INTERNATIONAL VIEWPOINT

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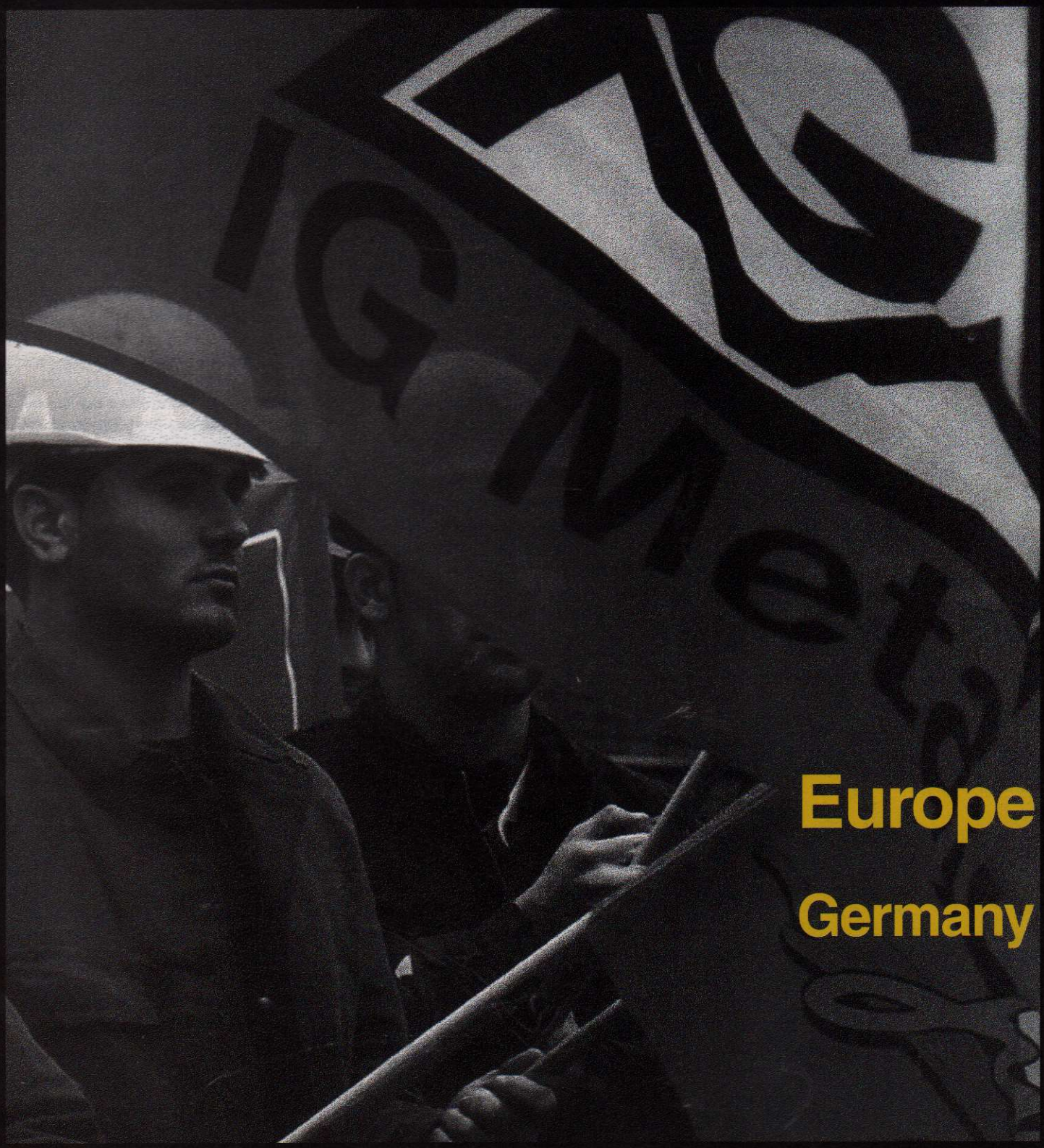

Europe

Germany

INTERNATIONAL VIEWPOINT

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LETTER TO READERS

In the run up to the European elections in mid-June the vast majority of the European electorate remained singularly uninterested. A lack of interest that could be attributed to an understanding of the reality – that these elections, and the parliament that results from them, are in fact of far less importance than the national government whose representatives in the European Commission or meeting in the Council of Ministers have far greater decision-making powers. The most striking example is that of the constitution. After the collapse of the Inter-governmental conference last year it seemed that the project was doomed. However, intensive lobbying by its architect, former French president Valéry Giscard d'Estaing, and the Irish presidency of the EU (whose term in office closes at the end of June) ensured that there was once again an EU summit that agreed on a new draft, just a few days after the elections.

In the meantime, the voters who saw these elections as an opportunity for expressing an opinion on their current national governments – as was widely expected, French voters once again disavowed the current right-wing government. In Britain, as was also expected, the Labour party lost heavily. Although Ken Livingstone was re-elected London mayor, Labour also lost in the local elections held on the same day. This disaffection benefitted principally the Socialist Party in the French case, with a significant drop in results for the parties to the left and particularly the LCR-LO lists. In Britain the UK Independence Party attracted anti-EU voters and the Liberal Democrats some anti-war voters, although there was a promising start for Respect, the anti-capitalist anti-war coalition.

European leaders made a great effort a week before the elections to present a united front to the European population as they assembled on the Normandy beaches in France to commemorate the June 1944 landings of the British-Canadian-US troops. It was in particular an occasion for George W Bush to show the US as a friend to Europe, and notably to the French and German governments who have been most critical of the US-British alliance in Iraq. While this may have had some limited success, Iraq continues to overshadow the US political scene. The ability of the US to reach a compromise position within the UN Security Council, to carry through the handing over of power in Iraq and achieve a stabilization of the situation will have a significant effect on the outcome of November's presidential elections.

If there was any possibility of believing that George Tenet was resigning as Director of the Central Intelligence Agency, as he claimed on June 3, in order to spend more time with his family, the co-incidence that his departure was followed so swiftly afterwards by deputy director for operations James Pavitt, who was in charge of the Agency's human spies, surely put this to rest. George Bush may claim to be sorry to see Tenet go, but its very handy for him to have these departures in advance of the full report into the September 11 attacks, which has already released statements critical of the CIA. Bush doubtless hopes that with Tenet gone the full report will do less damage to his re-election campaign than would otherwise be the case.

Meanwhile George W has little to smile about in terms of what is happening in Iraq itself. The selection of the some of the key figures of the new administration in advance of the June 30 deadline has certainly not stopped the opposition to the occupation including at a military level.

This is hardly surprising when for example new President, Sheikh Ghazi Ajil al-Yawar, packaged as an alternative to the American stooge Dr Pachachi, is in fact a relative of the Saudi royal family. While new Prime Minister Ayad Allawi may mouth platitudes about Iraqi sovereignty and opposition to the occupation, he has also said that any troop withdrawal before at least the beginning of 2005 would be dangerously premature.

Any previous illusion that next month might see a reduction in US troops on the ground is also laid to rest by the decision of the US army that it will prevent soldiers in units due to be deployed to Iraq (or Afghanistan) from leaving the service at the end of their terms, in a programme known as stop-loss, which many see as the return of conscription by stealth. The moves could result in some soldiers being forced to spend an extra year in uniform.

By the beginning of June, 600 US soldiers had been killed in Iraq since the invasion and the toll is growing daily. In a situation where the involvement of veterans and military families have already played an important role in the anti-war movement in the United States, such moves can only increase these dynamics. The scandals around "mistreatment" of Iraqi prisoners will also strengthen families' desire to bring the troops home. The shock of the My Lai massacre was similarly a key point in the anti-Vietnam war movement, convincing soldiers' families that the brutal and arrogant attitude of their country's leaders to the populations of the countries they occupy can only have a brutalizing effect on their sons and, in this case, daughters.

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Editorial office:
PO Box 112, Manchester
M12 5DW, UK
Email:
IVP@supaworld.com
Web:
http://www.internationalviewpoint.org

Designer: Ed Fredenburgh
Printer: Ioannis Kotsalsos & Cia, Vlantimou Antipa 4, 163 46 Ilioupoli, Greece
Director: Yiannis Felekis, Emmanouil Benaki 7Π, 10681 Athens

European Union: the Lisbon strategy

G BUSTER*

"The European Council emphasizes that competitiveness, innovation and the promotion of an entrepreneurial culture are defining conditions for growth… With the strides being made by other global players, the Union must act more decisively if it is to maintain the capacity to support the European social model in the years ahead. De-industrialisation remains a risk…"

Conclusions of the European Council, March 2004

The attacks of March 11, 2004 in Madrid and the increasing international tension in Iraq, Afghanistan and Kosovo relegated to a secondary level what had been the priority debate at the European Council this spring – the Lisbon Strategy. But these questions of the long term economic strategy of the European bourgeoisies are issues that the left needs to study seriously in order to plan the most effective resistance.

Adopted as a strategic programme by the European Union (EU) in March 2000, the Lisbon Strategy has as its declared objective the transformation of the single European market into the most competitive market in the world by 2010. It has determined the social and economic programme of the governments of the member states, becoming the only possible political framework whatever the nature of the government in power.

The Lisbon Strategy constitutes the major heritage of the Prodi Commission, which will come to an end in June 2004. It is being applied in a political conjuncture marked by social resistance to the application of neoliberal policies, expressed not only in a long series of strikes in Germany, France, Italy, Portugal, Spain, Greece and Belgium – whose sources go back to the French public sector strike in 1995[1], but also in the electoral rejection of the governments which have applied it, in part independently of their political ideology – as was the case in Greece and Germany – but with special significance in relation to the conservative right, as in Spain and France recently.

The Lisbon Strategy was one of the key elements of the long term response of the EU at the end of the economic cycle of the 1990s and the recession which characterized the beginning of the new decade, in a context of generalized overproduction and stagnation of the rate of profit which significantly sharpened competition on the world market.[2]

It is not the only element, for this new phase of economic competition should be analyzed in the framework of "armed globalization" imposed by the US as a means of imposing its geostrategic and economic interests on the EU and Japan, as well as China, Russia, India and Brazil. The Lisbon Strategy – of which the Stability and Growth Pact (SGP) is the keystone – is also an essential component, converted into a law in the third part of the draft European Constitution[3], which is intended to guarantee the legal-institutional legitimacy of European power.

Despite social resistance to neoliberal policies, European trade unions have been consulted and have taken part in the elaboration of the Lisbon Strategy. This latter was presented by the Commission as a set of policies indispensable to guarantee economic growth and to maintain the "European social model", through which social redistribution would remain higher in Europe than in the US or Japan. Trade union involvement in the neoliberal policies of "modernization" was indispensable to limit social resistance. But the erosion of social and labour rights over the last 30 years – with attacks on pensions, health and collective negotiation combined with greater flexibility of the labour market and working hours – has put the leaderships of the big trade unions in the European Trade Union Confederation (ETUC) on the defensive and obliged them to support the struggles of their rank and file to call for European days of action, the last on April 3.[4] This resistance will be essential for the reconstruction of a European alternative left capable of proposing an different model of European development to that of the current neoliberal European Union.

The last months of the Prodi Commission have been largely devoted to shoring up the future of the Lisbon Strategy. On the legislative front, this was done by its integration in Part III of the draft constitution; on the financial front, by shaping the community budget for the years 2007-2013 in accord with its orientations[5]; on the political front, by rebuilding the consensus on the Strategy itself, after frictions appeared between the member states on the subject of the SGP.[6] It is this final aspect, summarized in the Commission's Report "Delivering Lisbon – Reforms for the Enlarged Union" (COM 2004 29) that we shall deal with in this article.

The Report cited witnesses to the concerns of the Commission on the possibility of even reaching the goals of Lisbon by 2010. The first phase of the SGP, that of legislative reforms, should be completed by 2005 and allow an evaluation of each of the member states. From 2006 the legislation adopted should enter into force.

Recession, jobs, and productivity

But the EU has not emerged from the recession that began in 2000, despite signs of recovery in the second half of 2003. During these three years the average rate of growth of Gross Domestic Product (GDP) was 1.25% – as against 2.21% in the US – whereas it had been 2.7% in the second half of the 1990s.

The objectives of Lisbon were founded on the growth rates of the second half of the 1990s, without taking account of the possible recessionary cycle of the world and in particular of the European economy that the SGP was supposed to combat. The two key elements which were supposed to compensate for the difference of 28% in GDP per capita between the EU and the US were increases in occupation rate (the proportion of the active population in employment in relation to the active population which is unemployed) and in productivity.

The EU's occupation rate in 2000 was 62.5% – particularly low if compared to 71.9% in the US. The goal fixed for 2010 was an occupation rate of 70%. Despite the creation of six million jobs, this rate was still only 64.3% at the end of 2003. But the recession has at the same time increased unemployment, which reached 9.1% in the Euro Zone and 8.2% in the EU as a whole – 3% more than the US. Also the enlargement of the EU will worsen these figure, for the occupation rate in the new member countries is only 57% while the unemployment rate in countries like Poland is as high as 19%.

If one analyses categories like the occupation rate of persons aged 55 and over or the female occupation rate, the EU's disadvantage is still more striking. The difference with the US is respectively 19.4% and 11.2%. Enlargement will not improve these figures, because the difference between the "old" and the "new" member states is more than 10% and 5.5% in each case.

The differences in productivity between the EU and the US are also important. The growth in productivity per person employed in the EU decreased throughout the 1990s and is currently around 0.8% per year, whereas in the US it increased from 1995 to reach 1.8% per year from 2000. The hourly rate of productivity is also 10% lower in the EU than in the US.

An erroneous explanation?

The Commission's Report explains these figures by appealing to two factors: the weakness and delay in the diffusion of new information and communication technologies (ICT) and lack of investment. As to the latter, the figures are indubitable, as private investment fell from 18.3% of GDP in 2000 to 17.2% in 2002 and public investment fell systematically for a decade to reach 2.4% of GDP in 2003 – nearly 1% less than in the US!

At the end of the day, the macro-economic model which is the basis of the Lisbon Strategy is founded on a comparison between the EU and the US determined by the final objective of victory in inter-imperialist rivalry on the world market.[7]

There is no doubt about the role played by investment as a motor of increased productivity. However, in the current situation, doubts are much greater as to the role played by investment in ICT. The thesis that strong productivity growth in the US between 1995 and 2000 is essentially attributable to such investment – as advanced by the studies of Jorgenson, Ho and Stiroh (2000) as well as those of Oliver and Sichel (2000 and 2002) – was heavily criticized by two later studies by Robert J. Gordon.[8] What's more, this thesis has been contradicted by reality because the strong growth of US productivity in 2001-2003 has coincided with a big fall of investment in ICT and the collapse of the value of shares in "new technologies" on the stock market.

It is then necessary to turn to another explanation and to see if it is compatible with the basic presuppositions of the Lisbon Strategy. The conclusions of Gordon's studies confirm finally the results of Brenner's Marxist analysis of the causes of the international recession of recent years – overproduction and falling profits and also the adaptation of entrepreneurial strategies to this situation.

In reality the impressive increase in US productivity is the result of a systematic reduction in the number of jobs, an extension of working time and wage increases lower than increases in productivity, which has allowed a net transfer of rent from wages to capital. The number of jobs began to increase in the US only in the first half of 2004.

This offensive by employers to reduce costs, in particular through reduction of the workforce, was a response to the slowness of the recovery of profits in the 1990s. To maintain profits, companies have plundered pension funds and manipulated their accounting, leading to a series of scandals, which has again increased the pressure for the rapid reduction of costs through reducing the workforce.[9]

The fact that this growth in the exploitation of labour has not been accompanied in the final instance by a reduction of production can be attributed – correctly in this case – to the cumulative effect of investment in ICT not only in the 1990s, but, as Solow showed in his time, since the end of the 1970s, through a slow accumulation of "intangible capital" in the form of the restructuring of the productive system and work methods.

The problem with Gordon's explanation is that it implies that the rate of growth of productivity in the US in the last three years is not sustainable, for it does not substantially change the causes of the recession, overproduction and falling profits. The current economic cycle remains dependent on private consumption – which can rapidly be affected in a negative manner by tensions in the international situation – and a policy of massive economic stimulants by the Bush administration and the Federal Reserve which, since the beginning of the recession in 2001, has reduced US interest rates from 5.5% to 1%, thus exhausting its margins of maneuver.

In the EU private consumption plays a more limited role. Although at the end of 2002 the indebtment of families was more than 80% of disposable income – a figure significantly lower than that of the US – the servicing of this debt absorbed a much higher proportion of income than in the US. Also, it is difficult to refinance this debt, as in the US, by the lowering of mortgages on property, because of the rigidity of the financial market.

Nonetheless indebtment of private companies grew proportionally more quickly in Europe than in the US in the second half of the 1990s (rising from 58% to 72% of GDP), in part because the financial market is more flexible for companies than for mortgages. Investment by European companies in the second half of the 1990s was higher than those of the US, precisely to cover the deficit in productivity and also because of the dynamic of the US economy. This has created a serious problem of overproduction, aggravated by the fall in the value of the dollar in relation to the euro – reducing the competitiveness

of exports – and by the monetary policy of the European Central Bank.[10]

The "other variables" of the Lisbon Strategy

If we put aside the cumulative effect which significant investment in ICT might have for the EU in the coming years and the extension of broadband communications with the aim of meeting the objectives fixed for 2010, there remain other variables that the Lisbon Strategy proposes to alter. All these variables can be summed up, as in the US, as an increase in the rate of exploitation of labour.

On the one hand, by imposing a limit of 3% on budget deficits, the SGP plays a depressive pro-cyclical role and deepens the tendency towards the systematic lowering of public investment manifested for a decade. Also, in order to maintain existing investment in infrastructure and subsidies to companies, it imposes a reduction in social expenditure, reform of state pension systems and an assault on the universality of the public health system, which constitute the very foundation of the "European social model". The more the deficit increases, the stronger is the pressure to reduce social expenditure and to capitalize and privatize pensions systems so as to free up and depreciate capital.

On the other hand, the extension of working life beyond the age of 65 years appears incompatible with increased flexibility of the labour market of the kind compatible with the proposals of the Kok Report. The low rate of participation in the labour market of people aged over 55 and women could allow a simultaneous increase in the employed active population and unemployment – which initially seems contradictory. But the parallel growth of the employed population and the unemployed reserve army – not to mention the variable of immigration, essential in such an equation – has disastrous effects on wages, the intensity of work and the rights of workers, starting with the most marginal sectors and then extending to the entire labour market, to the extent that this weakens the capacity for trade union resistance.

Appeals for the development of professional training outside the workplace throughout working life – and the massive EU subsidies devoted to it – serve no great purpose as a response to the increased flexibility of the labour market, when the growing crisis of the system of public education (the consequence of budget cuts) is already reflected in the rates of youth who abandon the educational system or are expelled from it without gaining an elementary training – 18.1%, or a little more than one child in six. Appeals for an increase in private investment in secondary education, which strengthens the effects of social division, will have very little or no effect on the figures cited.

It is a little surprising, then, that the Communication only devotes one and a half page to the question of social cohesion, given the references to the "European social model" and to the fact that 55 million citizens of the EU-15 – a figure which will grow notably after enlargement – live in poverty or at its threshold.[11] This amounts on average to 15% of the population of the EU-15, and as much 21% in the countries of southern Europe. These figures should impose a policy concerning jobs – 38% of the unemployed are in this category – but also the equality of the sexes, because poverty is endemic among widows and single parent families. These figures remain more or less stable thanks to social benefits which reduce the inequality of incomes in the Gini coefficient

to between 30% and 40%.[12]. But whereas economic policies should be coordinated by law according to the draft European Constitution, social policies will remain the responsibility of each member states and their national plans of action.

But finally, all these aspects – like durable development or the realization of the Kyoto Protocol – remain secondary from the viewpoint of the Lisbon Strategy, of which the central objective remains boosting productivity through a rapid generalization of ICT and an increase in investment. The social effects are only taken into account through demand, at the level of wages [13] or the reduction of social charges. It's not by chance that the draft constitutional treaty subordinates the "European social model" to a "strong competitiveness" in its article I-3-3.

Private investment depends finally on profits expected. The Lisbon Strategy seeks to increase these expectations through greater labour market flexibility, reducing the "indirect" social wage through the reduction of social charges and reform of pensions systems. But it will also be necessary to deal with the paucity of public investment in relation to the US (around 1% of GDP), which concerns primarily infrastructure. In this sector, because of the inflexible character of the SGP, the contribution of the community budget, both directly and as a catalyst, is ever more important. Since 2000, the structural funds have mobilized 80,000 million euros for training, innovation and infrastructure. 8,000 million euros should strengthen these programmes in 2004. But in this sector also there are limits imposed on community budgets and restrictions on indebtment in the draft constitutional treaty.

The "risk" of deindustrialization

Although the conclusions of the European Council speak for the second time in less than six months of the "risk" of industrial delocalizations, the Commission's Report – basing itself on a study carried out in 2003 – consider that "there is no evidence that the EU economy is showing signs of de-industrialisation".[14]

Recognizing a loss of competitiveness in employment in sectors like textiles, mines, non-ferrous metals and coal, it proposes a process of substitution of industrial sectors by others of greater capital intensity.

The enlargement of the EU here has a direct effect by incorporating into the single market ten new member states, with wages lower by two thirds, low levels of social protection but a system of subsidies to industry comparable to that of the rest of the EU thanks to the structural funds.

Sixty per cent of German companies of less than 5,000 employees have already created subsidiaries in the new member states, which will concentrate the production of key sectors, like components for the car industry or chemical products, manufactured until now in countries like Spain or Italy. Other sectors such as textiles, thanks to the liberalization of the World Trade Organization (WTO) envisaged for January 2005, have already moved to Romania, Morocco, Byelorussia or Turkmenistan.

The trade surplus of the EU-15 with the new member states is around 104,000 million euros and the single market demands compensation. But it also implies "social dumping" downwards in huge proportions, which the different sectors of the European working class must face up to, while the Commission suggests an "agreement between social actors".[15] Thus the threat of delocalization has already been transformed into a powerful instrument of blackmail to oblige the unions to accept restructuring, i.e. the lowering of wages and the worsening of working conditions, as a lesser evil.

Delocalizations allow companies to increase their competitiveness while avoiding the main constraints of the Lisbon Strategy, training and investment in human capital. In the manufacturing sector this process has already worsened in recent years both in France and Germany, which for political reasons try to maintain their employment levels to the maximum extent possible. This is also obvious in the secondary countries of the EU. The material bases for a "multi-speed" Europe thus appear through a centre-periphery dynamic. The linguistic diversity of the EU could act as a break on delocalizations in the services sector or at least act as a brake on what happens in the US or Britain where, for example, call centres are relocating to countries like India or Pakistan.

What is to be done?

The strategy of inter-imperialist competition conceived by the European Commission, in the context of a recession brought on by overproduction and the fall in the rate of profit, results in a range of tactics seeking to reduce productive costs and transfer income from wage earners to capital. If this seems like a "simplistic Marxist explanation" it is in any case superior to the ideological, sometimes esoteric, discourse on the capacities of the new ICT employed by the European Commission.

Faced with the Lisbon Strategy our point of departure can only be the "actually existing" social resistance. That means supporting their European coordination, through the meetings of European works councils and the days of action.

The ideology of "social partnership" which has entranced the ETUC union leaderships with promises of a "social pact" for the defence of the "European social model" is being eroded to the extent that the policies of the Lisbon Strategy have been implemented. The European days of action which the ETUC has been obliged to call witness to this erosion and also constitute an encouragement to the coordination of social resistance in Europe. That helps the construction of a European trade union left, inside and outside the confederations, which can give life to an alternative, in alliance with the movement against capitalist globalization and war.

The perspective of building an alternative, in the strong sense which includes an authentic model of sustainable development capable of satisfying the needs of citizens, is fundamental in this phase. Isolated resistance struggles without European coordination are largely condemned to defeat. Coordination at the European level can hold back the application of the policies of the Lisbon Strategy, but cannot force the governments to adopt a new orientation. To do that we need not only such an orientation but also a change in the relationship of forces, which requires new political instruments with an electoral impact.

The task of the next European Commission will be precisely to pass to the phase of the massive application of the SGP, resting on the effects of enlargement, the introduction of the European neoliberal Constitution and the financial Perspectives which will come into force in 2006. That is why the European alternative left should be capable of presenting its own alternative to the current neoliberal model of European construction.[16]

Resistance is not enough

Faced with the SGP we should propose a European Solidarity Pact, which allows a substantial increase in anti-cyclical public investment and which ensures an authentic "European social model" by maintaining and increasing the levels of indirect wages through fiscal redistribution. At the same time it is unacceptable that direct

wages in the EU continue to fall in relative terms (a reduction of 0.7% over the last three years), in the name of the recovery of "competitiveness", because in practice this amounts to a transfer of income towards capital.

The SGP should be accompanied by a substantial increase in the community budget. The current limitation of this budget to 1.27% of the EU's GDP is clearly insufficient to face the combined challenges of recession and enlargement. The new European Parliament should have the ability to fix the contribution of member states to the community budget – in accordance with the objectives of the Lisbon strategy – to a level higher by at least 0.5% of the GDP and to allow a supplementary indebtment of 1% of GDP, accompanied by a European tax on the multinational companies established in Europe.

A European industrial policy should have as its goal the promotion of a general increase in productivity, reaching at least the levels of investment of the US and Japan and a balanced reindustrialization of the single market respecting the social rights of workers. The right of information and control for trade unions, the repayment of aid received and the treatment of industrial areas receiving subsidies as public terrains should be used as a brake on delocalization.

The new European Constitution should introduce a whole series of articles which guarantee the rights of citizens – a universal basic income, an inter-professional minimum wage adapted to the cost of living and the productivity of each member state, the universal right to decent housing, health, public education and a pensions system guaranteed after 35 years of work, a 35 hour working week, universal access to quality public services and trade union rights of representation, negotiation and collective action. ■

NOTES

* *G Buster is a member of the editorial committee of the review "Viento Sur", Espacio Alternativo, and the Fourth International.*

1 *For an analysis of this trade union resistance country by country see the report of the European International Relations Observatory (EIRO), "Developments in Industrial Action 1998-2002", www.eiro.eurofound.ie.*

2 *See Robert Brenner, "The Boom and the Bubble: the US in the World Economy", Verso Press, 2002. Brenner presented a synopsis of his theses in an article written for IV in July/August 2002, "After the boom".*

3 *For a critique of the draft constitution see G. Buster, "At the crossroads", IV 354, November 2003.*

4 *Having boycotted the mobilizations during the European summit in Amsterdam in 1995, the ETUC called for trade union demonstrations during the European Councils at Luxemburg, Nice, Genoa, Barcelona, Seville, Thessaloniki and Brussels, within its own framework but parallel to the mobilizations of the movement against neoliberal globalization. The day of mobilizations on April 3, 2004 was particularly important in Germany as a response to the "Agenda 2010" put forward by social democratic chancellor Schröder, which is simply the German adaptation of the Lisbon Strategy. There were 250,000 demonstrators in Berlin, 100,000 in Stuttgart and 150,000 in Cologne. In Italy 500,000 people demonstrated against Berlusconi's pensions reform. Smaller demonstrations took place in Paris, Marseille, Madrid and Brussels. Despite this resistance the ETUC has come out for a "critical yes" to the draft European Constitution that transforms the Lisbon Strategy into law.*

5 *Communication of the Commission to the Council and European Parliament on Financial Perspectives, 2007-2013. Thus, whereas the amount destined to infrastructures and development increased by 212%, the Common Agricultural Policy (CAP) suffered a reduction of 38%.*

6 *The Commission's confrontation with Germany and France, whose budget deficit exceeded 3% of GDP, put an end to the dossier rejected by ECOFIN (the Economic and Financial Affairs Council) and the unprecedented decision of the Commission to go to the European Tribunal of Justice. In its report presented in March 2004 before ECOFIN, the Commission also proposed to open the dossiers of Holland, Italy and Britain. While agreeing to put off the realization of the Stability Pact until 2005, the Commission and the member states postponed any debate on the modification of this Pact – characterized by Prodi himself as "stupid" – partly to avoid any threat to the stability of the euro or the Lisbon Strategy.*

7 *Inter-imperialist competition, in its economic aspect – the geostrategic aspect is another affair – is primarily focused on market shares in the US and the EU, more than in other zones of the international economy. See Joseph P. Quinlan, "Drifting Apart or Growing Together? The Primacy of the Transatlantic Economy", Center for Transatlantic Relations, John Hopkins University, 2003.*

8 *Robert J. Gordon, "Exploding Productivity Growth: Context, Causes and Implications", Brooking Papers on Economic Activity, 2003.*

9 *See Doug Henwood's excellent "After the New Economy", The New Press, NY 2003 which essentially puts forward this explanation.*

10 *Ed Crooks and Tony Major, "Hopes are rising that the euro zone economy is at a turning point. But can it ever catch up with America?" "Financial Times", September 1, 2003.*

11 *Poverty is defined as an income lower than 60% of average income per inhabitant in each member state.*

12 *See the data and conclusions of the Commission's report, "The Social situation of the European Union 2003". The final optimism of this report on the compatibility of the "European social model" and the Lisbon Strategy amounts to an act of faith in the light of the statistics presented.*

13 *Although the Lisbon Strategy does not devote much space to the problem of wages, except in relation to productivity, since 1994 the Commission has put out an opinion on the "appropriate development of wages". This assessment serves as guidance for the member states and employers' organizations in collective negotiations affecting between 70% and 90% of workers in the EU-15. The annual gross average growth of wages over the period 2000-2003 was thus 3.5%, or 0.8% taking account of inflation. However, if we factor into the figures the "distributive margin" recommended by the ETUC (inflation + productivity – wage growth), the result is a fall of 0.7% on annual average, or in other words a transfer of 0.7% from the incomes of wage earners to profits. See EIRO, "Pay developments 2002", www.eiro.eurofund.ie.*

14 *European Commission, "Some Key Issues in Europe's Competitiveness – Towards an Integrated Approach" COM (2003) 704.*

15 *See Ricardo Martinez de Retuerto, "Avec l'élargissement, les délocalisations vers l'Est se multiplient" ("Le Monde", March 28, 2004) which quotes the worried reaction of Walter Cerfeda, the ETUC's figure responsible for industrial relations: "We are at the crossroads. The countries of central and eastern Europe prefer the Anglo-American social model to the traditional European model of cohesion and social protection, already threatened after the reforms adopted in Italy, which led to huge demonstrations in that country, as in Portugal and Spain" The European Parliament has proposed measures limiting the mobility of companies who have received European subsidies in its resolution "Closure of undertakings after receiving EU AID financial", P5_TA(2003)0106.*

16 *The European alternative left has until now shown timidity in building alternatives for fear of peddling illusions in reform of the capitalist system. It has limited itself to an economist critique and a resistance without perspective that runs counter to the experience accumulated by workers in recent struggles.*

Europe: anti-capitalist left faces elections

FRANÇOIS VERCAMMEN

The parties and movements of the European Anti-Capitalist Left met again on April 29, 2004 in Brussels. This one-day meeting had a special character, not only because it was held in the context of a European Union (EU) summit but that the elections to the European parliament in June 2004 will exert significantly more influence on the political framework than was the case at the last elections in 1999.

The national parties had to take account of this strengthened European political framework. Lacking significant legitimacy, the EU intends to massively subsidise "European parties" which meet certain criteria (including having at least one parliamentarian in seven member countries). And although it is perhaps not sufficiently recognized, we have made a massive step forward through the huge anti-war mobilizations, the revival of workers' struggles with mass strikes and the birth of the European Social Forum (ESF). Thus there is not simply a negative struggle against the EU that is being built; there is a positive factor, the " movement" which necessitates a redefinition and reformulation of the political programme of the radical left.

Some of the parties from the Communist tradition are trying

to create a European party corresponding to the framework of the EU, the European Left Party or ELP. The ELP organized its founding meeting in Rome on May 8-9, with Italy's Party of Communist Refoundation, the French Communist Party, Spain's United Left, the German Party of Socialist Democracy and Synaspismos from Greece participating. All this did not take place without difficulties, given the growing heterogeneity in this tradition that is undergoing a centrifugal process of fragmentation. The leading group of the ELP has not been particularly noticeable for its transparency or its clarity of political platform or working methods.

In this fairly erratic situation, the anti-capitalist left had every reason to affirm first and foremost its existence as an independent anti-capitalist current, as well as its political-programmatic cohesion. This will be seen in the European elections because the organizations of the Conference of the European Anti-Capitalist Left have succeeded over the years in winning parliamentary representation, despite increasingly anti-democratic electoral reforms. That does not rule out dialogue and collaboration, notably with the organizations of the ELP. However, this implies avoiding any political confusion. II

Anti-capitalist manifesto for a different Europe

The manifesto that we have just adopted was drawn up by the Left Bloc (BE, Portugal), Red Green Alliance (RGA, Denmark), Scottish Socialist Party (SSP, Scotland, UK), RESPECT-Unity List (England, Wales) Socialist Workers Party (SWP, UK), Revolutionary Communist League (LCR, France), The Left (LG/DL, Luxemburg), United and Alternative Left (EUiA, Catalonia, Spain) Alternative Space (EA, Spain) and the Coalition Radical Left (Greece). In addition, Synaspismos (Greece) and the United Left (Spain) attended the meeting as guests

Social and democratic, feminist and ecologist, peaceful and in solidarity

February 15, 2003, was a historic date: tens of millions of people, all around the world, demonstrated to stop the war. Moreover, these unprecedented mobilisations show a strong political will to impose universal peace, justice, international solidarity and social equality on those in power.

That day a new Europe was born. A rank and file Europe that is confronting the European Union and the ruling classes whose instrument it is.

The world of labour has remobilised. In almost every country the working classes have come out for demonstrations and strikes – sectoral, multi-sectoral and general. After Italy, Spain, Greece and France, which led the way, countries like Germany and Austria have shown an exemplary militancy and shaken Europe's most powerful and monolithic trade-union bureaucracies. Agenda 2010 is running up against stubborn resistance; and Schröder, discredited, has had to give up the SPD presidency in order to save his party from defeats in future elections. The shock wave of the anti-war movement is still far from exhausted. Demonstrations in the streets, a year after Bush launched his war, have once again been very large, above all in Spain, Italy and Britain. They are continuing to have an impact on 'official policies'. Contrary to all expectations, Bush's friend Aznar was thrown out in parliamentary elections, thanks to a spectacular intervention by the people; the people took their revenge for Aznar's flagrant defiance of their massive opposition to the war and his contemptible official lies. The conclusion is clear: the policy of 'unlimited war' and neo liberal policies are unpopular and have been rejected.

Right-wing governments thrown out by popular vote are succeeded by centre-left governments that don't break with neo- liberal and imperialist policies. The social strength of the anti- war movements and European Social Forum should extend onto the political terrain, in elections, and in the formation of a broad, pluralist, anti-capitalist political movement.

1 A decent life for all of us, in Europe and the rest of the world

The June 2004 European elections will be an opportunity to fight for demands and proposals that the European global justice movement has fought for unceasingly: against the EU's reactionary, undemocratic and anti-social constitution, against imperialist war and European militarism, for peace and general disarmament – starting in our own countries – against neoliberal policies and for a social, anti-capitalist programme.

Social matters are the most important to the lives of millions of people. It is the priority: Each man and woman has the right to a stable, fulltime job, a decent wage, unemployment benefits, sick pay, disability benefits or pensions, a house to live in, education and professional training and quality health services. And to enjoy and ameliorate those rights we need to recover all that has been taken from us during the last twenty years. This implies for sure a radical improvement of women's position on all levels: social, political, legal and institutional. Moreover, environmental conditions are part of our well-being. It is impossible to separate economic policy from the necessary criteria of sustained development, urban and rural planning, mobility and transport systems, rational use of natural resources, agriculture and food security.

In their struggle to maximize profit, employers and governments pretend that all that is "impossible" and "unworkable". But since 1970, wealth created in the European Union (before enlargement) has doubled while population has not grown. It has been the ruling classes who have profited from the enormous leap forward of productivity (technical progress, longer and more intense work and restructuring of manufacturing systems). It will suffice to tackle this huge social inequality by distributing wealth to the working classes and breaking open and reorganising the public sector. We have to stop the growing privatisation of the biosphere, which subordinates our lives to capitalist profits.

If these conditions are fulfilled, then we can say: yes, our societies and economies can provide wealth for all of us.

2 Break away from the neoliberal system: People before profit!

The European Union has established an institutional framework through the Maastricht Treaty that imposes strict budget limitations. The European Central Bank has become the inflexible guardian of this orthodox neoliberal monetarism. That kind of policy leads to drastic cuts in social expenditure and makes any alternative economic policy impossible. By pushing the mass of the population into poverty and squeezing the budget of the public and social sectors, they are trying to make privatisation unavoidable. In this way capital finds lucrative new fields for investment. Its objective is not economic growth but re-establishing its rate of profit.

These economic policies and their institutional framework must be changed. We need to break the hard core of European neo- liberalism and suppress the Maastricht convergence criteria and the Stability Pact. Like the "global justice movement", we support the Tobin-Tax as a step to attack neoliberal capitalism and its international institutions, struggle against financial speculation and to favour a genuine social policy.

We struggle in our countries and on a European scale for social equality through full employment, expansion of the public sector, social investment, a decent guaranteed minimum wage.

3 A peaceful Europe, against the European Super-State!

The Lisbon Summit in March 2002 adopted as its goal to become the strongest and most productive economy of the world as the European Union's main objective! That can only happen if it strengthens its economic, monetary, technological, political, cultural, media and military capacities to confront the two other major world powers, the US and Japan. It means exploiting the countries in the periphery of the capitalist world system and the working classes that labour in the European Union.

For the first time, the ruling classes most identified with European construction have obtained some legitimacy from the European population by opposing the US ruling class, thanks to President Bush's illegal and wild policies.

However, we hold no illusions about what the European Union can do. Our position is:

- No to war! The European Union must renounce to the use of war as a way to intervene in international conflicts.

- No support for US policies of permanent war and preventive military interventions. We are against its "antiterrorist war", whose first victims are our civil rights and freedoms! No to NATO!

- No to the new European militarism! Withdrawal of European imperialist military forces, whether they are under an EU flag or those of its member states! No to 'humanitarian' military operations! The Eurocorps and its special brigades must be dissolved!

- All weapons of mass destruction — nuclear, chemical or biological — must be destroyed!

- No to the creation and development of the European arms industry! End weapons exports! Close the existing military industries and reconvert them to civilian production!

4 Defend our democratic freedoms

The strategy of 'unlimited war' has been a powerful lever for attacking democratic freedoms and narrowing the space in which the popular masses can act. By creating a permanent atmosphere of uncertainty and fear, the ruling classes seek to force a choice on us: 'to guarantee your safety, we have to reduce your freedom'. In the name of the struggle against terrorism, Bush has legalised state terrorism. And Sharon is right in step with him.

As early as September 2001, the EU had used 'the struggle against terrorism', not to attack terrorist groups that didn't exist at the time in Europe. In fact it took the opportunity to outlaw trade-union, social, feminist, anti-racist and political movements and their public, democratic activities, which it can now call "offences internationally committed by an individual or a group against one or more countries, their institutions or people, with the aim of intimidating them and seriously altering or destroying the political, social or economic structures of a country'.

Since then the EU has been strengthening the panoply of repressive means at a European level: the European arrest warrant, Europol, faster and more complete information exchanges, closer co-operation with the CIA, repression of immigrants, creation of spaces where the rule of law no longer exists, etc. — even though rivalries among member states' state apparatuses are slowing down this operation.

Capitalism is in difficulties. From below it is discredited and is once more being openly and massively challenged. At the same time it is restricting or even repressing movements and mobilisations.

Defending and extending threatened democratic freedoms is once more becoming imperative.

5 Defend immigrants, refugees and the right of asylum! Against Fortress Europe, against the far-right!

Millions of workers of both sexes around the world are victims of capitalist globalisation or repression by the state. They survive in steadily worsening conditions. Some of them try to cross the fortified borders and get "illegally" inside the imperialist fortress. The European Union has built such a fortress with its 1985 Schengen Agreement.

However, the European employers have since requested and obtained a selective legal immigration policy that is applied only according to their needs for labour. Citizenship rights are denied to immigrants without protest to exclude them from social benefits as workers and taxpayers. As a result of these policies the human situation of these immigrant workers is unbearable. At the same time there is ruthless competition between the poorest sector of the native working classes and the new defenceless immigrants without rights. The far right and Nazi parties (and sometime also traditional parties of both right and left) profit from this latent conflict so as to encourage racism, xenophobia and hate.

- We are in favour of the free movement of persons! No to the Schengen Agreements! Equal citizen and labour rights for all immigrant workers! For quality social infrastructure and public services for all!

- We are against all forms of xenophobia and racism, whatever their origin or pretext! The working class movement has to struggle so that immigrants, both male and female, do not suffer any discrimination in wage levels or rights at work. It should be not only a political and social priority but also a moral one for the trade union and social movements.

- We offer our solidarity to all those who have to demand asylum, who have to escape repression because their struggle for liberty, civil rights, freedom of conscience, democracy, their social or revolutionary convictions or simply a better life.

6 No to the antidemocratic Constitution of multinational Capital

The bourgeoisies are struggling to put an end to the inconsistencies of the EU state apparatus. This is the expressed will of the financial industrial oligarchy and the biggest imperialist states in Europe.

1 They urgently need a strong regime in the perspective of a European superpower. This apparatus is developing a semi-authoritarian democracy: the European executive (Council of Ministers, Commission, EC) is not elected on the European level and it dominates the Parliament, which is elected by universal franchise – putting the parliament under its tutelage. This process undermines all democratic rules and institutions.

2 The Constitution sets the principles of today's capitalism in stone: absolute priority to the market principle, protection of private ownership of the means of production and exchange, and even the current neoliberal, monetarist policies. On the other hand, it excludes labour legislation, obligatory rules and

norms, and inter-professional (national) collective bargaining between trade unions and bosses from the European level. But, financial, monetary, commercial and economic policies are supported by a powerful centralized apparatus on the European level. This leads to ongoing competition between the working classes of the member states. It introduces an uninterrupted downward trend of all living and working conditions in all EU countries.

3 It opens the way for and organises European militarism, an indispensable part of a European imperialism: the obligatory and systematic rise in military spending; organisation of a European armament industry; a continuing link with NATO while opening the gates for an autonomous European armed force; and integration in the "unlimited war on terrorism".

4 The reinforcement of the European executive bodies (European Commission, European Council, Inter-Governmental Conferences, EBC) worsens the democratic deficit. It is leading to more EU control over national state apparatuses, more control by the big member states of the smaller states, and the negation of 'minor' peoples by the national states.

The undemocratic nature of the Constitution corresponds perfectly with the method that has been used to create it: behind closed doors, a harsh selection of reliable people led by 'eminent statesmen', and tight control by the big states. One thing is certain: this constitution has nothing to do with the European peoples' will! For all these reasons, we are opposed to the EU constitution. It is illegitimate, undemocratic and profoundly anti-social! It cannot be reformed. It can only be thrown out! In order to attain this objective we support the organization of the referendums.

We struggle for a different society and a different Europe, which will be social and democratic, ecologist and feminist, peaceful and in solidarity with the South. It is up to the peoples and nations of Europe to decide how and under which social and

institutional principles they want to live together. We believe that all power must be in the hands of the sovereign peoples.

We recognise the right of the nations without states to determine their future, and we are in solidarity with the left forces that struggle in that direction, whatever our own political analysis may be.

Since the electoral campaign coincides with the preparation behind closed doors of the "constituent" Inter-Governmental Conference, we will use this opportunity to denounce this pseudo-constitution and develop our alternatives.

7 Break with social-liberalism! Another Europe is possible!

Yes, but this will require an extraordinary mobilisation of all progressive forces. Governments are more fragile, but the EU has become, notwithstanding its repeated crises, a formidable imperialist force in today's world. It is a machine to destroy the social and democratic gains that the working classes have won in 150 years of battles.

This EU is in the first place the child of the bourgeoisie and its parties. But it could never have triumphed without the active collaboration of Blair, Schröder, Jospin, Felipe Gonzalez — that is to say European social democracy. They were in government for years. They dominated national governments and the EU leading bodies (Commission, European Council, even the ECB) at key moments. But instead of breaking with neoliberalism they became social liberals themselves! Nothing suggests that have any intention of breaking with that policy.

We will not leave the neoliberal, imperialist system in a gradual way. We need a radical political break and an alternative, anti-capitalist strategy and programme.

This struggle is in the hands of the other Europe, the Europe from below. This movement is growing and maturing through anti-war demonstrations, social and ecological struggles, citizens' initiatives and women's mobilisations. It is progressing through the activists and the organisations: trade unions, peasant organisations, ecological groups, the movements of those 'without' (the jobless, homeless, undocumented, asylum seekers), anti-racist networks, academic and intellectual initiatives, Third World campaigns and NGOs.

The European Social Forum has created an extraordinary framework, democratic and unitary, a new movement of emancipation on a European scale. This social movement is already a force that counts for something. But it has yet to conquer the political field.

Under its pressure, the traditional trade union movements who for twenty years have fallen in line with the EU and its policies, have taken action again, but without, for the time being, developing a coherent strategy to reverse the tide and struggle for a strong social alternative.

Yes, another Europe is possible, but it depends on the radical forces involved — anti-capitalist and ecologist, anti- imperialist and anti-war, feminist and for citizenship, anti- racist and internationalist — whether they are ready to mobilise in

the streets and at the ballot box, in struggles and elections. The alternative to capitalism is raising again its head: a socialist and democratic society, self-managed from below, without exploitation of labour or women's oppression, based on sustainable development and opposed to the "growth model" that threatens the planet. **II**

Brussels, 29 April 2004

Signatures:

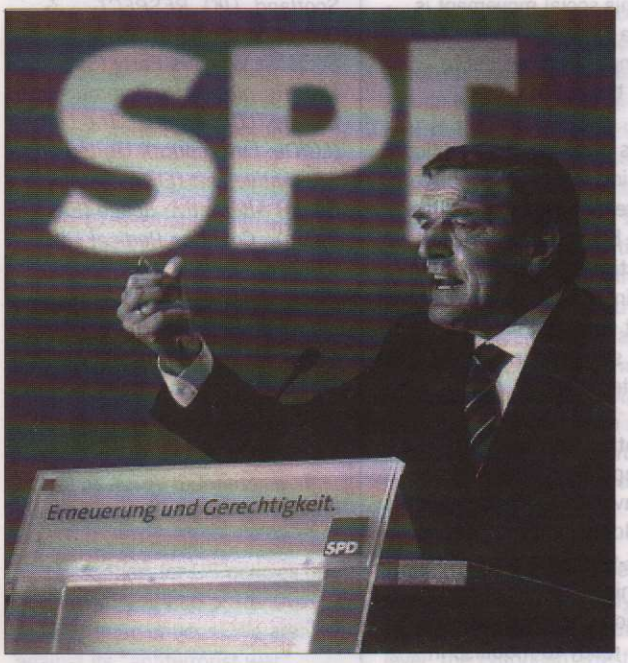
Left Bloc (BE, Portugal), Red Green Alliance (RGA, Denmark), Scottish Socialist Party (SSP, Scotland, UK), RESPECT-Unity List (England, Wales) Socialist Workers Party (SWP, UK), Revolutionary Communist League (LCR, France), The Left (LG/DL, Luxemburg), United and Alternative Left (EUiA, Catalonia, Spain) Alternative Space (EA, Spain), Coalition Radical Left (Greece)

INTERNATIONAL VIEWPOINT NO 359 MAY/JUNE 2004

Germany: new challenges, new chances

THE DEMONSTRATIONS THAT TOOK PLACE IN BERLIN, COLOGNE AND STUTTGART ON APRIL 3, 2004, TAKEN TOGETHER CONSTITUTED THE BIGGEST STREET MOBILIZATIONS ON A SOCIAL THEME SINCE THE FOUNDATION OF THE FEDERAL REPUBLIC – OF A COMPARABLE SIZE TO THE BIG PACIFIST DEMONSTRATIONS OF THE 1980S. SUCH A MOBILIZATION IS BOUND TO HAVE CONSEQUENCES

ANGELA KLEIN* EXAMINES THE ROLE THAT THE SOCIAL MOVEMENTS HAVE PLAYED IN THIS SWIFT ABOUT-TURN, AND THE PROSPECTS FOR NEW POLITICAL DEVELOPMENTS



End of a system

Only a year ago, it seemed impossible that any kind of large-scale resistance would see the light of day. On March 14, 2003 chancellor Gerhard Schröder predicted "blood, sweat and tears" in a speech to the nation, and that "there would be sharp and sustained cuts in unemployment benefit and a challenge to the health system and the right to work unseen since the end of the war".

The unions criticized the speech but they limited themselves to verbal protests, although the chancellor had just broken the electoral pledges he had made only six months earlier. In summer 2002, in the midst of the electoral campaign, the leaders of IG Metall and Ver. di[1] agreed to participate in the Hartz Commission[2], thus accepting its legitimacy, on the express condition that levels of unemployment benefit should not be reduced. Six months later Schröder proclaimed the reduction of the period of payment of unemployment benefit and the suppression of aid to the unemployed.

His speech unleashed a wave of austerity measures at the federal level, in the Länder and in the municipalities, with reductions in social budgets and expenditure on training, culture and all public institutions. The population has thus suffered a triple attack, with suppression of protection against unemployment, growth of job insecurity and privatization of public services.

The Schröder speech meant the end of a system. At first there were many who could not imagine it. The unions did everything to try, as usual, to convince the SPD through informal conversations. The demonstration called by Ver. di against "reform" of the health system, on May 1, and the regional mobilizations of the DGB[3] a week later tried again to avoid an open conflict. Hardly astonishing then that they were not heavily supported, A demonstration called on June 1 in Berlin, on the eve of the SPD special congress called to underwrite the policy already decided on by Schröder, only attracted 1,000 people despite the support of several Berlin unions.

New potential

It was only when the chancellor, during this congress, deliberately snubbed Michael Sommer, the main leader of the DGB, that the leaders and middle cadres of the unions became conscious that "their political partner was lost". This tardy recognition nonetheless led to the paralysis of the union movement for some months and the impetus for the big demonstration on November 1 did not come from the unions, but rather from the unemployed, the anti-Hertz alliances and the radical left.

In September 2003 a wave of protests began at the local and regional levels involving the police, pensioners and the social movements. On September 24 in Düsseldorf a demonstration attracted 30,000 people, while in Wiesbaden on November 18 (a working day!) more than 50,000 people participated.

All in all, in September and October 2003 there were around 30 big mobilizations.

On November 1, a national gathering called in Berlin in a largely improvised manner attracted around 100,000 — the majority came from Berlin and had spontaneously joined the march as it passed. A new potential had just appeared — let's summarize some of its characteristics.

Rupture with social democracy

The popular identification with a "friendly" government has disappeared, along with popular patience. A poll after the mobilizations of April 3 showed that two thirds of the population was unhappy with the federal government. The wave of resistance did not manifest itself only in demonstrations; inside the unions a profound process of reorientation has begun while certain local congresses of the SPD have witnessed violent confrontations. The protests did not merely target the policies of the federal government. In Hamburg, Bremen and Berlin initiatives for referendums have begun against the threatened privatization of hospitals; in Berlin a petition has circulated in favour of a referendum to reject the regional budget adopted by the senate which has an SPD-PDS majority. In the communes the consequences of the austerity policy are more immediately visible.

In the last 12 months the SPD has lost 100,000 members and experienced a series of electoral defeats. In the year to come the SPD faces a dozen elections and it is not necessary to be a prophet to say they will go badly.

Faced with the mass mobilizations the government has remained obdurate, with its spokespersons repeating that there was no alternative and that the CDU would be even worse. But this has ceased to scare people. They are beginning to understand the need to seek an alternative outside the parties presently represented in the Bundestag.

However the government has also begun to understand that it cannot continue its aggression until the next federal elections. Nonetheless it wants to finish what it has already begun. It has experienced great bureaucratic difficulties with unemployment benefit which has replaced the previous aid to the unemployed and debate continues on whether the communes or the new federal agency for employment should pay for this benefit. It is likely that immobility will please nobody, neither the employers nor the employees.

Towards a new political force?

The conviction that the SPD has crossed the Rubicon and that it is no longer possible to return it to its old ways is gaining ground. This has already had two consequences:

1 The idea that it is necessary to build an electoral alternative to the SPD for the 2006 elections. The "Wahlalternative 2006" (Electoral Alternative 2006) is thus supported by some regional leaderships of the Ver.di federation, by circles around the monthly "Sozialismus" and the Keynesian economists of the Memorandum group.

2 Parallel to this IG Metall in Bavaria has established the Initiative for Jobs and Social Justice ("Initiative Arbeit und soziale Gerechtigkeit"). Its best-known member is Klaus Ernst, who was candidate to the vice-presidency of the union last October and who was just beaten by Berthold Huber, a right-winger from Bade-Wurttemberg.

On June 6 the two initiatives, as well as all those who are interested in this project, are to meet in Berlin at a common congress to debate the preparation of 2006. Until now their theme has been " We want to bring back our old SPD". But it's an illusion. History will not go backwards. Any electoral initiative which puts itself outside the framework of neoliberal politics has to take account of the new conditions, such as the growth of insecurity in living conditions, the necessity of a trade union reorientation, the critique of globalization and the movement around it, massive long term unemployment, the extension of the European Union eastwards and its social consequences. It should also respond to an old and still relevant question. How should political effectiveness be measured? By activity in the framework of existing institutions or by the construction of a social subject?

For the moment the union full timers with SPD membership cards who have decided to show their disaffection are going down a road whose ultimate direction is unknown to them. A procedure of exclusion from the party is underway against them. It doesn't bother them and only serves to discredit the SPD leadership. Broader activist sectors of the left and far left are attracted by the project and expect to influence it.

Despite all its weaknesses, it should be stressed that this is the first attempt since the creation of the federal republic to create a left political formation on the basis of a social question and originating from the heart of the workers' movement. It is not a question of reviving an old party but rather an attempt to create a new one. That will also have an impact on the social movement.

Social and trade union renewal

The development of the social movement is at least as interesting. Since the "agreement for jobs"[4] has foundered for the second time and the unions deplore openly the "loss of the political partner", the question of how to shape future demands in is naturally on the agenda. One of the responses to this question is the construction of broad social fronts, capable of mobilizing the masses and exerting extra-parliamentary pressure. Such unitary frameworks have appeared in many towns, big and small; sometimes through regional social alliances, sometimes through social forums and sometimes through trade union initiatives. In particular, Ver.di has played an active role (with regional differentiation). The struggle against "Agenda 2010" is not the only factor; there is also opposition to privatization at the municipal level, demands for a decent minimum income for the unemployed, wage struggles and defence of working conditions. The challenge to collective bargaining in the public services in the Lander constitutes the next provocation that the social movement faces. The regional labour ministers want to extend working time from 38.5 hours per week currently to 41 or indeed 42.

The mobilization of November 1, 2003 was prepared essentially by the forces of the radical left; while that of April 3 saw the conjuncture of the efforts of the DGB apparatus and the radical and union lefts, the unemployed organizations and ATTAC. After April 3 there is a desire to keep this framework of action as a structure that allows the union leaderships to act independently. Simultaneously the preparations for the first German Social Forum in June 2005 have begun — this should attract at least 10,000 people and could become a fantastic point of crystallization of alternative structures of resistance.

Meanwhile, activist congresses have been organized to debate the orientation of the social movement. Thus in mid-May is an assembly was called at the initiative of Ver.di, integrating the round table of the unemployed movements and ATTAC. It is a characteristic example of the recent evolution of the collaboration between the union sectors and the social movements. Discussion continues on the organizational questions of mobilization but also the search for common responses on questions like a guaranteed minimum income and the right to work. The movement of the social forums — most of all the European Social Forum — has been a precious source of dynamism. Many "walls" have fallen, which is perhaps the most important gain of the new movement.

The mobilization of April 3 has thus given a new impetus to the movement and opened new perspectives, unthinkable just one year ago. That will not last forever, a window for action has opened the prospect of the fall of the SPD-Green government. And this could happen before the elections anticipated for 2006. **II**

* *Angela Klein is an editor of the monthly "Sozialistische Zeitung SoZ" and is active in the network of European Marches in Germany.*

1 *IG Metall, the metalworkers union federation has for a long time been the biggest federation in Germany, although the newly created Ver.di is bigger.*

2 *The Hartz Commission, named after the head of personnel at Volkswagen (who in the past negotiated a number of compromises on working time with IG Metall), was set up by the Schröder government to "modernize" industrial relations.*

3 *The DGB is the only union confederation in Germany, historically closely linked to the Social Democratic Party (SPD).*

4 *Bündnis für Arbeit (Agreement for Jobs) was the name of a social pact which was the principal theme of the SPD electoral campaign in 1998.*

IN EUROPE'S ECONOMICALLY MOST IMPORTANT COUNTRY, 20 YEARS AFTER THE LAST BIG TRADE UNION BATTLE, A STRUGGLE HAS BEGUN WITH CONSEQUENCES THAT GO BEYOND GERMANY'S BORDERS

Germany: beginning of a rupture between unions and SPD

THIES GLEISS* LOOKS AT THE BACKGROUND

In 1984 the majority of the unions organized in the German Confederation of Trade Unions (DGB, Deutscher Gewerkschaftsbund) fought a struggle for a 35-hour working week. There was a six-week strike with lockouts and an open polarization in the trade unions. A minority of unions, then called the "gang of five" (primarily the chemical workers' and mineworkers' unions) challenged union unity and negotiated with the Christian Democrat/Liberal government for a compromise involving a reduction of working hours. The Minister for Labour and CDU member Norbert Blüm passed several laws for early retirement. Today, even these timid reductions in working hours are denounced, but it is often forgotten that they were a political reaction to the much more radical demands supported by the majority of unions in struggle against mass unemployment. IG-Metall, the print workers' union and their allies – despite the hesitations of their somewhat conservative leaderships – formed new social alliances to fight for a reduction of daily and weekly working hours. The anti-nuclear movement, encouraged by the success of the Greens in the federal elections (for the first time they had succeeded in gaining representation in the Bundestag) and the huge anti-missiles movement (although already in decline) opened fruitful possibilities. Without these social movements' deep roots in society, the battle for the 35-hour week would have ended as lamentably as the defeated struggle for the 35-hour week in eastern Germany last year. Chancellor Kohl condemned the 35-hour week as "dumm und töricht" ("stupid and absurd"), while the employers' organizations mobilized in an unprecedented fashion against the violation of their "catalogue of taboos".

For the workers in struggle and especially the political left, the 1985 compromise (which foresaw the introduction of the 35 hour week by stages over a ten year period) led to great disappointment, given the promising situation after such a long and hard strike. This criticism was just, but it should all the same be said that the strike changed the relationship of forces between the classes, with effects nearly everywhere in Europe. In any case, the unions massively blunted the central political project of "moral-spiritual change" that the CD/Liberal coalition (in power since 1982) had set itself. With the concept of a 35-hour week, which potentially came into conflict with the framework of capitalist society, a very powerful struggle against mass unemployment had been put on the European agenda.

A short springtime of the workers' movement

But a hot summer or autumn did not follow this promising springtime. The union leaderships became increasingly reconciled to the conservative government of the "eternal" chancellor Kohl, above all after the end of the German Democratic Republic (GDR) and German unification in 1990. The slow rhythm of the reduction of working time envisaged by the contracts was counteracted by measures of rationalization and greater flexibility as well as by increased rhythms of work. There was relatively little redistribution of work. Even the union said that only some 140,000 jobs had been created following the introduction of the 35-hour week. Thus, a long-term mass unemployment rate of around 10% became a profound reality of West German society and after the unification of Germany, the situation got worse.

In eastern Germany, the deliberate policy of deindustrialization after the Anschluss ended with a "specific economic zone" where the real unemployment rate was between a quarter and a third of the active population, where young people left the country for the west and where working time was longer, wages lower and the insolence of the capitalists greater than elsewhere. The introduction of an exchange rate of 1:1 between the GDR Mark and the FRG Deutschemark in summer 1990 produced an economic crash in the east and an economic boom for the consumption industries in the west.

The reticence of the union leaderships and permanent mass unemployment increased pressure on wages. Over two decades, there was practically stagnation in purchasing power. Many workers lost out on overtime payments because of contracts for greater flexibility or the implementation of an "account for annual work". Meanwhile, every year the prices of public services and recently privatized services like post or energy (with the sole exception of telephone costs) increased. "Reforms" in the health service further reduced disposable incomes. Moreover, for 14 years, wage

earners paid an additional tax called the "solidarity supplement" to finance capitalist restructuring in eastern Germany.

Rank and file desertion

All this has constantly undermined the material base of the trade union movement. A poll carried out two years ago by IG-Metall presented an unequivocal picture. An overwhelming majority of members, and many non-organized or ex-members, expected the leadership first and foremost to put forward policies that would lead to an increase in wages. But this primary task of a union, the collective sale of labour power, was increasingly not being fulfilled.

At nearly every collective bargaining process the same ritual was repeated. After weeks of declarations that there was no question of accepting a bad deal a long-term agreement would follow, resulting in a lowering of real wages and a deterioration of the situation of apprentices even if the rate of inflation remained modest. This led to anger among youth and in the trade union structures in the workplace, because the union leaderships ignored the decisions of hundreds of workplace councils and rank and file union assemblies which voted regularly for equal increases for all (instead of a percentage increase) and for shorter term agreements.

That explains why the membership of German unions, with the exception of the police union and professional organizations of train drivers, air pilots or other specific employees, has been in freefall. Most wage earners had justified doubts on whether the unions in the DGB were still a useful instrument for increasing wages and young people have lost all will to struggle for a better future. Since 1991, the DGB unions have lost a third of their members. Their spectacular increase after unification with the old unions of the GDR was reduced to zero in 10 years. The unemployed in particular left the unions en masse and there are few structures left for the unemployed within the unions. It is common when someone loses their job that they resign from the union at the same time.

For 20 years the reaction of the union leadership was a "modernization" of the organization. Several unions came together to form bigger regroupments, like IG-Metall which absorbed the unions in wood and textiles, while the chemical workers and miners unions fused. Most prominently, there was a merger of the public services union (ÖTV) with the media unions to form the big Ver. di federation.

This was accompanied by "structural reforms" and waves of campaigns to win new members – increasingly without concrete content. The old training schools for union cadres such as the "Academy of Labour" (Akademie der Arbeit), like other training and research institutions, were thus either closed, or separated from the unions and often privatized. Beyond this, the Kohl era and the increasingly powerful pressure of neoliberal ideology led to a dreadful political degradation after the fall of the Berlin Wall.

Most union leaderships wanted a recentring of activity in the workplaces ("Verbetrieblichung"), believing this would benefit the most important dues-paying clientele, qualified non-immigrant male workers. But even this short-term calculation has foundered.

In the political domain, most union leaderships were bureaucratically linked to social democracy, but with growing disillusionment. The role of the SPD as an inadequate "opposition" to the CDU/FDP government was accepted with bitterness, but loyally. During the electoral campaign of 1998, the union leaderships committed more than four million euros to support the SPD of Gerhard Schröder and the Greens of Joschka Fischer. But after the victory of the red-green coalition disappointment was rapid and the unions were several times duped by "their" government.

A pact for jobs?

Inaugurated following a proposal from the head of IG-Metall, Zwickel, in the mid-1990s, the "pact for jobs" (Bündnis für Arbeit) was buried after fruitless negotiations. These meetings of "social partners" – involving government, unions and employers' organizations – came to nothing. The employers even began to mock them and to show their lack of interest by stressing that the union leaders were not ready to make concessions. After an attempt to renew the pact for jobs in 1998, chancellor Schröder showed less and less interest in this concept. The Greens, among whom adversaries of trades' unionism are legion, openly denigrated it.

The theory of the "third way" – which Schröder borrowed from Tony Blair – denounced the idea of a social pact because, despite the servility and wish to collaborate by the union leaderships, this idea is founded on a vision of society divided into social classes and torn by antagonistic interests. Schröder increasingly preferred to have recourse to extra parliamentary commissions of experts and his "ethical council" which made proposals to be carried through "one to one" without negotiations. As negotiations around the "pact for jobs" foundered, Schröder showed his impatience and treated union chiefs with contempt.

If the 16 years of rule by Helmut Kohl were years in which the rot began to set in for the trade union movement, the years of the red-green coalition became a permanent humiliation. Interrupted only by the electoral campaign of 2002, the coalition developed a neoliberal and anti-trade union policy, which its predecessors had never dared to do with such radicalism. The social democrats and the Greens were thus bringing about a genuine "moral-spiritual" change in Germany.

Basically, this policy contained two programmatic positions:
1 A programme of reduction of wages and social security contributions, to increase private capital's rate of profit;
2 Consistent efforts to defend and develop Germany's position in the "new world order" through economic, diplomatic and also military means.

At least since the re-election of Schröder in 2002, the expression "our labour costs are too high" has dominated German political discussions. This discourse accompanies attacks against wage earners on every front. The argument is that wage earners should renounce a part of their wages, called the "second wage" which comprises pensions, social security and unemployment benefits. In total this amounts to 180 billion euros. The bosses considered this to be too high. Although in principle employees

and bosses each pay half, in reality this amounts to a part of the mass of wages set aside for the future. Reductions in pensions, reimbursement of medical costs and sick pay have already favoured private insurance. But that is not enough for the employers, who see in the privatization of pension and sickness insurance systems a profitable terrain for insurance companies and banks.

Since 1998, the trade union movement has on several occasions made significant concessions in the area of social contributions. It has accepted the partial privatization of pensions and it calmed the growing resistance against the payment of a part of the price of medicines and an entry tax of 10 euros for medical care. These concessions from the union leaderships were so rapid that it was no longer even possible to revise the programmes and decisions of the union conferences, which had been previously made. But the most serious problem is the acceptance by the unions of the logic of the "exorbitant second wage".

In addition to wage earners, jobless youth and the retired constituted the second target for Schröder's "third way". Mass unemployment costs society 65 billion euros per year and the pensions still more. Besides reductions in employers' contributions there were political decisions for a reduction of pensions and above all a reduction of unemployment benefit so that it is paid for 12 months at maximum (18 months for those aged 55 and over) instead of 32 months. In the framework of the Hartz laws the unemployed were attacked on three fronts. The amount and duration of benefits were reduced; the rules governing what can be demanded from an unemployed person in terms of accepting a new job were stiffened and now sometimes resemble forced labour. The unemployed are being steered towards the "low wage sector" which the bosses, experts and government hope to develop. This sector will be accompanied by part time and temporary work to bring pressure on the labour market and thus reduce overall wages.

In agreeing to negotiations on the Hartz laws, the union leaderships accepted a policy diametrically opposed to the decisions of their congresses and the policy previously decided. That is true especially of temporary work, which according to all the polls is mistrusted and rejected by virtually everyone. Even the current programme of the SPD still envisages the banning of temporary work!

Recently, for the first time since the Third Reich, capital and the state have launched an offensive to prolong daily, weekly and annual working time; in other words, capital is trying to increase absolute surplus value, as Marx would put it. Already, some provinces (Länder) have introduced a 41 or 42-hour week for civil servants (who have no right to strike in Germany). This lengthening is to be extended to the public sector as a whole and then to private industry. There is a discussion on the reduction of the number of bank holidays and annual holiday time. There are also plans to push the age of retirement up to 67 or even later.

Behind all these plans, there is one single idea, to lower wages. In the contractual negotiations this spring, the employers demanded that IG Metall accept a prolongation of working time without any wage increase, but this was rejected. Unhappily the union leadership agreed exceptions in case of companies experiencing difficulties. That means that there are now exceptions to the general rule of the 35-hour week, even if the direct attack has been beaten back.

Lost strike in the east

Schröder repeats incessantly that he sees no alternative to a policy of reducing wages; for him it is a constraint of the globalization the country must learn to live with.

The second main point of his government's programme, the reintroduction of the military into German politics, has been described by Schröder as his most important historic mission. What a decline for a chancellor of the party of Bebel, Schumacher and Willy Brandt!

Despite some reticence, the union leaderships have accepted this path towards rearmament and war. They have unnecessarily renounced a key element of the identity of German trades unionism. With one exception – the head of Ver.di, Frank Bsirske, a member of the Greens – all are SPD members.

Since the capitalist unification of Germany, there have been serious inequalities in wages and working time between east and west German workers. In the city of Berlin these are sometimes so grotesque that the side of the street you live on decides your wage and working hours! The fact that IG Metall finally dared to launch a struggle for 35 hours, even if it was not successful, witnessed to a certain courage. There were long debates in the bureaucracy, dominated by functionaries of western origin, which developed into a factional battle. The strike for a reduction of working hours was lost in an exemplary fashion. After three weeks on strike, during which IG Metall in the east committed numerous tactical mistakes, the head of the union announced in the press – without having obtained anything and without a vote – that the strike was over. Before this, some union functionaries and above all heads of works councils in western factories (particularly in the cars sector) indirectly affected the eastern strike through declarations that were completely disloyal to the union.

After the strike, IG Metall experienced an intense factional struggle, which ended in the election of two leaders from opposed tendencies, Jürgen Peters and Berthold Huber, in harness so that the leadership could calm tensions. The lost strike had shown starkly that the power of the unions

in Germany – the great pride of those sectors of social democracy still oriented towards the workers' movement – was no longer worth much. The DGB, known as the "sleeping giant" because for a long time it did not lose members (or strikes!), even in times of crisis, began to fissure. The disorientation of the unions seemed to have reached its apogee.

Awakening of the left

But the year 2003 also awoke the rest of the union left, which had experienced a rather lamentable existence for some years. There were still organized political left groups who tried, with much energy, but without great success, to get the unions moving. And when, in the context of contractual negotiations, there were warning strikes, it was always this left that took the initiative. Yet autonomous activities in the workplaces – of the kind known in Italy, France, Greece or even Britain – were rarer in Germany than snow in Palermo. The federal coordination "network of the trade union left" was rather a discussion circle of individuals without influence and even without the will to push things forwards.

For the first time, during the parliamentary debate on the laws seeking a partial privatization of pensions, protest meetings took place, organized by the independent left. The pension laws, presented by Walter Riester, the former number two of IG Metall who had become minister of labour, could not be blocked. But these initiatives by the left had as their consequence the formation of new local groups of the trade union left. During contractual negotiations in spring 2004, for the first time since the 1970s, a trade union left appeared, presenting an independent perspective and publishing its own pamphlets.

In 2003, particularly after the chancellor's speech of March 13 announcing the famous "agenda 2010", for the first time in a long time, we could see critical reactions from the largely depoliticized union rank and file. Those who had always voted for the SPD because they hoped the party worked for capitalism with a human voice, with job security and better wages, began to revolt. Those who were still SPD members left the party en masse. At the time of Helmut Schmidt, the party still had a million members; in 20 years this figure fell to 630,000, with a loss of nearly 50,000 in 2003 alone. Many current members are ashamed to admit it. According to polls, less than 30% of voters would now vote SPD. The district of Dortmund, a traditional fiefdom of the SPD, now has more members than the entire former GDR. For some time the SPD has been losing every election and pollsters speak of a deep loss of confidence in the party among wage earners.

In May 2003, the SPD union leadership tried one last time to organize a protest against government policies as in the old days, but this time the meetings and demonstrations organized in several cities did not gather more than 90,000 participants. Some days later, Theo Sommer, the head of the DGB, announced the "summer pause", an expression that has now entered into literature.

History has taken another path. In the framework of the summer university of ATTAC-Germany, cadres of the independent left in the workplaces and the unions decided to call a national demonstration in Berlin on November 1. At the same time, political strikes took place, against the decisions of the government and the debates in the Bundestag, on the Hartz laws. To respect form, these strikes were presented as wishing to ensure the contractual autonomy guaranteed by the Constitution, but in reality they were strikes against the SPD and the government's policies. The union rank and file mobilized massively for the Berlin demonstration. In the 10 days before the demonstration we saw a union mobilization without directives "from above", but with certain complicity from the leadership. The result was that more than 100,000 people protested in Berlin against the policies of the red-green government.

When, during the European Social Forum (ESF), a European day of action was conceived and when the April 2 and 3 were fixed as the date for this, it became clear to everyone that a much bigger mobilization than that of May 2003 and even than that of November in Berlin was needed. The ESF had seen for the first time the public participation of a German union leader, Frank Bsirske of Ver. di. He said he favoured a new alliance between unions and social movements – it is more than 20 years since such language had been heard at the top of the trade union movement. A period of free debate has begun and those who have worked in this milieu for years understand and appreciate this change of political climate.

The preceding weekend the demonstrations of April 3, 2004 saw the founding conference of the left in Ver.di. For the first time, an oppositional current – which is not the sectarian project of a left groupuscule and cannot be easily denigrated by the union leadership – addressed the public.

A new workers' party

Two regroupments to discuss the problem of a political alternative to social democracy have for the moment dominated press coverage, one in Berlin and the other in Northern Bavaria. If these two tendencies have the merit of being the first to address the public (even that is debatable), they are not the only ones and do not necessarily have the most interesting proposals. In any case, the situation is on the move almost everywhere.

Maybe we are living through the final crisis of the 150-year marriage between the trade union movement and social democracy. Unlike the situation in Britain, this marriage has always been political. Despite the structural and organic relations between the SPD and the union, there has been an organizational independence, which results from the development of the SPD as autonomous workers party rather than a party of the unions. If now the political link between the SPD and union is in the process of dissolving, the consequences will affect millions of heads and hearts; and the left should react with a new form of mass politics, which was never possible in past decades.

The big demonstrations of April in Berlin, Cologne and Stuttgart were a small indication of this. They represented the dialectical unity of an organization from "above" and a mobilization, largely autonomous, "from below".

The union bureaucrats, who in the past have blocked or held back many mobilizations, are being pushed aside; history is being made. Meanwhile we should avoid repelling those full timers who, for decades, have stuck with the SPD and who feel like orphans today. The process of differentiation runs through the union movement, more or less rapidly according to the concrete conditions. The union movement finds itself facing the huge task of beating back the massive attacks on the working class – employed and unemployed – in Germany and internationally. At the same time people around the world hope that the German workers' movement can abort a "seizure of world power" by German capital. There are two tasks of historic dimension!

Nobody knows the outcome of the struggles to come. On the road of separation with social democracy, the union movement can of course be defeated, if it seeks to avoid the necessary confrontations with capital and the government. The result will be a US style unionism. The task of the left is to bar the way to such a development. The maintenance of a big unitary confederation, negotiating collective agreements according to the principle of a strong solidarity with the weak and guaranteeing pluralism of positions and currents – this idea of trade unionism is well worth the necessary effort. ■

* *Thies Gleiss is a metalworker and a trades unionist from the district of Cologne (Köln). He is a member of the leadership of the Internationale Sozialistische Linke (ISL, International Socialist Left, one of the two public parts of the German section of the Fourth International – the other being the RSB, Revolutionär Sozialistischer Bund, Revolutionary Socialist League), and collaborates in the monthly SoZ, "Sozialistische Zeitung".*

Speech by Francisco Louçã in the parliamentary session of April 25, 2004

Francisco Louçã is one of the Left Block's members in the Portuguese parliament

"More than one hundred years ago, the poet Antero de Quental, founder of the socialist current in Portugal, explained that the causes of the decline of the peoples of the peninsula were, first, the fanatical popery that had created the Inquisition and ruined the schools; second, the colonialism that consumed everything; and third, the absolutism that blocked development.

Portugal, wrote Antero, lived in a "sleepwalking dream faced with the 19th-century revolution" which prevented it from understanding that "the name of the modern spirit is revolution". Was Antero a blasphemer, a romantic, a saint? He was simply modern. But the devout, colonialist and authoritarian regime did not keep pace with the 19th-century revolution of modernity, nor even the following century's.

It was only on April 25th [1974], so late, that we arrived in the 20th century.

Thirty years ago, Portugal lived plunged in sadness. Isolated from Europe, it was a mean, peasant country. Ideas were suffocated, women were ordered to obey, the daring emigrated, the young died in the war, the poor despaired, those on a middle income were bored, and the rich got richer. Opponents were imprisoned and persecuted. The powerful put their stamp on this country. They lived in the shadow of the dictatorship, turned as always towards the past: receiving first gold from Brazil, later money from Africa, and at the end dividends and stewardships guaranteed by the protective hand of Salazar. Parasitism was the congenital characteristic of this pathetic bourgeoisie, which abominated change, linked to a megalomaniac Empire. This elite, a nothing, created against the revolution of modernity, stuck in a time that never passed, was the result and the cause of Portugal's decline.

Democracy could only be born in a revolutionary spirit, contesting this elite and its dictatorship that were incapable of evolving – and would be so until their death. And so it came to pass.

Those who knew that to resist is to succeed, who had the determination to put an end to war, the women and men who came together on April 25th, made the revolution the mother of democracy. A crossbred revolution, in the convergence between the peoples of the colonies and of the metropolis. A courageous revolution, because it knew the enemy was in our own country and it was here we had to succeed. A democratic revolution, because it guaranteed freedoms and wanted social democratisation, this modernity that gives equality of chances, rights and responsibilities to all. A thoroughgoing revolution, which completely changed the political situation and humiliated the conservative elite – to such an extent that, thirty years later, after so much revenge, it has taken back the agrarian reform zone for the hunting zones and returned the expropriated companies and capitals to those who had fled to Brazil.

And still the powerful demand the supreme victory of the confiscation of memory, so as to obtain the reassuring certainty that the revolution that was never could have been.

How pleased they would be with commemorations dressed up in anaesthetised curtsies, deafening brass bands, obedient bows, cerimonial liturgies, and silenced people!

How they yearn for festivities that cannibalise history and rob history of its soul; for a birthday party that destroys the revolution – with all the less life in proportion to the number of candles, all the more nostalgia in proportion to the number of years, all the less urgency in proportion to the time that has passed – this is what the normalisers would choose.

Cunningly, they are robbing the revolution bit by bit, so as to create the impression that it was all superfluous, an exaggeration, that the dictatorship was mild and the day was bound to come when it would submit, tamed, subsidised, and befriended, to Europe.

A chorus of aged, once-rebellious youths, today repentant and prepared to accept well deserved baronets, one-time heretics who are now tranquillised snobs, keep telling us that revolution is always excessive and is necessarily an annoyance, a fright, a carnival – and that after the carnival it turns to dust and ashes, and can only turn to dust and ashes. They are building castles in the past because they want nothing from the future and are contented with an eternal recurrence of the present.

It was against precisely this kind of timorous, drugged spirit that the gamble, the takeoff of April 25th was taken – a soul-filled uprising, an explosion. It was an explosion of life – that is what a modern revolution is.

Women who did not resign themselves to obedience. Workers who wanted what was due them: dignity, rights, and the products of their labour. And everyone wanted freedom, the right to information, to create, to know what was going on, to discuss, to decide – and a Portugal that would be part of Europe and part of the world.

Now they are reproving the "excesses" of that time. What was excessive was the delay in making the revolution,

the apathy. It was high time to defeat a half-century of dictatorship, a dictatorship that had quietly taken root in people accustomed to subservience, to the coercion that it dominated all social relations: between men and women, bosses and employees, professors and students, the old and new.

It was an almost impossible task. And only a revolution can achieve the impossible. Democratisation meant just this: to defeat the dictatorship wherever and whenever it existed.

What an amazing leap this country made then! If there is anything we can be proud of in our 20th century, it is this founding moment alone, when the past of resistance conquered the right to the future and created democracy. This was not a natural evolution. It was a profound, passionate revolution, which we experienced as if it would always be the first day of the rest of our lives.

Let nobody dare now to belittle or disdain this breakthrough, this revolution! Those who made the April revolution, just as much as those who are today its adversaries, all of us, we only won the right to be alive on that day. Only on that day, beginning on that day, have we been great. That was the beginning of the modern revolution, when we awoke from the sleepwalking slumber in which we were living as if buried alive. Education and health care were democratised; work and politics were democratised; sport and leisure were democratised; the family, religion and love were democratised.

In the most illiterate country in Europe, the people's knowledge rewrote cultural history. In a country that knew little democracy, the revolution created freedom. In a country living in a fog of the mirage of a vast overseas empire, we met up once again with the Europe in which we live.

It was the 25th of April that allowed us to come alive.

Mr Speaker, ladies and gentlemen of the Chamber of Deputies: let us ask Antero [de Quental], a hundred-odd years later, if the causes of Portugal's decay have been overcome and left behind us. Thirty years after, let us ask April if we continue to be great – if we are more European now, more open to the world; if we are living in a more just way; and if, being just, we are modern.

Clearly, there are never definitive answers to the big questions. Because we are alive and we are going to keep on living, we will only know the answers that we give ourselves.

But we know that the revolution of modernity of the 21st century is running three risks, the big, permanent risks: fanaticism, colonialism and absolutism. These are the causes of decline that Antero was familiar with, but they are one and the same today.

Colonialism and absolutism are reborn in the Empire, a lawless, absolute power, which is bringing forth a new Wall of apartheid in Palestine with its spiral of terror; which is launching new wars for oil; which, even worse, is proclaiming an unlimited war, where it chooses, always as it chooses, whenever it chooses. This is the first and only empire to seek justifications for a bloody war after it has already declared the war over.

Colonialism and absolutism to which the Portuguese state has adapted itself, agreeing to send men and women of the police forces to join the Sepoys of the Empire in the occupation of Iraq, which is tumbling from disaster to disaster, from victim to victim.

Absolutism too, in a Europe that has lost its sense of direction, governed in a spirit of penny-pinching self-interest, following Washington's twists and turns, flowing into the corridors of the chancelleries that are conspiring against democracy in order to impose a directory of the powerful, excluding countries and impoverishing the citizenship to which we would like to give a European dimension.

Fanaticism, absolutism and colonialism are characteristics of a time of global war, dirty politics, mediocre leaders, and despair for so many people. Worse: fanaticism and absolutism are accompanied by an economic horror, in which the stock markets keep going up while layoffs spread, and in which the disaster of a half million unemployed in Portugal is good news for business.

Fanaticism and absolutism are being reborn because, thirty years after, our economic elites continue to hope for new gold from Brazil, cheerfully wasting the resources of the community, always asking for more: at the moment, the guarantee of a new fountain of profits from trade in privatised hospitals, privatised prisons, the privatised [banca], privatised water, privatised electricity, privatised the pension funds, and clandestine immigrants without rights.

Thirty years after, this is how the dominant elite wants Portugal: a tranquillised, quiet country, a country for soccer. A country that is an esplanade, a country estate. A country of good deals and generous subsidies, obliging friends, where one and washes the other. A teeny country that does not bother anyone and where everything is forgotten.

This situation of decline is what keeps modernity in check; however much we may have evolved thanks to the revolution, today we are regressing.

Opposing decline and backwardness, we nonetheless do not want to come here to defend the conquests of April. No; this would be very little, too little; this would fall short. It would be to think about the past and to give up the future. We want much more.

We demand, with the legitimacy that April gave to all of us who are bold enough to embrace democratising modernity: the freedom that we lack, the responsibility that is becoming scarce, and the social justice that is the biggest debt that Portugal owes itself.

The revolution that April inaugurated was a response from a too-long-delayed modernity to a bourgeoisie that hates the idea of development. Today's conservative elite, renewed and recomposed, is still horrified at change and governs the country the only way it knows how: it is launching itself anew into colonial adventures, piling up subsidies behind the tapestries, working towards a Europe without democratic standards and a country that has once more been lulled into "sleepwalking slumber".

This reactionary, backward-looking elite has always failed, in past centuries as in the present, because it has always been necessary to look forward. This elite must be defeated so that freedom and justice can keep their promises.

Thirty years after, our modern task is to defeat it. This is the commitment of the Left Block to the history of the revolution:

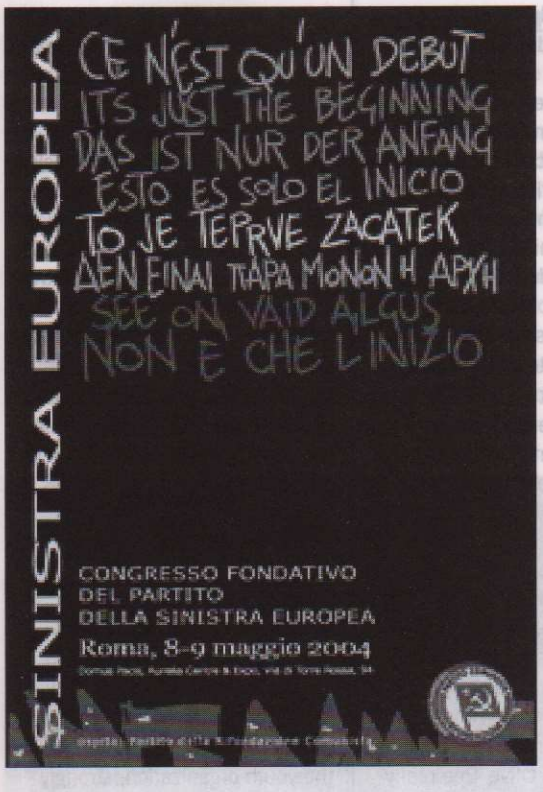
Long live the Republic!
Long live April 25th!
Long live socialism! "

Francisco Louçã

IN JUNE 2003, IMMEDIATELY AFTER THE ANNOUNCEMENT OF THE RESULTS OF THE REFERENDUM BY POPULAR INITIATIVE – OF WHICH THE PARTY OF COMMUNIST REFOUNDATION (PRC OR "RIFONDAZIONE") HAD BEEN THE MAIN PROMOTER[1] – ITS GENERAL SECRETARY, FAUSTO BERTINOTTI, ANNOUNCED A VERITABLE REVERSAL OF THE POLITICAL LINE FOLLOWED UNTIL THEN. THE MEMBERS OF THE NATIONAL POLITICAL COMMITTEE OF THE PRC WERE SURPRISED TO DISCOVER THE NEWS ON THE FRONT PAGES OF THE NEWSPAPERS SHORTLY BEFORE THE MEETING OF THIS BODY

Italy: new turn for the PRC

FLAVIA D'ANGELI*



At the centre of the new orientation was rapprochement with the political forces of the centre-left, not only to strengthen the opposition to Berlusconi's neoliberal government, but also with the declared objective of reaching a programmatic agreement for the elections of 2006 and the affirmation of the PRC's willingness to participate, with its own ministers, in a government resulting from an eventual victory of the "enlarged" centre-left, which would be led by the current President of the European Commission, Romano Prodi.

The particularly reactionary and authoritarian nature of the Berlusconi government obviously renders necessary a PRC offensive towards other forces of the political opposition to persuade them to support the many social struggles, sectoral strikes and widespread discontent which are shaking the country and which mean that already – well before 2006 – the demand is raised for the overthrow of Berlusconi and an end to his policies of social massacre and war alongside the US. The strength and radicalism of the social movements, especially the movement for global justice, make this offensive on the social terrain possible, in particular after the big referendum battle which, although it ended in defeat, gained more than 10 million "yes" votes and unified a variety of movements and struggles, leading to a genuine crisis for the government. But the PRC instead tried to direct this force onto the terrain of institutional politics, through negotiations behind closed doors with the Olive Tree[2] offering readiness to participate in government without even formulating demands on the content of a real political alternative.

Unacceptable positions

Currently there is any number of declarations from the forces of the moderate left and the Catholic centre that make up the Olive Tree. These are obviously very different from the positions of the PRC. Some examples:

* In December 2003 urban transport workers, who have had no wage rise in two years, led a campaign of strikes which was largely supported by the traveling public, in spite of new anti-strike legislation. Francesco Rutelli, leader of the Margherita (the dominant party in the Olive Tree), added his voice to those of the government in condemning this "wildcat strike";
* Rutelli also said he was ready to discuss with the government on the pensions reform it has just proposed, which has been condemned by all the trade union confederations (although with differing levels of criticism);
* The Margherita's deputies voted for a new law on medically-assisted procreation whose central axis is the recognition of the embryo as a "person" with legal status, which constitutes a basis for the abolition of the right to abortion;
* Finally, while the world and Italian movements prepared for the anti-war demonstrations of March 20, The Margherita and the DS abstained on a vote in Parliament on the renewal of the Italian military presence in Iraq, affirming their readiness to keep the troops in the county alongside the US providing UN authority could be reestablished. This led to a serious rupture with the peace movement, which is demanding the immediate withdrawal of Italian troops.

Gains

To understand the current debate within the PRC and the political turn that the proposals of Bertinotti and the majority of the leading group represent, it is necessary to review some of the history of this party.

Born eleven years ago, primarily as a party of those elements within the Italian Communist Party (PCI) which had refused to follow its transformation into the Democratic Party of the Left (PDS), then the Left Democrats (DS), the PRC attempted a difficult "exit stage left" from the crisis of Stalinism. The combined passage of its break with the

Prodi government in 1999 and its involvement in the movement for global justice made it an original political subject, open to the movements. In recent years Rifondazione represented a point of reference for important sectors of working and young people, while preserving in some significant regions the old popular implantation of the PCI. For all these reasons it appeared, at various moments of its history, as the instrument of a possible revolutionary recomposition, breaking with the reformist strategic heritage of the PCI and the legacies of Togliatti [3], and undertaking a coherent anti-capitalist conception and practice.

The very concept (and the name) of communist refoundation indicate this capacity – difficult because it demanded of a good part of the activists and the leadership the ability to review their history critically – was reflected in the tasks of the party for a whole period. The task of refoundation, which the leading group of the party presented repeatedly as an objective to be attained, remains until now at the stage of theoretical perspective, with the party displaying neither the capacity, nor even the will, to really continue an organic process of strategic, political and organizational renewal. The PRC has thus always practiced a balancing act between "new" research that was not clearly defined, and the concrete persistence of old bureaucratic and reformist traditions. At every crucial political moment – particularly when the question of the government and its relationship with the social-liberal formations was posed in an acute way – there have been important splits to the right of the leading group, reinforcing the hopes of activists and sympathizers, in particular the young, of a qualitative leap.

The last congress in spring 2002 saw the most serious attempt aiming at redefining the political and strategic profile of the PRC, renewing the process of refoundation and rupture with the past. At the center of this project one could observe the following elements:

* the desire to break any link with Stalinism and the societies it created and even with any condescension towards these phenomena;
* the displacement of the centre of gravity of the party from institutional politics to social politics (challenging the old conceptions of Togliatti); the search for a path which would, through conflicts, movement, the development of a participatory democracy from below, allow the definition of a new project of rupture with capitalism and transition towards an alternative society; the introduction of the theses adopted thus proposed placing revolution on the agenda;
* the choice of the mass movement up to the end as a characteristic and innovative trait of the party as opposed to the old bureaucratic and manipulative party conceptions;
* the choice of differentiation and a partial rupture with the traditionally more conservative elements of the party.

Limits of the PRC

The impact of these theses was limited though the evolution and dynamic of subsequent events amplified it. In the last analysis, this related to unresolved ambiguities in the leading group itself. First was the difficulty in breaking completely and definitively with reformist conceptions. In particular:

- the break with Stalinism remained too general, a point of moralism, not based on a grasp of the true nature of the bureaucratic regime or the choices and the path of the anti-Stalinist currents;
- the analysis of contemporary capitalism and understanding of State was vague, if not completely erroneous, which led to successive political errors when the raw reality of the facts brought to light socio-political dynamics extremely different from the interpretations suggested;
- the break with Togliattism remained hazy, finally unclarified and unexplained to the militants present at the congress;
- the indefinite character of the strategic aspects of the hypothesis of social centrality in the construction of an alternative to capitalism, the revolutionary strategy of rupture with the system, the construction of another system of power and the self-organization of the working masses; this authorized the reemergence of the deadly combination of institutionalized reformism and gradualism;
- spontaneist and movementist features, masked behind the justified rejection of the manipulative role of the party within the movements, strongly weighed on the activity of the PRC and prevented the development of the activity of its militants in the construction of the movements; that finally provided polemical arguments to the conservative component of the party, eager to blame the tactics that had been adopted.

But in spite of these weaknesses, the real change in orientation, which has characterized the initiative of the PRC for some months, could only astonish and disorientate its militants. The abrupt turn decided on at the top and imposed by the central leading group despite the hostility of significant sectors of the party, represents in fact a rupture not only with the orientation of the congress but even with the cultural and political bases built over the past four years by the PRC.

It is a major reversal, a break with the radical tradition, which will lead to a modification of the nature of the party itself. Whatever the conclusion of the next election – will a governmental agreement between the PRC and the Olive Tree really emerge? and more significantly, will such an alliance succeed in beating Berlusconi? – the party will pay a heavy price. In the first case, if the leadership pushes to the limits the consequences of its choices, the social rationale of the party will be undermined. If, on the other hand, the dynamics of the class struggle or some particular political event interpose themselves and prevent its realization, the party will also suffer the side effects of this.

Objective difficulties

The scenario of an acute internal conflict and a crisis of the party is thus starting to unfold.

It is certainly possible to interpret this turn as the fruit of the difficulty encountered by the mass movement in making its fight "effective", scoring victories and changing a deeply unfavourable social relationship of forces. It is the fruit also of disillusionment, given that the development of the movement does not lead automatically to the strengthening of the party itself and the construction of a new alternative, broader than Rifondazione – in spite of its strong involvement in the movement, the PRC did not manage to increase its electorate significantly at the last elections. The electoral "stagnation" of spring 2003, like the defeat of the referendum in June of the same year, played a particular role.

By proposing a governmental alliance, Bertinotti tried to mask the difficulties of the party while placing it at the centre of political debate. On the media level the operation succeeded. But this was at the price of confusion inside the party. Significant sectors of the party – and not only those most traditionally related to the history of the PCI (which, at the time of the last congress, opposed the line of the majority through a series of amendments to the theses) – found themselves "naturally" at the side of Bertinotti, whereas other sectors, in particular in the middle leaders related to the mass movement, were very critical and disorientated, leading to disengagement or an activity limited to the social terrain. Within the youth organization, strongly involved in the movement, the new line produced more negative effects: a centrifugal dynamic and/or disenchantment.

But beyond the objective causes which opened the way to this turn, an explanation must be sought at the political level: faced with major political events the leading group, starting with the secretary himself, remained prisoners to reformist conceptions, which reappear every time the problem of a political outcome is posed by the class struggle. These conceptions go hand in hand with the bureaucratic practices of an apparatus that, although of modest size, has updated its moderate conservative dynamic. The alignment of the leading cadres of the National Political Committee (NPC) was impressive. It expresses a conformist

conception of the party. The role played on this occasion by the old component originating in Democracia Proleteria t[4] was particularly negative.

Our orientation

Throughout the history of the PRC, the political current around Bandiera Rossa has tried to create the conditions for a real insertion of its militants in the activity of the party, seeking to stimulate class initiative and social implantation. Rifondazione appeared to us as the unique occasion and instrument by which we could move towards the recomposition of a new revolutionary political subject, through a complex process involving clashes, ruptures, experiments, openings and realignments.

We did not envisage a linear evolution towards a finished anti-capitalist force, but a contradictory process. Thus, during a whole phase, we had tried to build a broad and plural left within the party, with some successes at given times, but without these initiatives managing to become consolidated and offer a homogeneous strategic orientation.

The split of Cossutta's supporters in 1998 and the decision to break with the Prodi government, on the one hand and the eruption on the political scene of the movement for global justice on the other, led to a leftwards evolution of the party, as seen at the last congress.

The social movements

For this reason we decided from the very start to support the process that began in 1998 and we supported the line emerging from the congress, pushing it ahead and to seeking to transcend its limitations. We invested our forces in the leading group, in a working relationship with the comrades of the majority, conscious that this was the scenario most favourable for the construction of a revolutionary party, but conscious also that advance was by no means ensured and that contradictions persisted. The change in political line of the PRC impacts directly on the movement of the movements, simply because the party had integrated itself into the "people of Genoa". This movement, confronted with its own difficulties of passage to a new stage of its history, thus sees these difficulties increased because of the PRC. It is undeniable, even if one cannot speak of an offensive, that the strong potential of anti-neoliberal resistance is always present. During the last few months we have thus seen the development of the partly victorious combat against nuclear waste; innumerable strikes in transport; the resumption of trade-union mobilizations on pensions; the resistance of the FIOM (the metalworkers' federation). Partial struggles and resistances exist in other sectors, like the movement for democracy and freedom of information. There is the pacifist sentiment shown in the Perugia-Assisi peace march as well as innumerable international solidarity initiatives. All things considered, objective conditions – the harshness of neoliberal policies, unbearable character of the sacrifices demanded, anti-Berlusconi impatience, the war – maintain intact the conditions which saw an explosion of movements in the period 2000-2002.

However these are struggles and movements rather than victories and there are still real problems at the levels of direct democratic representation and social self-organization. Because of the particular characteristics of the Italian movement – the Genoa days (2001) "filled" a political vacuum on the opposition and since then, the Italian movement has a "political" dimension more than a "social" one – there is a temptation to interpret the opposition to the Berlusconi government in strongly political terms. The turn of the PRC thus meet a certain assent in the leading groups of the associations and the movements which had set up the Italian social forums -such

as the ARCI, Lilliput and even a part of the FIOM – and still more so within the biggest Italian trade-union confederation, the CGIL. On the other hand a strong opposition came from the more radical sectors, such as the COBAS unions or the social movement of the Disobbedienti. But this assent from certain frameworks of the social movement gave the illusion that the political proposal of an alliance with the centre-left, from the governmental point of view, would be an orientation making it possible for the movements to overcome their difficulty in obtaining tangible results. But far from increasing the efficacy of the movements – which initially depends on their capacity to determine their objectives in an autonomous way, to obtain independent structures and bodies of struggle – the result has been a dispersal of energies.

Where is the PRC going?

The turn of the PRC goes hand in hand with the will of the leadership to build with the principal European Communist Parties a "Party of the European left" – to build an alternative political subject on the continental scale. But it does so in an impromptu way, with aspirations which are primarily electoralist, while calling into question the work done aiming at building relationships with the anti-capitalist left, founded on the relationship built with the LCR of France, and by reproducing the kind of alliance resulting from the tradition of the "Cominform", between the traditional Communist Parties.

But above all it is an alliance of parties ready to make governmental agreements with the neoliberal left. The founding proclamation of this "Party of the European left" thus says nothing on the project of European constitution, accepts the possibility of an armed Europe and presents a moderate profile on the question of the Stability Pact. The current phase within the PRC is thus largely new and full of unknowns. Our political current is honestly engaged in the construction of this party, without abandoning its political-historical inheritance, conscious that the agglomeration of different histories and experiences will require a thorough clarification.

Unfortunately the facts support this conviction. We are today forced to differentiate ourselves from the majority of the party and to take on the elaboration of a clearly alternative orientation, founded on the best features of the party in recent years, starting from the intervention within the movement. It will not be easy: the dynamics of the class struggle in Italy and the weight of the opposition vis-à-vis one of the most odious governments in Europe render this orientation – that of the united front against the right and the determination to build a coherent anti-capitalist left – particularly difficult. But it is the only way that deserves to be supported. ■

* *Flavia D'Angeli is a supporter of the Bandiera Rossa current (PRC members who identify with the Fourth International) and a member of the National Leadership of the PRC.*

1 *This referendum aimed at extending protection against unfair dismissal to workers in small companies (less than 15 employees). See IV 353, September 2003*

2 *The Olive Tree is the electoral coalition of the centre-left, around social democratic forces (Democratic Left, DS, resulting from the social-democratization of the majority of the ex-PCI) and the Christian Democrats.*

3 *Palmiro Togliatti (1893-1964) was one of the founders of the PCI and became its leader after the arrest of Antonio Gramsci in 1926. He was a minister from June 1945 to May 1947. He published the works of Gramsci, giving them a reformist interpretation. After the 20th Congress of the CPSU (1956) he distanced the PCI from the Kremlin.*

4 *Democracia Proletaria (DP) was a far left organization that joined the PRC at the time of its foundation. The militants of the Revolutionary Communist League, Italian section of the Fourth International, after having acted in coalition with DP for several years, had joined it while remaining a tendency and continuing the publication of their monthly magazine "Bandiera Rossa". The two groups joined the PRC simultaneously, but with different conceptions of the party to be built.*

Italy: the political phase and the European party

This document was presented to the vote by Gigi Malabarba, Flavia D'Angeli, Franco Turigliatto, Salvatore Cannavò, Lidia Cirillo, Barbara Ferusso, Elena Majorana, Livio Maitan and Nando Simeone at the meeting of the National Political Committee (CPN) of the Party of Communist Refoundation (PRC), held in Rome on March 6-7, 2004. The nine members of the CPN who are signatories to this document, activists in the Bandiera Rossa current, belonged to the majority at the time of the last congress of the PRC in 2002 (see IV 340, May 2002). The CPN adopted by 67 votes the resolution presented by the majority which approves the PRC's joining the Party of the European left (PGE), whose founding congress will be held in Rome on May 8-9. 53 people voted against this project. The opposition was divided between four other resolutions: one criticizing the project of the PGE because it does not involve the more orthodox CPs (the Greek KKE, the Portuguese CP and the CPs of eastern Europe) and asking that the founding congress of the PGE be put off until after the European elections (30 votes), two others considering that the project of the PGE testifies to a capitulation to reformism (12 votes) and accusing it of abandoning "the class programme" (4 votes), and finally the document which we reproduce here (7 votes in the absence of two of the signatories). The CPN elected a delegation of 12 members – 6 women and 6 men – to represent the PRC at the founding congress of the PGE, including Flavia D'Angeli and Gigi Malabarba

A thread runs through the various aspects of the debate in our party. It exists at various levels, which, apparently, move on parallel courses but which represent, taken one by one or as a block, a constant slippage in relation to the decisions of the last congress. The party is currently plunged in confusion and malaise and faces difficulties with regard to its capacity for militant initiative. The discussion on the European party is only one aspect of this situation and it would be not very comprehensible without a more general reflection. For these reasons, we propose, for discussion and vote, a general document, analyzing the current situation and proposing choices which result from this.

Permanent war

The political situation continues to be marked by the offensive of the US administration and the logic of the permanent and preventive war. In spite of the failure of the war against Iraq – if Saddam has been overthrown, the Iraqi people are in a worse situation than before and must, moreover, face the terrorist phenomenon – the Bush administration continues to use its military and technological superiority to dominate the planet, employing, as well as weapons, its economic force as shown by the competitive devaluation of the dollar. This warlike policy thus marks a phase of strong instability and uncertainty, even on the democratic level, on a world scale. The action of international terrorism, which in its autonomous determination pursues the objective of a new internal "order" in the Arab world, not only does not constitute an acceptable response, but does nothing but reinforce the US government's projects of imperialist domination.

It is in this dynamic that the European Union is embarking on the project of creation of a European power. The project of a neoliberal European Constitution, for the moment in abeyance but not abandoned, goes in this direction; but it is still more the sense of the project for a directory proposed by France, Germany and Great Britain (which also could involve Italy). The European power project is not just at the economic level but also on the military plane, which is essential to defy the United States. This dynamic is contradictory; it is founded on an obvious competition between the two principal imperialist blocs (see the trade confrontation and the levies imposed on US exports) but also on attempts to build a political, economic and military agreement (see the Franco-American joint intervention in Haiti).

Within this framework the offensive against workers on an international scale continues. It is particularly visible in Europe in the policies imposed by the Stability Pact – challenges to pensions systems, flexibility at work, wage cuts. The denunciation of the obstacles to the Stability Pact do not constitute a reversal of the tendency of neoliberal policies, but only an attempt by the dominant classes to provide themselves with the maximum public resources to face the economic crisis.

The attack of the Berlusconi government

This process is particularly obvious in Italy where we observe an increasing aggressiveness of the government, in particular as regards the social aspects. The final adoption of law number 30[1], the proposed pensions reform, the federalist project, the increase of internal repression constitute aspects of a neoconservative project which seeks the support of sectors of the bourgeoisie and which, at the same

time, tries to tighten the ranks of a parliamentary majority in crisis, incoherent and lacking political and social legitimacy. The government is caught in a contradiction that is the consequence of its own social policies: by striking against broad popular sectors, they also strike against a sector of the center-right electorate. The objective of welding together neoliberalism and populism is far from realized out and, especially, the marriage between neoliberalism and electoral consensus remains a mirage (not only for the conservative forces but also for the moderate left, as the defeats of Schröder show). In this crisis, Berlusconi seeks, on the electoral level, to reinforce his personal position and leadership, without losing sight of the need for maintenance of a good relationship with the principal sectors of the Italian bourgeoisie, wedged between European recession, the excessive strength of the euro and the desperate search for concrete results. The support for Luca di Montezemolo at the head of Confindustria[2] represents this attempt.

The centre-left

The paradoxical element is that the moderate forces of the Olive Tree pursue the same goal. The birth of the unitary lists is within this framework. What should constitute a significant new element, the Convention of the unitary list, represents a factor directed not towards the constitution of a new reformist force, but towards the constitution of a social-liberal subject as an alternative solution for the Italian bourgeoisie once the failure of the Berlusconi government is assured. Prodi's European manifesto, the only programmatic horizon of the new unitary list, the proposals for pensions "reform", the attitude during the Parmalat affair[3] and the will to reach an agreement with the center-right on the law on investment are unambiguous evidence of the fact. The logic of alternation remains the dominant logic of the political framework, with probable effects on abstentionism and disaffection on voting and politics. That resides in the fundamental attraction that the political framework of centre-right and centre-left exerts on broad sectors of the Italian bourgeoisie and employers who, with an acute sense of their class interests, resort to the two groupings. The "bipartisan" support for the candidacy for the presidency of Confindustria is an obvious proof of it.

In addition, the declarations of the leaders of the Left Democrats (DS) and Margherita leave no room for doubt. The refusal to vote on the Italian military mission in Iraq conceals in reality the support of the Olive Tree for the Italian presence in Iraq. And the reference to the UN is not enough to mask the aspiration to become a reliable interlocutor of the United States. The support for the military operation in Afghanistan, the first application of the doctrines of infinite war, confirms this option. The decision in this context to take part in the manifestation of March 20 does not reduce the gravity of the choice. It worsens it by a political testimony of cynicism which contrasts with the need to refound the forms of politics. The leading group of the Olive Tree expresses a "responsible" attitude towards the European Union. By approving the Convention, then the draft constitution of Giscard d'Estaing (and Fini and Amato), the Olive Tree showed the substance of its policy while supporting actively and with conviction a "Europeist" culture which, with contempt for democracy, both formal and substantial, tries to transform the Old continent into a neoliberal receptacle controlled by the rules of the market. And what to say of the attitude of Romano Prodi, who directs the European Commission, defending the Stability Pact and financial stringency with vehemence. This Stability Pact has for years strangled not only national policies but also the possibility for local bodies of carrying out modest reforms in favour of the citizens.

The necessary unity

The examples could continue – from the Margherita's support for the law on medically assisted techniques of reproduction[4], to the charges of "wildcat strike" against the urban transport workers - but it is enough to render comprehensible enough to us the need for re-examining the orientations adopted at the time of the last National Political Committee. Today the bases for programmatic agreement for government with the centre-left do not exist. From the point of view of unity against the right, it is possible to build an electoral agreement to beat Berlusconi, but without that implying a governmental responsibility. The very perspective of electoral unity to drive out Berlusconi cannot have any effectiveness if one does not realize first the unity which we really need, in the struggles in progress, around a common platform founded on the general demands of the vast movement which fights, in an as yet dispersed way, against the neoliberal policies of Berlusconi, often supported by the EU. Here resides the principal problem, and here one can grasp the limits and contradictions of the forces which, on paper, would and could constitute the solid allies of a possible left alternative. We think initially of the CGIL, which from the point of view of unification of the struggles, does little or nothing when it does not work straightforwardly to sap their power or to slow them down, as in the case of urban transport, as a function of a resumption of dialogue and a special relationship with the CISL or UIL[5]. The signs of a revival of dialogue are rather strong: from the contents of a series of unitary passages of the three trade-union organizations to the illusions created around the election of a new president of Confindustria.

A new phase of collaboration through dialogue would be carried out on a level even lower than that of the 1990s, because Confindustria regards as acquired and consolidated the anti-worker measures of the government, and as untouchable the current distribution of the national income which the weakened trade-union organizations cannot renegotiate.

That is why it is so significant today that the party supports the project of the FIOM fully[6], to break with this policy and build a new phase of conflict and protagonism of the working class, a project which has a very political significance, not only at the trade-union level.

It is also significant to maintain an active support active for the initiatives of rank and file trade unionism and its attempts to resist dialogue as protagonist in significant experiences of class struggle.

A new phase of the movement

In addition, as indicated by the mass mobilizations of recent months, the work of the "movement of the movements", which is too turned in on itself, should be started again. The movement is in an impasse of forms of representation and coordination, with difficulty in laying down common objectives and grounds for growth. Beside this dead end, however, one notes a global rise of social conflicts: the struggle in transport or schools, the metalworkers' summits, the fight against precarity of the university researchers, the struggle in the health sector, environmental struggles in Scanzano and Civitavecchia[7], the extraordinary mobilization of Terni in defense of the iron and steel industry, and other, often fragmented struggles. The conflict has known big days of mobilization, but it has started to root itself in many workplaces, with a greater capacity for articulation and deepening of the struggle. From now on the concrete

class struggle reveals the need for a unifying platform around certain central points: the fight against precarity starting from the boycott of law 30, wages (including the social wage), the defence and revival of the social state, the abolition of the permanent centres of detention[8] and rights of citizenship for immigrants, the relegitimation of public intervention and the defence of common property, democracy of and in the movements, starting from the representativity of workers.

It is by determining platforms common to the various struggles, by a project centered on the reconstitution of links and the recombining of the new and old labour movement, that it is possible to pass today to a new phase. A phase that will develop concrete unity of action privileging the "continuity of the movement" over the "continuity of the groups". The occasion of May 1 in Milan goes in this direction and must thus strongly engage our party.

In addition, it is necessary to propose not only the need for a general strike to block the new counter-reform of the pensions system, but a national meeting in due form of delegates from the entire world of work to define the common contents of trade-union struggle and demands. Immediately, there is March 20 and the mobilization against the war. There is no doubt that pacifism continues to animate most of the Italian movement, even in its more moderate components. It is necessary to note positively the capacity to work in a unitary manner to build the March 20 demonstration, to which we are strongly committed. But the problem remains not to exhaust the pacifist movement in a dimension of testimony, by an annual demonstration, which tends to preserve its function of overall public opinion but not its effective capacity to act politically. In other words, we need to work so that the necessary ethical dimension – which the debate on non-violence tends to codify, by crystallizing it – also becomes a political proposal. That involves the articulation of the movement in thematic and continuous campaigns around certain key points – military expenditure, Italian and foreign military bases, the process of construction of the European army – as sites of intervention for a movement which must find the forms and the instruments to remain present after March 20.

Reading the 20th century

In this project, the movement does not need a debate on non-violence, whatever the cultural and political value of this latter. It is not the first need of a movement that has made peaceful forms of struggle a distinct and natural feature of its own existence.

It is true on the other hand, that the discussion on non-violence contains the hypothesis of a redefinition of party identity, of a rupture with the failures and the errors of the 20th century, founded on a rereading of the century and communist history which does not correspond to the concrete history of the class struggle and which is not very useful for a real critical assessment of the experiences of the past.

The selected point of attack of the rereading of the 20th century is the nodal point of war and through it the question of violence. We are told that a certain propensity, or concession, to violence, traversed the communist movement to the point of altering its original aspirations and deforming its significance. This criticism is not limited to the horrors and atrocities of Stalinism, but goes beyond this, seeking and finding errors and horrors committed from its "youth", a series of original sins, which move the critique of Stalinism towards a more general criticism of the violent attitude of the workers' movement contained in the so-called "seizure of the Winter Palace". Thus, without ever trying hard to verify this caricatural image, the October Revolution is put in question, as a watershed in the theory and practice of revolutionary Marxism that highlights its allegedly violent character, leaving in the margin its historical significance as liberation and autonomous activity of the masses. In the center of this process there was, indeed, one of the greatest historical events, the capacity of the masses with to organize themselves in a democratic way through the Soviets, through the factory councils, to practice a level of democracy that even most democratic of republics has ever known.

The paradoxical aspect is that in founding the reasons fro the Stalinist involution on a supposed original sin of Communism, the seizure of power as a violent act, one minimizes the significance of Stalinism itself, by reducing it to a variant, certainly horrible, but ultimately secondary, of a much broader problem located upstream. In addition to Stalin, one rejects Lenin, and with him, we imagine, Trotsky and Rosa Luxemburg. In the end it is Stalin and his social counter-revolution who are relativized.

This discussion certainly contains the possibility, still completely unexpressed, of a progressive and left wing emergence from the errors of the 20th century. From this point of view, it can be useful of to pose the thorny and never resolved question of power. But reducing the question of power to original errors and horrors results in banalizing a significant aspect of political action, that of being able to decide and of being able to change the world. What has always been the prerogative of the dominant classes is questioned with violence when it comes to the oppressed classes. We can discuss seriously, and it would be useful, if the organization of power produced by the October Revolution was the best adapted to this phase. But can we agree that when a mass revolution breaks the existing order it should not adopt a system of rules, institutions, participatory democracy as we would say today, in order to be capable of weighing on reality, defending its revolution, change the existing state of things?

Democracy

At every high point of the mass movements of the 20th century, these forms of self-organization reappeared in various forms, against the efforts of all the apparatuses of social democratic and Stalinist origin to destroy them or empty them of their

substance by reducing them to reformist logic. It is necessary to deepen the critique of Stalinism and a great part of communist history (it would be more correct to say: of the formations modeled on Stalinism) marked in reality by a double involution on the question of strategy and power: either social democratic, which abandons the construction of a revolutionary process, or authoritarian in a vertical and putschist direction. These are deeply antithetic conceptions to a revolutionary and democratic strategy of self-organization of the masses. In reality, this discussion does not take account of the effects of an idealistic attitude which locates errors not in the concrete historical determinations of processes but in abstract categories. The key element to propose a coherent and advantageous discussion on the question of power and a "left" exit from the errors of the 20th century turns around the unresolved question of democracy. The revolution presupposes participation and democracy in all the phases of its evolution. If there has been a constant element in the tormented events of this century, in its errors and horrors, it relates to the deficit of a real and substantial democracy. It is the absence of a real socialist democracy, founded on a true "self-emancipation of the workers" under the terrible pressure of the civil war and the isolation of this experiment, in addition to the errors made in this context, which undermined from within the revolutionary process opened by the October Revolution; it is the lack of democracy of and in the movements, in forms which guarantee self-organization and autonomy, which prevented, at various historical phases of the 20th century, movements from creating the conditions of countervailing power and which allowed their recovery by the social democrat and Stalinist apparatuses; it is the absence of an effective democracy in and in the party, which blocked free debate between the various options – always over-dramatized and resolved by splits, ideological confrontations and rancor – and it is the absence of an effective participation in choices and their applications, which allowed the growth of the cult of the leadership and the bureaucratic apparatuses. The theme of revolution, which remains central for our identity, must today be linked to that of participation and democracy: this is the most invaluable lesson which comes to us from the movement for global justice when it demands participatory democracy for another possible world.

European policy

The discussion over the 20th century and the errors of the communist movement must have a natural consequence in concrete and current choices. If we want to really criticize the bureaucratic and vertical practices of the workers' movement, we cannot accept that a significant choice, like the constitution of a new European party, is taken behind the closed doors of the secretariats and the diplomatic relations of the party. It is an improper exercise of power.

Today we are on the eve of the European elections: a central event for the life of the party around which it is useful that we present the choices that we make. Any organizational assumption must be founded on a long-term plan and a clear and shared political orientation. Starting precisely from Europe and the place it occupies in the principal current political choices.

The existence of a vast movement, social, political, trade-union and citizen, which, starting from the European Forum in Florence, passing by that of Paris, mobilizes and fights in the name of another Europe, constitutes an invaluable opportunity to advance an alternative project for another Europe.

A Europe, above all, which rejects war as an instrument of resolution of international disagreements and which, consequently, would start "disarm", by reducing military expenditure and closing military bases, starting with US bases, firmly opposing any project of a European army.

Starting from the rejection of war, Europe must reject the idea of building itself on the basis of ethnic or gender exclusion. In our Europe, nobody should feel foreign and citizenship should be universal. The mobilizations of immigrants, which are beginning to coordinate on a continental scale since the Paris Social Forum, must be supported and unified with the other struggles.

Thus the social terrain can become the true ground of mobilization and unity which, in the name of another Europe, identifies partial and common objectives which can reinforce the struggles themselves. There will not be another Europe if we do not manage to carry out a European strike in defense of welfare, basic social rights, trade-union guarantees and so on. There will not be another Europe if beforehand, the movements have not experienced stable relations, networks and effective coordinations, joint struggles by developing to the utmost the experience of the European Social Forums. In this sense the conception of democracy itself can and must be enriched. The European Constitution is not a question that can be delegated to the governments or institutions like the Convention. It is a general question which should establish the bases for a new substantial democracy which benefits from the experience of the movements, develops the participatory method, identifies new participatory structures which are not abstract but according to the social and political content of another Europe.

For these reasons, it is necessary to reject the draft convention. A policy of amendment is not possible. Several forces, not only the social democrats and the greens, have already chosen to support it – also trade-union organizations and associations which defend the need for this text because of the absence of any constitutional reference point. Against the Constitution of the multinationals and capitalist globalization, it is necessary on the contrary to build a vast social mobilization, of a mass nature, and to thus create the conditions for another Europe, another Constitution, of the people, social, democratic and peaceful.

The European party

Our congress set itself an ambitious but necessary objective: to build a new political subject, able to unify the forces of the alternative left on the common points of the fight against globalization and war. This construction of a European political subject must go in hand with the growth of the movement for global justice, pacifist, ecological, workers, precarious workers, youth, women, intellectuals on a continental scale. The events following the congress confirmed the need for a new political force, not imposed from above, or merely figurative at the institutional level, but the outcome of a real process, which is constituted in sharp social struggles decided collectively on the supranational level. An organization that will be formed by successive rapprochements, but which would have a credible agenda of work immediately. A plural subject, open, formed by various sectors of the workers' movement and the class, which could act, to discuss, to build a program to meet the capitalist challenge. Not a more or less diplomatic tie-up, but a subject able to carry out "refoundation" on the continental scale and thus equipped to fight in a more effective way the forces of the right and to open a battle for hegemony with the social democrat parties, a true alternative to them and their governments.

From the movements and forces present at the European Social Forum, representing social struggles, worker

struggles, those of the precarious young people who demonstrate in various countries, emerges the demand for a European anti-capitalist organization able to represent the various identities and subjectivities: an anti-capitalist subject of workers and youth, which is also feminist, ecologist, internationalist.

While being present within the GUE, the European parliamentary group made up primarily of the parties of "communist tradition", in recent years our party seriously committed itself to the work of the European anti-capitalist left which met every six months, during the EU summits, a work of political deepening, of patient convergence between the various forces which make it up, of participation in the new movement since its beginning. Convergence with these forces, with their political and ideological orientation must be reinforced and developed in line our congress orientations underlining the new centrality of the construction of the social conflict, the movements, participatory democracy from below, and the search for a new revolutionary project of rupture with capitalism and transition towards an alternate society, inasmuch as it is true that the introductory report of the congress proposed putting revolution on the agenda.

The hypothesis of construction of a European left party was integrated within this radical choice, which stems from a political judgment on the various currents of the left in Europe, in relation not only with programmatic political positions but also concrete political choices. It implied an appreciation not only of the social democrat currents but also of the parties of the so-called "communist tradition". The choice of the congress thus impelled reinforcement of relations with anti-capitalist currents to the detriment of relations marked by continuity of a past to be reevaluated or by "governmentalist" orientations of a social democrat type.

Rifondazione had precisely assumed the role of hinge between the various forces by cultivating plural relations, while developing in terms of proposals and influence its own experience and the credibility it had won. Today Rifondazione must make a political choice clearly:

- it can place at disposal its role and its politics on a European scale, its presence in the movement to carry out the construction of the anti-capitalist left, thus going in a direction coherent with its congress, without closing the door on anyone, by maintaining a plurality of relations and by supporting the renewal and the strengthening of the entire non social democrat left
- or it can build a European party, with a centre of gravity much more to the right, with a general and vague content, as expressed in the text signed by the 11 parties, where there is no explicit rejection of the European Constitution, which is not by chance, but where one finds an ambiguous reference to the European army and a generic reference to the movement of movements.

Thus, it can constitute an axis with moderate political forces, of which several share the responsibility for neoliberal policies with the social-democrats in power, or work in a consistent way for a more coherent hypothesis with the alternative left.

- That such a choice should be made, initially, by a restricted circle of the party – without an adequate participation of the leading organizations and the whole of the party, without a thorough reflection on the implications that the two options can have on the future of our party in Italy, but more especially on the possible configuration of left alternatives, able to answer the challenges of the capitalist process of European unification – seems to us a serious error of the secretariat that this national political Committee must start to overcome.

That moreover such a choice could be made without even feeling the need to invite forces which constitute the Conference of the anti-capitalist left, confronting them with of an accomplished fact, is not, in our opinion, the best way of proceeding.

A constitutive process

For these reasons, Rifondazione decides to reopen in other terms the process of constitution of a European left party, by the promotion of a constituting process in due form which involves all the interested subjects. The starting point can only be a judgment on the dynamics and projects of capitalist unification, an evaluation of the significance of the European Convention, a valorization of the various forms of resistance and struggle which emerge, a full participation in the movement against capitalist globalization, a work to build the networks, the links, the platforms of struggle against the policies of capital and the governments which are their expression.

All that means a severe judgment on the policies of social democracy, party to the choices of the European dominant classes and in consequence, the construction of an alternative to these social-democratic forces: these forces should not be excluded from convergences and common and unitary initiatives when these are possible and useful for the development of the movements; but a general political orientation, political practices, social insertion strategically distinguish us from these forces. An alternative force, essential today to build a perspective for European workers, will be anti-capitalist in a coherent way and thus an alternative to social democracy, or it will not be born.

It is on the basis of such a process of discussion that we must renew links, rebuild contacts, open anew discussions, with all the political forces that are ready to undertake them today. At the end of such a process, we will be able to see who is really interested and ready to commit themselves fully in the construction of a European project that is anti-capitalist, solidaristic, democratic and social. ■

1 *Law number 30 (legge 30) is a law on flexibilization of work imposed by Berlusconi.*
2 *Confindustria is the Italian employers' association.*
3 *Parmalat is a multinational dairy products corporation whose bankruptcy caused a political crisis in Italy, revealing fraudulent accountancy. The central Bank of Italy was blamed for not monitoring the company's banking operations. The affair also clarified the links between the Olive Tree and particularly of the sector around Romano Prodi with the large northern Italian banks.*
4 *This new law was voted through under the pressure of the Catholic hierarchy. It could open the way to a legal challenge to the right to abortion, because it considers that the embryo is a legal "subject".*
5 *These are the three traditional Italian trade-union confederations. In 1995, the Italian General Confederation of Labour (CGIL) claimed 5.25 million members, the Italian Confederation of Trade Unions of Labour (CISL) 3.75 million and the Italian Union of Labour (UIL) 1.73 million.*
6 *The FIOM is the metalworkers' trade-union federation*
7 *In Scanzano the entire population mobilized against the installation of a site for storage of nuclear waste; while in Civitavecchia there was widespread opposition to the installation of a coal-fired power station.*
8 *The permanent detention centers were set up as part of the offensive against immigrants and asylum seekers.*

MORE THAN TWO THOUSAND HUNDRED-DOLLAR BILLS, RENDERED UNREADABLE BY MILDEW! THE ARISTIDE SUPPORTERS WHO TOOK PART IN THE LOOTING OF HIS RESIDENCE WERE INITIALLY SURPRISED TO FIND THIS SUM IN A STRONGBOX CONCEALED IN A SUBTERRANEAN HIDEAWAY. THEN THEY UNDERSTOOD THAT FOR THEIR DEAR PRESIDENT, $200,000 REPRESENTED NO GREAT AMOUNT

TO UNDERSTAND THE CURRENT SITUATION, WE HAVE TO IMITATE THE BEHAVIOUR OF THESE ARISTIDE SUPPORTERS, IGNORE OUR FIRST IMPRESSIONS, AND DIG A LITTLE DEEPER INTO HAITIAN POLITICS

Haiti: fall of the house of Aristide

ARTHUR MAHON*

For many well-intentioned people, explaining Aristide's departure is simple. He was the victim of a coup which took place in three phases:

1 The Haitian bourgeoisie destabilized the "democratically elected" Aristide government because, in spite of its weaknesses, it had introduced reforms;

2 Former military elements linked to the CIA took control of a part of Haiti in a bloodbath;

3 A unit of the US army came to kidnap Aristide and force him to sign a letter of resignation.

Aristide would, on this account, be a kind of new Allende. Except that Allende did not stockpile dollars in his residence!

The thesis that we have just presented, which is broadly speaking that of pro-Aristide propaganda, rests on several untruths. In fact, Aristide had not carried out the slightest progressive reform during his second term and there is no Aristide/bourgeoisie conflict for a very simple reason; Aristide is himself one of the biggest bourgeois in Haiti. We have seen the convergence of four processes: a conflict internal to the dominant classes, a very broad mobilization of intellectuals and a significant fraction of the dominated classes against a reactionary and despotic regime, a revolt against Aristide on the part of the armed bands that he had previously used and the intervention of former military elements in conditions which remain unclear. The best proof that we have not witnessed a simple "coup" is that, despite the past crimes of some among them, the paramilitaries who advanced from the North of Haiti were welcomed as liberators by many people. In some places, the police stations and the symbols of the regime were attacked before the arrival of the paramilitaries. As one commentator wrote, even Beelzebub accompanied by a horde of dragons would have been welcomed as a hero.

The role played by the United States in this complex crisis is far from being as simple as is generally believed. Already under Clinton, Aristide was no friend of the Republicans. However, he had the advantage of ensuring social calm, applying the neoliberal reforms that were demanded and recycling US propaganda. Rare are the heads of state that, like him, congratulated the "success" of the Johannesburg summit on durable development! While exercising economic and political pressure on Aristide, Washington supported him until the eve of his departure as the rope supports a hanged man. However, Bush refused to send the soldiers that Aristide demanded to protect his regime. It was only when Aristide's armed gangs (the "chimères") began to pillage Port-au-Prince and to practice extortion on US citizens that Colin Powell abandoned Aristide, following in the footsteps of the then French foreign secretary, Dominique de Villepin. In proceeding in this way for four years, the US has allowed an experience initially emerging from the left to pursue its degeneration to the end and thus discredit itself.

The thesis of the kidnapping of Aristide, which would not be absurd a priori, is not very credible even if it has enjoyed a great echo. Aristide himself did not breathe a word about such a kidnapping when he spoke on the radio upon his arrival in the Central African Republic. And up until now, he has not succeeded in formulating a coherent narrative. The leaders of his party have not taken up his thesis and Aristide's letter of "resignation" was read with a straight face by his prime minister and trusted aide, Yvon Neptune.

Aristide's system

The local and parliamentary elections in May 2000 were the occasion of a quite incredible fraud; the goal was not to win the elections but to win all the posts. The international observers did not see much of this, because the essence of the fraud took place after the vote. Stuffing the ballot boxes, changing statements, intimidation of protesters, anything went so long as the desired result was achieved. The militants of Lavalas (the organization of Aristide supporters) had received bountiful supplies of weapons for the occasion. And when there were not enough of them, the police helped out. The president of the Provisional Electoral Council refused to sign its statement and judged it more prudent to exile himself when Aristide telephoned him to say that it was "a matter of life and death". The Organization of American States (OAS) nonetheless remained deaf to the complaints of the opposition and concentrated on a secondary problem concerning some senators. The result was a long political crisis. The OAS sent missions to try and reconcile the regime and the opposition. But its main reproaches were addressed to the opposition, which was accused of being too intransigent. The burning of the opposition's offices in December 2001 encouraged it in the belief that new elections would be impossible, since the armed bands in the pay of the regime could act freely.

"Jesus, Toussaint-l'Ouverture, Aristide – the credo of the Haitian people", read the banners hung up above the streets of Port-au-Prince until recently. Aristide has over several years built a system which inexorably borrowed the traits of Duvalierism; fraudulent elections, generalized corruption, vassalization of the justice system and the official forces of repression (the army in the case of Duvalier, the police for Aristide), generalized impunity, the establishment of armed parallel bands, repression of the press and of trade unions and other organized movements, attacks against the autonomy of the universities, a struggle against recalcitrant sectors of the bourgeoisie, an ideology based on a claimed defence of the "black race", manipulation of Voodoo, a double language in relation to imperialism and a cult of the personality. François Duvalier presented himself

as a "leader of the third world" persecuted by the USA. Those leaders who, like Hugo Chavez, imprudently took up Aristide's defence risk confirming him in this role. One cannot however place an equals sign between Aristide and Duvalier. Unlike François Duvalier (who had threatened the US with a turn to Moscow), Aristide re-established diplomatic relations with Cuba in 1996, and remains, it seems, an admirer of Che Guevara and Fidel Castro.

From Castro, Aristide would have taken the notion of the single party, harsh repression of opponents and direct dialogue with the masses. On the other hand, the former priest has abandoned any project of social reform since returning to the presidency in February 2001. Even the semblance of agrarian reform that his predecessor, René Préval, had to some extent attempted, was abandoned. The peasant organization KOZEPEP, set up with Préval's assistance, played a significant role in the electoral fraud of the year 2000, but it nonetheless had to close shop because of the pressure it was under. Its leader Charles Suffrard went into exile in the US. The Ministry of Social Affairs systematically took the part of the employers against the workers. When some trades unionists linked to the Batay Ouvriye movement were killed near Cap Haïtien the regime turned against the victims. Some of them, including some of the wounded, were taken by helicopter to Port-au-Prince. They only got out of prison several months later, after a solidarity campaign.

In April 2002, following negotiations, parliament voted for a law almost doubling the minimum wage, which had not changed for years and had become totally obsolete. It was primarily a propaganda action and a means of putting pressure on the employers. Meanwhile, the prime minister accused them of having light skins and not being real Haitians. After the law was passed, the wages of state employees were not increased, when they were paid at all, while the law was effectively ignored in the private sector. It was, moreover a trade unionist who

informed the minister of social affairs that the law had been voted through!

Priority to business

Under Aristide's rule, a remodelling of Haitian capital took place, just as had been the case under Duvalier. Contrary to legend, significant sectors of the Haitian bourgeoisie are linked to Aristide, such as the Mews group, which has been friendly with all the regimes of recent decades, or Haiti's biggest bank, Unibank, created ten years ago. Some bankrupt enterprises have been bought up by front men for Aristide's profit, while businessmen have been subjected to extortion or abducted. One foreign entrepreneur has said that during an interview with Aristide, the latter asked him for a commission of 20%. However, if the revelations of former policemen are to be believed, the essence of the Aristide fortune could have another origin – cocaine traffic.

It has been revealed that, increasingly, police departmental heads were chosen in accordance with their abilities to manage the cocaine trade. Jean Baudoin Kétant was, it seems, the key man in this trade in Haiti. He has been linked to three Colombian cartels at once, and the DEA (the US anti-drugs agency) says it has been trying to arrest him since the 1980s. For a time he was close to Aristide, but the latter finally delivered him to US justice last year, for reasons that it would be very interesting to know. During his trial, held in Florida in February 2004, he claimed that Aristide controlled 85% of the cocaine trade passing through Haiti. He had himself channelled tens of millions of dollars as commission. A Haitian entrepreneur, Olivier Nadal, has claimed that the Unibank group was used by Aristide for laundering money.

Since his exile in Washington (1992-1994), Aristide has been very closely linked to the US Democratic party. This was not only for ideological reasons! Under Aristide, Haiti – "the poorest country in the western hemisphere", as they like to say in the US – was fourth on the list of states spending the most money on lobbying activities in the US. As a counterpart to this, Taiwan has significantly subsidized the Lavalas administration. As far back as 1991, Aristide used part of a speech to the general assembly of the United Nations to propose that Taiwan regain its seat at the UN. This declaration seemed incongruous at the time, and passed largely unnoticed because Aristide was overthrown by a military coup some days later.

Important mobilizations

On December 5, 2003, armed supporters of the president, the "chimères", assaulted a student demonstration at the state university. The rector, who tried to negotiate, had his legs broken with an iron bar. Even under François Duvalier such acts were never witnessed in a university. For educational and intellectual circles, it was too much. University and high school students then gave their support to the opposition demonstrations, providing them with the force and determination they had lacked and bringing broad layers of society into their slipstream. In Port-au-Prince there were several huge demonstrations, most subjected to violent aggression from the chimères, while there were also demonstrations in small towns that had seen no mobilizations for a century.

The Democratic Platform of the Opposition, grouping political parties and associations, was heterogeneous and marked by great confusion. It never made itself the spokesperson for the slightest social demand. The prominence in the movement of a number of industrialists allowed the regime to present it as the expression of the hatred of the exploiters against the people.

However, the depth of the anti-Aristide movement meant the opposition had the strength to resist the formidable pressures exercised by the US, France and Canada. Only a few days before the departure of Aristide, these states were still threatening the opposition with the worst if it did not accept a suicidal cohabitation with the tyrant.

Some hours after the resignation of Aristide, the UN Security Council voted for a resolution authorizing the deployment of an international force in Haiti. This decision was taken at the request of Alexandre Boniface, the judge who had taken the place of Aristide in the national palace. However Washington and Paris, reconciled for the occasion, cannot, for the moment at least, act totally as they wish. Thus, in the tripartite committee (of the opposition, Lavalas, and the "international community") set up after Aristide's departure, the opposition was represented not by some kind of puppet but by Paul Denis, a historic figure of the Haitian left. However, the fact that a former general, albeit qualified as a "democrat", was named minister of the Interior and subsequently chosen as prime minister says a lot about the confusion which reigns today among most of the political parties opposed to Aristide.

Social movement against the army

In recent years there has been a certain remobilisation of the social movement. The feminist organizations involved in the National Coordination For the Rights of Women (CONAP) have played a key role in the denunciation of the violence of the Aristide regime, which they declared to be "outside the law". Four years ago, despite the attacks of the "chimères", they were the first to demonstrate to demand justice after the assassination, often attributed to Aristide himself, of the journalist Jean Dominique. Last autumn the first congress of the Regional Coordination of the organizations of the Southeast was held. It involves associations of very diverse origins, particularly at the political level, but it nonetheless adopted by consensus an anti-governmental resolution.

The process of opposition to the Lavalas regime was accompanied by an initial reflection on the balance sheet of 200 years of independence and the necessity of breaking radically with the approaches taken since the departure of Duvalier. The preparation of the 3rd Assembly of Peoples of the Caribbean, held last summer in Haiti, was also the occasion for some interesting thinking.

The Collective "Solidarité, identité et liberté" has proposed that 2004 should be a year of refoundation of a national project. In February, 35 organizations of the social movement met in a "democratic and popular regroupment": feminist organizations, peasant groups, global justice associations, networks of political activists, community radio groups and networks intervening among workers. In a declaration written in mid-March, three of these associations state that "American forces have intervened in Haiti to divert and confiscate the victory of the Haitian people against the dictatorship of Aristide".

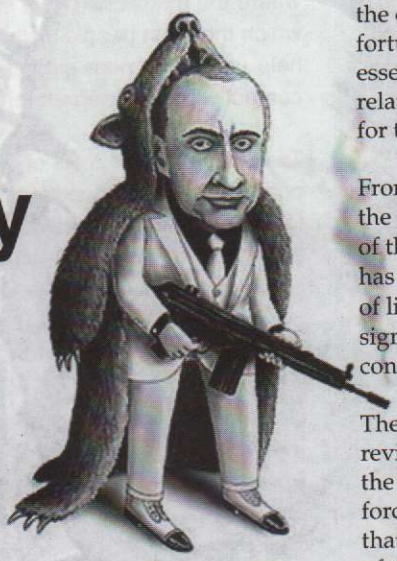
Much has been said about the involvement of former military elements in the overthrow of Aristide, and notably of Guy Philippe, their leader, an admirer of Montesquieu and Pinochet, who would very much like to head the army. However, many uncertainties linger, including as to their real strength. It is probable that the US information services were at least aware of their intentions and that they benefited from complicity inside the Dominican army. One of them has said that they received financing from some Haitian entrepreneurs. It is possible that they acted as simple CIA mercenaries. It could also be that the affair is more complex, and that they had their own project, based on control of the cocaine trade. In December 2000, the US embassy denounced a conspiracy by Guy Philippe and he was forced to leave Haiti. In any case, a possible link-up between Philippe's men and a number of former high ranking soldiers who escaped from prison on February 29 could represent a serious threat for the future, as well as a card that Washington may be tempted to play. **II**

* *Arthur Mahon is a member of the editorial board of the review "Volcans" and a long-standing activist in solidarity with the Haitian opposition.*

THE PRESIDENTIAL ELECTIONS IN RUSSIA IN MARCH 2004, WHICH LED TO THE RE-ELECTION OF VLADIMIR PUTIN, HAD LITTLE SIGNIFICANCE IN THEMSELVES.
IF ONE THING WAS CLEAR, IT IS THAT THEY WOULD IN NO WAY CHANGE THE ESSENTIAL TRAITS OF THE POLITICAL REGIME AND ITS SOCIO-ECONOMIC POLICIES

Russia: Putinian continuity

DAVID SEPPO*



PUTIN–BOSS I GANGSTERSTAT

These traits can be summarized rapidly:

1 An unrestrained and profoundly anti-popular neoliberal economic policy, which primarily benefits the oligarchs and corrupt state functionaries, the two groups living in symbiotic relationship, as well as foreign capital.

2 The continued deindustrialization of the Russian economy and its strong dependence on the export of raw materials: oil, gas, metals and so on. Hence the absence of any perspective for Russia's emergence from its semi-peripheral status, with all that implies for society on the social, economic and geopolitical levels.

3 Widespread corruption and the absence of significant progress towards a state of law; a venal judicial system subjected to the executive (the persecution of selected oligarchs is paradoxically an indication of the absence of a state of law).

4 The maintenance of a "regulated democracy", with an executive enjoying quasi-absolute power that excludes the population from any influence on the policies of the government, combined with a tolerance of relatively broad political liberties, as long as they do not threaten the complete freedom of action of the executive. The terrorist policies of the government in Chechnya are there as a reminder of what this regime is capable of when it faces a resistance that it considers threatening.

So far as the oligarchs are concerned, the situation will remain stable. Putin has already shown the predominance of the state over the oligarchs. But this bourgeoisie is in general very content with the situation. It does not seek to directly exercise power. Even the ultra-neoliberals who cry crocodile tears concerning the erosion of the "regulated democracy" (their term) have nothing to reproach Putin about at the level of his economic policy. Obviously, the absence of a state of law creates insecurity in the business world, but a state of law would be still more threatening to them, given the criminal origins of their fortunes and the absolutely essential role that privileged relations with the state play for them in accumulation.

From the point of view of the overwhelming majority of the population, nothing has changed - the standard of living has not improved significantly despite five consecutive years of growth.

The labour code has been revised so that it now reflects the real relationship of forces in the workplaces, that is the absolute power of management. But apart from that, the Putin regime is essentially the same as that established by Yeltsin in October 1993, when he sent the tanks to bombard Parliament. In every election since the Yeltsin coup in 1993, the resources at the disposal of the president or the candidates supported by the regime have been truly disproportionate. Moreover, the results of the elections have been regularly rigged:

* The results of the referendum in December 1993 which consecrated the current political system of an absolute president were falsified. Participation was below the minimum demanded by the new Constitution, drawn up behind closed doors by Yeltsin himself. His coup allowed him to pursue the "shock therapy" promised to the IMF.

* Yeltsin hesitated for a long time before holding the presidential election in 1996. An open letter from a group of big bankers explicitly asked him not to sacrifice Russia on the altar of western democracy, characterized as a "fetish". When it was finally decided to organize the election, he said that he would never allow the communists to return to power. And in reality, according to highly placed sources in the FSB (the former KGB), the Communist candidate would have won.

* The results of the 2000 presidential election were also rigged to allow Putin to win on the first round.

* During the elections in Chechnya in 2002, not even a façade of legality was respected.

It should be stressed that the West supported the Yeltsin coup and that it accepted the results of the presidential elections of 1996 and 2000 as legitimate. If some western leaders now express concern about the fate of democracy it is completely hypocritical. And in any case after the last election, no government has truly questioned the legitimacy of the Putin regime and Putin's economic and international policy is judged to be satisfactory by the West.

Is there really nothing new happening? Yes, the state is progressively strengthening its control over society. But it remains debatable if this has been a qualitative change. "Civil society" (that is the masses but also the possessing class) is so weak that it is hard to tell. In the perspective of history of Russia, its citizens currently enjoy broad freedoms. The problem is that they do not use them to resist this popular regime and show that the latter rests on very weak social and ideological bases. Its growing authoritarianism seeks to compensate for this weakness. The tragedy of Russia is that the capacity of resistance of the people is still weaker than the capacity of the state to oppress it. That could change, perhaps even rapidly. But for the moment, the situation is very stable.

* *David Seppo is a trade union instructor in Russia.*

INTERNATIONAL VIEWPOINT HAS AGAIN INTERVIEWED TUAN[1], A VIETNAMESE HOLDING FRENCH NATIONALITY, FOLLOWING ONE OF HIS REGULAR VISITS TO VIETNAM AND THE USA

THE INTERVIEW WAS CONDUCTED BY JEAN-MICHEL KRIVINE

Vietnam: Ky's visit

You regularly visit these two countries. Their relations have clearly improved since the lifting of the US economic embargo in 1994, the recognition of the country in 1995 and the ratification of the trade treaty in 2001. Vietnam hasn't yet joined the World Trade Organization but what is new in the current relationship?

There has been an event that has been much commented on in the two countries, the visit to Vietnam by general Nguyen Cao Ky in January of this year.

Can you remind us who this is?

Ky is an aviation officer who was in the South Vietnamese government during the war. He was prime minister and air vice-marshal from 1965 to 1967, governing Vietnam under US supervision, then he became vice president in 1967 when Nguyen Van Thieu was elected president.

He had, then, a leading role for many years. It was said that he was behind the use of Vietnamese pilots to bomb North Vietnam from 1965 onwards – apparently he kissed the first bomb.

How and why was his visit this year to Vietnam organized?

Why he wanted to revisit the country that he fled in 1975 is a difficult question. He told the BBC after his return to the US that he was now 73 years old, that the war was over and that the young generation had to understand the need to turn the page. For him Vietnam had only been a pawn between the giants of the Cold War, the USSR-China and the USA. He thought that history would judge and that meanwhile the Vietnamese, and especially the former combatants, should reconcile themselves to this.

As to how he was able to make his visit, he wasn't too clear. He made his request at the end of 2001 and finally got his visa for Têt [new year festival period] 2004, thanks, it seems to a relative more or less linked to the former Prime Minister of the Democratic Republic of Vietnam (from 1991 to 1997) Vo Van Kiet. He arrived on January 14 for a couple of weeks and was able to meet his family and friends.

Why did the authorities in Hanoi grant him his visa?

For two years Vietnam has been appealing for national reconciliation. Not for moral reasons but in order to benefit from the technical and financial support of the émigré community. There are nearly two million Vietnamese in the US (and nearly 400,000 in France). There are 80 million people in Vietnam of whom half never experienced the war, thus they have no resentment against the Americans and even try to mimic them in numerous areas. When president Clinton came to Vietnam for three days in 1999 he was warmly received by young people. The young generation abroad didn't live through the war and they don't share the resentment of their parents in relation to the Communist regime. In fact there is a bountiful capital in terms of brainpower and dollars if trade with the Vietnamese of California takes off. On both sides national reconciliation is now being advocated.

Is the Vietnamese community in the US divided over the visit?

Obviously it is more than divided, it is torn. It's enough to see the hatred expressed by most of the 20-odd Vietnamese newspapers published in the US. Ky is being called every name under the sun but not by the young generation, on whom Hanoi is counting. Ky was the first to re-establish contact but there will definitely be others. There are many émigrés who would like to go back but remain prudent because the older elements of the community remain viscerally anti-Communist. The future will tell us whether we have to wait for their disappearance in order for the page to be really turned. **II**

1 *See IV 328, February 2001.*

DONATIONS NEEDED TO DEVELOP WEBSITE

Last month's column was, perhaps, the most anxious ever. This month's is one of the happiest. Income from distributors in February, March and April was well under the target for February alone. May changed all that: it was well over the target and, indeed, one of the highest months for bundle income in recent memory. It puts us on course for this issue and for our regular summer issue, which will be distributed at the end of July.

More good news was also registered at International Viewpoint's management board. Due to careful budgeting, costs so far this year are 16 per cent below budget. Unlike capitalist magazines dependent on advertising, International Viewpoint is able to cover the majority of its costs from the sales and subscriptions income, and has done so for a few years. Careful financial controls and the support of our distributors are our key tools.

However, these are not enough to cover all our costs. Donations are key for the magazine - but this year not a cent in donations has arrived. Over the next three months International Viewpoint is asking for £3,000 in donations for projects including the development of our website.

Recent figures show something like an eight per cent monthly rise in the use of our website. There are up to 915 hits an hour on the website and, if this continues to rise, the design and infrastructure of the site will struggle to cope with demand. While the magazine goes to readers in 52 countries, the website has readers in 85 countries – Argentina, Belgium, Brazil and Cyprus, where the magazine is not sold, are amongst the countries from which the most people visit the site. Developing the web site will help us to win more subscribers and to help people come into contact with the Fourth International more easily.

To help us do this, one of our past donors has made a special offer: to match all donations to the fund, euro for euro or dollar for dollar, up to the goal of ?3,000. Only donations count towards the offer (not payments for magazines). Even so, it's a fantastic offer that allows you to double the value of the gift that you might be able to make to International Viewpoint, and at no extra cost to yourself.

Donations can be sent by cheque to International Viewpoint at: International Viewpoint, PO Box 112, Manchester M12 5DW, Britain or online through the PayPal website. You can make a payment by Visa, Mastercard, Discover or American Express and you will need an e-mail address to register. Payments can be made in US dollars, Canadian dollars, euros, pounds sterling and yen.

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This system is perfectly secure and is used by 40 million people in 38 countries.