive reduction in capacity and employment. Shorter working hours were presented as legitimate compensation for the particularly hard working conditions of shift workers in that sector. The union didn't demand the immediate introduction of a 35-hour week, but a vague "first step towards the reduction in weekly working time, with the 35-hour week as a medium term goal."

Only later, when the struggle radicalised, did the trade union adopt the more dynamic slogan "Without the 35-hour week in the steel sector, the extermination of employment in the Ruhr area will become catastrophic."

It was a hard struggle: the employers were determined to block any reduction below the 40-hour week, and extension of holidays beyond six weeks, and any increase in the number of paid breaks during the day. According to management, "the allocation of hours or working days should not be subject to contractual restrictions."

Although these demands were popular, with tens of thousands of trade unionists across the country supporting the six-week strike (the first since 1950) of 40,000 steelworkers, the leadership of the IG

Metall union did not want to demand the 35-hour week for the whole metal working industry, where growing exports – particularly of cars – had created a favourable balance of forces. Instead, the union raised an alternative demand: six weeks paid annual holiday. (The steel strike erupted when employers offered to increase holidays to less than six weeks).

After six weeks on strike, the IG Metall union accepted a settlement that introduced six weeks paid vacation, but agreed to maintain the 40-hourweek at least until 1983.

Opposition was massive to this agreement within the labour movement. The strike had boosted consciousness, and a desire to oppose management. The effect lasted for several years. Demands like socialisation of the means of production re-emerged, and new layers of workers began to radicalise.

Later, IG Metall agreed that, if the 35-hour week had been accepted in 1978, this would have saved 17,000 jobs in the steel sector, and over 250,000 jobs in the whole metalworking industry.

35 hours and flexibility

The next big strike in the industry came in 1984. Like in 1978, it took place in a period of economic growth, following the recession of 1980-82, in which unemployment increased from 0.8 to 2.4 million.

Netherlands – no part time paradise

Few Dutch workers are enthusiastic about the campaign for a general reduction of the working week, writes Robert Went.

This is largely because previous reductions in labour time have led to an intensification of work, because there was no proportional hiring of new personnel. The workweek in the public sector was reduced to 36 hours recently, but generally only a small part (and sometimes none) of the 'saved' hours have been filled with new jobs.

Holland has high, hidden unemployment. Even the director of the official Central Planning Bureau (CPB) admits that the jobless rate is closer to 20% than the official figure of 5%.

Nevertheless, most workers and trade union members do not see a generalised reduction in the working week as a credible solution to unemployment, because so few new jobs have been created by previous reductions in labour time.

Instead, many working people suspect that further reductions may be a

new way to increase their workload — and stress. Holland already has one of the highest levels of labour productivity in the world, alongside a terribly high rate of work-related injuries and stress disorders.

Rather than try to lead a fight to cut hours, with full creation of jobs to fill the hours 'saved,' trade union leaders continue to propagate part-time work as the panacea for workers' (and bosses') problems. The Netherlands has the highest percentage of part-time workers (with part-time wages) in the industrialised world. Women in particular are forced into this under-employment trap.

The lack of enthusiasm for a shorter working week is directly linked to the weak position of unions in the workplaces, and the non-combative policies of union leaderships.

Positive results from other countries, showing how a shorter working week can successfully be fought for, can help to change this. Until then new campaigns for general reductions of the working week seem impossible. ★

★ The 35 hour week in Europe

In 1981, the leadership of the IG Metall union had decided to push not for a 35-hour week, but to reduce the retirement age to 58. This shift was in response to government overtures: rather than refusing any discussion of reducing labour time, the government tried to involve the unions in evaluating a range of measures: part-time work, job-sharing, introduction of temporary job agencies, fixed-term contracts, etc.

This changed in 1982, when the Liberals left the government coalition. At the end of that year, the IG Metall union declared that it was "ready and determined to continue, in the coming year, to fight for the reduction of unemployment, and considers the reduction in the working week to be a top priority."

Wide mobilisation – on different demands

That year, the union mobilised considerably around this demand. It argued that the 35-hour week would make it possible to create 1.6 million new jobs, whereas a reduction in the retirement age to 55 would only create 1.0 million.

The IG Metall union was gradually joined by other unions (typographers, postal workers, teachers and scientific workers, woodworking and gardening unions). The other branches (chemical workers, building trades, miners, textile workers, and unions in the food-processing industry) argued for a reduction in the retirement age to 58. There was a clear split between the unions.

This made it increasingly difficult to mobilise for the strike. Unemployment was high, and the employers' propaganda was almost a declaration of war. The government explicitly supported management.

To make matters worse, many workers doubted the seriousness of the IG Metall union's proposals, and suspected that the leadership would be willing to accept a bad compromise, particularly over the issue of flexibility.

Nevertheless, once it became clear that the employers had made maintaining a 40-hour week an absolute principle, and that the right-wing government was determined to inflict a major defeat on the workers, labour closed ranks behind their unions (although the latter did not coordinate their struggles.)

The employers proposed flexible management of labour time, disguised behind the ridiculous "principle" of the "sovereignty" of each individual's working time." They also offered a wage increase, and the possibility of early retirement at 59.

All the sectors of IG Metall demanded the introduction of the 35-hour week, without loss of pay, and that overtime be paid for in free time, not in extra wages.

A strong social mobilisation took place on both sides. The strikers enjoyed the solidarity of other unions, of citizens' committees, and cultural initiatives, while the employers were supported by a mobilisation against the 35-hour week in the uni-

versities and the media. A protest march of employers in Düsseldorf was held. Scabs used violence against the striking printing workers. And the metal workers faced a strong social challenge, profoundly political, before they even started their strike.

Workers' mobilisations

The first warning strikes began in mid-March, involving 12,000 workers. By mid-June 63,000 workers were on strike. About 90,000 more were locked out, and a quarter of a million workers were sent home because their factories were allegedly without work for them to do. This occurred all over West Germany, though the strike itself was confined to Baden Württemberg and Hessen. Workers responded to management intimidation with initiatives ("Let's visit our factories") that verged on occupations.

The climate shifted against the employers and the government. On 28 May the trade unions organised a march in the capital, Bonn, in which 230,000 demonstrators participated, demanding the 35-hour week, and "early retirement for [Chancellor] Kohl!" Then the courts overturned the state's decision not to pay compensation to workers affected by the lock-outs. By June, some employers were beginning to argue in favour of the compromise brokered by the IG Metall union.

At the end of that month, a deal was signed. The working week would be cut from 40 to 38.5 hours, within four months for steel workers, and 10 months for the rest. This was not an agreement on individual working hours, but on average hours within a given workplace, over any two month period. No "sovereignty" for the individual worker here!

The agreement stressed that the requirements of the enterprise were paramount. Although the employers had been forced to go below their 40-hour "minimum," they had succeeded in imposing, once again, the subordination of the worker to the machine. The agreement specified that the cut in labour time could not reduce the amount of time machinery is in use.

For most workers, the reduction in labour time came as occasional half or full days of rest, awarded by the employer whenever there was little work to do. Individual working patterns began to diverge, even within the same enterprise.

New contracts no longer specified working hours, but delegated this task to the Enterprise Council, a legally recognised body with a range of responsibilities, made up of management and worker representatives (though not necessarily from the trade unions). Most of the time, these Councils promote the interest of "their" enterprise, rather than an independent, pro-worker viewpoint.

IG Metall union and the 35 hour week

As in 1978, the trade union left argued against signing this agreement. But this

time, only 30% of voters joined them, compared to 40% in 1978.

An agreement on the introduction of the 35-hour week (within 10 years) was finally signed in 1986. Each step of the reduction was re-negotiated, and strenuously opposed, by the employers. The final stage, from 37 to 35 hours, was in 1995.

According to the IG Metall union's calculations, this initiative has saved, or created, about one million jobs. Even if this is true, unemployment has risen, in the same period, from 2.5 to 4.5 million.

Worse still, the way the 35-hour week has been introduced has opened the door to an unprecedented flexibilisation of labour. The average week is shorter, but it is now calculated as an average over longer and longer periods, three, six, sometimes 12 months. This means that overtime is still worked, but not paid at an overtime rate. Instead the worker receives the same amount of time off during a slack period; he or she does not chose.

This kind of reduction of hours has increased the intensity of work. And the new basic salary does not compensate fully for the hours "lost." Not surprisingly, there is widespread scepticism about any further reduction to 32 or 30 hours. The November 1996 IG Metall union congress rejected a motion calling for a 32-hour week without loss of salary (though union president Klaus Zwickel later adopted the proposal as his own.) Instead, the union adopted a pro-employer "pact for work," which has been a total failure.

For the moment, the IG Metall union has no "line" on reducing unemployment. Zwickel keeps talking about the 32-hour week, but in Baden-Württemberg, the IG Metall union recently signed an agreement on part-time work for those aged 55 and over, which specifies that the 35-hour week will be maintained at least until the year 2000.

Zwickel's deputy, Walter Riester, thinks this is far too inflexible. He proposes a contract system where collective bargaining would effectively be eliminated, since negotiations between unions and employers would only fix a framework agreement. Enterprise-level negotiation of the details would encourage competition between workers in different enterprises.

The lesson of the 1980s struggle for the 35-hour week is that it is possible to win with an aggressive strategy, the logic of which goes beyond the profit-driven economy. The IG Metall union *could* have won the 35-hour week in 1978 and in 1984. But only by uniting the unions, and spreading the struggle across most regions of the country.

Reducing labour time remains a central goal for those who want to defend both workers and the unemployed, introduce a new division of labour between men and women, and unite the working class. And to move out of this defensive situation, back onto the offensive! ★

Conferences

October 1917...

In previous years, the Russian Revolution was "commemorated." In November 1997, however, Espace Marx (an intellectual network close to the French Communist Party) and the Ernest Mandel Study Centre in Amsterdam came together to reflect on and debate the Russian revolution in all its aspects.

Francis Sitel

The seminar took place shortly after the publication, in France, of the 800 page anti-communist *Black Book of Communism (Livre noir du communisme)*. This much-mediatised ideological tome boils down to one simple idea: Communism is criminal in its very nature. A macabre (and fallacious) body count leads to the claim that "Communism = 85 million deaths" No need to think, or discuss, any more.

Our own response to the 80th anniversary of the Russian revolution represented the opposite approach. For us, October 1917 is still worth studying, re-examining old and new questions from a variety of viewpoints. One of the most lively sessions was the evening workshop on "October 1917 viewed from France" — with presentations on the different ways those events were received and interpreted in the French workers' movement.

In the present context, saying that October 1917 did not disappear along with the Soviet Union, but remains an active part of our heritage, was a political act.

An event like this cannot "belong" to one political current, or theoretical tradition. It requires a spirit of pluralism. And such was the engagement of the organisers: Espace Marx, the Ernest Mandel Study Centre, the Paris VIII University's Doctoral programme in Culture and Society in the CIS and East-Central

Europe, and the Institute for Contemporary History at the Université de Bourgogne. The revues *Cahiers d'Histoire*, *Critique communiste* (LCR), *Recherche socialiste*, *Nouvelle Alternative*, *Notes de la Fondation Jean Jaurès*, *La Pensée*, *Politique La Revue*, *Recherches internationales* and *Regards* were also invited to participate.

Unfortunately, the seminar did not create the media effect that it could have done. Partly because of the weak participation of those associated with the social democratic current of socialist thought, and partly because of an insufficiently vigorous commitment of the various political "families" which were present.

The other regret, perhaps, was the lack of time for debate between the participants. There were more than 100 written contributions, and participants from Australia, Britain, Canada, Cuba, France, Mexico Russia, Germany and the USA. The level of the contributions reflected the challenge that this seminar represented. So many questions called for deeper discussion and debate, but all too often we had to be satisfied with a juxtaposition of presentations from the tribune.

The organisers intend to go beyond this three day meeting. The contributions will be published, and the possibilities of creating a network for exchange and research are being investigated. ★

Feminist Cuba Brigade

Fifty-two activists visited Cuba recently, to witness the effect of the U.S. blockade on women and children, writes *Linda Averill*. Organised by the US Trotskyist group Radical Women, the delegation was hosted by the Federation of Cuban Women (FMC).

Issues discussed with the Cuban partners included gay liberation, the nuclear family, Cuba's rise in prostitution, sectarianism in the solidarity movement, and the interconnections of race, sex and class.

Women have been hit particularly hard by the "Special Period," as Cubans call their economic crisis. Until their collapse in 1989, Eastern bloc states represented 80% of Cuba's trade. This, compounded by the U.S. blockade and Helms-Burton Act, which punishes countries that exchange with Cuba, has wreaked havoc. For example, the blockade delays shipments of imported goods and inflates prices. Moreover, women, who still perform most domestic labours in addition to work outside the home, experience its effects as the ones who must hand wash precious school uniforms daily and ration cooking oil.

Cuban journalist Gladys Egües Cantero told the *brigadistas* that film shortages have forced Cuba to import Hollywood movies that stereotype indigenous people and women. Meanwhile, a paper shortage caused temporary suspension of the FMC's magazine, *Mujeres*.

Brigadistas visiting Cuba for the first time were impressed by the country's achievements. But those returning were struck by its increasing fracture. "The social fabric is unravelling under pressure from 'free market' measures, and the related ills it breeds - prostitution, disparity, crime," observed Debbie Brennan, a *brigadista* from Melbourne, Australia.

A larger International Encounter of Solidarity Among Women will be held in Havana in April 1998. ★

The brigade organising committee can be contacted at: 5018 Rainier Avenue South, Seattle, WA 98118 USA, Phone 206-722-2453, Fax 206-723-7691, E-mail: franrose@aol.com

coming soon

People's action against "free" trade

Over 500 representatives of peoples movements will meet in Geneva on 23-25 February, to establish a platform for worldwide action against trade liberalisation: the Peoples' Global Action against "Free" Trade and the WTO.

Contact: Play Fair Europe! e.v., Turmstr. 3, 52072 Aachen, Germany Tel: (+49-241) 803792 Fax: 8888394 email: playfair@asta.rwth-aachen.de <http://www.agp.or>

Asia Pacific Solidarity Conference

Sydney, Australia, April 1998

Organised by the Asia Pacific Institute for Democratisation and Development. See full page advertisement in September 1997 issue of this magazine.

The Institute also welcomes applications to present papers at the conference, and suggest specific themes for discussion under the general framework of supporting democratisation, self-determination and social justice and opposing the neo-liberal austerity offensive.

Contact: Dr Helen Jarvis, School of Information, Library and Archive Studies, (SILAS) University of New South Wales, Sydney NSW 2052 Australia. Or Email to: apiaustralia@peg.apc.org. Or fax to: 02-96901381

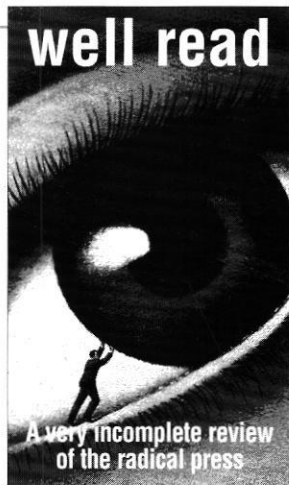
Solidarity Summer School

The US socialist and feminist group will hold its annual summer school in Chicago on 3-6 August. The group's convention will run at the same venue from 7-9 August.

INTERNATIONAL INSTITUTE FOR RESEARCH AND EDUCATION

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◆ Contact Robert Went or Peter Drucker to discuss holding your event at the IIRE tel. (+31) 20/671 7263 fax 673 2106 PO Box 53290, 1007 RG Amsterdam Netherlands. e-mail <iire@antenna.nl>



Links #9

After an irregular publication over the past year or so, **Links: international journal of socialist renewal**, has been relaunched on a three-times-a-year schedule, writes *Alan Myers*. Issue number 9 leads with the mass struggle in Indonesia, a particularly timely choice given the turmoil created by the unfolding economic crisis there.

In an interview, Marlin, a leader of the People's Democratic Party (PRD), ranges over many aspects of the struggle against the Suharto dictatorship, and discusses the relationships and interactions between the different class forces and their political organisations. Marlin's explanations will be a very useful tool for anyone wanting to understand political events as they unfold in Indonesia in the coming months.

Contributions from Portugal and India take up different aspects of capital's internationalisation. The international theses of the main resolution for the Portuguese Communist Party's most recent congress emphasise the continuing imperialist drive to dominate the world and to prescribe a sort of universal neo-liberalism to guarantee and increase its profit.

From India, Dipankar Bhattacharya, a leader of the Communist Party of India (Marxist-Leninist) discusses economic nationalism and the Indian left, demonstrating at the same time the continuing relevance of the Communist Manifesto to questions of revolutionary strategy.

An interview with Peter Taaffe, national secretary of the Socialist Party in Britain, discusses Labour and its leader Tony Blair. In view of the complete marginalisation of the left within the Labour Party, British socialists confront the challenge of finding ways to construct a viable socialist alternative to Labour. Taaffe discusses both the lessons which the Socialist Party has drawn from its own experiences inside and outside the Labour Party, and such efforts as Arthur Scargill's Socialist Labour Party.

Cuban economist Carlos Tablada discusses the different ways in which the government has sought to organise the economy as circumstances have changed in Cuba and internationally. Renfrey Clarke explains Why Russia needs another revolution.

Links contributing editor James Petras provides a solid and polemical Marxist critique of post-Marxism, especially as it shows itself in the activities of many non-government organisations in Latin America.

Also in a polemical vein is a debate between Irwin Silber, author of *Socialism: What Went Wrong?*, and Phil Hearse, who critically reviewed Silber's book in **Links #8**. The debate here focuses on such questions as the accuracy of Lenin's views of revolutionary possibilities after 1914 and the capacity of international capitalism to continue developing society's productive forces. [AM]
<links@peg.apc.org>

Convergencia socialista #3

Contents include evaluations of the new PRD administration of Mexico city, an analysis of repression of alleged members of the EPR in Oaxaca by Salome Ureña, and open letters to EZLN Subcomandante Marcos from Rossana Rossanda, Guillermo Almeyra and Daniel Bensaid. Subscription outside Mexico costs US\$20.

Contact: Convergencia Socialista, Xola 181, Colonia Alamos, Mexico, D.F. 03640, Mexico. Tel 590 07 08, E-mail: <csapn@laneta.apc.org>

Convergencia Socialista is published six times a year, under the editorial control of Hector Diaz Polanco and Edgard Sanchez Ramirez, leader of the PRT.

Historical Materialism#1

Includes: Ellen Meiksins Wood: 'The non-history of capitalism' • Colin Barker: 'Some reflections on two books by Ellen Wood' • Esther Leslie: 'On making-up and breaking-up: woman and ware, craving and corpse in Walter Benjamin's Arcades Project' • John Weeks: 'The law of value and the analysis of underdevelopment' • Tony Smith: 'The neoclassical and Marxian theories of technology: a comparison and critical assessment' • Michael A Lebowitz: 'The silences of Capital' • John Holloway: 'A note on alienation' • Peter Burnham: 'Globalisation: states, markets and class relations' • Fred Moseley: 'The rate of profit and economic stagnation in the United States economy' • plus Matthew Beaumont on Ernst Bloch • Peter Linebaugh on Robin Blackburn • Benno Teschke on Guy Bois

Forthcoming issues will include articles by Geoffrey de Ste Croix on Democracy and Ancient Greece, Roy Bhaskar on Critical Realism and Dialectics, Nigel Harris on the State, Chris Arthur on the New Dialectics, Andrew Chitty on Interconstitutivity, Recht and Social Relations, Les Levidov on Biotechnology, Simon Clarke on Lenin, and John Roberts on Adorno.

Subscription for issues 1 and 2: Britain £10, Europe £13/US\$20, World (airmail) £16/US\$25. Cheques, Eurocheques or bank drafts should be in GBP, payable to 'Historical Materialism' and drawn in pounds sterling.

Contact: Historical Materialism, London School of Economics, Houghton Street, London, WC2A 2AE, Britain. Email: <hm@lse.ac.uk>

Special book offer

Zed Books is offering a special price on Rosemary Sayigh's *Too Many Enemies: The Palestinian Experience in Lebanon*, 1994. Originally priced at £16.95, it will be available for £12, including packaging and posting, until the end of March 1998.

Too Many Enemies is the story of Shateela camp told by its inhabitants during and after the "Battles of the Camps", 1985-7: stories of national struggle, cultural resistance, and daily life, Shateela's history is a microcosm of the history of Palestinian refugees in Lebanon, and is set here in an analytic framework of Lebanese and regional history. Illustrated by Carole Vann's photos, its maps, glossaries and a comprehensive bibliography are designed as aid to teachers, students and lay readers.

Zed Books, 7 Cynthia Street, London N1 9JF, Britain

Fax: +44.171.8333960. <sohawon@zedbooks.demon.co.uk>

Undercurrent #5

The latest issue of this alternative sociology magazine includes Floyd Rudmin's study of the history of war-planning against Canada by the American military: "Questions of U.S. Hostility Toward Canada: A Cognitive History of Blind-Eye Perception". Rudmin's object is not so much this collection of war plans, exercises, and spying in itself (although those are represented in impressive detail), but rather the cognitive avoidance of such facts by the press, the public, and scholars.

darkwing.uoregon.edu/~heroux/home.html

<heroux@darkwing.uoregon.edu>

La Gauche

The Québec group Gauche socialiste have renewed publication of their monthly **La Gauche**. Weekly updates and editorials are published at one of the Canadian state's best radical sites.

Issue#2 discusses social and economic policy in Québec, the greenhouse effect, and the challenge facing the nationalist movement.

Subscription: Canada C\$15, US\$15/75FF abroad.

C.P. 52131, succ. St-Fidele, Québec, QC G1L 5A4, Canada. <maison1@total.net>
www.total.net/~maison1/

Net Working



Stop Labour Links!

Internet writer Eric Lee has written a provocative article attacking "the proliferation of "labour links" lists on hundreds of trade union websites around the world — and calling for an international campaign to stamp them out!"

www.solinet.org/LEE/labour04.html

Jerusalem on the Net

The Alternative Information Centre is supporting a new discussion list, which hopes to be "a new space for Palestinians, Israelis and the international community to exchange ideas and information about the political situation in the city."

aicmail@trendline.co.il

PKK Programme

English and German translations of the 1995 political programme of the Kurdistan Workers Party (PKK) are now available. The original version of this text (*PKK Program ve Tuzugu*), which was adopted in January 1995 after the PKK's 5th Party Congress, revised the PKK's original platform, drafted in November 1978 when the party was founded.

English: <http://burn.ucsd.edu/~ats/>

German: www.xs4all.nl/~stk/pro.html

International Viewpoint

Over 1,000 people visited our website in October. Visitors came from 43 countries, including, for the first time, Mozambique. Most visitors came from Sweden, USA, Norway, Japan, Britain, Denmark, Germany & Canada.

The even popularity of the various parts of the website, including the links, archive, address and Networking pages suggests that a large number of comrades are using the site as a tool, rather than just consulting the latest articles from the magazine.

The more the merrier

French and Portuguese supporters of the Fourth International have finally unveiled their websites. *Rouge* is at

www.lcr-rouge.org/

Combate can be consulted at www.terravista.pt/IlhadoMel/1917/

Inprekorr Online

Our German-language sister magazine is now available on the Internet, with a selection of articles, and a growing links section.

www.comlink.apc.org/inprekorr