

International VIEWPOINT

International Viewpoint—magazine of the Fourth International

IV427 August 2010

SUB-SAHARAN AFRICA

After fifty years of "independence"

GERMANY

Die Linke success in North Rhine-Westphalia?

Climate Change

Pakistan

Sub-Saharan Africa

European Union

USA

Thailand

Germany

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CLIMATE CHANGE

COP15 Activists Facing Trials

Around 2000 people were preemptively arrested at legal demonstrations, and were held in custody for up to 24 hours. Approximately 30 people were detained for up to a month, of which four people go to trial this autumn for more serious charges.

These people are accused by the state of planning violence against police, planning vandalism, and serious disturbance of public order. Some of these fabricated charges are drawn from the

Danish terror package and the penalties are strengthened by the new

Danish anti-protester ("hoodlum") laws introduced just prior to the

COP 15. Although the charges they face are unfounded, they can

potentially result in years of imprisonment. The first court cases

against Natasha Verco and Noah Weiss are happening in Copenhagen on

August 24th, 25th, and 31st.

The Danish based Climate Collective has called for international

solidarity with the accused, both in Denmark and internationally to

protest these false charges.

Laura Jørgensen from the Climate Collective explains: "Natasha and

Noah, who are going to court in August, were both

arrested almost

before the summit started and are not accused of having participated

in any of the demonstrations or actions. Still they are both charged

with planning acts which neither the police nor the prosecutor can

clarify what they are or when they should have taken place. Such

accusations are completely impossible to defend yourself against." She

continues: "The coming trials are not just about innocent people

risking conviction, but a continuation of a system of massive

repression that anyone who dares to speak out and organize against the

powerful is met with by the state. It is clear that the state is

trying to scare people from demonstrating and organizing themselves

politically. The attempt to judge randomly selected individuals for an

entire movement's collective actions is totally absurd and is clearly

an attack on the right to protest and criticize the existing system.

It is important that we don't give in to this criminalization and

repression but continue the fight."

The Climate Collective can be contacted at: +45 50 58 87 51

To read more about the trials see.

PAKISTAN

Pakistan must refuse foreign debt repayments, divert amount for relief & rehabilitation of flood-hit communities

FAROOQ TARIQ ·

Pakistan must refuse to pay foreign debt and divert the amount on relief and rehabilitation of flood hit communities. Instead of begging for much-needed aid for relief and rehabilitation, Pakistan must stand up and announce unilateral suspension of repayment of foreign debts, owed to International Finance Institutions, donor countries and clubs. Currently Pakistan is paying about US \$ 3 billion on debt servicing every year. As Pakistan present foreign debt of \$ 54 billion is increasing, the debt servicing will be up by the same ratio. This act alone can bring most of the much need support for the immediate relief of the flood victims.

Pakistan is facing the worst disaster of its history. About 20 million of its population is badly affected by the recent huge devastation caused by angry floods. Major infrastructure is totally destroyed in major parts of the country. Besides continuous human casualties, the economic loss is in billion dollars. The country has suffered a loss of about Rs250 billion only in the agricultural and livestock sectors and the flood recovery costs may run into billions of dollars. Pakistan is in real and worst human and economic crisis. Though international donors are announcing commitments for relief and rehabilitation, but these are pea nuts vis-à-vis the degree of catastrophe.

Under the prevailing critical circumstances, we have to think about coping with this severe debt domination. Various laws and international protocols favor if Pakistan refuse to pay its debts right

now, especially under the prevailing circumstances, Pakistan is passing through. To refuse payment of debts is not a new thing; many poor countries had exercised this just and lawful right in the past.

There are spaces in international law that can be invoked as legal justification to refuse the external debt. One of these justifications is called "State of Necessity". This rule is characterized by a situation that jeopardizes the economic or its political survival- such as the situations which creates the factor of impossibility of fulfilling the very basic needs of the populations (health, education, food, water, housing etc). The "State of Necessity" justifies the repudiating of debt, since it implies the establishing priorities among different obligations of the state.

Therefore, a natural calamity-like the one hitting Pakistan creates the very factor of "State of Necessity". The UN Human Rights Commission has adopted numerous resolutions on the issue of debt and structural adjustment. One such resolution was adopted in 1999, asserts that "The exercise of the basic rights of the people of the debtor countries to food, housing, clothing, employment, education, health services and a healthy environment cannot be subordinated to the implementation of the structural adjustment policies, growth programs and economic reforms"

State of Pakistan is no more able to fulfill fundamental human needs of its 20 million flood-hit population. People are facing worst hardships, have no access to food, clothing, shelter and medicines. Therefore, Pakistan is simply unable to repay or service its debt responsibilities. IFIs and the creditors should not expect Pakistan to continue debt re-

payments, leaving its people hungry, shelter less, close its schools, its hospitals, its courts and abandon the public services, creating chaos and anarchy in the communities.

The first and foremost thing in such circumstances is the fulfillments of all fundamental human needs of the populations, hit by natural calamities and disasters. Pakistan had already missed one such opportunity in 2005 when devastating quake hit Kashmir, leaving millions of people in misery. This time it is more lethal calamity, and we should no more be silent. We have number of precedents in history when debtor countries refuse debt payments on account of "State of Necessity". Latin American countries including Argentine, Burkina Faso, Peru, Mexico, Paraguay, and Ecuador took such positions in the past. Very recent IMF had to cancel all its debt (US \$ 268 million) owed by Haiti, after devastating earthquake hit Haiti in 2009.

The cancellation is given via the newly UN established Post-Catastrophe Debt Relief Trust Fund, which was set up for this purpose and which can now be accessed by other indebted, low income countries hit by disasters. Another example is Argentine. The country went into serious crisis after 2001 economic crisis. Though Argentine leaders had always implemented unpopular policies dictated by IMF, it was the people of Argentine who came on the roads in 2001 to protest the debt domination. This popular action succeeded in altering the history. As a result country's president announced the biggest unilateral suspension of foreign debt in history, a total of more than \$ 80 billion, owed to private creditors, countries and Paris Club. Thus Argentine demonstrated that a country could stop debt repayments for a lengthy period of time.

Burkina Faso is another country, which stood against IFIs and refused payment of debts. In 1987, its President Thomas Sankara announced unilateral suspension of foreign debts. What he said. "The debt cannot be repaid, firstly because if we do not pay, the money lenders will certainly not die, on the other hand if we pay, we will certainly die. Those who have led us to debt trap have gambled as

though in casino. When they were winning there was no debate. But now when they have lost through gambling, they demand that we repay them. No! According to rules of the game we cannot pay and refuse to pay all foreign debts."

Pakistan's current external debt liabilities stand at \$ 54 billion. It spends \$ 3 billion at average every year under debt-servicing. With the rising of foreign debt liabilities the ratio of debt servicing is also increasing. Pakistan's total debt-to-GDP ratio has crossed 61 percent this fiscal year, breaching the 60 percent limit set under the Fiscal Responsibility and Debt Limitation Act. According to WB if Debt-to-GDP ratio exceeds the limit of 80%, the default is sure. The major portion of Pakistan's national budget is consumed by two Ds; Debt-servicing and Defense. We have to review allocations against these two Ds. Under the circumstances, there is no denying the fact that Pakistan's single source of economy vulnerability is debt crisis. We do not have any other option to come out of this economic but to refuse repayment of debt.

We are totally opposed to the cuts in development budget which has been indicated by the prime minister several times during the last three days. We are also worried about the press reports that the government wants to levy a flood tax on the people of time and want to increase the percentage of general sales tax. This is totally unacceptable. The government must reduce its non developmental budget, reduce the military expenditures and refuse to pay the foreign debts to help the flood victims.

We also demand from IMF, World Bank and other IFIs to unilaterally repudiate the debts of Pakistan. This is time that these institutions change their usual profit earning practices.

Our immediate demands

This is high time for the State of Pakistan to announce unilateral suspension of all external debts and divert that amount for relief and rehabilitation of 20 m flood-hit people. The government should approach the newly created Post-Catastrophe Debt

Relief trust Fund to get its foreign debt liabilities cancelled. The Government can also invoke the international protocol of "State of Necessity", introduced by UN Human Rights Commission in 1999, to refuse payment of debts. As government is plan-

ning to review economic priorities and budget allocations, it must take steps to reduce military budget, cut non-development expenditures and other unnecessary heads. The amount, thus saved should be shifted to social sector.

SUB-SAHARAN AFRICA

After fifty years of "independence"

JEAN NANGA ·

This anniversary falls in a period marked by a crisis of the neoliberal economy, which has not affected the African economies to the same extent as those of the capitalist centre. Meanwhile, in what can be seen as a practical critique of the economic "cooperation" between the former colonies and the western powers of the first five neo-colonial decades, we see the development of partnerships between Africa and the so-called emergent economies in general, the Chinese in particular.

Adjustment to neoliberalism

A half century after the first wave of independence, sub Saharan Africa remains fairly specialised in supplying the industries of the capitalist centre with agricultural, energetic and mining raw materials, often strategic and sometimes at the price of neo-colonial wars which are often presented as ethnic or confessional. This capital and bloody participation in the development of the capitalist economy is often hidden by the habitual evocation of Africa's 2% rate of participation of Africa in world trade, an undeniable expression of its marginality. The mission of the developers is then seen as inserting or integrating Africa in globalisation. A good intention which is unhappily based firstly on a falsification of the history of the world economy, and secondly on ignorance of the fact that Africa is the continent most connected to the world economy, with only 15% of exchanges being conducted between the different states of the continent. The most significant share is realised with the rest of the world (whereas intra-European exchanges of commodities represent more than 60%). The claimed African marginality is moreover, very par-

ticular with respect to what it contributes to the rest of the world – raw materials, which are one of the conditions, indeed the condition sine qua non for certain performances by the most powerful companies of Western capital. Thus the quantitative expression of African marginality, by its weakness, can also be interpreted as the expression of the persistence of unequal exchange on the world market which remains controlled by the economic powers of the Centre.

A situation of inequality and not of marginality, which has accentuated with the neoliberalisation of the so called African economies organised from the 1980s onwards by the international financial institutions (IMF, World Bank and so on), through structural adjustment programmes (SAPs), considered as the appropriate response to the structural crisis of the neo-colonialism of the first two decades, manifested by the critical indebtedness of the African states – at the same time as those of Latin America and Asia. Thus, since the 1980s, this region of the world has been permanently readjusted or restructured for the consolidation of the neoliberal version of neo-colonial domination. An operation carried out with the active support of the states of developed capitalism, whose multinational companies appropriate formerly state owned African companies, in the sectors considered the most profitable [1].

The African continent is considered by the technocrats, those of UNCTAD for example, as that where foreign capital realises the best return on investment (an average of 24-30% since the 1990s, against 16-18% in the centres of capitalism). This is the consequence of the success, among other things, of the mission confided to the international financial institutions, including African ones like the African Development Bank (ADB, which in-

cludes non African public institutions among its shareholders) and of adaptation, by local governors, of national legislations to the neoliberal demands of capitalist accumulation. Thus, the second half of the first fifty years (1980-2000) proved to be one of neoliberal "recolonisation", through the reduction to the minimum of the margin of autonomy — already very relative — acquired with the declarations of independence and favoured by the climate of the "Cold War". With the disappearance of the so called "Communist" bloc in Europe, the margin of negotiation of the petty bourgeois nationalist elites with imperialism was reduced. In other words we have seen the quasi disappearance of any progressive nationalist project, based on the development of a state economic sector and a less restricted redistribution of the national wealth. That is, the collapse of what some observers had hastily classed as socialist experiences in Africa (from Nasser's Egypt to Thomas Sankara's Burkina Faso, by way of the Congo of Marien Ngouabi and the Madagascar of Didier Ratsiraka), forgetting that they were effected always in a capitalist context, taking account of the structural mechanisms of the so-called neo-colonialism of cooperation with the former metropolises.

But with the neoliberalisation of the world economy, Africa is no longer considered as the exclusive province of the old colonial metropolises. Since December 1998 (Saint-Malo Accords), these metropolises, the France of Chirac-Jospin and the Britain of Tony Blair, have decided to dominate Africa in a concerted manner. Since the end of the last century, Africa is also one of the areas of the new restructuring of the imperial order and the US has reconsidered its African policy and strengthened its economic presence. Thus the main European neo-colonial mechanism, the European Union/Africa-Caribbean-Pacific Agreement (EU-ACP, formerly EEC-ACP) and the traditional agreements of bilateral "cooperation" between European and African states, have been joined by the African Growth and Opportunity Act (AGOA, 2000) introduced under the presidency of Bill Clinton. The

main reason for the installation of this so called preferential market is the search by the United States for better access to the energy resources (long under-valued) of Africa, indeed with the intention of controlling them, at a time when the US supply coming from the Middle East became insufficient and indeed threatened. However, the strategic interest in oil (92.3% of US African imports in 2008) on the West African coast, from Nigeria to Angola, was accompanied by an interest in other African productions (minerals, metals, transport equipment, textiles) and the export of US products (18.6 billion dollars in 2008, against 86.1 billion in imports) from genetically modified seeds (Bt cotton and so on) to military equipment.

Military imperialism

The US oil supply relates to national security, and is accompanied by a direct military presence of the army, a change after a long period of indirect interference, during the Cold War, for example by providing logistic support, via South Africa and Mobutu's Zaire, to the UNITA of Jonas Savimbi in its long war against the government in Luanda. France thus lost its monopoly in terms of a direct military presence on the continent, with its bases inherited from colonisation, whose maintenance as favoured by the Cold War and which served as a means of pressure, intimidation and worse, against certain political and economic orientations in its former colonies.

For a decade, the US army has been multiplying its joint military operations with African national armies, including those of the traditional French fiefdoms. Under George W. Bush's presidency it was decided to give the African continent a US military command, like other continents — an exclusivity of the global hegemon — by instituting, in 2007, the United States Africa Command (Africom). Which makes the US an African military power, even if the US army has been present for decades off the coast of Africa, on the giant base at Diego Garcia — Mauritian territory which the United Kingdom kept among its last colonial possessions

[2]. But, with the drunkenness of power, very manifest under the presidency of Bush junior, there was no question of the administration requesting the opinion of African "partners" concerning the continental accommodation of the said command. Thus, the latter could find no land of welcome on the continent, which is however well known for the hospitality of its governors with regard to everything opposed to the interests of the peoples. The African Union (AU) seems, for the moment, determined to dissuade any irresolute state — like the Liberia of Ellen Sirleaf Johnson (newly elected) — from going against its resolution to rid the continent and islands of foreign military bases. Even Morocco, which is outside the AU and indecisive — according to persistent rumours — seems unable to escape the pressure of its peers. Thus the US military command in Africa remains based in Stuttgart (Germany). The only open and permanent US military presence on the continent is then, for the moment, that (subsequent to the creation of Africom) at Camp Lemonnier, one of the French camps in Djibouti. Declaring independence late, in 1977, Djibouti has remained the main French military base in Africa.

While awaiting a breach in the pan-African consensus which could give it the benefit of a site on the continent, Africom contents itself with regular missions of training, joint exercises and so-called humanitarian actions (health interventions and so on) in different African countries. Which is not negligible, for with these military manoeuvres and so-called humanitarian interventions, the US army consolidates, inside the local armies, indeed certain African élites, the tenacious myth of its effectiveness, which seems unaffected by its historic misadventures of the 20th and 21st centuries, from Vietnam to Afghanistan by way of Somalia (Restore Hope and Continue Hope, 1992-1993), characterised by ongoing human rights violations. Like the US army everywhere, Africom is integrated in private multinational military missions, with their mercenaries of sinister reputation. The industry of death is traditionally, it should be remembered,

one of the most lucrative sectors of actually existing capitalism, that of the US above all.

This African activism of the US army has its economic dimension. The missions and other activities of Africom are also an opportunity for unabashed advertising campaigns for the national military-industrial complex. Indeed, in spite of the growth of military expenditure for a decade, the continent does not appear among the main clients of the US arms industry. Apart from Egypt (9th), the main African importer, the other African states appearing in the top 50 of importers — Algeria (15th), South Africa (27th), Angola (36th), Sudan (43th) — get less than 4% of their supply from the US. Algeria (the main importer in recent years) and Sudan prefer Russian arms (more than 65%), while South Africa supplies itself more from Europe, mainly Germany (more than 65%). As for the other African states, some minor clients remain still, in this area, very linked to the colonial metropolis. Post colonial military cooperation agreements, signed between France and its former colonies, limit again the diversification of training and military equipment of the latter. But in offering more training grants to African trainee officers destined for command positions in the near future, Africom can scarcely conceal a certain competition with its European partners, who, while being members of NATO, are developing a common European defence policy, the European Force (Eufor). It seems that it is Africa where Eufor is most deployed (Democratic Republic of Congo, Chad and Central Africa), under French leadership (by recognition of its colonial and neo-colonial experience on the ground), shared with Germany, with the regular participation of other European states, like Sweden, which is in the top 10 of European arms merchants [3]. However, US supremacy inside NATO plays in favour of Africom, as agency of the military-industrial complex.

Nonetheless, this competition between the traditional imperial powers should not make us forget their permanent complicity, which is currently manifested particularly in the face of the ambitions

of some emergent economy states (China, India, Brazil and so on) for access to African resources.

The Chinese ogre

The growth of Chinese economic power presents a serious threat to Western hegemony in Africa. A share of the resources it needs to feed the exceptional growth of its economy is drawn from Africa. Hence the development by China over the past decade of an economic partnership with the African states: 56 billion dollars of Chinese imports (71% in oil products) against 50.8 billion in exports in 2008 and an exponential growth in direct investment, which has gone from 10 billion dollars in 2000 to 106 billion in 2008, with more than 100 billion anticipated for 2010. Among Chinese exports there are the products of its workshops, considered more accessible to African mass purchasing power, affected as it is by two decades of structural adjustment.

This Sino-African partnership attracts the ire of a fraction of the organic intelligentsia of Western capital, not because of its unbalanced character in China's favour — even if the main African capital, that of South Africa, has been able to invest 1 billion dollars in China (against 6 billion for China in South Africa) — or the environmental consequences of the intensive exploitation of minerals over the medium and long terms. Because in these areas, China has done nothing new in Africa and those who worry about it are being selectively critical in favour of the practices of Western firms and their states. Nor because of the risks of a new explosion of external public debt which will be generated by the loans granted by China to its African partners (on conditions preferable to those of the international market), as IMF director general Dominique Strauss-Kahn would have us believe, to justify the mobilisation of the neoliberal technocracy against a recent contract between China and the Democratic Republic of Congo (DRC).

In exchange for the exploitation by Chinese enterprises (private and public) of a little more than a million tons of copper and more than a half million

tons of cobalt, China was to grant the DRC 9 billion dollars (including 6 in construction of road, steel, health and educational infrastructures, and 3 as financing of Congolese participation in a Sino-Congolese mining enterprise). According to the Chinese ambassador to the DRC: "We from the beginning avoided any situation which could lead to an increase in the debt" [4], by making the guarantor the Chinese bank Eximbank, rather than the Congolese state. Thus, after several exchanges, in Kinshasa, with the IMF experts, "the Chinese party finds the recriminations of the IMF fantastic and unsustainable" [5]. The IMF's only remaining weapon was blackmail: revision of the Sino-Congolese contract (including the suppression of 3 billion dollars in construction of infrastructures) in exchange for relief on the Congolese debt by the Paris Club and the early qualification to the point of completion of the Highly Indebted Poor Countries Initiative. Sino-African cooperation cannot for now absolutely overcome the traditional neo-colonial mechanisms which can still deprive the DRC of infrastructural improvements for its people.

The construction of infrastructures (road, steel, hydro-electric, health, education and so on), which has been neglected in Africa through five decades of neo-colonial "cooperation" and "development aid" — is part of the charm offensive China is waging. Certainly, the visibility of the said infrastructures serves the electoralist interests of the African leaders, interested also by the Chinese rejection of conditionality with respect to human rights (demanded hypocritically and with variable geometry by the Western states) and the receipt of Chinese equipment for repression and war. But these new infrastructures also contribute to the development of a certain Sinophilia — more significant than Sinophobia [6]

— in the countries concerned, including in the élite considered as pro-Western, but which is rather pro-capitalist. In the style of the patented technocrats of neo-liberalism: the Beninese Abdoulaye Bio-Tchané (former Africa director of the IMF and current director of the West African Development

Bank), who considers that "China is not a threat to our economies" [7], or the Zambian Dambisa Moyo (responsible for economic strategy at Goldman Sachs and an iconoclastic, but neoliberal critic of "development aid") according to whom "it is time for Africa to look the situation in the face and move on — time for it to sit at another table with other players ready to give it better cards. China is today a player of this type." [8].

The impact of "Sino-African realist cooperation" [9] is such that it has fairly rapidly aroused some realism among the traditional actors of the development of Africa: the World Bank and the British government's Department For International Development have opted for partnership with China for the development of Africa. In 2007, China contributed to Africa 9 billion dollars of investment against 2.5 of co-financing of projects in Africa by the World Bank. During the World Economic Forum on Africa in June 2009 in South Africa the Director General of the World Bank and former Nigerian Finance Minister, Ngozi Okonjo-Iweala, renewed the support given by the Bank to Chinese investment in Africa. Such a partnership expresses well China's status as an African power which moreover, seems to no longer to contain its annoyance concerning the cries of alarm from the analysts subtly concerned with the fate of Africa. During a press conference in March 2010, Chinese foreign minister, Yang Jiechi pointed out that "Chinese oil imports from Africa represent only 13% of African oil exports, whereas US and European imports each represent more than 30%. Chinese investment in African oil fields is only one sixteenth of total oil investment in the continent while US and European investment represents a much higher proportion". Thus China does not consider itself as having supplanted the traditional imperial powers in Africa, whose paternalism it denounces: "I would like to specify that Africa belongs to the African people, that the African people is the master of the African continent and that the other peoples are only its guests. The guests should respect the points of view of their hosts, namely the African

peoples, as well as their freedom to choose their partners of cooperation and their friends." [10].

However, Chinese diplomacy has omitted to point out the significance of the economic exchanges between China and the West, which can be considered as vital or complicit concerning the reproduction of the international capitalist system: China is the banker to the US which in return provides its main market. And European enterprises have escaped the crisis thanks to their exchanges with China. Thus, although China's sustained growth — one could say the same of Malaysia — is a practical invalidation of the precepts of the Washington Consensus, Sino-African cooperation participates fully in the dynamic of perpetuation of the capitalist system, indeed its neoliberal form.

If the Sino-African partnership is so well appreciated by Abdoulaye Bio-Tchané, Dambisa Moyo and company, it is because these sectors of the African bourgeoisie and petty bourgeoisie conceive this partnership as a factor in the development of African capitalism, above all at a time when the Western economies prove more fragile than China before the effects of the crisis of neoliberal capitalism. The same is true of the apologetic attitudes on the partnership of the African economies with respect to the other so called emergent capitalisms of the South, whether India, Brazil, Malaysia, or indeed Iran or elsewhere. It is the concretisation of another type of relationship between capitalist states of the South, which has a certain attraction for African rulers and economic élites and allows them to think that "another capitalist world is possible", stimulating thus the economic dimension of their project of "African Renaissance", the New Partnership for Africa's Development (Nepad).

Nepad or the neoliberalism of the African neo-bourgeoisie

Since the beginning of the new millennium the states organised in the African Union (AU) — born from the ashes of the Organisation of African Unity (OAU) — have had the common economic framework of Nepad, drawn up according to the principles of the Washington Consensus, yet already dis-

qualified concretely by the Asian crisis. Thus, the motor role of the said development of Africa is there attributed to private investment, mainly that of the Western multinational firms. The latter were invited to Dakar for the presentation of Nepad. African rulers thus recognised officially their subordination to imperialist capital and their adhesion to the new economic carve up of the continent. But, with respect to the capital accumulated during the first four postcolonial decades, it is with the hope this time of a more effective participation as private minority partners to the multinational firms in the formerly public strategic enterprises, privatised in the context of structural adjustment. With the liberalisation of the markets, the African capitalists have in principle the possibility of entering locally into competition with the Western multinational firms. Certainly, the principle is not often concretised. In addition, these Africans had the possibility of appropriating the formerly public enterprises or controlling the economic sectors which did not particularly interest the so called strategic investors. This African bourgeoisie being composed in great part by those responsible for the waste of resources, those jointly responsible for the overbilling of public contracts of states and other criminal practices which have contributed, at the end of the first neo-colonial period, for critical public indebtedness, a factor in structural adjustment. Classical primitive accumulation or reproduction of capital at the expense of the public economy, which is not an African exclusivity.

Thus, for some years, in addition to direct foreign investment, there is a certain African private economic activism, of local investment, in intra-African investment (services: 36%, manufacture: 30%, agriculture: 19%). As one of the partisans of this neoliberal pan-Africanism puts it, it is "More than a third of the investment in Africa is African." [11]. Some of these investors are as much African as Total is French, because they are institutions which also have non-African shareholders.

Indeed one notes — without any claim to being exhaustive — Mauritian capital in Madagascar and

Mozambique, Kenyan in Uganda, Egyptian in Algeria, Nigeria, Tunisia, or Zimbabwe, Libyan in the Ivory Coast, Niger, Uganda, and Rwanda. The Moroccan banks Attijarifawa Bank and the Banque marocaine du commerce extérieur are expanding into west and central Africa. A product of the Federation of West African Chambers of Commerce and Industry, in the 1980s, which declared itself pan-African, Ecobank Transnational Incorporated (based in Lomé) is currently present in 27 countries across Africa.

In this African capitalist dynamic, South African capital, heir to the accumulation realised under the apartheid regime and exploiting the arrival in power of governments identified with the black majority, since the presidency of Nelson Mandela, is in a position of continental leadership. This is what the enlightened fraction of the white bourgeoisie which became hostile in the 1980s to the apartheid regime hoped for. Immediately following the election of Nelson Mandela up until 2005, South African capital outweighed all the traditional investors on the continent (14 billion dollars, against around 10 billion for the United States, 6 billion for France, 4.5 billion for the United Kingdom). From Mauritius to Morocco, it is present in different sectors, like that of mines, its favoured sector (where South Africa is nearly as well provided as the DRC) or others, like agriculture, brewing, port management, telecommunications, petrochemicals and so on. To such a point that a debate has opened on the continental status of post-apartheid South Africa: imperialism? Or sub-imperialism? However South Africa does not only export capital, it also receives — in addition to the labour (qualified and unqualified) the countries of the region affected by structural adjustment — as the main regional financial market for capital coming from certain economies, less developed certainly, like Nigeria, Kenya, principally in the banking sector.

Africa's mode of insertion in the world economy (mainly as purveyor of raw materials to the economies of the centre) seems to have sheltered it relatively from some of the direct impact of the eco-

conomic crisis, manifested from the financial sector in which it is, in truth, weakly inserted. Nonetheless, like other regions of the world, Africa has not been spared from it. The continent's role as purveyor of raw materials has suffered from a fall of production in the centres of capitalism, in the form of the fall in demand for some raw materials (copper, cobalt, coltan, diamonds, tin, oil and so on) and prices are down -25% to - 50 %, indeed more in the case of oil which has gone from 140 dollars per barrel in summer 2008 to 55 dollars in spring 2009. Other sectors have also been affected, like that of tourism (Mauritius for example). One of the consequences of this crisis has been the significant reduction of exchange reserves of some national currencies. Thus Africa, which has known a sustained average growth for a dozen years, has experienced a fairly pronounced fall in 2009: 2.5% against 5.1% in 2008 and 6% in 2007, according to the least pessimistic estimates which take into account the increase in Chinese investment (+81%) noted over one year (1st half 2008-1st half 2009). Africa —say the technocrats of African capitalism — is at the end of the day better defended against the crisis and has emerged from it better than the continents of developed capitalism, with regard also to the predictions for growth in 2010.

However, behind the appreciable growth rates, from the capitalist viewpoint, there are the structural development of inequalities to the benefit of foreign investors (attracted by the high return on investment of the continent) and the leading layers (economic and political entrepreneurs, including oppositionists, mixed together). Because, in spite of the divergences internal to the hierarchical structure of world capitalism which are currently disturbing the so-called emergent economies of the South and local factional divergences, this African neoliberal capitalism cannot be considered as representing the interests of workers and the African popular layers nor as a factor of real social progress. As everywhere, this African capitalist accumulation adapts to the high rate of poverty that

the international institutions fix on average at 50% of the sub-Saharan African population.

Growth has not improved the fate of wage earners (small and medium), the small peasantry (mostly women), or youth whether in school or unemployed, those dismissed by private enterprises, or the popular classes in general. If there is, undeniably, an "Africa which is winning" — that of the African capitalists in objective alliance with others — it is firstly in opposition to the wage earning work force, as the International Labour Office noted in 2008, before the crisis: "Around 55% of all the workers of sub-Saharan Africa still do not earn enough to live, with their family, above the poverty level of 1 dollar per day, around 80% live on less than 2 dollars per day..." [12].

In addition, the collapse in the prices of cotton, rubber, textiles, and so on has led to layoffs and factory closures in factories from Benin to Tanzania via Morocco. In Egypt there have been 100,000 laid off, from October 2008 to March 2009; 10,000 in Kenya, in the first quarter of 2009 alone; 13,000 in Morocco in the textiles sector, 60% of them women. In South Africa the unemployment rate has gone from 21.9% in the last quarter of 2008 to 23.5% in the first quarter of 2009, or 3.87 million unemployed to 4.18 million [13]. Thus the other growth is that of unemployment across the continent (including the islands), which went from 30.8 million unemployed in 2007 to 35 million in 2009.

This Africa, which is not winning, has moreover paid the cost of the price rises for some foodstuffs, which preceded and accompanied the crisis; a consequence of the dependency organised since colonisation which has developed continually in the post-colonial period. By demanding, for example, priority for exports for the repayment of the external public debt, at the expense of food crops, neoliberal structural adjustment policies have favoured the aggravation of the absence of food sovereignty. With as further consequence soil exhaustion, by certain monocultures in certain countries. This is the case for the Ivory Coast and neighbouring Ghana where the importance in world production

of cocoa is rewarded by soil exhaustion since the colonial period. Which is a factor in conflicts over land, as is already the case in Ghana, or Kenya. In Darfur (Sudan), soil exhaustion caused by neoliberal intensive agriculture is one of the factors of crisis which have led to war [See Jean Nanga (2004), "Darfour : les enjeux d'un conflit meurtrier",].

The absence of food sovereignty and the situation of the small peasantry will get still worse. Partly because of the offensive waged by the multinational companies producing genetically modified seeds and intent on patenting or privately appropriating the agricultural genetic patrimony. And partly by the private appropriation of African fertile and common lands by international agrarian capitalism, by the multinationals whose thirst to appropriate the world is comparable to that of the companies of four or five centuries ago. There is already a question of the grip of the cocoa multinationals on the fertile lands of the Ivory Coast. In the context of neoliberal structural adjustment, it was necessary already to adapt national land legislation, which had conserved the principle of commonly owned property, to the principle of commodification of everything possible.

This neo-colonialism of land, which brings to mind the enclosures of the first centuries of English capitalism [14], undoubtedly will transform small independent farmers into servile and low paid labour, favouring the growth of unemployment in rural areas and the exodus towards the cities to swell the shanty towns and the lumpenproletariat, a very cheap reserve army of labour. Among the specific victims of this humanly absurd capitalist logic are the peoples living traditionally in the forest, like the so-called "Pygmies", hunter gatherers spread across eight countries in central Africa and the Great Lakes, from Cameroon to Uganda, and including the two Congos. Thus the problem is not that of the presence of white South African farmers in the Congo, or that of the supply to the Gulf Emirates of agricultural products, for example, but that of the property relations thereby installed — although there is no risk of reproduction of the history of the

Boers and Huguenots who contributed to the formation of the current South Africa — and the consequences for the native populations. White South African, Chinese or other farmers, having immigrated, who do not set up a colony turned in on itself, exploit or overexploit local labour, who produce for the satisfaction of the food needs of the area, together with small local producers, who understand the soil ecologically, do not in themselves present any problem. This is not the case with Daewoo's project in Madagascar, or others which orient African agriculture towards the production of agro-fuels. An orientation in which Brazil, through, for example, the Brazilian Agency for Promotion of Exports and Investment (Apex-Brasil) plays a motor role, under the pretext of South-South exchanges of experience. As if Brazil was not a bad example in the area of agro-fuels and genetically modified seeds of which it also promotes the sale, in Africa, after the US. As if the problem of lack of oil should be resolved by creating another ecological problem, that of the consequences of agro-business — already practiced by the African oligarchs, from the Ivory Coast to Zimbabwe — which are more criminal with respect to this important part of the world population which already suffers from a food deficit. Whereas the problem is not posed, currently or in the near future, in terms of penury of food products, but of division of the available food production and a re-organisation of world agriculture, which would also avoid the current waste and preserve fertile lands for future generations.

After fifty years of neo-colonialism, the neoliberalised capitalist organisation of the continent seems to reserve it a destiny as the continuation of the accumulation of its most noxious effects. Thus, in terms of global warming, Africa which is not one of the main polluters of the planet will suffer the consequences of the growth and productivism of capitalism, imitated for around fifty years by the regimes of the Stalinist bloc. According to the IPCC: "New studies confirm that Africa is one of the most vulnerable continents because of the di-

versity of the anticipated effects, the multiple stresses and its weak capacity of adaptation". That does not stop the African partisans of neoliberal capitalism promoting an "African strategy for the war of "green business"" [15].

African resistance to neoliberal capitalism

The first social consequences of neoliberalism in Africa produced in the 1980s and 1990s a dynamic of popular mobilisation, and social struggles — with trade union organisations providing the backbone — which contributed to the "democratisation" of the postcolonial monolithic regimes. But this was in an international context of loss of legitimacy of the socialist emancipator project, identified with a collapsed Stalinism, with European social democracy proving a good manager of capitalism by constructing the Europe of neoliberal capital. In other words the transcendence of capitalism was no longer on the agenda. Thus this new democratic opening was everywhere realised in favour of political currents favouring the management of neo-colonialism, which, in some cases, then became jointly responsible for neo-liberal wars.

The popular organisations of the African left which had survived the monolithism of the three or four postcolonial decades were almost everywhere swept up by the discredit thrown on the socialist emancipatory project and in some cases, by the wars of neoliberal restructuring of neo-colonialism. At the end of the 20th century and the beginning of the 21st century, the more popular of the surviving organisations were progressively integrated into the management of the neo-colonial order, from the South African Communist Party (SACP) linked to its ally the African National Congress (ANC) to And-Jef/Parti africain pour la démocratie et le socialisme (AJ/PADS) in Senegal. The union leaderships which were linked to these parties were caught up in this drift, practicing so called responsible trades unionism or becoming "social partners" of the employers and rulers [16].

However, the activists or former activists of the radical African left, the "class struggle" trades

unionists, have been among the main leaders of the so-called global justice dynamic in Africa. Anti-capitalism has become relatively audible again on the basis of a critique of neoliberalism in the context of the dramatic social effects of structural adjustment policies.

However, in gaining a certain media visibility — while often remaining very weak numerically among the popular layers — the African global justice movement has not escaped the hegemony of organisations/associations and individuals of "civil society" which were/are hostile to any critique going beyond the framework of neoliberalism, taking as its target the system of exploitation, oppression and pollution that is capitalism. Thus, there is no identification with any radical and global emancipatory project as an alternative to capitalism. Which is not an African peculiarity. It is also the expression of a grip exerted on the current by the big organisations of the West, mobilised for a "capitalism with a human face" and reproducing in this context the classic type of relations between the centre of capitalism and its periphery. The financial aid contributed to the African global justice movement is conditional on their opposition to the orientation of the radical current in the movement. The corruption of the African rulers can be denounced, but on a moralist basis, without being placed in the historic context of the capitalist system.

A state of affairs which is also favoured by the precarious status of the African middle layers, to which the leaders of "civil society" often belong. To be an activist or an organisation representing the "civil society" of the global justice movement means being open to dialogue, indeed partnership, with Western embassies, private multinationals, Western foundations and international institutions like the World Bank, and this openness provides a means of escaping this precarious status. A subtle mechanism of corruption.

Thus after a decade of the global justice movement, of local and regional social forums, demonstrations against the cost of living, student mobilisations,

trade union and peasant struggles, mobilisations of the unemployed and so on, the African organisations still identified with the radical left can claim no obvious successes in the area of contribution to the self-organisation of the workers and small peasantry in a perspective of articulation of their struggles with an overall project of a break with capitalism. The frequent, indeed permanent, mobilisations for access to drinking water, electricity, health care, decent jobs, land, good study conditions, against violence against women and so on remain fragmented and without convergence. A permanent fragmentation which can also be interpreted as an expression of the sectarianism of the organisations of the radical left, which certainly have the merit of having survived the steamroller of neoliberal ideology but which, unhappily, spend more time on the narcissism of small differences than the organisation of convergences and the local construction of permanent unitary and democratic dynamics.

Bringing Africa out of its tragic situation

The five postcolonial decades have been decades of neo-colonialism. A neo-colonialism with tragic consequences: the development of social inequalities in every country, neoliberal wars in some of them, exploitation of wage earners by a variety of actors. This is unhappily accompanied by a decline of organised radical anti neo-colonial /anti-capitalist consciousness, linked to a worldwide phenomenon but more serious. Moralism has been imposed as the only possible horizon of criticism. That is why it is more than ever necessary to avoid the apolitical conception of a betrayal of Africa by the ruling bourgeoisies. Because, if they are African, they are also guided and motivated by their class and individual interests. They are not in this respect fundamentally different from the French bourgeoisie, for example, which overwhelmingly made the choice to collaborate under occupation with the Nazified German economy.

To bring Africa out of its tragic situation, there is objectively no other road than that of anti-capitalism, beyond anti-neoliberalism. Today neither

China, nor India nor Brazil or anywhere else can present any illusion, because the social and ecological costs of growth in these economies cannot be neglected. These countries cannot be examples of societies based on equality and social justice, the satisfaction of the basic needs of each individual and of peoples.

One of the best ways of honouring those who have fought against neo-colonialism/capitalism in Africa — rather than the neo-colonial "fathers of independence" — is to make genuine balance sheets of the struggles waged locally and continentally. To draw the lessons from them for the construction of new anti-neo-colonial /anti-capitalist organisations contributing to the self-organisation and struggles of employees, small peasants, women, youth and all the other oppressed social categories. Organisations which fight against economic exploitation, different oppressions and against avoidable harmful effects on the environment. In other words for the construction of socialist societies, that is to say societies which are socially just and egalitarian, feminist, anti-homophobic and ecological. The construction of this socialism demands a pan-African perspective. This is favoured moreover by the presence of the same exploitative enterprises in several countries, whether African or non-African, and the regional groupings of economic integration.

It is then urgent that organisations which still identify as socialist and pan-Africanist initiate a genuine dynamic of exchanges, solidarity, learning and common action, locally and regionally, in a democratic manner. The affiliation with different political traditions which characterised the socialist movement in the 20th century should not be an obstacle. It is in the construction of this dynamic of consultation and revolutionary socialist pan-Africanist action that each organisation will best contribute to the construction of an Africa genuinely and fully decolonised, emancipated from capitalism. For, as indeed is the case elsewhere, the alternative in Africa is either the struggle for and construction of

a democratic socialism or the worsening of the capitalist social disaster.

PAKISTAN

It is over 20 million now

FAROOQ TARIQ ·

After destroying most of Khaiber Pukhtoonkhawa and Southern Punjab, Sindh is now the focus of the worst floods in Pakistan's history. They reached the province after washing down the Indus River Valley, powered by unusually fierce monsoon rains that began in northern areas of the country some three weeks ago.

The deluge has left a trail of devastation, destroying roads, bridges and other infrastructure and overwhelming the government's ability to cope. It's affected some 20 million people, of whom an estimated 1,600 have been killed and about 5 million left homeless.

Labour Relief Campaign (LRC) has put up relief camps in several parts of Pakistan. The Lahore camp at Regal Chouck is raising money every day in thousands.

LRC was launched in October 2005 after the earthquake that killed nearly 100,000 in Pakistan. It has come into action whenever there is an emergency situation.

The member organizations of LRC include Progressive Youth Front, Women Workers Help Line, Labour Education Foundation, National Trade Union Federation, CADTM Pakistan, Labour Party Pakistan, Pakistan For Palestine and Pakistan Kissan Rabita Committee.

Here is report of a union council in Khaiber Pukhtoon Khawa province by a team of four LRC members led by Farooq Ahmad, member of the federal executive committee of Labour Party Pakistan.

Pir Sabaq, a Union Council of Nowshehra district populating more than 34,000 is completely destroyed by the recent flood water came on 29th July. A tent city of more than 1,000 tents has been

established there but most of the people are still forced to live in their homes partially destroyed by flood water, which can cause major building collapses any time resulting in loss of lives.

Not only almost all houses in this union council are destroyed but also the household items are swept away by flood water. Most of the people have lost their cattle and goats as well. People are left without any thing to eat, drink and wear.

Pir Sabaq is mainly the town of working class people who work in marble factories, stone crushing factories, construction sector and agriculture sector. Local people informed the team of Labour Relief Campaign, when it visited the areas yesterday, that more than 14 feet high waters were flowing over the roof tops in this town. This big flow of water came around 4 a.m. when people were sleeping in the comfort of their homes but speedily flowing high flood water did not give them any chance to save their belongings.

Small boats used for tourists in river Kabul, which are run by local working class people started helping in evacuation of people as soon as the flood came. These boat owners did their best to help save lives of common people.

While the army helicopters, on arriving at the scene, first started evacuating military men's families and residents of big houses. People of the area realized this clear discrimination in army help. They informed the LRC team that many people stranded on roof tops of their houses waved their hands in air when they saw army helicopters coming for evacuation but of no use.

People have blamed that government did not inform then on time about the danger of flood. Some people have allegedly said that this water was al-

lowed to flow from Warsik dam to save the military camps near dam.

The LRC team saw house of Pervaiz Lala, general secretary of LPP in Pir Sabaq, which was completely destroyed. He and his family are now without house as the majority of population of Pir Sabaq is at the moment. Pervaiz Lala informed the LRC team that they have arranged to set up a tent city of 150 tents in which more than 250 families have taken shelter.

Pervaiz Lala also informed that they did not eat for almost three days after the floods and now since two days an NGO has started providing some food to them. He also informed that not a single government official has visited this area so far. The information minister of KP province, Mian Iftikhar Hussain has said in clear terms that provincial government cannot do anything to help people in this disaster.

There is still water all across Pir Sabaq. Bad smell follows you everywhere. Diseases of stomach and skin have started targeting children. There is no clean drinking water available. Grave danger of spreading diseases is haunting people. Local government dispensary, the only medical facility for people in Pir Sabaq is totally destroyed.

People now are in need of: Food items like cooking oil, Wheat flour, milk, sugar, clean drinking water, vegetables, Clothes, Tents, Crockery and Medicine.

Here is an appeal we launched on 7th August that gives you some more information and the ways to help the campaign.

Appeal issued on August 7, 2010

More than 12 million people suffering from floods in Pakistan

Please donate to Labour Relief Campaign to help people of Pakistan is facing worst ever floods of its history. Torrential rains have unleashed flash floods in different parts of the country since last

three weeks. Water levies broke leaving the people exposed to flood water.

More than 12 million people have suffered due to these floods. More than 650,000 houses have collapsed, mainly in villages.

Thousands of acres of crops have been destroyed due to flood water. Houses, live-stock such as cattle's and goats, household goods, clothes, shoes and other items have been destroyed. Residents of villages are currently without drinkable water, food, shelter and in need of clothes.

In particular, the situation is dire for children and women and they are in desperate need of food and clothing. Disease is spreading fast in the areas affected due to lack of drinkable water. In particular, flu, fever, diarrhea, cholera have been noted and are spreading.

The government's response has made matters worse. They failed to act immediately, leaving tens of thousands of people unaided. They came after twenty four hours to the make-shift camps with paltry amount of food bags to distribute. The gap between the food being distributed and the large number of people desperate to eat led to fighting breaking out making matters even worse for these desperate people.

Despite the fact that there is very little coverage in the media, the fact remains that the situation in Baluchistan is just as bad as in Khyber-Pakhtoonkhwa and western and southern Punjab. As usual, also, they are not at the top of the government's priority list.

Situation is turning out to be worse with heavy rains started since last night in Khyber-Pakhtoonkhwa province.

The Labour Education Foundation, Labour Party of Pakistan, National Trade Union Federation, Women Workers Help Line and Progressive Youth Front have set up Labour Flood Relief Camps in Lahore and so far have collected more than 300,000 rupees. Rs. 110,000 has already been sent

to Baluchistan and more than 200,000 are on way to Southern Punjab to help flood victims.

We appeal our friends and organizations in Pakistan and abroad for donations of a monetary kind or in the form of drinking water, clothes (new), shoes, medicine.

If you wish to transfer funds, below are details of the account for sending money to the LRC.

A/C Title: Labour Education Foundation

A/C Number: 01801876

Route:

Please advise and pay to

Citi Bank, New York, USA Swift CITI US 33

for onward transfer to

BANK ALFALAH LTD., KARACHI, PAKISTAN A/C No. 36087144

and for final transfer to

BANK ALFALAH LTD., LDA PLAZA, KASHMIR ROAD, LAHORE, PAKISTAN

Swift: ALFHPKKALDA

for A/C No. 01801876 OF LABOUR EDUCATION FOUNDATION.

A new social war is opening up in Europe

CHARLES-ANDRÉ UDRY ·

1. On May 10, a British banker found a good political formula: "It is easier to sell such a plan by saying that it must be used to save Greece, Spain and Portugal, than to admit that it must first of all save and help the banks."

These banks (German, French, Spanish...) held a mountain of titles of national debt of the "shaken" countries (Greece, Portugal, Spain...). According to Citigroup, the exposure of US banks to Greece, Ireland, Italy, Portugal and Spain amounts to some 190 billion euros. Friday May 7 was a massacre: there were no takers for the banks and other investors who wanted to get rid of their bonds. "There was no more market", as an operator at the ECB admitted, under cover of anonymity. And the balance sheets of the banks still camouflage mountains of toxic products, evaluated at an artificial price. The German banking control committee (Bafin) estimated at 800 billion dollars the "toxic products" still held by banking institutions (*Financial Times*, May 24, 2010).

Do we have to recall that out of the 16 members of the eurozone, only six are favoured - if we can use this verb - by the credit rating agencies with an AAA rating? They are Germany, Austria, Finland, France, Luxembourg and the Netherlands.

A kind of "hard core" - the AAA club – of the eurozone, even though France is sometimes regarded as being on the borderline of this domain where Germany has eloquent power.

Besides, such a rating allows the French Treasury Agency (AFT) – the agency that manages the French national debt - to issue a loan of 5 billion euros repayable in April 2060, so 50 years from now, approximately 90 per cent of which was taken up by non-French investors. On May 21, 2010, the

most reputable French Government loan – the Assimilable Treasury Bond (OAT) - found borrowers who accepted an interest rate of 2.9 per cent.

Which might provoke some reactions in Greece, when interest rates on "its" 10-year loans turn around 10 per cent. And Greek bonds expiring in March 2012 had a gross return of 7.27 per cent, compared with 0.61 per cent for those of France (with the same maturity) (*24 Ore/Il Sole*, May 24, 2010). Between the economies of the "centre of the EU" - or quasi in the centre, like France - and those situated on the periphery, the difference is clear. The discourse on European convergence has taken a blow.

2. Similarly, there is the demonstration of one of the functions of the euro: it has become a currency that has acquired an important place... but in the international bond market. And thus, in the possibility of the markets (i.e. various financial investors), as creditors, exerting strong pressure on debtors. Some two thirds of French debt is acquired outside France. Admittedly, it is possible that French capital that has taken refuge in Luxembourg or in Switzerland also represents a fraction of the purchasers of this debt.

On this subject, we can examine the graphic below, which was published in the *NZZ am Sonntag* (May 10, 2010) and in the *New York Times*. It illustrates the amounts of the national debt and the intertwined dependences of the debtors-creditors of the various countries of the European Union. This evolution, which has been accentuated in recent years, represents the liberalization of capital flows as well as the take-off of "credit-debt" aiming at responding to the difficulties of reproduction of the capitalist system and capitalist society.

A theme the substance of which was explained by Marx in the third volume of *Capital*. Marx insists there on the fictitious capital nature of title-deeds to debt [1]- fictitious, but quite real. This fact sheds light, in part, on the "vast cuts in public expenditure", one of the conditions for creating a primary budget balance making it possible to face up to the "weight" of a debt which represents, to some extent, a socialization of the losses of "private economic actors".

3. So on the level of political discourse, the period of the G20 in September 2009 in Pittsburgh is certainly over. At that time Sarkozy proclaimed: "We need to re-found capitalism", "We have to wring the neck of speculation". The markets - i.e. the banks, the financial investment funds, the pension funds, the insurance companies, the big highly globalized transnational firms - have simply demonstrated who is really in charge.

The scenario is pretty clear. Banks, insurance companies and investment funds were saved from bankruptcy in 2008 by governments and thus by workers-taxpayers. Since 2009, these financial actors have again been doing good business. Banks and hedge funds - which compete strongly with each other on the international level - want to neutralize a possible - and even anticipated - fall in their incomes from shares and dividends, because the revival is very weak. To do that, they have an essential objective: to ensure that they can pocket interest on the national debt and consolidate profits resulting from speculative operations on currencies (volatile foreign exchange rate) and on debts (bonds).

One of the speculative strategies (of attack and anticipation) consists of short-selling government bonds of the most vulnerable countries - without owning them and by acquiring them in the form of loans from those who have them in their portfolios. The operation is carried out, in general, in two phases. For example, you sell 5 million euros of government bonds at 88.76 euros, thus taking in 4.3 million euros. Then, three days afterwards, once the price has gone down to 87.76 euros, you

repurchase them, gaining the difference between the two prices, minus the commission paid for borrowing these bonds. The operations with CDS (credit default swaps) are of the same type.

4. From this point of view, Paul Krugman is correct when he explains why, contrary to the sacred official doctrines, the attraction of investors for US 10-year Treasury bills - whose interest rate was at less than 3.3 per cent on Friday May 21, 2010 - originated in: "The rise of pessimism concerning the prospects for an economic recovery, pessimism which meant that investors moved away from anything which appeared risky to them, to take refuge in the apparent safety of US government debt." (*El Pais*, May 23, 2010).

That the generalized austerity adopted in Europe - at a time when the economic revival is wishful thinking - is leading to an economic and social depression, as various not very heterodox economists recognise, does not enter into the concerns of the "operators". This concern belongs to the governments - of centre right or centre-left - which will either have to rely directly on the bureaucratic trade-union apparatuses, or use their "hesitations" to purge the system and to get the purging accepted. All this while evoking "national unity", "saving the country", "the necessary productive and administrative modernization", because the force of the coming shock will destabilize quite a few people.

5. In December 2009, the Monthly Bulletin of the ECB, in its leading article, already affirmed two priority goals for the EU. The first: flexibilise industrial legislation in Europe. The IMF, in its report on Greece, dating from May 2008, insisted with force on this same objective. Let us translate: liquidate the remaining labour laws, this in a context of unemployment and more and more precarious employment, in order to reduce "wage costs". The second: the Draconian reduction of public deficits and debts. This in a very short time and massively: to go from a deficit of -14.3 per cent of GDP in 2009 in Ireland to -2.9 per cent in 2014; from -11.2 per cent in Spain to -3 per cent in 2013; from -9.3 per cent to -2.8 per cent in 2013 in Portugal. Which means

reducing public services (education and health, etc.), the wages and the number of those employed in the public and semi-public sector, and retirement pensions. And favouring privatizations in certain sectors, with the possibility of testing their profitability during a period of public-private participation (PPP).

Romania is already providing an example. From June 1, 2010, wages in the public sector will fall by 25 per cent and pensions by 15 per cent. This is in a country where the minimum wage is approximately 150 euros per month! The experiment was conducted with similar energy in the Baltic States.

6. The hysteria of the "experts" against the deficits passes over four elements in silence. Firstly, the origins of public deficits and debts, i.e. the crisis of 2007-2009, the rescue of the banks and assistance to industry and construction. Secondly, without these shock absorbers (public expenditure and social transfers), the drop in GDP in France would not have been 5 per cent but 10 per cent. Thirdly, the reduction of the public deficit in Sweden in the 1990s - always quoted as an example - was possible because of the economic growth during that decade and because the social transfers started from a very high level. Moreover, Sweden could devalue its currency (the crown) in order to export. And it had export capacities. Fourthly: but Greece, Spain, Portugal... do not have monetary sovereignty (to devalue and increase the money supply) and, in the euro area, there is no common and "solidarity-based" economic and budgetary policy. Their "sovereignty" is put in question, such as the elementary right to define their budgets which expresses, in its way, a "choice of society".

On the other hand, today, a general austerity policy is imposed by "the markets" and the ruling classes of the countries of the centre of the EU (Germany with its hinterland and its allies), with a particular burden imposed on the populations of the "peripheral" countries. And this is done in the name of relaunching an export dynamic. It will be based on the contraction of direct and indirect wages, with the objective of reducing unitary labour costs.

One wonders how in all the countries of the EU, together, wages can be cut and unitary labour costs reduced, in order to increase revenue from exports in order to face up to the burden of the debt. However, exports essentially take place within the EU. A selective cannibalism is being put in place.

This is a choice of German capital (and its close allies) which, on the one hand, use to their advantage the international division of labour within the EU and, on the other hand, plan to move, gradually, the centre of gravity of their exports away from the EU, while gaining market shares within the EU.

This policy of competitive social deflation will lead to millions of social casualties. It will impose decisions which completely ignore the most elementary rules of bourgeois parliamentary democracy.

However, the ECB (European Central Bank) accepts the devalued titles of public debt which the banks hold. And these banks get themselves refinanced by the ECB at less than 1 per cent of interest rate and continue speculative operations on debt and currencies.

7. The *New York Times* (in an article by Steven Erlanger) of May 23, 2010, writes on its front page: the "European social model" is being challenged. What is at stake in the coming battles - during this war - is above all social and political. It is the European working class which has the greatest socio-political traditions - despite all the past defeats - which is the target.

Unitary defensive mobilizations - refusal of cuts and rejection of the debt (with opening of the books, both public and private), a different tax system, etc. - are decisive. This is necessary in order to accumulate forces and to give workers the feeling that they have the power to resist and counter-attack. Not to suffer the numbing effect of "shock therapy". Following on from there, elementary and essential questions will come to the centre of the political stage.

We can formulate them as follows: in order to direct investment towards the production of goods

and services meeting social and ecological needs, it is necessary to have control by workers over the resources that they produce; a democratically controlled public banking service; control over the operations of enterprises, over the appropriation of wealth and its distribution, and a reduction of working time.

So: what are the priorities that European societies adopt? The difficulty of the situation should not

lead us to renounce a socialist perspective, at bottom the perspective of the Socialist United States of Europe.

Furthermore, such a perspective is rooted in the problems that the workers are encountering.

Failing that, it cannot be excluded that after a certain time there will be a dramatic reversal of the political situation.

Lausanne, May 25, 2010

USA

Arizona's racial profiling push

MALIK MIAH ·

The new law states that cops must (not merely can) stop all individuals who they determine have a "reasonable suspicion" of being "illegal." When Gov Brewer was asked the question how reasonable suspicion is determined, she said: "I don't know but I'm sure our cops will be trained to know how to pick people out."

Racial Profiling Lives

One politician didn't have Brewer's difficulty. He said it's obvious who is illegal: Just look at their clothes, shoes and other known features of "illegal aliens." Racial profiling — despite official disclaimers that no one takes seriously — is the core of the law, and quite intentionally so.

The law even says any private citizen can sue cops and law enforcement agencies if they don't stop "suspicious" individuals. Every brown-skinned person in Arizona can now face white vigilantism if they don't show proof of citizenship. Propelled by those who think illegals carry forged drivers' licenses and birth certificates, the inevitable false arrests and deportations of U.S. citizens of Latino heritage will occur.

If more proof is needed to show this is really about the rights of Mexican Americans and Latinos — and not about stopping "illegal criminals" — Arizona's legislature made that crystal clear when it adopted a new anti-ethnic studies law on May 12. According to The Huffington Post, "Under the ban, sent to Arizona Gov. Jan Brewer by the state legislature, schools will lose state funding if they offer any courses that 'promote the overthrow of the U.S. government, promote resentment of a particular race or class of people, are designed primarily for students of a particular ethnic group or advocate

ethnic solidarity instead of the treatment of pupils as individuals.'"

The specific target of the new law is the Tucson Unified School District's popular Mexican American studies department. The state superintendent of schools Tom Horne charges that the program exhibits "ethnic extremism." The program is not new or exclusionary. It's open to all ethnic groups and is nearly 15 years old.

No Accent Allowed

In addition, The Wall Street Journal uncovered a move that the Arizona Department of Education has told schools that teachers with "heavy" or "ungrammatical" accents are no longer allowed to teach English classes. Teachers who can't meet the new fluency standards have the option of taking classes to improve English but if they fail to reach the state's targets would be fired or reassigned.

"At least we don't have to pretend any more," writes African-American columnist Eugene Robinson of The Washington Post. "Arizona's passing of that mean-spirited new immigration law wasn't about high-minded principle or the need to maintain public order. Apparently, it was all about putting Latinos in their place."

The far right is openly moving to turn Arizona into a replica of the Bull Connor [the notorious Birmingham, Alabama segregationist police chief] era when state officials of Southern governments stood in front of schools to prevent Black children from attending all-white schools.

The shift to the right among whites in general shows the retreat taking place in the country on issues of race and ethnic rights. A McClatchy-Ipsos poll found that 61% of Americans and 64% of registered voters support the Arizona law, even though

few have actually read it. The same poll says some 69% of Americans don't mind if cops stop and ask them about their citizenship.

The so-called Tea Party freedom-loving anti-government types also back the law, even though it directly puts the state government in their personal lives. White people don't expect to be stopped, since they know who the law is aimed at.

"Good whites" — legal and illegal — don't see the contradiction of accepting history taught in schools about Italians, Irish or others from Europe while seeing Latino heritage as un-American. Many Asian Americans (few live in Arizona) think the law doesn't affect them since they clearly don't look Mexican. Some African Americans back the law, thinking it may get them more job opportunities.

Of course, the "show me the papers" supporters deny the true anti-Latino intent and aims of the law. Some even claim to agree with the great civil rights leaders like Martin Luther King, who fought for equality for Blacks by demanding that the country recognize everyone as individuals and not by their ethnic origins.

This twisting of history — of what King said and meant — is used to justify reactionary positions. It was common to use code words like "neighborhood schools" and "colorblind" school programs to justify the denial of desegregation and full rights for minorities. Today the code words are "protect the borders."

Arizona's population is 30% Latino (not including undocumented workers). The numbers are growing as the U.S.-born segment of the state continues to expand. Arizona's white majority has never liked the fact that the state once was originally part of Mexico.

Many white Arizonans are not proud of this link to Mexican and Native American heritage. They see the country as being "taken" from them and fear the end of white political power. These are the roots of the anti-immigrant and anti-Latino heritage backlash in the state and growing parts of the coun-

try. The objective is simple: protect historic white privileges.

Many Arizonans with white skin want the "good old days" when Latinos stayed in their place and did not challenge the white political power structure. The fearmongering of demagogues is to keep white workers from understanding the demographic change taking place, that their interests as workers are not served by aligning with racists and white bosses, and that they have more in common with fellow workers of other races and ethnic backgrounds.

Memory of Jim Crow

During the days of Jim Crow segregation of the Deep South, it was easy to racially profile African Americans — by skin color. It wasn't called that then because the laws of the land in the Deep South were clear about where Blacks could eat, sleep or work. Blacks were legally denied the right to vote. White workers then were also made to believe their interests were with the bosses and bigots.

It took a massive civil disobedience movement to push the federal government to act and use force against the racist state troopers and immoral laws like the one in Arizona today.

The right wing points to polls showing a majority of people supporting the law in Arizona. If a poll were taken in the Deep South in the 1960s, a majority of whites would have supported the racist laws. They regularly complained about "Northerners" and "liberals" denying them "states rights." At the time most whites rejected full integration of Blacks into society as equals. The Confederate civil war "heroes" are still cheered in these states.

After World War II, it took a government Executive Order to integrate the military. No referendum was taken, since it is likely a majority would have rejected the president's decision. It took a powerful women's rights movement to open the door for job opportunities and education equality for women. Gays are still fighting for full equality.

Popular Protests

The response to the Arizona law is growing. City Councils in northern and southern California have passed resolutions to boycott Arizona. Governor Arnold Schwarzenegger, born in Austria, has spoken out against the law.

(California's reaction is noteworthy, since it was California in 1994 that passed its own anti-immigrant law and played the "illegal alien" card for political purpose. When Proposition 187 was adopted by referendum to deny social benefits to "illegal immigrants" families, the law was taken to court and never implemented.)

In New Mexico, where 45% of its population is Latino, Governor Bill Richardson also rejects targeting undocumented workers. He's proud of his Mexican roots and has promoted Mexican and Native American culture even though many whites don't like it. His state allows undocumented people to receive driver's licenses, educate their children and receive other benefits.

"There is a decided positive in encouraging biculturalism and people working and living together instead of inciting tension," says Richardson. "The worry I have about Arizona is it is going to spread. It arouses the nativist instinct in people."

On May 1, pro-immigrant protests took place in Arizona and other states. City councils, universities along with civil liberties organizations, civil rights groups (Black and Latino) and many others are calling for a boycott of Arizona. Prominent athletes are among these opponents since Latinos are a large segment of many sports teams.

In Los Angeles, singer Gloria Estefan kicked off a massive downtown march to demand immigration reform and protest the Arizona law. Estefan spoke in Spanish and English atop a flatbed truck. Proclaiming the United States is a nation of immigrants, she said immigrants are good, hardworking people, not criminals.

The popular protests reflect what occurred two decades ago, when Arizona politicians opposed making Martin Luther King Day a state holiday

even after it became a national holiday. Only the huge economic price led to a change.

The Anglo news media have downplayed these protests while giving front-page coverage and constant analysis to small Tea Party events.

In contrast, the Spanish-speaking media give these events broad coverage. The Mexican president and Latin American officials have protested the law and likely racial profiling of their citizens when visiting the United States. Suits have been filed in Arizona by Latino leaders and progressive-minded whites including the mayor of Phoenix, the state's largest city.

The boycott campaign is an important weapon. People of all races and ethnic groups are denouncing the racial profiling and anti-immigrant law as an attack on their rights. Black leaders especially know the history of code words in taking away their communities' rights.

Arab and Muslim leaders know this better than any group today because of their treatment, while whites who murder pro-choice doctors or attack IRS offices and kill civilians are not even called terrorists.

Open Borders and Citizenship

Rand (son of Ron) Paul, a Tea Party hero who won the Republican nomination for U.S. Senate to replace the retiring Jim Bunning, wants to repeal or "reinterpret" part of the 14th Amendment that confers citizenship on anyone born in the USA to exclude citizenship for children of "illegal" immigrants. So much for the Constitution (Paul isn't a big fan of the Civil Rights Act either). While this kind of thinking may be part of the right-wing freak show at the present moment, it represents a menace that must be confronted head-on in a principled fashion.

While liberals and other pro-immigration reform supporters have no viable solutions to help undocumented workers or solve the immigrant citizenship issue, they all know that 10 million undocumented working people cannot and will not be kicked out of

the country. These workers play an invaluable role and have a positive impact on society. They reject the racism of the right.

What is a viable pro-immigrant solution? First and foremost we can demand that all racial profiling is made illegal. Second, we can raise the demand to open the borders so all workers and their families can freely migrate to work.

Hundreds of people die each year trying to cross the border looking for jobs and to help their families. If these workers could freely travel to work, they couldn't be so easily be abused by the landowners and employers who deny them their benefits and wages. They could also join unions, which would benefit all workers.

The solution offered by Democrats and the Obama administration does not move in this direction. Instead it pushes for more stringent border patrols to arrest "illegals" and to declare intent to find a long-term path to citizenship for undocumented workers who currently work in the country.

The emphasis is on law enforcement and building new fences and walls, not human rights. Many Latino leaders and reform supporters, unfortunately, have accepted this "compromise" solution.

There is a deep misunderstanding about the relationship between free labor movement and citizen-

ship. Just as workers across Europe can travel and be employed in member countries of the European Union, it does not give them the vote unless they are citizens. This is what should happen in North America. And it is the demand for which labor and the civil rights and civil liberties organizations should press.

Any compromise with the anti-immigrant hysteria and so called "Take Back America" crowd will undermine genuine reform. The issue of open borders is a way to turn the tables on the right. Calling for an open border policy and free labor movement is the only solution that can end the second-class status of undocumented workers and paves the way for solidarity and unity between citizen workers and noncitizens. It also can allow a legal path to citizenship for those who may want it.

It is not enough to oppose the racism of the right, or to call the new Arizona "show me your papers" laws as racial profiling and un-American as the ACLU does. It is necessary to demand fundamental reform that defends the rights of these working people.

The defense of undocumented workers is a defense of all working people. The issue of immigrant rights is an issue of human rights.

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THAILAND

Thailand: placing the crisis in perspective

PIERRE ROUSSET ·

Famous for its number of successful or failed coups, Thailand was for a long time after the Second World War under the yoke of military or authoritarian regimes with a parliamentary facade. It has experienced more than one sharp crisis, which has not led to a democratic refoundation of the country. In the eyes of many observers it could have gone in a different direction after 1992.

In reaction to the elections imposed in 1988 by a significant social mobilisation, the army fomented a new coup d'état in 1991. In May 1992, it violently repressed protest demonstrations, at the price of a blood bath. Faced with the breadth of disapproval in the country, it had to withdraw and promise to "depoliticise" itself.

The years 1991-1992 effectively represented a turning point to the extent that the withdrawal of the army left room for the business class to enter politics, facilitating the implementation of neoliberal policies and the integration of the country into globalisation. Some hoped that this withdrawal would be definitive and that democratic reforms would follow the economic ones. The coup of 2006 showed these hopes were vain.

Divided dominant classes

The coup d'état of September 19, 2006 was directed against the Prime Minister Thaksin Shinawatra, his party, the Thai Rak Thai (Thais love Thais), which had won the parliamentary elections of 2001 and 2005 – as well as the snap election of 2006, boycotted by the opposition.

Thaksin was no democrat. He gave authorisation to the Bangkok police to kill gangsters on sight in the name of the war on drugs (more than 2,000

deaths). He revived the war against the Malay and Muslim minority in the southern provinces. But he implemented a populist policy which had genuinely brought benefits to the poor, in particular in the countryside (funding for development health, education). He thus won significant social support, notably in the North and North-East.

Thaksin, himself a rich capitalist, partially modified the rules of the Thai political game. He strengthened the weight of businessmen not belonging to the traditional elites. He overshadowed the royal family by affirming himself on the national scale as the "protector of the poor" a role previously devolved to the king. He skirted round the alliance between the monarchy, the higher officer corps and the top civil service, a dominant feature of Thai institutions. He challenged the established interests and paid the price for it.

Not only was Thaksin overthrown by a military coup but, accused of corruption, he was forced into exile and his property partly seized by the judiciary – without it ever being proved that he was more corrupt or guilty of malpractice than other more favoured politicians.

If the conflict inside the dominant classes is so deep, it is because the monarchy and army top brass are essential components of it. The king and other members of the royal family are very wealthy with land, industrial and commercial interests of the highest importance. A notch below, the same is true for many retired generals. They form part of the Thai bourgeoisie. Mired in the past, incapable of self-reform, the traditional elites remain powerful.

The renaissance of a popular movement

The crisis of 2006 began then as a conflict inside the Thai élites and bourgeoisie. To the traditional order resting on the monarchy, Thaksin opposed the legitimacy of the ballot boxes and the 19 million votes he had won. That opened a breach which allowed the popular movements to regain their voice.

Thailand went through a "revolutionary" decade between 1973 (with the overthrow of the military dictatorship) and the early 1980s, marked by the rout of the Communist Party and the end of the armed struggle.

Since the disappearance of the CP as an active force, there has no longer been a party of the left in Thailand, whether reformist or revolutionary, which could claim to represent the popular layers. The game of clientelism has predominated, undermining the independence of the social movements and notably trades unionism. The situation is here very different from that which prevailed in the other countries of the region. [1].

The experience of the 1970s nonetheless left traces. Activist links has been built between towns and villages, provinces, (former) students, workers and peasants. This led to the birth of the Assembly of the Poor in 1995, on December 10, international human rights day. It included above all the rural movements of the North and North East fighting for control over their resources, but also organisations of fishers in the South or workers in the region of Bangkok. The functioning of the Assembly represented both a rupture with the very centralist traditions of the CP and with lobbyism or clientelism.

The Assembly of the Poor organised big mobilisations in the capital with massive participation from provincial demonstrators. Even if its capacity for action subsequently declined and it was confronted by its own limits, it did in its turn contribute to the profound renewal of the activist "savoir faire" of the popular movements.

The evolution of the Red Shirts

The Red Shirts are composite trend. This movement was associated with Thaksin Shinawatra and it is true that it reflects the sharpness of the divisions inside the dominant classes. It is however not correct to see the popular participation as only the "clientele" of a rich bourgeois. The Red Shirts express in their way all the facets of a global crisis of society, including the crisis of the dominant ideology with the loss of prestige of the royal family (they are often perceived as "anti-monarchy").

Thaksin has conserved a significant influence inside the Red Shirts through his links with the main leaders of the United Front for Democracy Against Dictatorship (UDD) which provides the framework of the movement. Taking account of the non-existence of left wing parties and the weakness of the trade unions, the popular currents have no specific popular representation at the national scale. That is what renders it more difficult to analyse this movement and its internal relations of force.

However, testimonies abound on the sharp consciousness among the demonstrators, of the social inequalities which characterise the Thai kingdom, Just as striking has been the class hatred expressed without restraint by the Bangkok establishment against the "hordes" of "poor" come to "invade" their capital. The Red Shirt movement is not without problems; it is obviously characterised by political cleavages which are more or less formalised. But it has been carried along by three legitimate demands.

A democratic demand. Repeatedly the parties favourable to Thaksin have won elections (very convincingly). Each time they have been struck down military or judicial coups. The conservative élites have made little secret of their contempt for the Constitution of 1997, the most democratic the country has known. It was thrown into oblivion after the putsch of 2006, the military drawing up a new one which the junta had ratified by referendum the following year.

Thailand is one of the (rare?) countries where the members of the élite, indeed the middle classes of

Bangkok, declare openly that the "ignorant", namely the poor, should not vote, and that politics should be the business of the well-educated only.

A social demand. To this anti-democratic ideology corresponds very inegalitarian social relations. Poverty is not a novelty in Thailand but the mode of economic growth has sharpened the social contradictions instead of reducing them: neoliberal capitalist development conducted under authoritarian regimes; then insertion of the country in neoliberal globalisation leading to the trauma of the financial crisis of 1997 (massive unemployment for wage earners, ruin for the middle classes). Until the beginning of the 1970s, the peasants could still set themselves up on new lands in Thailand: this "economic frontier" only closed gradually and lately in comparison with neighbouring countries. In the countryside, this mobility contributed to limiting tensions and social inequalities between farmers, although obviously there were regional differences. Contemporary peasant movements emerged with the growth of inequalities or in defence of the resources which army and private interests tried to take over: access to water, the forest and so on.

Regional demands. For a long time the élites of Bangkok have had a reputation for draining the wealth of the country to their profit alone, which strengthens regionalist sentiments not only in the Muslim far south but also in the north and north east (the traditions of the left being moreover stronger in this latter region).

Developments and clarifications

In some years of crisis, the social and democratic stakes have been clarified, beyond the conflicts raging inside the dominant classes. This development does not simply concern the Red Shirts.

The Yellow Shirts. The "yellows" originally brought together all those who opposed, for various and sometimes contradictory reasons, Prime Minister Thaksin. They benefitted from the support of the media and governments following the coup of 2006. They were thus able to occupy with im-

punity the two international and domestic airports in Bangkok at the end of November 2008, which led to much more chaos than the much decried occupation of the commercial neighbourhood of Rajaprasong by the "reds".

In essence the Yellow Shirts today support the monarchy and fight for a restricted suffrage. Thus, defending these "ultra" positions they threatened to go back into the street to prevent the Abhisit government from negotiating with the Red Shirts for early elections.

NGOs and associations. Numerous Thai NGOs participated in the demonstrations of 2005 and 2006 which led to the fall of Thaksin and hailed the coup of September 19, 2006. More militant movements mobilised against the putsch in the name of democracy, reflecting very significant divisions among NGOs. [2].

However, some NGOs which had participated in the movement against Thaksin have evolved significantly: pro-"yellow" in the beginning, they became "neutral" when the social force of the "reds" was affirmed ("against violence from wherever it comes"), and now denounce the massive repression suffered by the Red Shirts as the authoritarian features of the regime have been reinforced.

Monarchy and army

Thailand was never colonised which gave a continuity to its institutions which was not shared by neighbouring countries. However, the monarchy did not remain uncontested. The "revolution of 1932" imposed a passage from absolute to constitutional monarchy. Immediately after the Second World War, the authority of the royal family fell still further, after the murder of Ananda Mahidol, before Bhumibol Adulyadej (Rama IX), his brother, acceded to the throne in 1946.

Royal prestige was reconstituted very systematically, in particular under the dictatorship of Sarit Thanarat with US aid (the monarchy was also protected by a severe law punishing lèse majesté with a sentence of 3 to 15 years). This prestige was at its

highest after Bhumibol contributed to favourably resolving the crisis of 1992. But he has also used his authority to back coups and bloodbaths.

At the end of a particularly long reign, the king is today very sick. The designated heir, prince Vajiralongkorn, does not share the current king's aura, far from it. The authority of the monarchy will not be easy to restore when the country is going through an institutional and ideological crisis. The (superficial) image of a Thailand which is consensual, hierarchical, organised around royalty, Buddhism and the nation, where all accept the place allotted to them, has cracked. The reality of social and political conflict appears in broad daylight – and not, moreover, for the first time. [3].

The fact that Prime Minister Abhisit took refuge in a military base to govern during the two and a half months of crisis confirms the role of the army in political life. The crushing of the Red Shirts in May restored a significant weight to the generals close to Prem and the queen. The army commander in chief, Anupong Paochinda, should be replaced in September (he is retiring) by general Prayuth Chan-Ocha, a hardliner who is very anti-Thaksin and ultra-royalist. Faced with the coming political turbulence, it is however not impossible that this hegemony is contested in the army by "watermelon" factions of the military, green on the outside but red within.

The future

In an unstable regional and world context, the future of Thailand appears very indecisive. The traditional elites have affirmed their desire not to let go

of their powers and prerogatives. They receive for now the support of a great part of the Bangkok middle classes who seek to preserve their privileges through conservatism. The massive repression of the Red Shirts signifies a durable authoritarian stiffening of the regime.

This stiffening also responds to the approach of a major institutional crisis: the difficult succession of king Bhumibol. But it brings no response to the divisions inside the dominant classes or the social and regional tensions – apart from affirming a relationship of force.

The urban and rural social movements will probably continue to follow varied strategies: lobbyism and clientelism or construction of an independent capacity for action. But beyond their composite character, the recent mobilisations of the Red Shirts have shown the potential of this latter option – providing the repression has not dealt it too harsh a blow, particularly in the provinces.

Can a political left re-emerge three decades after the defeat of the CP? It is possible given the distances taken by numerous Red Shirt activists in relation to Thaksin and the work of education undertaken at base level in numerous areas. But if such is the case, what will this left – or indeed these lefts – be like?

For now, it might be feared that the repression will discreetly continue. A witch hunt has been launched. Red Shirt cadres have already been assassinated in the provinces. The regime enjoys the support of the US and Europe who are little moved by human rights violations in the kingdom.

EUROPEAN UNION

Capital goes on the offensive

JAN MALEWSKI ·

It involves, neither more nor less, the dismantling what remains of the gains of the "Welfare States" that European capital had to grant after the Second World War, afraid of the power of the workers' movement and seeking to legitimize its states as it rebuilt them. The goal that is announced is a reduction of 20 per cent of the purchasing power of the popular classes, the dismantling of pension rights and social security, and the dislocation-privatization of public services.

The state, an instrument of neoliberalism

To do this, capital is using its state apparatuses and its international para-state apparatuses (the IMF, the World Bank, the European Central Bank, the European Commission...). It has drawn support from neoliberal theories, which, contrary to traditional liberalism, do not consider that "the market" and "competition" are "the natural run of things", but that it is a question of "something that has to be built" [1]. While letting their propagandists talk about the reduction of the role of the state, in order thus to justify deregulation thus and to build what the neoliberals regard as the essential motor of the market - competition -, the neoliberal leaders have set to work to modify the role of states and para-state structures. Pierre Dardot synthesizes this turn, which has been in progress for more than a quarter of a century, in the following way: "This role is rather new, insofar as, in the tradition of a certain liberalism, (...) there was an image which pretty well summed it all up, which was that of the state as a "night watchman". The state as a night watchman has firstly and above all the function of ensuring the security of private property and private individuals. (...) The neoliberals (...) consider

that the action of the state is something very important. They take on board without any complex the idea that the state has to intervene in the field of the economy. (...) It must intervene initially to create, where it does not exist, and then to make respected where it exists, the norm of competition, since that is precisely the norm of the market. It is a state which decrees rules on the level of the functioning of the economy; it is not at all a state which remains completely in the background in a spirit of "laissez-faire" [2]. The objective of the state and para-state apparatuses conceived of in this way is "to transform all social relations", as Nicolas Sarkozy put it in connection with the law on self-employed entrepreneurs, to an audience of the first thousand self-employed entrepreneurs whom he had invited, or, as Margaret Thatcher formulated it well before him, "to change or transform hearts and minds" [3].

The "Washington consensus", the treaties of the European Union, from Maastricht to Lisbon, the multiple "reforms" - aimed at dismantling the gains of progressive reforms, therefore in reality counter-reforms – adopted by national parliaments made it possible to prepare the ground and to begin the transformation of society, to create the conditions so that "individuals are placed in situations such that they cannot do anything else but act in the direction which is precisely sought (...), to obtain from individuals by these incentives that they should act as it is desired that they act, without having to incessantly remind them and without having to incessantly tell them what to do." [4]. So, it is not a question of liquidating the pension system, but of emptying it of its substance, by reducing payments in order to oblige individuals to "choose" to have recourse to pension funds. Not of completely privatising the health system, but of closing all the potentially profitable services so as to develop

the private sector that citizens will have to "choose". Not of abolishing social housing, but of raising rents so as to push all those who can still save a little (and even those who cannot, as the recent real estate crisis has shown) to get into debt to buy a house. Not of abolishing public law, but of keeping the shell, emptied of its substance, "acting in such a way that it is private law which increasingly prevails, including within the organization of the state and its administrative services (...), so that precisely the agents of public service become themselves the equivalents of self-employed entrepreneurs or rather of small entrepreneurs" [5].

Tests carried out

Contrary to what many observers announced at the end of 2008, the interventions by governments, coming to the aid of the profits of the banks and the "strategic" sectors of industry, were by no means a break from this conception of the role of state apparatuses. It was a question of intervening in the field of the economy, at the service of the dominant sectors of capital, so as to reconstitute the conditions of their functioning. State apparatuses and international institutions took over from private capital in crisis, thus guaranteeing the profits of the dominant sectors. The rapid re-establishment of banking profits in 2009 was the result.

At the same time it was a question of testing, initially in the most affected peripheral countries - in Ireland, Latvia, Lithuania, Hungary, Iceland -, new mechanisms of "governing", brutal attacks against the gains of the working class. The result was considered to be positive. Hundreds of thousands of people took to the streets to protest, but the state apparatuses held good, even though, here or there, governments had to change, continuing the same policy, or governing parties suffered electoral setbacks.

For the first time nominal wages in the public sector have been reduced: since 2008 (then again in 2009) in Ireland, between 5 and 15 per cent, Iceland (cuts of between 5 and 10 per cent) and in Hungary (a wage freeze for two years, suppression

of the 13th month in October 2008); since 2009 in Latvia (in September, a 50 per cent cut in teachers' wages) and Lithuania (cuts of between 20 and 30 per cent). Since then, the same measures are being imposed in Greece (cuts in wages of about 25 per cent as a result of all the measures already announced and a wage freeze for 5 years), in Spain (5 per cent wage cut followed by a wage freeze), in Portugal (wages frozen for 4 years), in Romania (a drop of 25 per cent)... The project in France aimed at increasing pension "contributions" [6] for workers in the public sector has no other goal than to reduce wages.

In the whole of Europe the retirement age has been or will be raised and the number of years that have to be worked to qualify have been or will be increased, in order to reduce the pensions paid. In Latvia the government has gone further, deciding to lower the nominal level of pensions by between 10 per cent and 70 per cent on January 1, 2010. The law that had been adopted was declared "illegal" by the Constitutional Court, which was appealed to by 9,000 pensioners – and so has to be revised, but the breach has been opened. The Romanian government has already announced a cut in pensions of 15 per cent, the Greek government has frozen them while planning to raise the starting age for retirement to 67.

The same applies to VAT. The restoration of capitalism in the countries of Eastern Europe had first of all made it possible to test the mechanism, admittedly in conditions of great confusion - it was possible to proclaim "modernization" and "levelling out". This indirect and particularly unequal tax - it falls much more heavily on low incomes and thus allows considerable reductions of tax on capital (and thus also propaganda about "lower taxes") without reducing the budget revenue - was introduced at the beginning of the 1990s all over Eastern Europe, with the result of increasing prices (and thus reducing real wages) by around 18 to 20 per cent. Subsequently the same measure was adopted in Iceland (24.5 per cent in 1990). A little later, because of the war, in Croatia (23 per cent in 1998), in

Bosnia (17 per cent in 2006) and in Kosovo (16 per cent). The success of the operation is inspiring the governments of "old Europe": since 1994 in Germany the normal rate of VAT has increased by 4 per cent (and new increases are being prepared), in France by one per cent, in Cyprus by 5 per cent, in Greece by 5 per cent, in Malta by 3 per cent, in Portugal by 5 per cent, in Spain by one per cent (and a new increase has been announced), in Hungary by 5 per cent, in Estonia by 2 per cent, in Latvia and Lithuania by 3 per cent... It seems that the maximum rate at the present time within the European Union (25 per cent), applied in Denmark, Sweden and recently in Hungary, represents the objective. The increases also affect the reduced rates reserved in certain countries for essential basic products (for example an increase of 5 per cent in the Czech Republic since 2004, an increase of 2 per cent in Greece in May).

To this we have to add the cuts in social allowances, the staffing cuts in public services, the transfer of central expenditure to local budgets, unaccompanied by an equivalent transfer of revenues... In other words, in the name of "the fight against the crisis", it is a question of continuing, and indeed speeding up, what was at the origin of the current crisis: the decline of the share of labour in overall revenues since 1980 [7]. The choices of the Irish government are from this point of view exemplary. The austerity programme preserved only one gain, and that belonged to capital: the ultra-reduced 12.5 per cent tax on profits was saved! On June 8 the Hungarian government of Viktor Orban, which recently replaced the unpopular social democratic government after the previous austerity measures, followed suit: the new austerity plan, which includes freezing the wages of civil servants and new taxes of 16 per cent for everyone, also envisages reducing from 19 per cent to 10 per cent taxes on profits lower than 1.77 million euros!

Coordinated attacks, disorganized responses

However, all these attacks have not been simultaneous over the last few years. Within a common

framework common, decided on the level of the Union (for example through the so-called "Stability and Growth Pact"), each European government could adapt its policies to the particular conditions of its country, using at its own rhythm the levers of taxes, welfare expenditure, wages and public employment, etc. That corresponds to objective constraints:

* The European Union is not a consummated state in the classical sense and the choices which have oriented the construction of this supranational apparatus take account of the fact that there are "European capitalisms", that there are the interests of each capitalist class on the national and international levels, but not "a European capitalism" as such. Capitalist globalization projected directly on a world level the economies and the projects of each bourgeoisie. The biggest European companies and banks are allied with American companies or those of emergent countries in air transport, cars, pharmaceuticals... Although there exist some big properly European groups, such as EADS, they are the exception. The European ruling classes took advantage of the single European market to conquer new market shares in the globalized world rather than to build an economically, socially and politically integrated Europe.

* After the start of European mobilizations – the European marches at the time of the EU summit in Amsterdam in 1994, followed by several trade-union demonstrations in the following years, as well as the strike movement of December 1995 in France – and the failure of the attempt to legitimize a neoliberal political orientation on the level of the Union through the European Constitutional Treaty, the European governments took care not to provoke a generalized social response.

The world capitalist crisis, however, accelerated the process. After having demanded that Greece, Portugal and Spain practise brutal austerity, Angela Merkel has just announced new measures in Germany, including cutting employment in the public sector (between 10,000 and 15,000 jobs will be suppressed between now and 2014), new taxes

and cuts in social security benefits (family benefits, unemployment pay, etc.), so as not to "disadvantage the competitiveness" of German industry. The new British Conservative government is preparing Draconian cuts in public expenditure. In France, the Sarkozy government, having to take account of its unpopularity, chose the terrain of pensions to go on the offensive, while also surreptitiously preparing an austerity budget for 2011. The neoliberal norm of competition is thus an unending downward spiral: first of all they demand that customers tighten their belts, then it is those who produce who have to do it, and so on. If the austerity policy announced in Germany is not defeated, it will extend to the other countries of the centre, then that will justify fresh large-scale cuts in the peripheral countries.

The weakness of the response of the working class on the level of the European Union to the successive hammer blows in Ireland, Hungary and the Baltic States, then in Greece, Spain and Portugal has changed the situation. We are seeing a simultaneous generalization of the attacks against the working class. The way this crisis is being managed is revealing: neoliberal Europe is a straitjacket, and the euro is an instrument of wage and social discipline, carrying out its common project in a decentralised fashion, country by country.

Adapted to the socio-economic and political reality of each country, the broad outlines of the austerity plans follow the same axes: reduction of deficits, freezing of expenditure, reduction in the number of jobs in the public sector, wage cuts, lower pensions, lengthening of the duration of work by raising the legal age at which people can retire. The objective of reduction of deficits has gone as far as the German demand- backed by France – that the budgets of each country should be controlled by European institutions, in fact by Germany.

At the top of the EU, in spite of the persistent tensions between the divergent dynamics of each capitalist class on the national and international level, because of the place that each occupies in the world economy and in the division of labour – the finan-

cial power of British capital, the role of German capital in the market for industrial capital equipment, the specializations of French capital, backed by the state, in nuclear power, the arms industry, aeronautics and transport... -, immediate class interests prevail. We are dealing with a coordinated policy, a class war of capital against labour.

Take back the initiative

It is not the same story, for the moment at least, on the side of the working class. In the Baltic States, then in Greece, Romania, Portugal and Spain the governments' attacks provoked big popular mobilizations, often demonstrations of historical size. But they remain scattered, in time and space. And the battles that have been conducted do not (yet?) demonstrate the ability to formulate a response in terms of demands that is at the height of the crisis and the attacks that the austerity plans represent.

In Europe, the new simultaneity, even relative, of the attacks of capital, should help to coordinate resistance. The austerity plans converge and provoke mobilizations in each country. All that is missing is the will or the imagination to carry out an "all together!" European mobilization. The European Confederation of Trade Unions (ECTU) has for the moment confined itself to proposing a demonstration in Brussels, on September 29 - a Wednesday. Without a call for a strike throughout the EU it would just be the umpteenth trip to the European capital of a few thousand full-time trade-union officials. However the austerity plans that have been announced also endanger the advantages that the trade-union bureaucrats have acquired... And the trade unions of the Spanish state are calling for a general strike the same day...

"On the side of the social movement, the crisis has contradictory effects", writes Michel Husson [8]. "On the one hand, it gives strength to the criticisms of a system whose very foundations are being hit by a crisis whose scale shows chronic instability and increasing irrationality. But, on the other hand, it forces struggles into a posture of often uncoordinated defence. This tension has always existed but

it is being carried to its paroxysm by the crisis: it is at the same time necessary to fight step by step against the measures of a "way out of the crisis" and to open up a radical alternative perspective. "

To get out of the crisis implies a significant modification of the distribution of income, to the detriment of capital and in favour of labour. Inequalities must be reduced: on the one hand by increasing the volume of wages, both direct wages and socialized wages (social protection), on the other by a modification of taxation to the detriment of dividends, which do not have any economic justification or social utility. The reduction of budget deficits is only possible by the taxation of all the forms of incomes which were exempted from taxes following the neoliberal "reforms". "The justifications, both technical and political, for the nationalization of the banking system have again appeared with force: the rescue plan of the euro is in fact a new rescue plan of the European banks, which hold a large part of the Greek debt and that of other countries threatened by speculation. In order to sort out all these intermingled debts, the best solution would be full nationalization, making it possible once and for all to compensate for, re-schedule or restructure these debts. Public debts, in addition to the mechanical impact of the crisis on revenues, correspond essentially to the accumulation of tax exemptions for companies and shareholders. It would be logical for them to be cancelled, or largely restructured." [9] So to respond to the "debt crisis" we need radical solutions. There exist proposals that go in this direction: "Cancellation of the public debt, a citizens' audit to cancel this debt, expropriation of the banks in order to transfer them to the public sector, nationalization of the banks or a unified public banking service under the control of the workers and the people", those are some of the demands which are put forward by the Committee for the Cancellation of Third World Debt (CADTM), or the international appeals supported by the British revolutionary Left, the Portuguese Left Bloc, the Polish Party of Labour and the New Anticapitalist Party in France [10]. Such demands constitute a "bridge", open a

passage, between defensive mobilizations against measures aimed at the dismantling of gains and aspirations to "another possible world".

Both the radical character of the solutions to the capitalist crisis and the breadth of the offensive launched by the representatives of capital in Europe make it necessary to build a social relationship of forces. Both the weakness of the traditions of European mobilizations and the scattered nature of the current defensive mobilizations in various countries, like the "national" conservatism which dominates the workers' organizations, political and trade-union, and the relative weakening of the forces of the global justice movement in Europe [11], require anticapitalists to demonstrate imagination and a capacity for initiative when they address this task. That means taking the initiative for European actions, bringing together the initiatives of those political, trade-union and associative forces who are already ready, even if such actions are have at the beginning a minority character, in order to indicate the road of a possible mobilization [12]. But it also means seizing all occasions - even if they appear routine, like the demonstration called by the ECTU for September - to make the mobilizations as massive as possible and to put forward within them the radical demands that the situation imposes, in particular the demands for the cancellation of public debt [13] and the socialization of the banking system and credit, a demand that the justification of austerity plans by governments and the illegitimate character of the debt in the eyes of the masses makes naturally comprehensible today.

That also implies, for anticapitalists, establishing links of solidarity and co-operation between the national mobilizations against the austerity plans which are developing in various countries, with the aim of fighting together against the austerity plans of the European Union. Because if, as the opinion polls indicate, a large majority of European workers are hostile to the various austerity measures, they are disorientated and lack confidence in the possibility of opposing them. The experience of the scat-

tered and uncoordinated mobilizations of recent years, carried out in a routine way by the trade-union leaderships, which in general did not make it possible to block neoliberal policies - except, significantly, with the mobilization against the payment of the debt in Iceland, which after having imposed

the organization of a referendum saw 93.2 per cent of voters reject the government project - weigh heavily today. By breaking from routine, class-struggle European initiatives can help to change this climate.

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GERMANY

Die Linke success in North Rhine-Westphalia?

MANUEL KELLNER ·

Three central aspects should be highlighted to take stock of these elections:

1. The conservative Christian Democrats (CDU) emerged with a considerable loss. Its coalition with the liberals of the FDP was beaten in NRW and at the federal level the black-yellow CDU-CSU-FDP coalition, i.e. the government of Chancellor Angela Merkel, lost its majority in the Bundesrat (the second chamber of parliament representing Länder), which will impose procedures for consultations and compromise for many important bills. Merkel's government is also under pressure, down to 40% of voting intentions in the opinion polls.

2 Abstentions have again increased. This is a deep and continuous political trend. At the federal elections in 2005, participation in NRW was still 63%, this time it was only 59.3% or 7,872,862. This means more than a half million people who still voted in 2005, have shunned the polls this time! This reflects an obvious crisis of legitimacy of parliamentary democratic institutions although this type of observation is still difficult to interpret. This is not simply an "anti-systemic" reflex; there is also resignation and depoliticisation. Extra-parliamentary mobilisations also remain weak.

3. The fact that the Die Linke (The Left) party crossed the 5% barrier and entered the NRW parliament, the Landtag in Düsseldorf with 5.6%, or 434,846 votes, is undoubtedly positive. With a parliamentary fraction of 11 members, including 6 women, it is the most "left" regional section in Die Linke which has strengthened its weight in the publicly visible political debate inside the party. Of the 11 deputies, six are in the Antikapitalistische Linke (AKL - Anticapitalist left) current, of which two are also member of the ISL (international sozialistische linke – International Socialist Left, one of the two public factions of the German sec-

tion of the Fourth International). The other five are members of the Sozialistische Linke (SL), a left reformist current (but which includes, for example, "Marx 21", a part of the IST international current, linked to the British SWP). There is therefore no member of the FDS (Forum Demokratischer Sozialismus), which groups the "co-governmentalist" majority in the party at the federal level. The federal leadership had nevertheless considered this a very important election and committed itself to the election campaign: big public meetings with Oskar Lafontaine and Gregor Gysi attracted thousands of participants. Die Linke is now present in the regional parliaments of 13 Länder out of 16.

The defeat of the Government parties

Obtaining 34.6% of the votes cast, the CDU lost 10 points in relation to 2005, which is enormous. The bulk of its losses went to the SPD (140,000), the Greens (90,000), or abstention (330,000), but also Die Linke attracted some of them (30,000). But the CDU also lost votes to the FDP (130,000) and the small parties (110,000), especially of the extreme right ("Pro NRW", racist and anti-Islamist, gained 1.4% and the NPD, which remained below 1%).

There are certainly specific regional aspects that partly explain this heavy defeat, linked to the main candidate of the CDU, outgoing Minister-President Jürgen Rüttgers. For some time he was called the "worker leader" by the media for demanding social improvements to the Hartz IV law. At the beginning of the election campaign, alluding to a "punishment vote" predicted by the polls against the federal government of Angela Merkel, he had declared: "the punishment vote is me", wanting to make it clear that he would work to correct a little the social impact of his party's and the black-yellow federal government's policies.

But in the middle of the campaign, there were what the mass media call "gaffes". For example, it was revealed that the NRW CDU had offered Rüttger's presence to anyone who was able to pay 20,000 euros, and that of his ministers for 10,000 euros. While claiming that he did not know of this, Rüttgers appeared less as "the worker leader", but as a typical politician. sold and hired. Furthermore, during an electoral meeting, he turned on Romanian workers (to defend German jobs, of course): "In the morning, they come anytime to work, and then they do not know what to do." The racist German nationalist had thus broken through the shell of the respectable and allegedly social politician!

It must be said that the inclination of Rüttgers - who likes to give himself a respectable image and who it is said would like to become President of Germany - for a populist demagoguery without limits is well-known to those who have a little memory. During the so called "green card" policy (aimed at bringing a highly qualified workforce to Germany, especially in software and especially from India) followed by the SPD/Green government of Gerhard Schröder, Rüttgers, who was already the leader of the CDU in NRW, did not hesitate to put up posters with the slogan: "children, not Indians" (in German, this rhymes: "Kinder statt Inder").

However, the defeat of the CDU is probably due in the first place to the effect of the "punishment vote" against the conservative-liberal government of Angela Merkel. The case of Greece may have been a factor – but one should not overestimate this or see a nationalist-protectionist reflex on the part of the German people. Of course, everyone knows that the billions spent to save the failing banks as well as the new billions invested to counter the crisis of the euro means that employees and the excluded will pay the bill. Loss of confidence in Merkel and her policy is clearly visible. The policy of the so-called "debt brake" employed by her government plans already to "save" 10 billion euros per year by 2011... although neither big business, nor the Bundeswehr will suffer!

The Liberal FDP maintained its position with 6.7% of the vote, and even gained 0.5 points from the 2005 elections. Why then does everyone talk about its defeat? Because the result is compared to the federal election of 2009, when it received more than 14% of the vote, which was a triumph for its leader Guido Westerwelle. The main campaign slogan was "no more net, no more gross", the main promise being to significantly reduce taxes. In governmental practice that was not carried through, apart from a little bit at the beginning (inter alia with a tax break for hoteliers). And with the crisis of the euro, the line has been officially drawn by Merkel. The FDP therefore has gone back to being a small party with a modest and unstable electoral base. Its crisis is simultaneously a crisis of the "black-yellow" project.

False and true triumph of the SPD and the Greens

The triumph of Hannelore Kraft, the main candidate of the SPD in NRW, who with 5,000 votes less than the CDU got the same number of deputies, is very relative. In comparison with 2005, the SPD lost 2.6 percentage points (170,000 votes to the Greens, 70,000 to Die Linke, 50,000 to the small parties and 130,000 to abstention, which is not offset by 140,000 votes taken from the CDU and 10,000 from the FDP). The success of the SPD was above all the low scores of the CDU and the FDP. Its election campaign, in a clear verbal break with the SPD of the Schröder and Müntefering epoch, had a new, much more social (and a little greener) profile and some demands copied those of Die Linke.

Bündnis 90/Die Grünen (the Greens) really did score a triumph. With 12.1% of the vote, they gained 5.9 points compared to 2005! They took 170,000 votes from the SPD, 90,000 from the CDU, 30,000 from the FDP, and they were alone in being able to mobilise those who had abstained in 2005, or 80,000 votes! And they lost only 20,000 to Die Linke and a similar amount to the small parties, among other things, probably largely in favour of the "Pirates" who scored 1.5%.

It would seem that there is an ascendant layer in the German population, which aspires to progressive politics in the cultural and moral field, wants a policy which takes environmental issues into account and at the same time a less harsh policy against the poor and excluded (in the campaign, a Grünen slogan was, for example, "No reductions for kids"), while remaining won to neo-liberal politics and therefore not wanting to penalize the Grünen for their anti-social policy (and warlike interventionism) under the so called "red-green" government of the infamous Gerhard Schröder (SPD).

There is also a certain inertia of political perception. In a recent opinion poll more than 60% of those questioned on their reasons for voting Greens believed that latter fought to decommission nuclear power stations... that is simply not true and hasn't been for a long time!

Die Linke, a success against winds and tides

In the NRW regional elections of May 2005, Linkspartei PDS and WASG (which have since formed Die Linke) were separate candidacies. With almost 73,000 votes Linkspartei PDS got 0.9%, while with 182,000 votes the WASG got 2.2%. Together the radical left had a total of 255,000, or 3.1% of the votes cast. Both in percentage and absolute figures (434,846) Die Linke (5.6%) therefore improved on its predecessors' score of five years ago. But if you compare its results with those of the federal elections 2009 - in NRW Die Linke then scored 790,000 voice - it is rather a setback. Why is the entry into the Düsseldorf Landtag with 5.6% nonetheless a genuine small victory?

After the adoption of its electoral program, Die Linke in NRW was subject to a true assault by the media and by leaders of other parties. Demands like the socialization of the energy sector or legalization of "soft" drugs caused a scandal, its formal refusal to accept the reduction of social benefits, privatisation of public property, or loss of jobs in the public sector was presented as foolishly stubborn and dogmatic. Die Linke NRW was denounced as a "chaotic" party, which was "irrespon-

sible", "unfit to govern", "incapable of being political", with leaders who were either still of the extreme left or had a "leftist" past.

The SPD and the Greens wanted to convince the electorate that it was pointless to vote for Die Linke, it was unnecessary to achieve a governmental alternative and that it was necessary to prevent Die Linke entering the Landtag. At the same time, this pressure sought the adaptation of Die Linke NRW, so that the party agreed to govern with the SPD and apply a policy of austerity in the interests of capital, like Die Linke in the Länder of Berlin and Brandenburg. For their part, the CDU and the FDP insinuated that the SPD and the Greens could achieve a coalition with Die Linke, if results permitted, which caused the SPD and the Greens to indulge in even stronger aggression against Die Linke. It should be noted that at the start of the electoral campaign the most influential representatives of the right wing of Die Linke, like Dietmar Bartsch, had denounced their party in NRW through public statements on the "lack of political maturity of leftists in Northern Rhineland-Westphalia" (the success of May 9 silenced this kind of voice, at least temporarily). It goes without saying that the SPD and the Greens have rejected initiatives and proposals from Die Linke for common extra-parliamentary mobilizations.

The fact that Die Linke had never been previously represented in the NRW Landtag also played a role. Polls, especially in the last weeks before the election, gave it a maximum of 6%, often less. In the electorate uncertainty as to the ability of Die Linke to cross the 5% barrier was thus maintained. Furthermore the composition of the Landtag, which does not have the powers of the Bundestag (Federal Parliament), mobilizes ordinary people less.

The negative effect for Die Linke strengthened as the election date approached. The SPD, which had a lot of ground to make up after its resounding defeat in 2005, gained more and more in the polls and approached the CDU. In the last days before May 9 the media projected a "head to head race"

between Jürgen Rüttgers of the CDU and Hannelore Kraft of the SPD. Probably this led some of those who had wanted to vote for Die Linke to finally give their votes to the SPD and the Greens. It is a phenomenon probably similar to that observed in the regional elections in France: the traditional "moderate left", and therefore social democracy, taking advantage of a right wing government while at the same time abstention grows. This is a difficult constellation for the political forces to the left of the left.

The SPD and the Greens have shown they can modify their rhetoric and capture hopes, though only very modest hopes: a less aggressive politics, a little more social, a little greener, a little more progressive. But the SPD has also managed to regain an important section of trade union leaders in the name of "solidarity" and traditional, personal relationships even if a minority of them begin to show a leaning towards Die Linke. The "moderate left", which has done so much over so many years to kill any hope, is not yet dead... or at least it is still capable of returning from the dead.

Having said that, taking into account the context and knowing that the level of extra-parliamentary mobilisation remains very low, we can say that Die Linke NRW scored a real success swimming against the current.

The question of government and perspectives

Die Linke in NRW failed to mobilize the abstentionists. This is an obvious problem, especially when we know that the quite radical profile of its campaign was designed to do so: it focused on social justice, the withdrawal of the Bundeswehr from Afghanistan, demands that the rich pay for the crisis, explaining that while others want to govern, we want to change society, and so on. In the meetings and in the media, Die Linke said both that it would not prevent the overthrow of the black-yellow government of Jürgen Rüttgers, and that it was therefore ready to discuss with the SPD and the Grünen a possible 'red-green-red' coalition, and that it wanted a true change of policy in the interests of

the vast majority of the population, the employees, the excluded, young people and women and eco-responsibility, conflict with the interests of big business. Die Linke said very clearly that it was certainly not ready to accept the questioning of social benefits and the destruction of jobs and opposed privatization.

Our comrade Wolfgang Zimmermann (a member of the AKL current), one of the two spokespersons of the party in NRW and now co-chair of its parliamentary fraction (with Bärbel Beuermann, a member of the SL current), had been perceived by the media during the election campaign as "realistic" on the question of a coalition with the SPD and the Greens. It was a very selective perception. Example: on March 20 in Essen, speaking to 7,000 people demonstrating under the slogan: "We don't pay for your crisis", Wolfgang Zimmermann had said: "We will probably be a small minority in the Landtag. But even if we had the majority to the Landtag, us alone, we could not change much. Because parliaments do not have power. It's capital which is in power. Against the power of capital, there is only one remedy: the counterweight of millions of people. I am ready to collaborate with the SPD and the Greens, but where are they? Why are they not here with us? Why hide in Parliament? Collaboration must begin in extra-parliamentary mobilizations."

The next day, in the newspapers and regional broadcasts, one could read and hear: "Wolfgang Zimmermann wants a coalition with the SPD and the Grünen". Which was not a total lie, but still a strange account of what Zimmermann had actually said!

The SPD and the Grünen repeated during the election campaign that Die Linke was incapable of real politics. A few days after the elections, whereas the FDP had rejected a red-green-yellow coalition (its condition to exclude any discussion with Die Linke had been disapproved by the SPD and the Grünen), the SPD and the Grünen invited Die Linke to prior consultation for possible negotiations on the possibilities of a joint coalition. The event took place on

March 20 and lasted for five hours, after which the delegations of the SPD and the Greens declared publicly that Die Linke in NRW was not fit to behave in a responsible manner. Whose fault is that? It is a question that is now discussed in politicised circles.

For two hours, the SPD and the Grünen demanded a denunciation of the defunct GDR by Die Linke. The delegation of Die Linke in NRW accepted the formula of the "preamble of the contract of coalition in Brandenburg": "the GDR was not a democracy, but a dictatorship." But the SPD and the Greens wanted more: "the GDR was a Unrechtsstaat". What does this mean? When a term is untranslatable, we detect ideology. "Rechtsstaat" means a state of law. But its negation "Unrechtsstaat" does not mean that "this was not a state of law". It is a term which has been artificially created and launched by an ultra-conservative think-tank decades ago (the Konrad Adenauer Stiftung, close to the CDU) in the service of crude anti-Communism. Its meaning is the "dictatorship like that of the Nazis, which has committed the worst crimes against humanity." This is the identification of "socialism" and "fascism" in the bourgeois theory of so-called "totalitarianism". The Die Linke delegation could not accept it.

For the third hour, the second theme was discussed: the Verfassungsschutz, the "comprehensive", secret spying service against the "enemies of the constitution", which among others spies on the Die Linke party in NRW! Die Linke demanded its dissolution in its program. Its delegation immediately declared: "We only represent 5.6%, we are ready to renounce any specific initiative in this direction in the course of the next five year term. We are ready to sign this in a possible coalition agreement". But the SPD and the Greens called for more: that Die Linke agree to vote for a special fund to strengthen the service. Here, Die Linke delegation did not follow, saying that we should rather think about reducing spending on the Verfassungsschutz.

It was only following these two discussions that the SPD and the Grünen came to the economic and social policy issues. They wanted to accept a beginning of privatization of the Land bank. They wanted to accept that 8,300 positions in public services were not renewed. They wanted to accept a so-called "budgetary consolidation" policy including incursions on certain social standards. The Die Linke delegation could not accept this: "we have stated otherwise in the election campaign... and you also! Hannelore Kraft of the SPD responded: "after elections, all programs should be subject to a realistic verification [Realitätscheck]!" The delegation from Die Linke replied: "We understand better and better why there are more and more abstentions. It is not responsible to do afterwards the opposite of what was promised before the election!" The discussion was ended. Now the SPD has initiated discussions with the CDU.

Many rank and file activists in the SPD and some Grünen are not happy with the way in which the leadership torpedoed consultations with Die Linke. The latter focuses now on the work of opposition, which they wish to link closely to the social movements and the combative trade unions. In case of a duel between Hannelore Kraft (SPD) and Jürgen Rüttgers or another candidate for the post of Minister-President of Land, Die Linke is ready in that situation to vote for Kraft. In the case of a minority Government of SPD and Grünen, with "changing majorities", Die Linke will decide in each case how to vote (SPD and the Grünen demand for example some progressive reforms in the area of nurseries, schools and universities). But Hannelore Kraft has already excluded publicly the possibility of a minority Government in the Landtag. It is necessary all the same to revive this proposal publicly to respond to the feelings of many working people in who are horrified by a broad black-red coalition or a provisional minority Government led by Jürgen Rüttgers.

Before the exploratory talks with the SPD and the Greens, Die Linke had organized three regional conferences (Rhine, Ruhr and Westphalia-Lippe) to

prepare. On the following Sunday a regional Congress approved the conduct of the delegation of the party in the talks (a judgment also approved by the Federal Executive of the party).

In the event that the delegation would have signed a coalition contract, the following procedure was envisaged) three new consultative regional conferences to discuss it; b) an extraordinary regional congress to decide; c) a referendum allowing the nearly 9,000 members of the party to finally decide the matter, by approving or rejecting the decision of the congress. (it should be said in parentheses that during the exploratory interview, the SPD and the Greens had violently criticized this procedure together with the fact that the delegation of Die Linke included members of the party leadership

and not only the leaders of the parliamentary fraction: "This is further proof that you are not reliable!" This shows the respect for rank and file democracy that characterizes the leaderships of the SPD and the Grünen).

The Die Linke party is far from having resolved its problems. We must try to make it a real party of struggle, rooted in the factories, services, universities, schools, neighbourhoods, in social movements, in the combative wing of the trade unions. But in NRW it is already a party that stands out from others because it is governed by its members and remains faithful to the interests – to employ our traditional terminology – of the working-class and all the exploited, oppressed and dispossessed.