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International
VIEWPOINT
 May 1997 • No. 288



Mandela
 the first 1,000 days

- Albania**
eyewitness report
- Rwanda**
women's conference

en route to Amsterdam

On 14 June, demonstrators from all fifteen European Union states will arrive in Amsterdam. On foot.

François Vercammen introduces the European marches against unemployment, marginalisation and job insecurity.

In June of this year, European leaders will meet in Amsterdam to amend the Maastricht Treaty, reform the institutions of the European Union, fix the details of East European membership in the Union, and approve steps towards common domestic and foreign policy. In theory, at least. This will be the last in a series of Inter-Governmental Conferences designed to fix the strategy for the next wave of European integration, including the creation of a common currency between a number of core states before the end of the century.

The December 1996 Euro-summit meeting in Madrid coincided with the first major social movement *against* the neo-liberal logic of the Maastricht Treaty for monetary union: a massive public sector strike in France.

While the events in France opened the first cracks in the triumphalist neo-liberal consensus, the West European labour movement has remained perplexed, and largely silent about "Europe." The European Trade Union Confederation is dominated by conformism and apathy concerning the capitalist integration product. Many union leaders are part of the "one truth" consensus about Europe, which characterises the great and the good across the continent. The ETUC has striven to mobilise concerned workers, but without challenging the Maastricht criteria which underpin and "justify" cuts and attacks across Europe.

With the top of the labour movement still trying to square the circle, a modest collec-

tion of trade union representatives, unemployed groups, social movements and radical left currents, including the Fourth International, met in Turin in early 1996 to try and provoke some kind of reaction in the labour movement. We met again in Florence in June 1996, where we launched a brief appeal and a proposal: co-ordinated marches across Europe, converging in Amsterdam at the same time as the Inter-Governmental conference.

At the time, this was a risky proposition. Not everyone on the left was convinced that the project could work, or even that it merited the considerable effort involved. Fortunately, the project went ahead.

March organisers knew that behind the official discourse, European unification was beset by monetary and political contradictions. The process of capitalist integration would not, could not, be painless and straightforward.



We also realised that Europe's persistent, mass unemployment had created a "new" social question in the "rich" countries. An increasingly explosive one. Official figures report 18 million unemployed EU residents. A further 18 million work part time, but would rather work full time.

The challenge, was to find the lever that would shift this enormous question into the centre-ground of European societies. Something the official structures of the labour and social movements were not doing. Participants in the Florence meeting wanted action, not more words. And to provoke a reaction appropriate to the size of the problem.

An uncommon collective

The collective which formed around the "Marches against Unemployment, Exclusion and Precarity" project was exceptional, for three reasons.

- A strong moral commitment, on an issue

around which we could legitimately demand a radical change in the priorities of the labour and social movement as far as the European Union is concerned. To concentrate on the social aspects of integration, rather than the single currency.

• The marginalised and excluded were at the centre of this coalition. Together with all those who were ready to act: young and old, immigrant and Europe-born, in work and out of work. Supported by activists from a wide range of trade unions, and from the ecological, feminist and anti-racist movements. The existence of such a grouping incarnated our radical critique of neo-liberal policies, and the desire for a better more egalitarian world.

• This was an all-European coalition, with organised groups (some larger, some smaller) in each of the EU states and several other European countries.

In February 1997, more than 600 people participated in the Brussels assembly which launched the marches. Just 12 months after the Turin meeting, we had a committee or collective in each of the 15 member states, as well as Norway and Switzerland. The representativity of these groups varied enormously, as did their political weight and militant force. But the assembly confirmed that the weaker had consolidated themselves since the Turin meeting, while the stronger were making headway.

New voices

More than half the participants in the Brussels assembly were from groups that almost never dominate public meetings: homeless people, immigrants without legal documents, unemployed people, including many whose benefits had expired. The tone of the meeting was set by representatives of the striking Liverpool dockers, workers from the Belgian steelworks *Forges de Clabecq* (threatened with closure) and a representative of the French *sans-papiers* ('paperless') immigrants' movement.

After discussing the participants' various forms of struggle and demands, the assembly began to elaborate common demands: a tax on top fortunes, equality for women workers, shortening the working week, special measures for young people, and so on.

Participants agreed on the general structure of the campaign: 18 main marches, converging on Amsterdam, with local welcome committees along the route, activities targeting job centres, schools, universities and town halls, public meetings and debates, and festivals.

To challenge the Euro-centrist consensus of the decision-makers, the first marches would start in Tangiers, Morocco, and Sarajevo, Bosnia. On 14 April, simultaneous actions were held across the EU.

It was not easy to establish a common programme, because of the very varied social contexts, militant background, political values and priorities of the participants. There was disagreement about the details, and even about the basic aims of the campaign. Slowly but surely, consensus was

reached on three points. The Florence Appeal would be the basic text of the marches. Participants in the Brussels meeting decided that mention should also be made of our rejection of the neo-liberal monetarist convergence criteria within the Maastricht Treaty. They also stressed that the march committees should launch a debate, among EuroMarch activists and in the wider labour movement, about what alternative we could propose to replace current EU policies.

Participants did not adopt the draft appeal proposed by the European secretariat (made up of the French, Belgian and Dutch march committees). Perhaps it was too early to propose a text. Perhaps it was too late. Either way, participants were divided in their views on key passages, and some objected that the document had been prepared without wider consultation.

As a result, the Appeal was only recognised as a "contribution" to the debate, to which many of the concerns raised during the Brussels assembly were added.

Not to be missed

Some currents and individuals saw the marches mainly as a chance to transmit radical opinions to a wider audience. At march meetings, these currents stressed the need to be "as autonomous as possible", and to reserve a large space for "testimony." They often confused the right way to work within the march movement, and the political objectives of the movement, towards the outside world. Other participants reflected the desire of a new generation of militants for clear socialist goals. These participants demanded greater precision in the platform of the movement. Not all were convinced that the marches did indeed represent a radically different social perspective, of rupture with the governments of the EU states, and a challenge to the traditional leadership of the labour movement.

The stakes were high. The goal was to defeat, or damage, the Maastricht process and the EU integration plans. There was a chance that the marches would provoke an echo among more important currents in the labour movement, as more and more people became critical of the EU's neo-liberal policies. To do so meant understanding why there had to be a contradiction with the EuroMarch collectives: the forces actively involved in the project were almost all from the most radical part of the social movement, broadly defined. But the amended "platform" documents were very broad and open. Indeed, these texts were aimed at all those who had previously supported or accepted the supposed necessity of the Maastricht process, while struggling to oppose the anti-social consequences of the treaty, and the policies it generated.

The leadership of the political and labour wings of social democracy face a terrible dilemma. If they continue to support the EU and monetary union, they will have to confront a growing sector of their rank-and file. More and more people are realising that the Maastricht convergence criteria mean neo-liberalism, and that the "stability pact" agreed

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at the December 1996 Dublin summit means neo-liberalism for ever. As European integration intensifies, it provokes more synchronised labour and social struggles than ever before. Particularly for the more active sectors of the labour movement, and particularly in the core countries: France, Germany, Belgium and Holland.

Alternatively, trade union bosses and social democratic politicians can try to take charge of the "rumblings." But they can't do so without challenging elements of their previous support for integration, Maastricht and the Euro. The longer they hesitate, the more discredited they will be.

The EuroMarch strategy

In the final weeks of the pre-march preparations, organisers adopted a double strategy to boost the campaign. Firstly, they created a synergy with labour struggles, like the closure of the Clabecq forge and a Renault car plant in Belgium. At the same time, the EuroMarch collectives maintained an open-spirited attitude towards the broader labour movement. More and more sectors of workers are recognising the disastrous effects of the Maastricht process, and beginning to draw conclusions about the consequences for labour strategy and demands. It is important to win these sectors over, not alienate them.

The spearhead of this movement is the rejection of the Maastricht convergence criteria, and the demand that unemployment, and a cut in the working week without loss of salary, take centre place in European policy debates. The Florence appeal is certainly inadequate as an ideological alternative to the European Union. But it is a perfect document for this kind of campaign.

These demands can be the basis for a convergence of dissatisfied sectors of the labour and socialist movements. Wider sections of the labour movement will be watching the marches, but hesitating about committing themselves. Now *that* is the debate to watch! ★

Source: "Le soulèvement de l'espoir," *Inprecor* #402, April 1997 pp.29-30. Additional material by J. Dupont.

Stop press... stop press

Three leaders of Sri Lanka's New Sama Samaja Party (NSSP) have been detained in connection with an arms cache which police claim to have discovered in a building housing a Health Workers Trade Union. Jean Dupont reports.

NSSP General Secretary Vickramabahu Karunaratne has been released on bail, and will appear in court on 9 June, in connection with the alleged discovery of 32 weapons in the Colombo headquarters of the Health Workers Co-operative Society. Police have still not released Ajith Fonseka, President of the co-operative society, and P.D. Saranapala, General Secretary of the Janaraja Health Workers Union, which has offices in the same building. Both men are members of the NSSP central committee, though the workers' centre is open to health workers of all political persuasions.

In a statement after his release on bail, Karunaratne stressed that the NSSP "categorically denies" all allegations against its members. "Reactionary forces are trying to implicate the NSSP in a conspiracy to use concealed weapons," he said. "By these lies they hope to discredit worker struggle against price increases, the genocidal war [against the Tamils], repression and privatisation.

"Their other aim is to proscribe the NSSP," he continued. "Yes, our party defends the right of the masses to rise up against this unjust capitalist system. But we have always disassociated ourselves from individual terrorism and intimidation as methods of revolution. Such tactics actually undermine the

active movement, and sap the democratic initiative of the masses."

In 1989 the UNP government issued arms to the NSSP, and other components of the United Socialist Alliance, so that they could defend themselves against the Sinhala chauvinist *Deshapremi Janatha Vyaparaya* (Patriotic Peoples Movement). At least 24 NSSP members were murdered by DJV chauvinists. Trade union centres were also issued with arms, after a leading Communist Party trade union leader was also killed.

According to an earlier NSSP press statement, "The NSSP returned all its arms when the government demanded them. It has not given arms to the Health Workers union centre, and is therefore not responsible for this arms discovery. The arrest of Bahu Karunaratne, NSSP General Secretary, is definitely a political conspiracy to isolate the NSSP because of its resolute opposition to the privatisation programme of the Chandrika government. The NSSP is also a clear opponent of the war against the Tamil people. Bahu Karunaratne has been identified as a determined opponent of the government's policies. Since his election to the Colombo Municipal Council he has become a very popular mass leader. ★

The NSSP asks friends and comrades abroad to send messages demanding the release of Ajith Fonseka and P.D. Saranapala, and the dropping of charges against Vickramabahu Karunaratne to Her Excellency the President, Chandrika Bandaranaike Kumaratunga, Presidential Secretariat, Colombo 01, Sri Lanka. (fax +94-1-333703) and The Secretary, Ministry of Defence (fax 94-1-54-1529) Please fax a copy of your protest to the NSSP at +94-1-334822. Donations to the legal fund should be sent to United Federation of Labour, A/C 16 500 599 62, Peoples Bank, Union Place, Colombo 02, Sri Lanka

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Civil society and market transition

The Communist regime in the former Soviet Union was widely described as “totalitarian.” The usual implication was that economic planning – whatever the nature of the state doing the planning – leads to dictatorship. This is rubbish. But the term also described a political system in which the ruling bureaucratic elite strove to control almost all forms of social organisation. This certainly was true in the USSR. It was the real meaning of the constitutional recognition of the “leading role of the Party.” Not even the members of the party/state bureaucracy had the right to organise independently of state control.

Many left-wing and liberal observers of the USSR argued that industrialisation, the slowdown of social and geographical mobility, and rising rates of urbanisation and education were creating social groups which, through conscious, concerted action, are capable, if not of defining state policy, then at least of setting limits to the state’s actions. Such groups are collectively referred to as civil society. In the 1970s and 80s many western socialist scholars thought they could see an embryonic, but rapidly maturing, Soviet civil society that ultimately would burst the totalitarian womb.

But today, more than ten years since that system began to loosen its grip on society, the embryo has made little progress. Far from adulthood, it is still like a child that cannot walk unassisted.

David Mandel

Most people would expect that the radical reduction of the state’s direct organising role in the economy over the past years, and the end of direct political restrictions on the right

of association would have facilitated the development of civil society.

But civil society as defined above is no more developed in Russia today than it was in Brezhnev’s Soviet Union. In fact, today only the Chechen independence movement really meets this definition. The Chechen victory (at a terrible cost), against seemingly impossible odds, is a measure of the weakness of the Russian state. But that weakness only underlines the general helplessness of a society incapable of exerting effective control even over such a feeble state.

Apart from the Chechens, and the embryo capitalist class, organised labour is still the only social group that shows the potential to fill the “civil society” vacuum. Plenty of other groups *ought* to organise collectively to articulate their rights: women, students, peasants, ecologists, and pensioners. But so far, organised labour is making the most significant, though still very slow and contradictory, moves in this direction.

The present weakness of the labour movement is striking. Certainly its reaction is in no way adequate to the offensive being waged against it by the state. Recently, there has been a growing wave of collective protests, which are tending to become more militant in their tactics, and that is a promising sign. But these protests are, for the most part, unco-ordinated and their principal demand, though directed mainly at the state, is very modest: to be paid wages that are owed, sometimes for many months. (Real wages have fallen on the average by more than 50% since the start of shock therapy.) Yet even that demand cannot be achieved, except on a partial and temporary basis.

It wasn’t always like this. Rising worker political mobilisation and the state’s justified fear of even greater mobilisation played a significant role in preventing the Gorbachev regime from proceeding with capitalist restoration, after it had despaired of the so-called “socialist market reform.”

These mobilisations never put forward an independent political perspective – except very partially in the self-management movement of 1990 and 1991 – and ultimately they were exploited by the anti-Gorbachev liberal forces to ride Yeltsin into power.

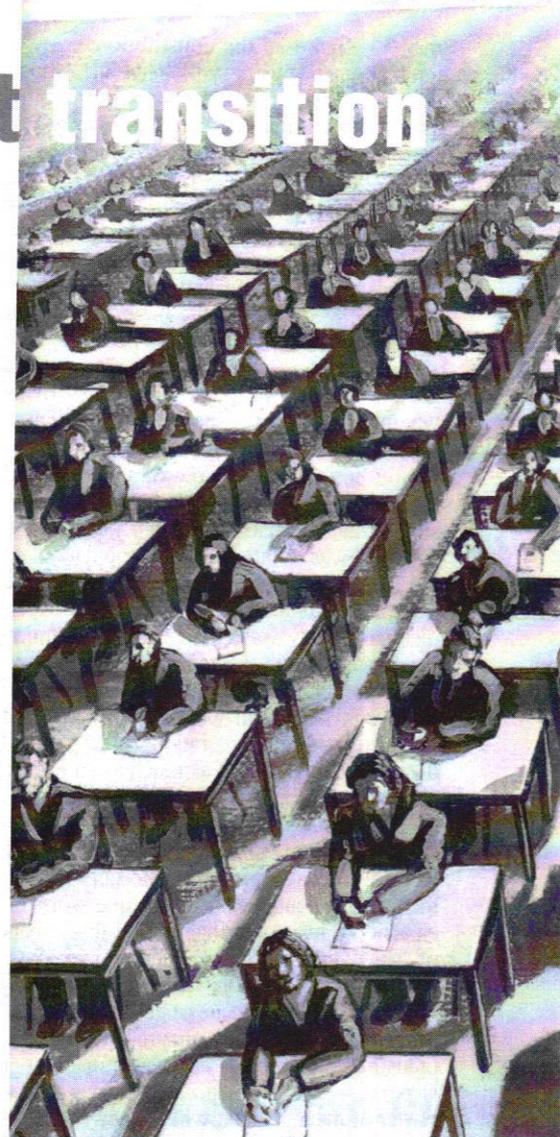
Swan song

But at the time, it wasn’t clear to most people, myself included, that these worker mobilisations really marked the end of an era, not the birth of a new labour movement. This was a time when the old centralised economic structures, though weakened, still existed and the central state still claimed responsibility – and was held responsible by workers – for the state of the enterprises. All this, as well as the fundamental economic security that Soviet workers still enjoyed,

facilitated political mobilisation. These conditions were already changing, but rather slowly. Until 1992, when “shock therapy” radically accelerated the transformation, thrusting workers into a new world of profound economic insecurity and freeing the state from responsibility for the fate of the enterprises and their workers.

In fact, part of the thinking that went into “shock therapy” was the need to act quickly to pre-empt workers’ resistance to the restoration of capitalism, once they realised what it entailed. In official circles, the clearly anti-democratic concern to make the reforms “irreversible” was repeatedly emphasised. The idea was to exploit the fleeting window of opportunity provided by Yeltsin’s aura as the democratic slayer of the bureaucratic dragon to dismantle as rapidly as possible the conditions that facilitated worker resistance.

But the regime feared that “shock therapy” alone would not do the job of disarming resistance in society. Throughout 1992 and the first nine months of 1993 the threat of a “social explosion” was constantly evoked by government officials and the press. In fact, most workers seemed dazed by the blow they had received. But there were signs of a growing potential for effective resistance. Most troublesome was the *Duma* (parlia-



ment), which had the constitutional power and increasingly the will to block "shock therapy", even while it did not reject in principle the transition to a market economy. For various reasons, most workers remained bystanders in the conflict between the President and the Supreme Soviet, but the potential of the parliamentary majority linking up with the opposition in society was definitely there.

In the final confrontation in September 1993, the leadership of the main trade-union federation supported the parliament. In both *Duma* elections held since Yeltsin's castrated the parliament, the population voted overwhelmingly against "shock therapy". These votes have not had the least effect on economic policy. The degree of violence and bloodshed perpetrated by Yeltsin in suppressing parliament had no military justification. The goal was to intimidate the population. At the same time, he threatened to disband the trade union federation if it continued to be disloyal. A few weeks later, a special union congress replaced the federation's president. The current leader has publicly stated that an open confrontation with the government would relegate the federation to the political dustbin. Though this is as much as an excuse as a cause for the federation's moderation.

Surgically applied, but ruthless, repression, and control of the major mass media, have played a key role in allowing "shock therapy" to continue to undermine workers' capacity to resist. During the first three years of "shock therapy", enterprises expelled most of their younger, more active and independent workers. There has been a quite dramatic decline in employment in large industrial enterprises. Fear of unemployment is pervasive and has greatly increased the power of management, which knows that the state and the juridical system offer no recourse against managerial lawlessness.

De-classing the workers

At the same time, the working class is gradually becoming de-classed, in a process reminiscent of the civil war of 1918–1920. That destroyed the social basis for a democratic state in revolutionary Russia. Even among workers who are still formally employed, their economic ties to their former state enterprise's economic reserves have long since been exhausted. In the larger cities, they can often find some supplementary, usually undeclared, employment, but in the smaller towns, often the only additional source of support is the garden plot. There is a return of the widespread phenomenon of the turn of the century – the worker-peasant. It is futile to try to organise labour educational activities during most of the period from May to September because workers are busy with their plots.

Of course, to all the above factors, one has to add the heavy legacy of the past. Official Communist ideology emphasised that workers constitute a class with common interests and that they were in fact the leading class in society. The real impact of this on worker consciousness was superficial and contradictory. The dominant relations in the Soviet system were corporatist, authoritarian

and paternalistic, linking workers not to each other but to their director and through him or her to their economic branch administration. For at least 60 years, workers had no experience of independent organisation or protest movement through which they might have developed an authentic sense of solidarity and class consciousness, as well as a feeling for their independent political potential.

A simple but clear indicator of the absence of this consciousness is the present membership dues structure in trade unions. Up to 85% of the total sum collected remains in the enterprise. The central union bodies usually receive only 2%. With the partial exception of the coal miners and the public service employees, it is every enterprise for itself, including during a strike. So weak is union solidarity that individual workshops in the same plant will pull out of a collective protest if they receive their back wages, even if the other workshops have not.

Despite the heavy burden of the past and the unfavourable economic and political conditions created by "shock therapy" and the Yeltsin dictatorship, much more progress could be made toward the development of an independent, militant, politicised labour movement if only there were a bolder, more independent leadership. One need only look at neighbouring Belarus, where the industrial unions have been able to transform themselves into democratic, independent labour organisations that are a central force in the opposition to the dictatorial intentions of President Lukashenka.¹

Of course, Belarus has certain advantages over Russia, in that its industrial labour force is more compactly situated, much of it in the capital itself. Another difference is the experience of the general strike of April 1991, which shook up the Belarussian workers and unions. In Russia, only the coal miners have gone through a comparable experience.

Belarusians also had the luck of not having national industrial unions until 1991. When they set them up, *some* new, genuinely dedicated people were elected from the enterprises to the national leadership. In Russia, which shared its capital city with the Soviet Union, more often than not the old union bureaucrats passed over from the old Soviet unions into the new Russian one.

The leadership they deserve?

Today, there are no insurmountable institutional or political obstacles to a renewal of the union leadership. This can occur, however, only as a consequence of a strong spontaneous mobilisation from below.

On a small scale, this happened in a number of enterprises during the wave of activism at the end of the Gorbachev period.

That wave has fallen. But the present rise in collective action and militancy among workers over the wage debt, and contacts with rank-and-file workers and union activists does suggest that a union leadership that showed itself to be independent of both management and the state, that set significant, but winnable, goals, and that demonstrated its genuine determination to win these

goals *could* draw many workers behind it.

Without being overly optimistic, one can point to a number of elements in the present Russian situation that make more likely than has been the case over the past few years a worker mobilisation that could, in turn, lead to a change in union leadership.

Recent protests

First, there has been a definite rise in activism and militancy over the past months, even if the basic demand remains modest. The latest national action on November 5 saw the biggest turnout of any since Yeltsin's *coup d'état*; even though little serious organising went into its preparation. Workers' tactics are also becoming more militant. Increasingly, workers, and pensioners too, are turning to civil disobedience – blocking highways, railway lines and bridges. There have been a few general strikes in some towns.

Most of these have been spontaneous. But in several cities in the Kuzbass, an industrial and coal region where the governor has blocked elections to the local governments, the unions recently responded to the impoverished state of their members and to the authorities' failure to make adequate preparations for winter by forming city-wide "committees of salvation". Their stated goal is to take power in the city.

In addition, despite the continued predominance of the demand for timely payment of wages, openly anti-government and anti-Yeltsin demands are once again resurfacing, after having virtually disappeared at the start of the presidential electoral campaign last spring. (illustrating the *real* role of these so-called democratic elections.) The re-appearance of these demands is directly related to Yeltsin having broken virtually every important pro-election promise; to the increasing economic hardship caused by monetarist policy that is tightening even further; and to the public scandals and Byzantine intrigues that have characterised the top government circles over the past months. The regime is utterly discredited in the eyes of working people, who long since have had shed their illusions. Any worker will tell you that this is an anti-popular, criminal regime, and many will add that it is controlled by the G-7 and their financial organisations. [...]

Despite the bankruptcy of the present regime and its bourgeois allies, and their real weakness, the labour movement still has a long way to go before it can play a decisive role on the Russian political stage.

Russia faces the same problem as at the start of this century: the working class is the only force on which a democratic state in Russia can be built, but the transition to capitalism cannot be carried through without savage repression of the workers. In Russia, democracy and capitalism are still incompatible. ★

Notes

The author lectures on Russia in the Politics Department of Montreal University (UQAM). He is also involved in a Canadian-Russian trade union education programme.

1. See "Belarus: the 18th Brumaire of Aleksandr Lukashenka," by Vladimir Shmanovich and David Mandel, *International Viewpoint* #286, March 1997, pp.12-14

The new face of Eastern Europe

The Albanian insurrection is on the defensive. No-one can rule out the possibility of a new cycle of confrontation between the population and the multinational "peace-keeping" force. There is also a constant risk of aggressive manoeuvres by discredited President Sali Berisha.

Nicos Yannopoulos*

Since 10th March, the insurrection has been on hold. Unfortunately, this is probably not a "war of position" following the "war of movement" of early March, but a significant decline in the movement. This is partly due to fatigue and the inability of the movement to propose a credible plan for continuing the confrontation with President Berisha. Another factor is the absence of structures and organisations which can unite the insurgents, and boost their morale again.

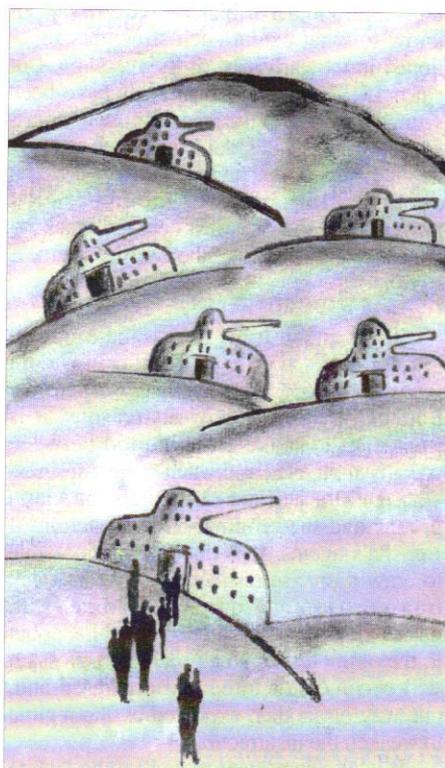
Thousands of people refuse to surrender their weapons until Berisha goes. But while a few lose their temper or revolt against some decision or other of the interim government under Bashko Fino – the general climate is not one of deepening social polarisation, or a sharpening political confrontation. On the contrary most people are saying that "we need to overcome our differences."

Some people, including among the insurgents, say that the restoration of order is the top priority, or at least a major concern. Meanwhile, the demand that President Berisha depart is slowly fading away from the front of the insurgents' minds, and increasingly seen as a 'parliamentary' question.

Significantly, no-one has dared denounce the repressive nature of the "Multinational Force." On 7th April, the Popular Committees demanded that the Force's commanders did not meet with President Berisha. But they were careful not to make any comment about the deployment of the foreign troops in Albania. In fact many rebel leaders had indicated their support for "international protection of humanitarian aid", as early as mid-March. Which is curious when everyone knows that humanitarian aid is threatened by corrupt officials much more than the insurgents, or even armed bandits.

Democratic, but confused

In the Albanian context, the Popular Committees are extremely democratic bodies which organise and administer the insurrectionary zones. They are not really a form of direct democracy, since delegates are neither directly elected, nor replaceable. They do not really reflect the politicisation of the population, and the resulting erosion in the hierar-



chical structure of society. Nevertheless, they clearly represent the common peoples view and the feelings of the majority of the insurgent population. They are certainly not part of a project to reconstitute the state apparatus in the rebellious towns.

On the one hand they maintain the instability and express the demands of the insurgents, and at the same time they legitimise, though collaboration, the political parties of the Government of National Reconciliation, and the Tirana-recognised prefects and regional authorities. All with the aim of "restoring order". Most Committees are attempting to rebuild the police force, rather than develop popular militias or local social self-defence committees.

Committee members are mainly people with military or administrative experience, who had some kind of social prestige, and who played an important role when the insurrection began. Most were not previously activists nor are they the natural leaders which all insurrections generate. Most are older men, from more conservative sectors of the population. They are less 'enlightened' and less 'disinterested' than most of the insurgents they represent.

The military men in the committees play a very contradictory role. Everyone recognises their essential role in helping the insurgents confront and defeat the repressive forces of the Berisha regime. But these men are hardly likely to encourage the development of self-defence structures within the in-

surrection. Their tradition and their mentality tend to block this.

The nature and work of the committees is also influenced by the lack of activist experience, of any subversive or counter-culture, and of course, the absence of networks of conscious revolutionaries.

The other big problem is fatigue. Thousands of people who participated in the insurrection have left or are trying to leave the country.

As a group the insurrectionaries are confused, in an ideological sense. And this confusion determines the limits and the contradictions of the Albanian insurrection. This is a mass armed insurrection. But once the Tirana elite formed its "Government of National Reconciliation," the insurrectionaries found themselves without a political project for extending their confrontation with President Berisha, and for extending their own power base. As a result the insurrection seems to be unable to impose its own solutions, or to make a dramatic change in the social and political balance of forces.

And yet the rebels represent an important dynamic in society. If Berisha tries any rapid move to regain control, the insurrection could re-ignite. And, once Berisha goes, parts of the rebel movement may mutate into a new social opposition.

What kind of violence?

The European media stress the violence of Albania today. Most of the time the media fails to separate the violence of the insurrection (execution of secret police agents); the political violence of the regime (its' retaliations and its' anonymous terrorism designed to divide and weaken the insurrection); and of course the everyday violence which accompanies any insurrection, revolution or riot. From the capitalist mass-media, and from Berisha's Public Relations team, the message is the same. Albania is suffering from a "vicious circle of chaos and anarchy, which began with the insurrection."

Every insurrection is accompanied by an increase of political and social violence. There is always, inevitably, an increase in transgressions of the previous legal code. Wherever a power structure is collapsing, a number of individuals attempt to appropriate the roles and the property which they consider to be theirs by right. These individuals may be partially motivated by a spirit of solidarity, but their behaviour is also the result of years of material privation and manipulation of their personality. Certainly part of what they appropriate for themselves would be more useful if it was made available to some other individuals or groups. But then, not necessarily the legal owners of that property under the previous regime.

Until any insurrection of the oppressed

★ Albania

can transform its natural "just cause" into a new normative framework, based on liberty, equality and solidarity, there is bound to be a generalisation of low-level infringements of the previously-existing legal code. In all previous revolutions and insurrections this has eventually been used as a pretext for the re-imposition of authoritarian, hierarchical regulatory systems.

Generalised transgression is certainly a major problem for the Albanian insurrection. Among other things, it disorients large sectors of the movement, and makes many people more conservative. It provides arguments for those nostalgic about 'order' and a strong state.

This generalised transgression is not provoked by the insurrection. Rather, insurrection allows it to appear. The true cause of the transgression is the same set of social conditions as led to the insurrection: the material want and feeling of abandonment by those in power which affects most Albanians.

'Criminal' behaviour in the rebel areas obviously incorporates the traditions of transgression within Albanian society. A large part of the population, particularly in the rebel-held south, already had a very tenuous relationship with legality. The Berisha regime tolerated, even encouraged this behaviour, since there were few other viable strategies for survival for many people. People were also strongly influenced by the incredible corruption of the Berisha regime, down to the lowest officials. This itself rendered the 'rule of law' and respect for the law inoperable in the areas now under rebel control. No surprise that the south of the country has suffered so much 'criminal' behaviour since the insurrection began.

What to do about it?

The Popular Committees have not been able to control even the most anti-social and reprehensible elements of this generalised transgression. Where they have tried to do so, they have usually failed. And, in trying to prevent such behaviour, they have used inherited methods. Because they do not fully trust the Berisha regime's police force, they

appoint former policemen from the previous, Stalinist regime to "keep an eye on them". As in the old days, public meetings have been organised, to exhort the population to trust and support the police. What has not been done is to develop the self-managed structures of the insurrection, creating and generalising a system of local self-defence units and popular tribunals. We still do not know to what extent such structures functioned in the early part of the rebellion. But since 15 March, most insurgents have been virtually passive in the face of growing transgression. The rebels don't know what to do about it, any more than they know what to do about the initiatives of the imperialist powers, and the risk of a counter-attack by the surviving nucleus of the Berisha regime.

Berisha's terrorism

To re-establish his role at the centre of the country's political life, the President seems to be operating a strategy of tension. For this, and other obvious reasons, it is important to make a distinction between socially-motivated and small-scale transgression, and the criminal behaviour of Mafia groups and the criminal-terrorist action of Berisha's agents. It is obviously impossible to draw a precise distinction between social transgression and organised crime. But, unless the insurgents can do something about it, the omnipresent, small scale transgression will become structured and organised and, one way or another, exploited by the regime to weaken the insurrection.

It is also important to expose the "white terror" which Berisha's general staff is co-ordinating in the rebel areas, and even in Tirana. This terror is a key tool in Berisha's diplomatic negotiations. He is presenting himself to the foreign powers as the only man who can re-establish order, from the 'chaos' which he claims dominates Albania.

Inside Albania Berisha uses violence in two directions: to discredit and weaken the insurrection, and to maintain his confrontation with the Socialist (ex-Communist) Party of Bashko Fino. The Socialists, who represent the only real parliamentary alternative to Berisha, dominate the Government of National Reconciliation. Berisha hopes that his strategy of tension will push the Socialist Party towards more conservative positions, and boost the morale of his own dissipated supporters.

There is a growing trend of assassination of Berisha's political opponents. There are clear acts of sabotage, like the burning of Socialist Party offices. And there are blind

terrorist attacks, the aim of which is to weaken the insurrection, and increase demands for, or at least tolerance of, a return to an authoritarian state. The next step in this strategy will probably be the delaying of the elections planned for June, and resistance from Berisha to the creation of the promised Constituent Assembly.

Albania's enemies

Despite their differences, the foreign powers all agree on a short term strategy. The insurrection must be by-passed, and stability re-imposed. The western democracies want to liquidate the insurrection which threatens to provoke the total dissolution of a state bordering on the European Union.

None of these powers is really interested in Albanian human suffering. After all, the number of deaths during this insurrection is insignificant compared to the mountains of bodies in Rwanda, Bosnia and Chechnya.

The Albanian insurrection is a threat to the stability of the Balkans - but not in the way the western media usually imply. No serious analysts expect this rebellion to provoke ethnic wars between the Albanian minority and Slav majority in "Yugoslavia" (Serbia-Kosovo-Montenegro) or Macedonia. But the phenomenon of popular insurrection following financial collapse certainly could be repeated in those countries, in Bulgaria, or in some parts of the former USSR.

In other words, this isn't about the Albanians or about peace or about democracy. This is about the challenge by some Albanians to the cohesion and credibility of the "new world order". This is why 79,000 tonnes of military hardware have been sent to Albania, to protect a few dozen tonnes of rice and milk powder.

Albania's friends

The Albanian insurrection is not an echo from antiquity. It is not the last vestige of some heroic past. It was not provoked by a few nostalgics. On the contrary, the revolt of the Albanian people comes from the future. It is a first sign of the resistance of the "fourth world" to the new capitalist barbarism which is spreading across the planet.

This is not the dawn of global socialist revolution. But it is certainly a nightmare for the forces of reaction and counter-revolution. It is subversion of the existing order in the "new Europe". It suggests that bourgeois hegemony is not the only possibility.

The radical left should not just express its sympathy with the Albanian insurrection. It should protest vigorously against the indifference of western rulers to this human suffering, and expose the selfish and cynical manoeuvres of the European powers in Albania. There is a need for international resistance to the international plans to repress this insurrection. ★

* Nicos Yannopoulos organises the Greek "Network for the defence of political and social rights". In March he spent ten days in southern Albania. He talked with the leaders of the National Committee of Public Salvation and the leaders of the Popular Committees in a number of towns including Saranda, Vlore, Tepelene and Gjirocastre. Translated and edited for an international audience by Georges Mitrailias and Mark Johnson.

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The limits of flexibility

At the end of 1996, Moody's Investors Service awarded Greece its BAA1 credit rating.¹ This will make it easier for Greek capitalists to borrow money abroad. The rating is also a pat on the back for Yannis Papantoniou, Socialist Party Minister of Finance and Economics.

For ordinary Greeks, these "rigorous" economic policies have brought misery. **Ilyas Altinoglu** reports on the waves of protest which have swept the country.

Greece has suffered ten years of austerity policies, and most people have seen no improvements in their situation. On the contrary, unemployment is rising and the standard of living falling.

True, Greece is every day more "European" But only in the sense that misery, violence and begging are increasingly visible in the streets. A social fracture is widening, just like in the main European nations.

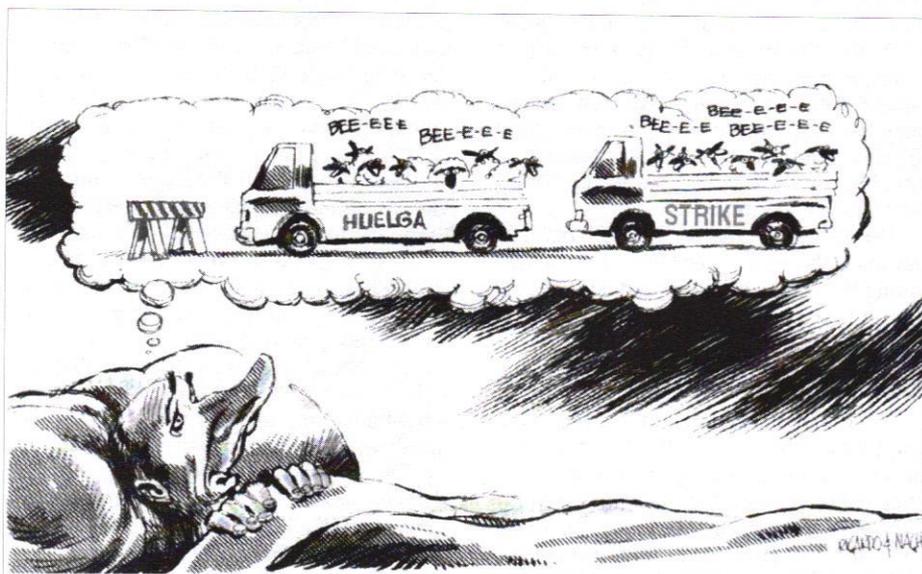
Most Greeks comfort themselves with illusions. Conversations are dominated by a strange mixture of aggressive nationalism and a cosmopolitanism reinforced by emigration, links with the diaspora, and the internationalism of Greek capital. Everyone agrees that economic backwardness is the cause of our misery. Some say we must tighten our belts to catch up with the rest of Europe. Others say our underdevelopment condemns us to domination by the mandarins of the European Union.

Contradictory, of course. But hardly surprising, given the country's very limited weight within the European Union, and the determination of the Euro-capitalist elite to unravel all the social advances made by the workers over the last 100 years.

Reality is beginning to shake Greece's curious ideological consensus. The country now has one million, mainly "illegal" foreign workers (Albanians, Kurds and Poles), in a total population of 10.3 million. Meanwhile, wages fell 20% in real terms between 1985 and 1996, and sharp cuts were made in social spending.

More is to follow. The OECD says Greece has "one of the most generous retirement pension systems in the European Union." And unemployment benefits (less than 50% of the minimum wage, paid for 5-12 months) are, apparently, a barrier to "labour market flexibility".³

In the old days, Greece had a dense social tissue. Family and village solidarity helped absorb private sector "rationalis-



ations" and the resulting unemployment. But after 10 years of "modernisation," these mechanisms are less and less responsive. Rather than finding a job in a family business or through kinship contacts, young people stay unemployed. Nor can people move back to their village of origin so easily.⁴

The "underground" economy, and the mass of small companies which characterise the Greek economy are booming, on paper. One in three members of the workforce are "self-employed", compared to one in seven in the EU as a whole. But in reality, most of these "self-employed" workers are paid on a piece-work or daily basis. With 30-50% of economic activity in Greece undeclared for tax, social security and workplace safety purposes, these marginalised workers, Greek and immigrant, experience "labour market flexibility" in its most modern, infernal forms.

The unemployment rate now fluctuates around 10%, depending on the contraction or expansion of the European Union heartlands.

As in the rest of the European Union, most of the pain is concentrated among young workers, women, immigrants, and the long term under-employed.

Vulnerable consensus

Greece is the only EU country which *no-one* expects to meet the Maastricht convergence criteria, and adopt the new common European currency. Inflation is 6.5%, the public sector debt is 113.4% of GDP, and the government predicts a 1997 budget deficit of 4.2% (assuming GDP growth of 3.3%).

The impossibility of meeting the Maastricht criteria has not prevented the government from trying its best. The combination of domestic cuts, and the knock-on effects of the slowdown in the larger European states,

stifled the signs of economic upturn in 1994, and will probably do the same this year.

Already handicapped in the race towards Maastricht convergence, the Greek bourgeoisie must implement even harsher cuts than in the dominant member states. The Maastricht Treaty was signed by a conservative government, but even the Socialist Party (PASOK) which dominates Greek politics has been won over to the values of neo-liberalism. A "modernist" and "European" leadership has superseded the "nationalist" PASOK bosses of the Papandreou period.⁵ The new PASOK leadership has not hesitated to confront its own social base – as striking farmers and teachers have recently discovered.

Consensus on the importance of the Maastricht convergence criteria could win majority support, or at least acquiescence, as long as the only alternative was a retreat into nationalism. Though it is striking that the nationalist explosion of the 1980s, when Greece became obsessed with its Turkish, Macedonian and Albanian neighbours, and with the major European powers, did not lead to an isolationist or autarkic strategy within the country's elite

On the contrary, the pro-European wing took control of the PASOK, and steered the party to victory in the September 1996 elections. The conservative right is now entirely oriented towards Europe, without the "national sovereignty" ruptures visible in Britain and some other countries.

On the left, only the Communist Party continues to blame "foreign powers" for all the country's problems.⁶ The *Synaspismos* (Left and Progressive Regroupment) coalition has reinforced the pole of trade union and communist militants who are convinced that "there is no salvation outside Europe."

★ Greece

The other left party, the Democratic Social Movement (DIKKI, formerly part of PASOK) criticises the Maastricht Treaty, but does not suggest that Greece renounce its signature on the document!

Greece is probably the only European Union where the bourgeoisie as such is marginalised in public political life. PASOK wins most of the elections and, in September 1996, the Communist Party, DIKKI and Synaspismos each won about 5% of the national vote. The conservative New Democracy Party has been out of power for nearly 20 years, apart from a brief taste of power in 1990-93, when the party tried to run parliament with a majority of one vote.

People only voted for PASOK because they knew the right would attack even harder. During the campaign it was virtually impossible to find a party worker who agreed with PASOK leaders.

Waves of protest

Nevertheless, the election results were seen by the working population as a victory for left currents in society. And there was a bitter response when the "socialist" government began to cut spending and increase revenue. The first to demonstrate were mothers of large families, threatened with a reduction in their benefits. Then retired people, who were told that they would have to pay more tax.

Next to protest were sailors. Greek shipping companies control half the European Union's fleet: and are a real supranational force. Not surprisingly, their all-powerful "Committee" is based in London, rather than the Greek port of Piraeus. Their power and mobility has given these capitalists the confi-

dence to demand the complete liberalisation of the sector. Why should Greek ships have Greek crews and captains, earning Greek wages? After all, Holland only requires that captains of Dutch ships have that nationality. Britain doesn't even demand that.⁷

While sailors faced a powerful sector of the European bourgeoisie, protesting peasants confronted a government which, in agricultural matters, is a transmission belt for decisions made in Brussels, and within the World Trade Organisation. As well as discouraging "overproduction", the European Commission is now trying to prevent subsidies and grants to the large number of Greek peasants who have been obliged, over the years, to work their land on a part-time basis, and spend the rest of their time in salaried work, or a small service business (particularly along the coast). The bureaucrats' goal is to eliminate two thirds of the agricultural workforce. To do so, they are willing to empty the countryside of its inhabitants, and tolerate a collapse in the quality of agricultural produce.⁸

The country's 60,000 secondary school teachers started industrial action on 20 January 1997. Few, if any, suspected that they would be on strike for eight long weeks. The teachers were determined, and there was organised solidarity from both pupils and parents. But they were unable to provoke an extension of the strike to other parts of the public sector: probably the only thing which could have forced the government to back down.

Their demands were hardly extraordinary, and the trade union current leading the campaign was the closest to PASOK, the ruling party. But because of the govern-

ment's obsession with the Maastricht convergence criteria, and the continuing programme of public sector cutbacks, the government refused even the slightest concession, and seemed rather happy to have "saved" two months of salary, despite the disruption and suffering.⁹

These successive waves of protest have not brought an improvement in living conditions. But they have re-centred public debate in Greece along class terms. By thrusting the question of human need to the centre of discussion, the labour movement has knocked a few holes in the wall of consensus which protects the "necessity" of budget cuts and restrictive monetary policies.¹⁰ ★

Notes

1. From BAA3, with effect from 23 December 1996
2. According to the OECD, Greece has a foreign debt of US\$38 bn, and GDP of about \$120 bn.
3. Greece has an official unemployment rate of 10%. Unemployment benefits represent only 1% of GDP.
4. In the 1980s, the agricultural sector absorbed many urban workers who would otherwise have been unemployed. But the growing number of job losses, the effects of the EU Common Agricultural Policy, and the dictates of the World Trade Organisation mean that the countryside can no longer play this "shock-absorber" role. On the contrary, the government hopes to reduce the proportion of the population engaged in agriculture from 22% to 8%, so as to increase competitiveness.
5. The transformation of PASOK is analysed by George Mitralias in "Painful birth of a new era," *International Viewpoint* #276, April 1996, pp. 17-18.
6. The Greek Communist movement is analysed by Ilyas Altinoglu in "Back to Stalin," *International Viewpoint* #279, July 1996, pp. 13-14.
7. In March 1996 Greek interests owned 3,246 commercial vessels, with a total tonnage of 75 m. tonnes. This is the largest fleet in the world. Although only 2,019 vessels, with a total tonnage of 28 m. tonnes, are registered in Greece. In 1980 there were 3,896, with a total tonnage of 43 m. tonnes. In 1974 there were 120,000 Greek sailors on these ships. Today, there are only 30,000.
8. Greece produces much of Europe's cotton, at a "profitable" price. But despite a catastrophic harvest this year (962,000 tonnes, compared to 1,300,000 in 1996) the country has again exceeded the European Union quota of 800,000 tonnes. Brussels has fixed a price which, because of the overproduction, includes a "co-responsibility penalty." This price may stop income falling further, but it does not solve the sector's acute problems.
9. The state education system is extremely selective. The result is growing violence and disillusionment in the high schools, with a programme which neglects knowledge and culture, and leaves young adults without real job opportunities. The result is an increasing number of "incidents" in the schools.
10. One very tangible result is the higher-than-expected response to the Greek initiative within the European Marches against Unemployment, Marginalisation and Job Insecurity.

Ireland

Bomb threat to Roisín McAliskey meeting

A meeting of the Roisín McAliskey Justice Campaign in Derry on 16 April was interrupted by a bomb threat.

McAliskey is currently being held in Holloway Prison, London pending extradition to Germany. The main speaker at the Derry meeting was her mother Bernadette, who said the campaign should focus on German authorities, who allege that Rosin was part of the IRA unit which attacked a British Army base in Osnabruck, Germany. While she "understood" that many people who would support the campaign for Roisín would want to concentrate on the role of the British Government and the Royal Ulster Constabulary (RUC), Bernadette McAliskey said, "the fact of the matter is that Roisín would not be in her current position but for the German authorities."

The evidence which exists against her daughter in Germany is "almost non-existent," she said. Key prosecution witness Manfred Schmidt was not able to

identify Roisín. And German police had changed their story about where they had found an allegedly incriminating fingerprint on cellophane wrapping paper.

Bernadette said that Roisín was originally arrested by the RUC as part of an ongoing series of arrests of young women in Tyrone, who were being questioned by the RUC over the use of computers by the IRA to gather intelligence. It was because of her non-cooperation that she was threatened with action by the German authorities.

It was at this point that the meeting received word that an alleged UVF bomb warning had been phoned through to the Samaritans. The meeting adjourned to another location. As Paul O'Connor who was present at the meeting said: "Ironically, the UVF actually helped to build up support for the meeting as we were able to pick up more people on the way to the new venue." [JD] ★

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Paramilitarisation

After a decade of human rights abuses, the situation in Colombia is worsening. Human rights organisations say 1996 "will go into history as Colombia's worst year in terms of human rights".¹ The country now has more than 920,000 internally displaced inhabitants: more than the combined refugee population of Zaire, Burundi and Rwanda.

Pablo Restrepo points the finger at the state's use of paramilitary groups as a central component of its repressive strategy.

Between 1970 and 1979, 59,378 homicides were reported in Colombia, of which 1.4% were political assassinations. Between 1980 and 1989 the number of murders rose by 134% to 141,232. Of these 11,043 (7.8%) were political. In other words, there were more than ten times as many political assassinations in the 1980s, compared to the previous decade. In the first half of the 1990s, 11,471 political assassinations took place, slightly more than the total for the preceding 10 years.

In February 1995, the European Conference on Human Rights in Colombia calculated that "since 1988, on average, seven people are assassinated on a daily basis for political reasons and an additional three are killed in combat as part of the internal armed conflict. Every other day a person is 'disappeared' and another is killed through 'social cleansing'. Arbitrary detentions are frequent and torture is endemic. Since 1986, about 20,000 people have been killed for political reasons or presumed political reasons, and 600,000 have been forced to flee their homes to protect their lives.

These statistics vastly supersede the 17 years of military dictatorship in Chile".² Seventy percent of the violations can be attributed to the armed forces, state security divisions and paramilitary groups, and 30% correspond to the insurgents and the militia.

Deteriorating situation

An openly militarist mentality prevails in the Colombian state and society, to such a degree that we can speak of the resurrection of a constitutional dictatorship. The spaces won for democratic ideas, such as controlling the government's ability to declare states of emergency and repress social conflicts or our ability to subordinate the military to civilian control or institutionalise measures to protect our rights that have been threatened, are inc-



reasingly reduced.

This is certainly the conclusion to be drawn from the government's proposals for reforming the 1991 Constitution with respect to human rights. On the one hand, a series of proposals have centred on the character and use of states of emergency, which taken together contravene the Commission of Human Rights and the American Convention on Human Rights. In general, the reforms aim to give the state of emergency a more permanent character, remove constitutional controls on how it is declared and give the military unlimited rights to legally investigate civilians.

In the period covered by the last state of emergency, November 1995 to November 1996, Special Zones of Public Order were created. Among other stipulations, this permits the military and police to restrict the right of free movement and residency as well as allows them to make arrests and search homes without a warrant.³ The crushing effect of these measures in eastern regions of the country can be clearly seen:

"The demonstrators were treated as war-time enemies, which manifested itself in acts of vandalism by the army, such as dynamiting a road, the mass arbitrary detention of more than 400 people, restriction of food supplies, subordination of mayors and governors to the authority of the military commanders and intimidation and destitution of a judge who dared to defend the rights of those subjected to a military siege."⁴

Also, proposals have been made by the military that have been blessed by certain sectors in parliament, in an attempt to strengthen the armed forces. Among them are the abolition of the power of public prosecutors and the Attorney General to investigate members of the armed forces, as well as an attempt to institutionalise the power of the state security forces to detain anyone sus-

pected of disturbing public order for seven days without an arrest warrant. Meanwhile, there is the creation of "National Militias" (civilian support groups for the army).

The paramilitary strategy

We are not just dealing with a simple attempt to promote death squads as just another mode of repressive operations. In Colombia *paramilitarism* is a series of factors that taken together form a *strategy* promoted by the military to conduct counter-insurgency warfare against any form of opposition with the aim of protecting and encouraging the expansion of the *latifundias* (plantations).

Paramilitarism takes shape from the moment the military assumes a determining role, expressed by a certain politicisation in favour of particular social sectors; and in which the participation of civilians is encouraged in repressive tasks supposedly reserved for the police and army.

In other words, paramilitarism deforms the rule of law. It is a hidden, underground strategy. Starting from a "legal" position (state power), the powers-that-be resort to illegal actions, in such a manner that there is no proof or public record on the basis of which their activities can be monitored, evaluated or challenged. Their cover-up techniques can be so efficient that the puppet appears to be a totally autonomous being. But this charade is only possible thanks to the perverse skills of the "ventriloquist".

A November 1996 report by the US group Human Rights Watch sums up the Colombian experience of paramilitarism, and places it in a clearer perspective:

"The military-paramilitary association forms part of current Colombian reality. Human Rights Watch has been able to prove that the collaboration between military intelligence, military commanders at division,

brigade, battalion level and paramilitary units continues as envisaged by Order 200-05/91. Based on our interviews with witnesses and ex-members of the network, investigations by the government and the abundant material compiled by human rights groups and journalists, we believe that the top brass of the Colombian armed forces continues to organise, encourage and mobilise paramilitary units in a hidden war against those suspected of supporting the guerrillas.”⁵

In 1978, the American Anti-Communist Action group emerged. “Triple A” was directly associated with the military’s Intelligence and Counter Intelligence Battalion. At the beginning of the 1980’s, MAS, another paramilitary group was integrated into the process of repression and counter-insurgency in the Magdalena Medio region.

According to the High Commissioner for Peace, paramilitary groups are present in 450 municipalities. In north-western Colombia, the paramilitary units are the dominant armed force. And they no longer act in a dispersed manner. They are headed by the ACCU (Self-Defence Groups of Cordoba and Uraba) led by Carlos Castano.

In mid-1996, the paramilitary “Self-Defence Movement of Colombia” held its third National Summit. Apart from refining its criteria for capturing suspected guerrillas and kidnapping their relatives, delegates reaffirmed their identity.

“The guerrillas know that the paramilitary phenomenon is irreversible. They know all so well how hard we have hit them. But our movement continues to be outside the law and political life, even though many of our collaborators, administrators, supporters, financiers and advisors take part in political activity. The discrediting of the Samper administration presents us with a magnificent opportunity to increase our work as combatants of the anti-subversive struggle. One could say that the operational incapacity of the armed forces due to the pressure of human rights organisations and other institutions such as the Attorney General’s Office and the Public Prosecutor places us in the vanguard of the struggle”⁶

There is an “almost perfect” correlation between the reduction of abuses directly attributable to government forces and the increase in abuses directly imputable to paramilitary bands. The paramilitaries stated aim is to establish themselves as the third force in the Colombian conflict, alongside the regime and the leftist guerrillas. There are also signs of a sustained offensive to pressure the population in many areas to elect mayors sympathetic to the paramilitaries in the October 1997) municipal elections. ★

*The author is a Colombian human rights activist

Notes

1. Gallon, Gustavo. *Autoritarismo en Ascenso*. Comision Colombiana de Juristas, 1996, p.i
2. *Coordinacion Belga por Colombia*, European Conference on Human Rights in Colombia.
3. Decrees 717 and 900
4. Gallon, Gustavo. Op. Cit., p.3
5. Human Rights Watch, Colombia. *The Networks of Assassins in Colombia. The military-paramilitary association and the USA*, Washington, Nov. 1996, p.7
6. Mimeographed Document. III Cumbre Nacional Movimiento Autodefensas de Colombia, p.6-7

Guatemala: Free trade o

Neo-liberal measures have escalated with a vengeance during the past decade as the war of the 1980s wound down. In December 1996, leftist guerrillas and Guatemala’s military strongmen signed a peace treaty formally ending the America’s worst genocide of the century. But as **Cindy Forster*** explains, the social war against the impoverished majority continues unabated.

Peace in Guatemala may allow an era of limited rights for labour activists: before, they risked death or exile. But management is mounting more sophisticated union-busting techniques than ever before. And despite a few lone voices, the political elite has closed ranks in support of the neo-liberal policies of President Alvaro Arzu. In addition, the military remains a significant power. As the prospect of a less violent society glimmers on the horizon, forms of protest by the poor are being criminalised.

Ever since the military attempted to refurbish its image by turning over the presidency to civilians in 1985, the Guatemalan state has promoted a neo-liberal agenda. The current policies are different only in scale. In May 1996 the newly installed Arzu administration repealed public employees’ right to strike. By June 1996, Arzu’s National Action Party (PAN) which controls the National Assembly, approved mass layoffs of state workers who had already suffered the loss of thousands of jobs. In the countryside, a new law dramatically increased the penalty for land occupations, one of the few tactics available to thousands of peasant farmers who have been sacked from the plantations.

The privatisation of the telephone company and electricity services are moving full speed ahead. Meanwhile, attempts have been derailed to reform the income tax scale – one of the most unequal in the Americas according to the US Agency for International Development (AID) – and the sales tax was raised from 7% to 10% to soak more from the poor majority.

“The government is trying to make us collapse from sheer exhaustion, and they’re doing it with the help of the army and business,” said Carlos Diaz of the independent labour federation Unstragua. “They’ve shut down every legal avenue, leaving us no choice but to defy the law and take to the streets.”

As head of the sugar growers association and a member of the joint chambers of commerce, agriculture, finance and industry

(CACIF), Arzu has for years been promoting structural adjustment and privatisation. Businessmen recognised his effectiveness by “investing” 100 million quetzales (US \$17 million) to install him in the National Palace, according to union leader Adolfo Lacs.

Arzu rode to victory on a wave of anti-government rhetoric. But the rich are not leaving the political scene. Instead, they are restructuring the state and severing its ties to the poor. Politicians share increasingly closer links with the economic elites who benefit from neo-liberalism. At the end of the 20th century, 17 families control the lion’s share of the nation’s wealth.

The tight knit agro-industrial and financial-military elite includes those who have made fortunes in drug trafficking, the civil war, and the *Bomba Monetaria*, the “monetary bomb” of the 1980s, the brain-child of the generals then in power, who paid exporters two-and-one-half to four times the value of every dollar they earned in foreign exchange with the idea of boosting the value of the Guatemalan currency. With this, the generals hoped to keep the Quetzal a par with the dollar. The attempt not only failed, but substantially contributed to the country’s current financial woes.

The government’s loss was the private sector’s gain. It was a *piñata* (gift) for the rich, in and out of uniform. Different sectors of the elite – industrial, agricultural, commercial, military – formed new banks to invest the bonanza, and to offer low-interest loans to themselves in their various corporate guises. Today, many of these banks manage or co-manage agro-export plantations serving the US and European markets. They stand in the forefront of applying neo-liberal strategies — downsizing, speed-ups, and replacing permanent with temporary labourers.

Economist Jorge Gonzalez del Valle, a former World Bank official who ran for election as vice president on the “Frente” (Democratic Front for a New Guatemala) ticket in the elections that brought Arzu to power, said “Guatemala must not return (for the fourth time in its history) to the perverse cycle of governments that privatise what does not belong to them.”. The “Frente,” a new left coalition, won third place in the presidential elections, their first electoral challenge, despite scant funds and several assassinations of militants.

In Washington, free trade has replaced the Cold War as the force driving US policy in Latin America. Its chief aim is to deregulate national economies in preparation for free trade agreements, which inherently give the advantage to the stronger over the weaker economies. According to AID, Guatemala’s entry into the free trade club is “essential for its sustainable development, and a major US foreign policy objective.”

the heels of genocide

Both the US and the European Union are using their General System of Preferences to pave the way for free trade by widening the number of tariff-free products. Many observers argue that it was the international lending agencies that forced the Guatemalan military to make peace with the guerrillas.

Central America is slated to sign a free trade agreement in the year 2005. Before then, Guatemala and El Salvador plan to eliminate all customs duties and create a single market embracing half the Central American population. The technocrats of Honduras, El Salvador and Guatemala are holding rounds of talks to form a "northern triangle" of Central American nations, and hence a stronger unit to negotiate free trade with Mexico, the nearest northern giant. Mexico and Guatemala have also created a joint program for their border economy, an area that happens to embrace the heartland of the Zapatista rebellion, which erupted in part to protest the North American Free Trade Agreement (NAFTA). Ominously, the Guatemalan military and its murderous elite troops, the Kaibiles, have directly engaged in counter-insurgency against the Mexican rebels.

Silent scourge in the countryside

The most well-hidden story of the neo-liberal onslaught in Guatemala is taking place in the countryside. The agro-export elite are gutting job security and calling it "modernisation." Agricultural workers are being sacked and driven out of their plantation housing by the tens of thousands. They are forced to beg for work, often on the same plantations where their parents grew old and their grandparents are buried. Sugar workers are cutting up to eight tons of cane a day where in 1980 they were cutting one or two tons, according to University of California-Berkeley doctoral student Liz Oglesby.

Guatemala's economy remains overwhelmingly agricultural. And across the plantation belt, landowners are replacing a labour force of year-round workers who enjoy traditional rights to housing and a corn plot, with temporary workers, usually contracted for two-week stints, and employed for a maximum of five months during the year. Plantation owners have created a vast, chronically under-employed and migrant pool of workers. In the process, they have systematically degraded working conditions in the agro-export industry, the main "motor" of the national economy.

In cases where it is possible to track falling wage rates, workers forced from permanent into temporary status are working longer hours, and doing more work, for the same daily pay.

Mass layoffs represent a new dynamic – a new war – alongside the extreme levels of



labour
abuse
planters
have always
felt entitled to
practice. The ensuing
battles enter the news as land
occupations, because the planters take
their former tenants to court on charges of
criminal trespassing.

The state overwhelmingly supports the landowners. Congress recently increased the penalty for occupying plantations to six years in jail. In effect, this law renders illegal a critical weapon in the organising arsenal of rural labour. A few embattled rural unions have held the line against layoffs while thousands of other workers have succumbed. Across the south coast, tractors are bulldozing the old plantation housing, burying an era that began in the 1870s with indentured servants, and that was softened in the 1940s with legal obligations and labour protections that are now being demolished.

The mainstream press is uninterested in this devastation in the countryside. It is, however, reporting the consequences: a flood of some 200,000 Guatemalans – up to 3,000 a month – who have gone north in search of work on the Mexican side of the border. Many migrants to Mexico cite the growers' widespread practice of refusing to pay back wages, which the owners usually admit they owe their workers.

Some attacks on rural labour rights are linked to strategies of modernisation. Others are merely gratuitous. Some of the richest individuals in Guatemala are locked in battle with campesino unions over payment of the minimum wage. Increasingly, farm and plantation owners have constructed facades of corporate ownership to circumvent the labour law. This summer US trade unionists were told that Finca La Torre's banker owners

have
"no
idea" who,
in fact, owns
the plantation. At
the same time, the
banker-planters were telling their
'employees that they would be fired should
they continue to sell corn to local trade
unionists. In the words of the farm admin-
istration, "Let them die of starvation."

Neo-liberal union busting

In the countryside, bosses are more ready than their urban counterparts to resort to violence because they consider the peasantry's blood to be cheap, without political cost or economic consequence. Urban management strategies are not so straightforward. The owners of the Rayo-Vac battery factory employ psychologists to persuade workers to compete against each other. Maquilas often hire human relations personnel, sensitive to the workers' feelings, to balance out the line supervisors who yell insults and slap people. Banks, meanwhile, are signing up droves of temporary workers. They frequently limit new hires to one-year contracts, in order to starve out existing unions. In the new private companies that repair all the nation's paved roads, now that state road maintenance utilities have been privatised, only temporary workers are hired, which means unions are a virtual impossibility. Elsewhere, total quality management circles promote individual competition, and when this fails, workers are urged to join *solidarista* associations, a version of company unionism.

Solidarista associations are as ubiquitous in the countryside as in the capital. They offer interesting evidence of the unified strategies of urban and rural employers. The associations operate on the old patronage

★ Guatemala

model, parcelling out cheap appliances and mountain bikes to workers willing to quit their unions.

In the neo-liberal economy, the presence of cheap and abundant labour in Guatemala's rural hinterland plays the same role as rock bottom wages in places like Haiti. Many *maquila* owners have shut down city operations and opened up in Mayan villages.

Unfortunately, rural and urban workers often conceive of their struggles as a world apart. Much of this can be attributed to the apartheid of race. Most rural Guatemalans belong to indigenous communities, with their own language and traditions. Most city dwellers aspire to a Spanish-speaking, *mestizo* (mixed race) identity.

Poverty runs so deep on the plantations that many of the urban poor view the agro-export zone as their worst competition, a kind of inferno that drags down labour standards. The opposite is closer to the truth. Farm worker strikes since the late 1970s have mobilised the nation's largest workforce and, indirectly, slowly driven up the minimum wage for city jobs. This is a chain reaction not lost on Guatemalan managers, who hammer at cultural and ideological differences to fracture the working poor.

State workers and the guillotine

"Our heads are already on the guillotine," says Raul Cerezo of the road workers union. Arzu shrank a 12,000-strong workforce of road workers, 97% unionised, to just 600 workers. Then the government urged the laid-off workers to apply for their old jobs under new, private employers, at a wage cut almost in half, from Q28 to Q15 a day. Most refused the offer. "The government argues the necessity for decentralisation, but we say it's all a ruse to carry out a very well-structured plan to crush state workers," said Cerezo. Adding insult to injury, union workers have been called in to redo the new companies' shoddy road building.

The state is doing its best to undercut the effectiveness of public workers. A smear campaign in the media calls state workers "bureaucrats" and "incompetent." Meanwhile the cost of newspaper and radio ads has doubled and quadrupled, so unions must resort to leaflets as their only medium for informing the public.

Despite this assault, a number of public sector unions have crafted imaginative strategies against downsizing. In place of privatisation, they advocate decentralisation to open up the field to private competitors, while maintaining the state companies. Telephone workers drafted a de-monopolisation plan based on trained workers, protecting a proportion of union jobs, and keeping some measure of public ownership to safeguard the public interest in affordable phone service. At the agricultural development bank, the union has advocated the bank's transformation into a user co-operative for thousands of small farmers, an idea that delighted customers but angered the state.

Some public sector unions view their demise as inevitable, while others are persuaded they can save the patient even if they

lose limbs. Mario Antonio Cristales of the electrical workers union, for example, questions the validity of the anti-strike law, saying, "We've had a strike every year although there was always some kind of law prohibiting it. We should see this new law as reason to charge up our batteries and confront privatisation head-on."

Occasionally the privatising mania has sown new militancy among workers. For instance, when the state fired 1,500 forestry workers, including half the union's executive committee (which is illegal), the remaining non-union workers were furious and organised a far more powerful union than the one that had been busted. For them at least, adversity has built union loyalty among the rank and file that have allowed for broader strategies and weathered heavier attacks from management.

The not-so-quiet war on trade unionists

Fewer trade unionists are being killed or tortured than in the past when thousands, if not tens of thousands, gave their lives in the struggle whose death toll reached 150,000 since the 1960s. Today, instead of outright murder, plantation and factory owners are using different methods. Thousands of workers are being laid off, phased out, and categorically denied access to unions by the juggernaut of neo-liberal reforms. "As trade unionists we need to become far more agile and astute since the repression is not occurring with bullets so much as through technical strategies," says Carlos Diaz of Unsiragua union federation.

Free trade initiatives have forced business to clean up Guatemala's reputation as one of the most dangerous places on earth to be a trade unionist. Under the General System of Preferences with the US, a clause promising that labour rights shall be honoured has led to repeated warnings against the Guatemalan government, owing to gross violations of child labour, pay and safety laws documented by the Chicago-based Guatemala Labour and Education Project (GLEP). The US refused to lift the probation this year, until the Guatemalan government shows that unions have been given the chance to evaluate the new labour code being steamrollered through the National Assembly.

The GLEP has moved mountains working together with the union in the factory that sews Phillips Van Heusen garments. This is one of the few *maquila* unions that has survived. In March 1997, after years of struggle, the union won an agreement from the company to negotiate in good faith. This will be the only union contract in the industry, achieved through the difficult chemistry of union strength inside the factory, and grassroots pressure from US labour and human rights activists.

As with human rights violations more generally, those committing the abuses are being forced to act with greater subtlety. *Maquila* workers report that supervisors still hit workers, but less frequently. Managers fire potential troublemakers more quickly, to avoid any possibility of organising unions.

"Fear of management retaliation has grown so strong that it's become extremely difficult to even say the word "union" in most factories and *maquilas*," says Diaz.

Victory, of a sort

International attention has achieved a very odd but important victory: the management and military types who plot attacks on labour seem to work harder to cover their trail, or else try to disguise their attacks as common crimes. Union leaders are experiencing a tidal wave of assaults and car thefts. These attacks are suspicious because most of the stolen cars were ready for the junk heap, while the assaults have occurred without robberies. The victims request anonymity, because they fear public denunciations will escalate the attacks, and eventually force them into exile.

Less has changed than the Arzu administration would have the world believe. In 1995 two trade union leaders were murdered, while in June 1996, a shantytown dwellers association leader was shot twice, but miraculously survived. In 1996 a leader of the now-defunct union of the Urban and Rural Development Ministry was kidnapped during the union's struggle against privatisation, but released alive.

Trade unionists believe military intelligence continues to work in tandem with individual business or plantation owners. The Campesino Unity Committee says the plantations are crawling with G-2, government spies who often moonlight in death squads. Death threats are routine; the same is true for trade unionists in *maquilas*, banks, and state-owned construction, gas and electric companies. All members of the co-ordinating committee of IUTE, the public sector employees federation, have received personalised threats.

For businessmen this kinder, gentler terror – as opposed to the physical mutilation and constant deaths of the recent past – yield very real rewards. Threats have driven a number of union officers out of their workplaces. When the threats fail to achieve their purpose, employers resort to the old tactics. For example the bank workers' leader, Reynaldo Gonzalez, gambled on publicity, but in 1996 escalating threats against his life, and his sister's abduction, rape and torture forced him into temporary exile. Carlos Salguero, Public Works Union general secretary, is another who denounced the threats against him; last December he fought off attackers and briefly went into exile. In early 1997, union leaders at the Mi-Kwan *maquila* factory were seized by armed men who entered the factory, then took them to a police station where they were beaten.

Human rights violations are becoming less vicious and less numerous. But few Guatemalans are being fooled, because the violence bears all the traditional trademarks. Labour organisers have survived the worst of the death-squad terror, only to face neo-liberalism. Justice remains a distant vision. ★

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The workers movement in Malaysia

B. Skanthakumar talks to veteran trade union leader **Arokia Dass*** about the workers' movement in Malaysia today.

Dass: The contemporary trade union movement mainly consists of the Malaysian Trades Union Congress (MTUC) initially called the Malaysian Trades Union Council. It was formed in the early 1950s in line with the colonial strategy to negate the progressive trade union movement then in existence. The purpose of the MTUC being to co-opt a group of trade union leaders and form the Council on an anti-Communist ideological basis.

The move was spear-headed by John Brazier, a former British Trades Union Congress official, sent to Malaya (as it then was) who was attached to the Ministry of Labour to smash the existing trade union movement. The background to this is the anti-colonial struggle which was led by progressive forces including the Malayan Communist Party and trade unionists outside later MTUC circles. This movement was forced to go underground and then crushed during the 'Emergency' period.

In its place to give a semblance of trade union representation in the state legislature, Brazier wanted English-speaking unionists to be co-opted into his sphere of influence which happened with the formation of the MTUC in 1950.

The MTUC though acting as a trade union centre is not recognised as such by law but has been registered under the Societies Act and is unable to function as a genuine trade union centre. One of the conditions behind the formation of the MTUC was to ensure that it did not participate in strikes. This being a weapon of the working class.

Prior to the Emergency period the unions were influenced by the Communist Party and were General Unions catering to all working people instead of being divided as at present along craft and skills lines. This was a good start to the working class movement because of the lack of development of industries. Especially so because the plantation industry was the country's main revenue earner and very important to the colonial government's accumulation strategy. At that point the plantation movement was left wing and took up not only economic questions but also social issues affecting the migrant workers then principally from India and China. The colonialists contained the workers on estates not allowing them to develop links with other sections of the working class. They also diverted the Chinese workers by addicting



them to opium smoking and likewise Indians to toddy (an alcoholic palm drink). Conditions on plantations were very bad to the extent that the trade union movement grew stronger because of the real objective conditions there.

• And the present union movement?

The unions formed by the British after smashing the progressive movement still linger on. In the vacuum left by the arrest and deportation of left wing trade unionists, the co-opted leaders stepped in and their influence remains strong today. Another mechanism used by the colonialists was to make union recognition consequent upon registration with state authorities (principally the office of the "Registrar of Trades Unions".) Thus the state could allow or disallow unions on the basis of its own designs. The leading Federation of unions was under the influence of leftists and had 300 000 members. It was to be expected that the Pan-Malayan Federation of Trades Unions (PMFTU) was not registered.

To this day, unions have to conform to regulations decreed by the Director-General of trade unions under the 1959 Trade Unions Act. When the MTUC was formed the leaders were more interested in claiming to represent Labour in the legislature than in organising workers in the emerging industries. Some of these union bureaucrats believed unions should go into business forming enterprises.¹ These businesses have all

collapsed because these union leaders wanted a career for themselves as Directors of corporate bodies.

Unions are very bureaucratized. General Secretaries of unions can decide on any matter without going to the membership. They can invest in buildings and then sell them or take kickbacks for renting them out to particular individuals or concerns. The biggest union today the National Union of Plantation Workers which owned its own union office and even built a hostel for students from the estates to live in when they came to the city, has sold those properties, and the money used to pay off the debts and wages of the bureaucracy.

Instead of investing membership subscriptions on ill-thought out schemes, they could have spent these huge sums on educating and training shop floor workers about democratic trade unionism and participating in the affairs of their union and the movement.

• So what accounts for the tension in recent years between the MTUC and the Malaysian Government?

In the late 1950s and 1960s some of these leaders participated in elections on the Labour Party ticket. The Government was unhappy with what they regarded as union involvement in politics. As industrial development gathered pace, the Government passed legislation like the 1967 Industrial Relations Act to curb the trade union movement.

This was not because the trade union movement was militant or for that matter democratic. It was just that the State could not stand working class interests being represented. They wanted a free hand to carry out the 'New Economic Policy' which was introduced after communal tensions exploded in May 1969.

This dissatisfaction with the MTUC has continued in the 1990s with the formation of the Malaysian Labour Organisation (MLO) with the blessings of the Government because at that point some MTUC leaders were voicing discontent internationally at the refusal of the state to allow the formation of a National Union of Electronics Workers.

There were also disputes between the two organisations over which one ought to represent workers interests on tripartite bodies like the Employment Provident Fund (EPF) Board and on international bodies such as the International Labour Organisation (ILO). The Government nominated the MLO rather than the more representative MTUC.

★ Malaysia

• How do you explain the recent decision of the MLO to dissolve itself and to join the MTUC?

The existence of the MLO and its close relationship with the Government began to embarrass all involved because abroad the MTUC had supporters in the international trade secretariats and even in the ILO who raised the issue of proper representation of workers. Locally MLO leaders came out openly in support of employers interests for example when it opposed the raising of the employers EPF levy from 10 per cent to 12 per cent. This cast them in bad light.

The Minister for Human Resources, Lim Ah Lek, has been the mid-wife of the unification of the two labour centres — the pro-government MLO and the apolitical MTUC. My own view is that this move will shift the entire labour movement to the right, making it more conservative than before. The union leadership will be pro-government and whatever semblance of independence it had will disappear making the MTUC yes-men for the Government.

There is so much corruption within both these organisations that the Government can use the information it has to keep the leadership in line. The current President of the MTUC, Zainal Rampak has corruption charges pending against him in the courts of law. This is a card the Government is holding against him. Instead of prosecuting him recent statements suggest that Rampak will be let off the hook if he repays the embezzled sums. All these practices and moves are part of the attempt to negate democratic trade unionism and to render the movement subservient to Capital and the State.

• The economy is growing at 8-10% every year. Are the workers benefiting?

The economy has been booming and the official labour leadership has declared its support and participation in Prime Minister Mahathir Mohammad's Vision 2020 scheme of making Malaysia a fully developed nation by 2020 AD.

Even with this growth rate the Government wants to further curtail basic labour standards. The Government has come up with the concept of 'Malaysia Inc.', with unions, the state and Capital as social partners.

How can labour be a partner when it doesn't have equal rights and is repressed through laws which curb the development of an independent democratic trade union movement? The working class needs to be freed of these laws and the system that underpins it before there can be genuine development of this country.

Another ruse of the government to stifle an independent movement was the formation of enterprise or in-house unions modelled on Japan under the Prime Minister's 'Look East' policy of basing economic development on the Japanese and East Asian experience instead of according to western prescriptions. The majority of the trade

unions (around 55 per cent now) in Malaysia are in-house unions formed by employers. Some of the unionists involved are genuinely interested in their members welfare but are frustrated by their lack of experience and isolation from the rest of the movement. The MTUC is not addressing this real need for its services.

• The frustration of attempts to unionise electronics workers mainly in foreign owned factories in Free Trade Zones and other places has been an issue raised internationally by labour activists.

Malaysia is the world's largest exporter of semi-conductors and there are 200 000 workers in the electronics industry. There has been no transfer of technology in these industries and there was an assurance given to the investors that unions would not be formed there.

There have been attempts over the last twenty years by workers in these factories to organise themselves into in-house unions but they have all been smashed. A celebrated case is that of the RCA Harris' Workers Union but these unionists have now won their industrial court action and will be reporting back for work on October 1st (1996) and will begin their unionisation drive again. The government calls industries like these "sunset" ones because they have outlived their usefulness in assembly and the new policy is to prioritise hi-tech. When this happens there will be further objections to the formation of unions.

What is interesting here is that the MTUC knows that the Government will not approve registration of a National Union of Electronics Workers, but they harp on this demand. As a concession the Government has conceded the possibility of forming state based unions.² But the MTUC has not pursued this option.

For example there are 200 000 workers in the textiles industry and when there were moves to form a state based union, the MTUC objected strongly. What the MTUC ought to be doing is to first organise workers on this basis and later form a national federation of such unions. The MTUC rationale is that in house unions are not effective. Of course they are not effective because they are employer based but in the RCA Harris case, with good leadership we found that they could sustain a struggle for recognition over six years. This is something remarkable given the kind of conditions we are living in. So we should evaluate this question of in house unions on a case by case basis rather than adopting a general policy.

• Ethnic politics and identity³ dominate Malaysian politics. What about labour?

We have in Malaysia today a young Malay working class, men and women, who in some instances are 70 — 80% of the workforce, whereas we find the leadership particularly in the private sector is largely of

Indian origin. This gives the employer and the government the possibility of using ethnic divisions and tensions to criticise the Malay workers for following Indians who are labelled as trouble makers. Of course Indians are not inherently trouble makers but it is by virtue of their location in production and in the plantation industry, that the trade union movement is dominated by those of Indian descent.

This is also a reflection of historical factors including the struggles of the Indian working class. In our society ethnic politics and tensions rears its ugly head every time it suits the purposes of those in power. However the very fact that Indians are elected by Malay workers to represent them shows that ethnicity is not always a barrier to workers unity. The labour movement is the only part of Malaysian society where ethnic politics is not the determining consideration. And the hope for us to build a unified country not through legislation but through struggle is the trade union movement. That is why we need to build a movement that is independent of State, employers and political parties so that it will be free to articulate the best interests of the working class.

In 1994 in the run up to elections for the MTUC executive, workers from the public and private sectors committed to democratic practices and the vision I have outlined above, combined to form a group called the 'Third Force'. This group won most posts excepting the most powerful ones, those of President and General Secretary, which were only narrowly lost. Now with this new merger of the union federations, the balance of power will shift to the right wing. However the 'Third Force' is committed to putting up a fight.

• Trade union leaders demand that the Government keep out 'illegal' workers

This is a very important issue which the MTUC has not responded to appropriately. There are an estimated two million migrant workers largely from neighbouring South-East-Asian countries like Indonesia and domestics from the Philippines but also from Bangladesh. Initially these workers came to do low wage, casual jobs like toiling on the plantations and in the construction industry and of course the informal economy. However they are now shifting to manufacturing.

When there was a shortage of labour in the late 1980s and early 1990's, the trade union movement should have demanded labour rights including better wages and working conditions but they missed this opportunity. With the widespread use of migrant workers, salaries have become depressed. There is friction between local and foreign workers, because one of the conditions of employment of migrant workers is the provision of housing by their employers, which local workers have denied to them. Companies rent low cost housing for migrant employees depriving local workers of this limited housing stock and forcing them to rent private accommodation at an exorbitant rate. Now this is a social question and should

be approached as such. We welcome migrant workers into this country but at the same time they should be unionised, should receive the same benefits as locals and the particular problems they face should be addressed.

This is a problem that is growing to explosive proportions. Migrant workers arrive in Malaysia in debt to the contractor or the labour agent to the tune of M\$5 000. And they are made to work more than 12 hours a day including overtime to repay this debt. However productivity decreases because most of these workers particularly those from Bangladesh come from rural areas with no experience of industrial work and without the same skills. They are not trained and because of unsafe machinery and bad working conditions there are a high number of injuries and even deaths among these workers.

The fact that many are illegal and still enter the country shows that the employers want them. Sending them back is unfair. The progressive solution is to treat migrant

workers as local workers and local workers as migrant workers! There is no law preventing migrant workers from being unionised, they aren't allowed to hold office but they can be organised. Many Bangladeshi workers come with a history of struggle and are militant, it is unsurprising they don't want to join a passive union movement. But the MTUC has not made any effort to unionise them. It isn't the migrant workers who fear the MTUC, it is the other way about!

• **What then is the future of the trade union movement in Malaysia?**

We are at a cross-roads. Will the labour movement live out the dreams and aspirations that the early unions and their leaders had, and sacrificed their energies and lives for, or will it simply become an adjunct of the State. Unless the remnants of the progressive trade union movement can win leadership of the movement while nurturing democratic tendencies within the unions

removing the corrupt undemocratic leaders, we face a bleak future. In Malaysia the rank and file members are quite militant in their demands but they receive little support from their leaders. We need the political will to regenerate the union movement. ★

Notes

- 1. Arokia Dass is the author of *Not Beyond Repair* (Asia Monitor Resource Centre, Hong Kong: 1991); an historical and analytical overview of the Malaysian labour movement uncovering its origins and evolution. Dass was imprisoned for fifteen months under the infamous Internal Security Act following sweeping arrests in 1987 and subsequently released without charge. He was for many years a leader of the Transport Equipment and Allied Industries Employees Union and is now engaged in worker education projects.
- 2. The National Union of Bank Employees recently sold its head-office building and has earmarked half the proceeds to develop an eco-tourist theme park. Other Unions are involved in real estate deals with land developers
- 3. Malaysia is a federation of 13 states and 2 federal territories.
- 4. Ethnic composition is 60% Malay and indigenous; 27% Chinese, and 8% Indians. The main constituents in the Barisan Nasional (National Front) coalition which has ruled since de-colonisation in 1957 are ethnic Malay, Chinese and Indian parties. Ethnic quotas to favour Malays are government policy.

Election violence in Sri Lanka

Observers of the March 21st local elections in Sri Lanka predicted a poor result for the ruling Peoples Alliance. They were wrong.

B. Skanthakumar*

These long overdue local elections came half way into the centre-left Peoples Alliance' five year term in office, and were widely perceived as a referendum on the Government. The result appeared a foregone conclusion: a stinging rebuff of the PA, to the benefit of the right wing United National Party, and the smaller nationalist and radical left parties.

Instead, the Peoples Alliance (PA) won 48% of votes, the same proportion as in 1994, when it won the parliamentary elections.² Then, the PA was riding high on a tide of popular anger and revulsion against the United National Party (UNP), which had been in power for 17 years. The UNP government had directed communal riots against the Tamil minority, made war against them; broken the back of the workers movement in the 1980 General Strike; and opened the economy to transnationals and the World Bank.

These policies created great disparities in wealth, and increased youth disaffection in the north and south. The terror and violence in the south peaked during the 1987-89 southern youth insurgency led by the *Janatha Vimukthi Peramuna*, (JVP) in which 60,000 people were killed. In the 1994 election campaign the Peoples Alliance promised to restore human rights and democratic freedoms. They acknowledged the historic injustices committed against the Tamil nation and assured a speedy end to an unpopular war



which had devastated society and destroyed tens of thousands of lives. While economic liberalisation would not be reversed, they promised that it would be given "a human face". The poor and the marginal would not be neglected.

It didn't take long for the PA to back-track. The cost of living spiralled upwards. Bread, kerosene and gas prices rose, and energy supply and agriculture are threatened by drought. Press freedoms came under assault.³ Workers protesting the accelerating privatisation programme were attacked by police and threatened by the authorities.

Meanwhile, the anti-Tamil war in the

north-east raged more ferociously than ever.⁴ Hundreds of thousands of Tamils were displaced in a military offensive on the northern Jaffna Peninsula.⁵ The behaviour and atrocities committed by the armed forces in the region have not differed from the pattern during the UNP regime.⁶

Even President Chandrika Kumaratunga (PA) recognised the disillusionment of PA supporters: "the war does harm to us in no small measure... the problems of employment, housing, cost of living, threat of poverty, other basic requirements and slow progress are still with us" she said.⁷

The PA was delivered from a humiliating



defeat in these latest elections by an outbreak of violence which reminded voters of the "bad old days" of UNP rule. While violence has been a feature of political life in Sri Lanka since 1956, these elections were marred by almost 2,000 reported incidents and nine deaths.

The PA leadership turned a blind eye to violence provoked by its faithful, prompting Vasudeva Nanayakkara, a critical LSSP MP to publicly denounce his Governments' failure to act decisively in preventing rigging, intimidation and harassment of election monitors as well as its reluctance to rein in its own supporters.

The most dramatic moment was when PA Member of Parliament (MP), Nalanda Ellawala, was murdered by a UNP MP. Ellawala was a member of the "Mulberry Group", a progressive back-bench caucus within the Sri Lanka Freedom Party, committed to keeping the PA to its manifesto promises and rooting out corruption. His assassin was his political rival in the area and thought to have killed three students in 1988, among other murders. The next day angry pro-Government mobs set fire to buildings and homes owned by UNP supporters in Ratnapura town, scene of the killing. A few days later two people died and a hundred were injured in clashes between PA and UNP supporters at Ellawala's funeral.

The Government was quick to make political capital out of these incidents, reminding people of the terror during the UNP regime and warned that the UNP hadn't fundamentally changed.

Voting against the past

A new PA poster campaign showed a 1988 photograph of a naked man tied to a lamp-post and burned to death. This was a common enough sight in 1988-89, when partly burned bodies were floated down rivers, and the air was filled with the acrid stench of burning flesh. The poster caption read "Remember the lessons of the 17 years of brutal and murderous rule" – referring to the UNP period.⁸ Many people did, and cast their votes accordingly.

Public opinion was also outraged by the flagrant possession and illegal use of firearms by politicians. Guns were distributed to all political parties between 1987 and 1989 when the JVP and its military wing the *Deshapremi Janatha Vyaparaya* (Patriotic Peoples Movement) were killing leftists and UNP members. Most of these arms had not been surrendered after the suppression of the JVP, and some have been used in robberies and in political thuggery.

Few arms have been surrendered. And the police has shown little enthusiasm to disarm supporters of the Government.

The violence during this campaign surprised many Sri Lankans. After all, this is the lowest tier of government, responsible for "repairing broken roads and drains, clearing the garbage and catching the stray dogs" as one newspaper editorialised.⁸ Local government continues to be regulated by an Ordinance of colonial vintage, reflecting the paternalism and biases of that era and many of those elected view it simply as a stepping stone to higher office. There is little patronage to be distributed here and it doesn't have the status and perks associated even with Provincial legislatures.

Curiously, in a country where political debate has been dominated by schemes to decentralise and devolve power, there was little discussion about making local government more participatory and accountable to the community, even from the Left.

Left campaigns

The Nava Sama Samaja Party¹⁰ contested 14 councils in working class and poor areas polling under 8,000 votes. Vickramabahu Karunaratne, NSSP General Secretary, was elected to the Colombo Municipality with 2,911 votes and 1,810 preferences.

In the trade union sector, the NSSP has been gaining support and leading well received initiatives against privatisation; as well as being identified as a fearless opponent of the war in the north-east. But with the Left still unable to propose a credible alternative to the bourgeois parties, the working class overwhelmingly preferred to vote for the PA, signalling their opposition to a return to UNP rule and a new cycle of violence.

"In general, working class voters did not select the NSSP as a radical alternative," Karunaratne admits. "Though the response to our campaign was good. Tamil working people in particular went out of their way to show their sympathy to our party." Most, however, then followed the advice of Tamil leaders and voted for the PA.

"The masses have voted for the lesser evil, in a context where they are not too sure about the radical alternative... Karunaratne said. Nevertheless, "around 5% nation-wide, and as many as 10% of urban voters, did choose a third force... This is a sign that a radical period could dawn in the near future."

According to a 14 April NSSP press statement, "the UNP was rejected even in urban areas. The party is now broken and disorganised, without a combative leadership. Also, to a great extent the major capitalists have rallied around President Chandrika, supporting both her economic and military policies. Some Tamils did, however, vote for the UNP out of disgust with the current government's militaristic and oppressive policies."

Radical parties polled 5% nation-wide. Among those who did reject the two main capitalist parties, there was a slight swing to the JVP, which won 258,000 votes (3%), the third highest single party score. It contested in 192 councils, and won 74 seats.

According to NSSP leader Vickramabahu Karunaratne, "the JVP has emerged as the left party benefiting most from this election. In spite of some broken illusions, they have managed to attract the majority of the left-moving masses. They even gained votes in urban areas, demonstrating a presence within the working class."

An early general election?

Boosted by its strong performance the PA is considering calling an early general election. It needs a two-thirds majority, which it doesn't have, to approve a draft Constitution, which includes measures aimed at persuading Tamil separatists to lay down their arms. These are greater powers for regional councils which will replace the existing provincial council system. But the proposals have been diluted in the face of Sinhala chauvinist reaction and do not offer any greater sovereignty to the mainly Tamil north-east where the clamour for self-government is loudest, over other regions. Peace campaigners believe that these proposals, the most radical to have been offered so far to Tamils could break the 'logic of war'.

Even if the new Constitution with its devolution package intact passes the Parliamentary hurdle and then wins popular acclaim in a referendum, neither the Government nor the separatist Liberation Tigers of Tamil Eelam show any willingness to stop the fighting.

The recent bout of political violence and the Government's response is a sign that, as under the UNP, war in the north may be accompanied by state repression against the Left and workers movement in the rest of the island. ★

* B. Skanthakumar is a regular contributor to Socialist Outlook, the newspaper of British supporters of the Fourth International. Additional material for this article supplied by Jean Dupont and the NSSP office in Colombo.

Notes

1. The PA is a fractious coalition of parties centred around the (historically) bourgeois populist Sri Lanka Freedom Party but including the right wing Democratic United National Lalth Front (a UNP split), the Muslim Congress, Lanka Sama Samaja Party, Communist Party and others. It is supported by all the Tamil parties represented in Parliament who endorsed it in these elections.
2. Elections were held for 3567 seats in 238 Municipal and Urban Councils and Pradeshiya Sabhas (Village councils) throughout the island excluding the war-torn north-east Province. The Peoples Alliance won control of 194 local bodies doing particularly well in rural areas among the peasantry and petty-bourgeoisie while the United National Party took control of 43 councils reduced from 193 in the 1991 elections, mainly in the urbanised metropolitan areas and among the middle class. The prestigious Colombo Municipal Council was retained by the UNP.
3. Article 19, *Reform At Risk: Continuing Censorship in Sri Lanka*, March 1997 (London). Also for a general survey, E. Nissan, *Sri Lanka: A Bitter Harvest*, January 1996 (London).
4. *International Viewpoint* #268 July 1995.
5. *Socialistisk Information* (Copenhagen), Dec. 1995.
6. Following a military offensive in the north in February, the timing and prosecution of which was not unrelated to the election campaign, villages were shelled and people forced to flee their homes leaving rice fields unharvested. In one of the many horrors, 130 Tamils drowned on February 19th when a boat they had hired sank as it was transporting them to safety in south India.
7. *Sunday Times* (Colombo) March 9th 1997.
8. In fact the murdered man was a UNP member who had been killed by the JVP but it made little difference, these brutalities remain associated with the UNP.
9. *Sunday Times* (Colombo), March 23rd 1997.
10. Sri Lankan section of the Fourth International.

Women & development

Media outside Africa ignored the Pan-African women's conference for peace and development. **Anke Hintjens** speaks about it to *International Viewpoint*

• Tell us about the conference

This was a large event (250 participants), in the spirit of the Beijing UN conference on women. It was supported by bodies like the UNDP, and several African governments.

We discussed the link between peace and development, on the basis of the Rwandan experience. As well as the essential role of women in peace and development projects.

Many groups were present. Many of the Rwandan participants were part of the All Together collective.¹ But the geographical distribution of participants was very uneven. There were lots of delegates from Eastern and Southern Africa, but not many from the French speaking countries of Western Africa. And there were only a handful of participants from outside Africa: I noticed groups from Belgium, Holland, Britain, Italy and Japan.

Some governments sent representatives. Uganda, which plays an important role in the Pan-African Movement, sent a vice minister. The South African Minister of Development read a message of support from President Nelson Mandela, stressing that, until the truth is established, there can be neither justice nor pardon. The meeting itself was opened by Irish President Mary Robinson.

The conference provoked a real echo in Africa, but not in Europe, where the media completely ignored the initiative.

There were signs of a strong pan-African sentiment. The Rwandan government clearly has a lot of respect and support, across the continent, for having stopped a genocide which was felt as a wound to Africa as a whole. Many participants from other African countries commented on the scandalous passivity of the "international community" which did nothing to stop the genocide.

• What about the civic groups present?

Government representatives and participants from civic associations had different points of view on a number of issues. For instance, many African civic groups argued that the embargo against Burundi should be lifted, because it was making the population suffer. But representatives of Ugandan, Rwandan and Tanzanian governments insisted that the embargo was the only way to force Burundi's government to come to a negotiated political solution.

As you travel in Rwanda, you see villages being rebuilt everywhere. Another 300,000 houses need to be built. The government wants to create "villages of peace." The state provides the materials, and the people

build their own houses. Women's groups are playing a key role in this reconstruction.

• What did people say about Rwanda's foreign debt, and the role of the IMF?

Everyone in Rwanda is very conscious of this problem. People are outraged that they must now repay debts contracted by the previous regime to buy the weapons used in the genocide, and that Rwanda must comply with the detailed "recommendations" of the IMF. The country faces a thousand problems" justice, security, reconstruction.

Over half the posts in the public sector are vacant. The IMF refuses to allow the recruitment of new civil servants or teachers, or to raise their pitiful salaries. Few of the country's civil servants have had an adequate training.

The government does not want a confrontation with the IMF. It is paying back the debt. Does it have any choice? The responsibility is on us, here in Europe, to put pressure on the banks, the institutions and our governments: those who are blocking the reconstruction of Rwanda. They should create a compensation fund for Rwanda, rather than continuing to suck interest payments out of the country!

• How did the participants view the rebellion in Zaire?

Many militants in civic organisations and political parties, and many young people in the streets, are optimistic about the revolt. They see it as part of a general struggle across the region. A struggle which started in Tanzania, helped overthrow Idi Amin Dada in Uganda, overthrew the genocidal Habyarimana regime in Rwanda. Next in line is the Mobutu dictatorship in Zaire.

Many participants consider the current dynamic as a liberation struggle aimed against all the old oligarchies and dictatorships. Collaborators with the former colonial powers are being replaced, people said, with a new African elite, more ready to defend the interests of the people.

There was no reluctance to discuss mutual support, political and military, between the various liberation projects. And everyone could see that, if Zaire joins this 'new Africa,' the balance of forces would shift dramatically, with consequences for Sudan and Angola. ★

* Anke Hintjens represented the Brussels-based Committee to Abolish Third World Debt (COCAD) at the conference.

Source: "Un témoignage de Rwanda et du Kivu," *Rouge* #1726 (3 April 1997). Interviewed by Alain Mathieu

Notes
1. See *Rouge*, 5 December 1996

Under new management

Anke Hintjens* recently returned from rebel-held Eastern Zaire.

I felt the difference immediately. When I visited Goma in 1993, we didn't dare move around. There were roadblocks everywhere, with soldiers demanding payment. All that has stopped. The massive corruption has gone. There has also been a shift in public thinking about the day-to-day "little corruption." The result is a noticeable improvement in the standard of living for ordinary people.

People no longer live in fear. Mobutu is no longer invincible, because the people have mobilised themselves.

The local population in the Goma region was not active in the rebellion in the early days. The great success of Laurent Kabila's Alliance of Democratic Forces of the Congo was to unite the Banyamulenge resistance against ethnic cleansing, Rwandan Army determination to break the genocidal regime-in-exile's control over the refugee camps in Eastern Zaire, and Kabila's own coalition of parties and guerrilla groups.

The Zairian army didn't want to fight, and the regime was already rotting. Not surprisingly, the regime had quick successes, and new people began to flock towards it.

Alliance branches are being created in many districts. They try to educate people about the "culture of corruption" which grew during the 30 year Mobutu regime.

We observed several training sessions for new members of the Alliance. They studied the unsuccessful 1964-65 rebellion, the heritage of Patrice Lumumba, and the Alliance's own programme.¹

The political ideas within the Alliance are varied, including elements of Maoist, Third-Worldist ideas from the 1960s. They identify seven social classes in Zaire, with two fundamental groups: exploiters and exploited.

When we asked how the Alliance would finance its programmes for health, education, and public services, we were confidently told that "Zaire is rich enough. Even paying the foreign debt will not be a problem." And the debt must be paid, since "we have to cooperate with all countries in the world."

Many of the Alliance representatives at a lower level are clearly unaware of the political and economic problems which they will face when they take power. And there has been some influx of opportunists: Mobutuists who converted "just in time." Only a handful of cadre from the 1964-65 rebellion are left. After 30 years of isolation, they are trying to transmit the principles of their long struggle to a new generation.

Third-world oriented people in Europe often think that Africa is a marginal part of the world. But when you see what the imperialists have been capable of in Rwanda and Zaire, then you realise that Africa matters a great deal to them... ★

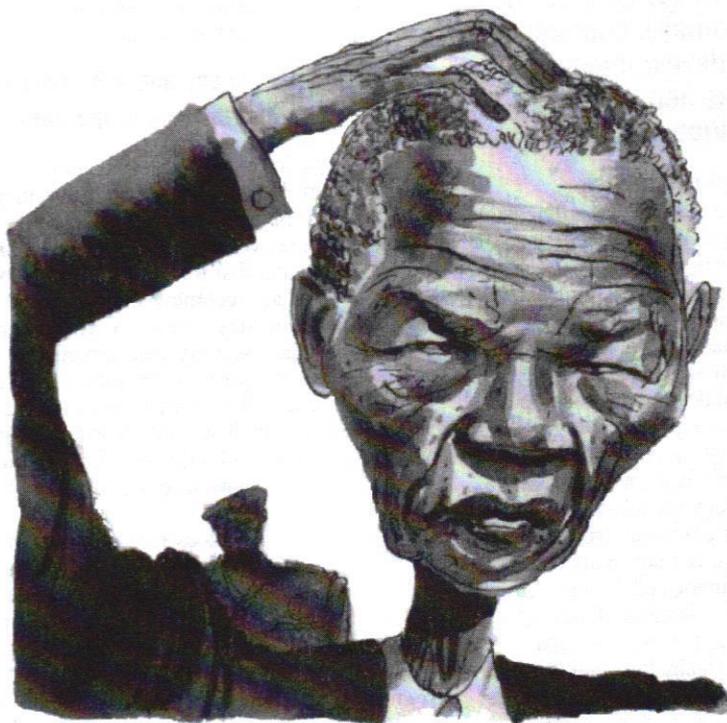
Anke Hintjens works with the Brussels-based Committee to Abolish Third World Debt (COCAD).
1. *Rouge* 19 December 1996, and 20 February 1997

Mandela's first 1,000 days

The birth of parliamentary democracy in South Africa in April 1994 created a completely new socio-political situation. It rendered obsolete every conditioned political response belonging to the apartheid era. Within this strange new milieu, every mainstream political party, liberation organisation and socialist grouping floundered in search of new bearings and a relevant new role. The triumphalism of global capitalism and the temporal crisis of the international socialist project did not make this an easy adjustment.

Today nothing is quite as it was before. Both social form and content feel different now that shifts in the power-balance have put a black government in control. The unexpected appears normal: unions have gone into business; capitalists call on government to fulfil its redistributive functions; the leader of a simmering civil war, Zulu leader Buthelezi, is appointed to act as president while Nelson Mandela attends a conference abroad. New social strata (parvenu capital, a rising black bourgeoisie, the blending of a new state bureaucracy with the old) are emerging and making their presence felt. Yet the physical presence of the apartheid-past casts its shadow everywhere. The land hunger and rural poverty, the migrant labour system and the squatter camps, the sprawling overcrowded urban townships and mass unemployment, the poverty, squalor, hunger and misery that comes with ghettos, poor housing and inadequate social services is still everywhere.

Carl Brecker



Not that government hasn't brought water and power to very many homes. It has. And not that hospitals are not open to the sick and pregnant, not that schooling and clinics are not more readily available. They are. Even if all these are still inadequate and overcrowded, everyone knows that "it can't be put right overnight."

The problem is that given the scale of the social problems, no real progress can be made unless government can control and direct the country's investable surplus. Such control is necessary to promote infrastructure development (using public works programs); create mass employment (industrial and otherwise); while simultaneously undertaking massive, radical agrarian reform; as well as immediately providing a basic social welfare net, while rapidly expanding social services.

This modest programme would absorb upwards of 70% of all new wealth created. And it would require control over the commanding heights of the economy, so that South Africa's not-inconsiderable wealth could be put to planned use by government in the service of the majority.

The deepening crisis of expectations that has gripped the black majority comes from their growing realisation (particularly among the organised working class and civic activists) that the ANC-led Government of National Unity will not undertake a radical redistribution of wealth away from the small white bourgeoisie who continue to own the

mines, farms, factories and financial empires. Grateful as the dispossessed are for government's provision of subsidies to assist with land resettlement and house purchase, these facilities reach far too few people. And the new program are simply too meagre to make a real difference.

Managing capitalism

A government constrained by a constitution that preserves the sanctity of private property and personal wealth, and which is trapped in the logic of budget deficit reduction, must come to rely on foreign capital and private sector involvement to execute its social program. Little wonder that the Reconstruction and Development Program (RDP), which constituted the Alliance's electoral platform, has effectively been abandoned in favour of the neo-liberal GEAR (Growth, Employment and Redistribution) program. Though RDP rhetoric lives on as opium for the masses.

The ANC-led government continues to be drawn rightward by the logic of its position as parliamentary executive responsible for the good health of the capitalist economy.

There is plenty of encouragement from advisors from the IMF/World Bank, South Africa Reserve Bank, and business consultants in every Ministry. These voices speak strongly to the petty bourgeois and nationalist elements within the Government of National Unity.

Increasing impatience

Increasingly, however the ANC-in-alliance (with the COSATU trade union federation and the South African Communist Party, SACP) faces unprecedented criticism from its own left-wing.

This attack gathered verbal strength as the class implications of the ANC's socio-economic policies came into sharper focus. The trade unions, simply by expressing the material class interests of their members in clearer voice, have begun to expose the illusion hidden behind slogans like "rainbow nation" and "common national interests".

Today, half-way through the life of South Africa's first-ever democratically elected government, the social forces lurking behind the main political parties have begun to stir. The political domain is alive with manoeuvrings as 'wannabee' parliamentary contenders accommodate to shifts in allegiance, and the emergence of new class formations.

The new political map

The 1994 elections were essentially a vote in favour of the liberation movement (ANC) and against the apartheid regime (with regional variations in Western Cape and KwaZulu-Natal). The broad electoral blocs formed during that campaign have not survived the realities of sectional class interests which today finds expression around every piece of new policy legislation. This inevitable political realignment, as old parties search for new electoral allies, is crucial to determining the outcome of the up-coming 1999 elections.

Many of the political groupings which entered the 1994 elections have long since fallen away, showing their lack of a stable constituency. Those that survived – the Nationalist Party, the Democratic Party, the Pan-Africanist Congress, and the Inkhata Freedom Party – face a life-and-death struggle against the ANC in the upcoming 1999 elections. These elections, the first under the new constitution, will be much more issue-based than the 1994 elections. And the voting population will be more critically-minded.

The 1999 election will mark more than the end of the Mandela Era and the Government of National Unity. It may also be the last election in which the ANC can rely on the organisational capacities of the trade unions and the Communist Party.

Continuation of the Alliance depends on whether GEAR can deliver and whether the ANC-in-government can respond positively to the proposals of COSATU and the civic organisations (grouped in SANCO).

Whether GEAR can deliver the jobs and social benefits promised by 1999 is very unlikely (RDP promised 100,000 new houses, there are 10,000; GEAR promised 126,000 new jobs in 1996, there is produced 'jobless growth' and a net job loss).

Leaving the ANC?

Whether government will respond to Union pressure, or the SACP's lobbying, and agree to seriously revise GEAR, still remains to be seen. Failure to do so will mean lack-

lustre electoral support for the ANC from the Alliance partners, though their electoral pact will probably survive.

Nevertheless, if, when delivery fails, the ANC is unable to give credence to COSATU's alternative programme, the already-apparent slow disintegration of the Alliance will begin to accelerate. Union leadership fears that, even if it creates a fresh possibility for the emergence of a mass workers' party, such a break-away could produce a rightward lurch at government level. Such fears, which include the spectre of a right-wing backlash, have convinced leading labour militants to remain within the Alliance and give the ANC "one last chance."

Such a shift could well accelerate the level of class conflict within what has already been an unstable interregnum.. No one can predict the outcome, but clearly much will depend on the capacity of the Left to provide the necessary leadership. And it is no secret that the small revolutionary left formations have not demonstrated that they have the capacity to fill the leadership vacuum.

Delusions and illusions

The COSATU/SACP left must first rid themselves of lingering delusions in the good faith of the ANC leadership and sections of the bourgeoisie. These delusions derive in good part from the ideological notion of a first-stage National Democratic Revolution, which must be completed before building socialism.

Thabo Mbeki, deputy President and Mandela's heir-apparent, recognises the left's dilemma, though he draws quite different consequences. He writes, in his "State and Social Transformation", (intended to convince the Alliance partners that no realistic alternative exists to GEAR), that "the oscillation within the democratic movement between the objective of establishing a democratic state, and the wish to establish a state whose defining feature would be the total defeat and suppression of both the national and class forces responsible for apartheid", is the source of "much of the confusion that occasionally afflicts the democratic movement".

Mbeki urges COSATU and the SACP to recognise that "the strategic 'choice' to fight for the graduated creation of a democratic state to replace the apartheid state" has been made (decisions that they were party to). That 'choice' has a number of practical consequences which 'derive from the objective imperatives of the process of globalisation'. First among these is the acceptance of private capital as a partner. "This means that the working class together with the democratic state and capital complete the proverbial golden triangle necessary for the development and transformation of society".

Union resistance

COSATU has strongly rejected the "golden triangle," even though it remains involved in consensus politics, still convinced that their Alliance means that government will side with COSATU against capital.

Yet on every major class issue the ANC

rides roughshod over Alliance hopes: on privatisation, the macro-economic framework, IMF/World Bank loans and policy development, and replacing the RDP with GEAR.

The struggle history of COSATU created a politically conscious, pro-socialist, working class. No surprise then that pressure from below, kept alive by appalling socio-economic conditions, keeps pushing the union leadership leftward. This produces an eclectic blend of struggle rhetoric and collaborationist politics.

The ideological hand of the SACP is clearly visible at leadership level (see page 26). At first the Party warmly welcomed GEAR, although unionists immediately rejected it as a self-imposed structural adjustment programme and, as such, a sell-out that goes against the RDP and fundamental transformation. They called for negotiations.

GEAR, endorsed by the ANC national executive, was promptly declared "non-negotiable". The COSATU Executive strongly objected. Then the SACP, under pressure from its own left, voiced criticism of GEAR. Mandela promptly slapped their wrists and ANC top brass descended on SACP headquarters to read the riot act. The unions dug their heels in, threatening the first serious rupture in the Alliance.

The Alliance leadership promptly manoeuvred to paper over the cracks. COSATU presented its alternative proposals to government for consideration and the SACP made sympathetic noises (and contributed to the draft proposals). The ANC refused to back down and insisted on immediate implementation of GEAR. As a sweetener it agreed to on-going talks with Alliance partners. Suddenly COSATU and the SACP spoke of hoping to modify the details of GEAR during implementation!

Grumbling compliance

According to the financial press, "the left are not pitching themselves against GEAR in a massive way. Instead they will try to modify and relate to GEAR in specific ways - like tackling the implications of spending cuts and endeavouring to have priorities set".

According to Sam Shilowa, COSATU General Secretary, and an influential SACP member, "The challenge for COSATU was how to influence events, not simply resort to protest".

It seems increasingly, whoever, that COSATU agreed to engage with both government and the Alliance despite fairly clear government's statements that GEAR was not (and still is not) up for negotiation.

COSATU President J. Gomomo recently asked the rhetorical question: "will we be able to say to our members 10 years down the line that we have not sold them out?" The question deserves an answer. ★



State interests or mass hegemony?

The task of government is to govern. In other words, the ANC can't avoid getting its hands dirty. Enforcing bourgeois law and order includes bull-dozing squatter camps, protecting private property against the Land Grab Movement, beating up strikers and shooting protesters.

It also requires less obvious, but more significant assaults on the working classes, like the implementation of monetarist policies and the promotion of neo-liberal economics; the framing of labour laws which curb strikes, seek to introduce labour market flexibility and propose wage restraint; or opening up the economy to speculative foreign investment and promoting export production in order to integrate South Africa into the global economy.

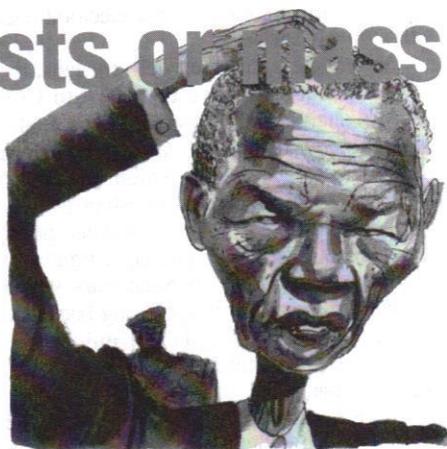
Although it came to power as a liberation movement, whose constituency was predominantly the urban working class and rural poor, and whose mandate was to reconstruct the country in the interests of the majority, the ANC is obliged to perform as other bourgeois parties would, since it is in charge of a capitalist economy and a bourgeois state machine. Not only does the daily responsibilities of state erode what is left of the ANC's liberation politics, it also seduces the ministers and MPs of the ruling party into the service of capitalism. As well as the thousands of movement cadre who entered the civil service, and the countless others who staff the regional and local government structures. Some directly, others indirectly. Some more, some less.

Working within the framework of international law also means honouring the apartheid foreign debt: R90 billion (US\$20 bn.) and paying billions in interest (R41 bn/\$9.1 in 1996/7) to service a national debt which exceeds 56% of the total value of goods and services produced in South Africa each year.

While the ANC continues to draft broadly progressive social legislation, it cannot radically redress the legacy of apartheid in land reform, job creation, housing and social services. Because market-driven reconstruction costs money and, not wanting to appear fiscally irresponsible and populist, the government must rely on "trickle-down" development from capitalist growth.

Tension inside the ANC

This bourgeoisification of the ANC-in-government brings it into conflict with the material interests of its constituency, and accounts for the ideological struggles taking place within the Alliance. But the ANC still has a virtual monopoly on political life in the



African townships around the country (except in Natal). And despite rising popular disappointment and dissatisfaction at the slow pace of transformation, frustration is not yet intense enough to generate anger to vote against the ANC. Largely, perhaps, because no viable alternative exists.

The ANC notion of a "rainbow nation with common national interests" means incorporating the interests of social classes and strata whose class interests conflict with those of the dispossessed majority. This growing demand to "act for all South Africans" drew the ANC-in-government further and further away from the ANC-as-organisation. It also created a tensions between regional governments and regional ANC structures - unleashing a series of ugly authoritarian incidents in which the ANC national structures undemocratically interfered in regional elections, imposing "official" candidates. This produced significant rank and file revolts in KwaZulu-Natal, the Orange Free State, and the northern Transvaal. Interference in elections in the western and eastern Cape was more discrete, but just as real. Central government has also been imposing its legislative policies and administrative decisions on the regional governments, and curbing the attempts of local government to redress poverty.

Over and above the lack of promised transparency and accountability, this also shows the tensions inherent in the ANC's transition from liberation movement to governing party; and role of the ANC-in-government as parliamentary executive to a bourgeois economy and state, thereby relinquishing its role as voice of the masses.

The new black elite

The class base for this shift is the rapidly growing black bourgeoisie, and a new black elite — encouraged and assisted in every way by government and big business. These new social layers interlock with a new army of middle-layer black civil servants, enjoying their first taste of bourgeois society, and the rise of party apparatchiks who staff the top echelons of power, and help run the ministries. The merging of the old apartheid bureaucracy with new recruits from the ranks of the black petty bourgeoisie has effectively nullified any progressive influence those rec-

ruited from the struggle organisations could bring.

The organisations of the mass democratic movement (trade unions, civic associations and ANC branches) have been severely handicapped by the co-opting of their cadre into the structures of government and the business world. The most serious of these negative influences is the successful luring of the unions and civic associations into business operations as partners of big capital.

Activist ranks have also suffered from numbing effects of growing mass unemployment, the low cultural levels resulting from the apartheid era, the consequent explosion of violence and crime, and the continuing retreat of the leadership as it falls prey to capitalist triumphalism.

The lack of an alternative radical leadership is a real tragedy. Several of the small left groups have been revising their strategies and programs but are hobbled by their limited organisational capacity and political viability. This shortfall could be broken by judicious response to the shifts taking place within the unions and the Alliance, particularly around COSATU's call to re-galvanise the mass democratic movement.

The right response

Other political forces have responded more promptly to the changes taking place. The National Party, whose rule was unbroken from 1948 - 1994, is in the midst of a major shake-up, following its departure from the Government of National Unity. The restructured Nationalists hope to spearhead a political re-alignment before the end of the year. They are prepared to disband their present form into a unified right opposition, via an electoral alliance between the National Party, Inkatha, the Democratic Party and smaller parties. This is a high-risk move for the Nationalist Party. And there is still no good reason to believe that an anti-ANC coalition of old apartheid-era parties will constitute a serious challenge in 1999.

More significant, but no more likely to succeed, is the move by homeland boss turned ANC leader Bantu Holomisa to form a new black opposition party by building on frustration against the ANC-in-government.

There will be no viable left opposition to capitalism in South Africa until the ANC loses its hegemony on black politics. This is unlikely unless COSATU and the SACP seriously challenge the bases of their alliance with the ANC. There is little prospect of this happening before 1999.

In other words, the radical left faces a long period of regrouping and redefinition. In the difficult and fast-evolving South African context, it is essential to focus on the challenges of the current situation, rather than past alliances. ★

COSATU restates its priorities



The Confederation of South African Trade Unions **Draft Programme for the Alliance**, reflects labour frustration with the ANC's cavalier attitude to the slow pace of delivery of promised reforms in housing, health, education and job-creation. The COSATU proposals, published in November 1996, are an attempt to resuscitate the pre-election line of the RDP - that the ANC governance should reflect the primacy of the party's working class base - a line designed to benefit the poor and marginalised as much as organised labour.

This document is a response to Prime Minister Thabo Mbeki's **State and Social Transformation**, in which the ANC attempted to convince its more left-wing partners (COSATU and the SACP) of the rationale behind the government's economic programme.

The business press said COSATU was "seeking an Alliance Accord with ANC to commit government to an agreed programme of action. In exchange COSATU would bind itself to collective responsibility and provide resources to rebuild ANC structures and mobilise for the 1999 elections. Such collective responsibility would not necessarily imply acceptance of wage restraint or suspension of the right to strike, but did imply the imposition of certain limits". Such an Accord, the business press noted with relief, did not imply abandonment of tripartism nor negate the negotiation of agreements with business. (*Business Day* 27 November 1996)

The following extracts show the tone and main arguments of the document.

State of the Alliance

Since 1994 meetings of the Alliance have been ad hoc, sporadic or crises meetings, and issues agreed have not been followed through. The Alliance never sat down to formulate a strategy or programme for engagement of the masses, who have remained spectators. Although large numbers of COSATU and Alliance activists have been deployed in parliament, government, public service, parastatals and private sector, no assessment of the impact of this for organisation has ever been made.

There is no clear political programme or yardstick to guide or measure success. There has been general demobilisation of our people - activists are no longer sure what our strategic objectives are; ANC structures have no visible mass mobilisation program; actions by COSATU, students and [the civic movement] SANCO are seen by some as 'counter-revolutionary'. Alliance structures

are weak or not functioning (this differs from area to area).

Our rich history of struggle has resulted in one of the most political and conscious mass movements rooted in a strongly organised working class and a strong tradition of an active progressive civil society - giving the progressive forces strategic leverage, the potentialities of which have to be harnessed to be realised. Failure to do so would be squandering the most important resource of the national democratic revolution and would lead to increased fragmentation and demoralisation.

Balance of forces

After more than two years the power of the apartheid-era ruling class remains largely entrenched in the security forces, the media, the bureaucracy, and above all the commanding heights of the economy. The ANC is in office but how far have the democratic forces taken power? The RDP has been systematically undermined, government has been subjected to intense pressures, the logic contained in the RDP has been overpowered by forces attempting to halt the transformation. Obsession with perceived constraints and problems, giving in to the blackmail of reactionary forces, gives away our ability to determine the agenda of change.

"There is no iron law which says that the governing stratum will have to sell out, will have to become bureaucratised and embourgeoised". With the power of the masses as the main driving force we have always believed that our agenda, if properly followed, will emerge as the victor. But failure to act will result in the fledgling democracy becoming captive to backward forces - this has already begun. Policy has in many instances been driven by the old bureaucracy, business advisors, economists from the Reserve Bank, World Bank etc. Instead of mass mobilisation we have reduced mass involvement to appeals for payment of rent and services, and/or pleas to understand that we face 'major constraints'.

Demobilisation and demoralisation has taken place, particularly of activists and leadership. The individual struggle for self-enrichment has begun to take hold. Equating the national democratic revolution with the creation of a 'patriotic (black) bourgeoisie', 'as a success of black economic empowerment' while the majority of blacks remain in poverty, is tantamount to robbing the national democratic revolution of its transformational character.

The lack of leadership from the democratic movement has begun to lead to disillusionment, depoliticisation and alienation from 'politics' amongst ordinary people. "Just as ignoring the power of the forces of reaction constitutes triumphalism, removing

the forces for change from the equation is surrender and defeatism". Remove the masses and the power of reactionary forces becomes a self-fulfilling prophecy. Already, any serious attempt in the movement to challenge the remaining centres of apartheid power become characterised as 'opportunistic', 'adventurist', and ultimately 'counter-revolutionary'.

Characterising the phase of struggle

We are faced with a peculiar situation similar to "dual power", where the new democratic government neither has its hand decisively on all the tillers of state power, nor has it been able to strategically direct the economy based on our own agenda. Government seem to have been confined to limited areas of governance.

This is exacerbated by the constant attempt to reduce the sovereignty of government, and the constant onslaught by the financial markets to pressurise government to adopt the economic policies desired by them (blind adherence to privatisation, reduced budget deficit for its own sake, immediate removal of exchange controls and ultimately removing the state's role in the economy).

This sense of "dual power" helps to convey the strategic moment in which we find ourselves: the existence of a popular bloc, with its representatives in government, parliament and other institutions, pitted against a minority bloc attempting to use its access to economic and other power to abort the national democratic revolution, to preserve privileges acquired during years of apartheid.

"The debate is not about whether we are in the phase of completing the struggle for socialism or national democracy. The question is whether we are able to seriously enter into the task of beginning to decisively transform our country in a manner which will ensure the success of the national democratic revolution".

COSATU sounds the alarm

This moment of transition can't last indefinitely. Either of the two forces or blocs will seize the initiative to lead and direct society. This poses a challenge to take our fate into our own hands. We need a political programme which is implementable, broadly supported, and able to achieve the social hegemony required to break this deadlock (or unstable equilibrium), and the political will and organisational ability to drive this programme.

Failure to implement our programme and failure to mobilise the people in defence of that programme, can see a powerful hege-

★ South Africa

monic alternative disintegrate in a relatively short time.

Re-galvanising the mass movement

Concentrating exclusively on the Alliance to drive the transformation process would be a serious error. We need a broad front of mass democratic movement forces. We need, as a basic necessity, to transform our mass organisations into a different type of vehicle than that used to destroy apartheid.

The reality is that we have totally failed as an Alliance to consolidate mass democratic movement organisations as a meaningful united force in society since the (1994) elections. Mass democratic forces are needed to help direct popular mobilisation which seem to be taking place outside our leadership – for example, land and housing movements, anti-crime activities ranging from community policing forums to vigilante activity, and isolated pockets of community street committees attempting to redress the real problems confronting residents.

Continuing fragmentation of the mass democratic movement forces, apart from weakening the power of the people's bloc, will also entrench the alienation of constituencies. The ANC and SANCO appeal to the same constituencies. The Alliance should help SANCO transform from a activist based organisation to a truly mass and representative civic movement, and consider whether SANCO should join the Alliance.

We need more engagement between COSATU and the SACP. COSATU's vision needs a revolutionary working class party to spearhead a working class programme. The SACP needs to explicitly outline how it sees the relationship between our commitment to the success of the national democratic revolution within a socialist vision.

In the absence of a shared strategic vision COSATU faces the danger of becoming increasingly reactive and defensive in its approach, the danger of isolation and retreat into narrow 'economism'. Any attempt by COSATU to play the role of 'permanent opposition' would see the marginalisation of unions and the fragmentation of the democratic forces. This starkly poses the need for a new strategy.

A new strategy

Is the RDP realisable under today's conditions? Conditions have not change so fundamentally as to entail setting up 'a much less ambitious' programme. The RDP should remain the programme of the Alliance. For socialists within the Alliance the RDP was seen as a minimum programme. Has it now become the maximum programme?

What confronts us now is the need for a strategy for its implementation based on the identification of strategic core areas which can lay the basis, particularly in the socio-economic sphere and in the transformation of the state institutions, for a qualitative movement forward for the complete implementation of the RDP. We need to seek agreement in the Alliance on concrete measures such as social security and the social wage (health, transport, pensions, etc.); job creation

(especially public works and investment); intervention in the financial markets; public housing and infrastructure; training; land reform; elements of trade and industrial policy; tax reform; and wage policy (especially reducing the wage gap).

The Government has produced GEAR. Are the two reconcilable? For example, commitment to the extension of a basic welfare net is sheer rhetoric if a program of deficit management involves a cut-back in existing, limited social security provision. If GEAR is unable to accommodate the most basic elements of the Alliance agenda it would need to be reworked.

The locus of decision-making on key political issues has not been in the Alliance structures. Rather, this has tended to take place in individual Ministries, and the Alliance only engages with the product. Other forces have sometimes occupied this space, whether in the form of business advisors in Ministries, conservative economists, or the old bureaucracy. Ministries have been saddled with policies which are not acceptable within the Alliance, or do not appear to reflect the programme agreed upon. This is a recipe for ongoing conflict and division.

The alternative is for the Alliance to reach an Accord or National Agreement on strategic issues as well as a program to implement these - so binding the Alliance forces to actively pursue this agenda and remove the impression that government is acting as a neutral referee, sitting above the other players in society. This would ensure that by going into NEDLAC [negotiations] with a 'joint mandate' a co-operative approach between government and labour was developed. It would decisively refute the view that COSATU has embarked on the role of unofficial opposition. This joint approach involves both collective decision making and collective responsibility.

Another warning

Refusal to consider the option of an Alliance Pact (or a viable alternative) would be short-sighted. It would perpetuate a crisis environment which could foster an informal accord between business and government to stabilise the situation. If government continued to play a mediating role between business and labour it would marginalise the democratic forces and reduce us to fighting defensive battles on all fronts. It would lead to the gradual disintegration of the Alliance and to increasing demoralisation and demobilisation of our people and organisations. Failure to give leadership where hard choices have to be made would force COSATU to fight offensive battles against what may seem to be an understanding between government and capital.

An Alliance Accord

COSATU would prefer a joint negotiating position with government in NEDLAC and other forums. An accord implies identification of strategic issues which will tilt the balance of economic power in favour of the popular forces, by giving the demo-

cratic state and its supporting institutions effective leverage over areas of investment, production and delivery. Events since 1994 clearly indicate that where we rely on market-driven programmes there are disastrous results. We are producing jobless (in fact jobless) growth despite positive economic growth – most companies have reported higher profits than ever before.

An Alliance Accord does not necessarily imply wage restraint or no-strike provisions. There is need to re-organise the wage structure and raise the living standards of the majority of workers, but the accord may entail restraints or cuts for the high-paid, including management. It is unavoidable that if you exercise social power based on commitment to a particular agreement (the Accord), this would result in having to exercise certain responsibilities, which implies limits.

The economic role of the state would be to harness for reconstruction the significant economic muscle under its direct control (the national budget, existing parastatals); harness its potential control over new economic levers (like a housing parastatal which would give leverage over the construction industry); and harness the potential economic muscle of the trade union movement; as well as intervene in the financial sector and channel investment in job-creating industry, etc.

There would be no comprehensive accord with capital, rather specific agreements within a comprehensive framework. The responsibility for driving the process lies with the Alliance. Such an Alliance Accord would represent the most serious concrete challenge by the democratic forces to the relations of economic power in the country. It would win over sections of business, would create social stability and would allow people to benefit from economic participation.

The trade union commitment would be to mobilise the masses for transformation, to raising levels of productivity, to help close the wage gap and provide training, and to ensure investment in job creation. "There is nothing wrong with negotiating a national productivity agreement which links productivity improvements to not only wages, but to job creation and investment - proposals that would lead to an expansion of the economy as long as it is directly linked to an improvement in workers lives".

A final warning or yet another appeal?

There exists only a limited window of opportunity to negotiate an Alliance Accord. There is real danger that the current economic policy direction, and the resultant alienation of the Alliance's constituency, will become so entrenched as to make the negotiation of such an Agreement impossible. ★

Source: edited extracts from COSATU's *Draft Programme for the Alliance* (November 1996), presented to all COSATU structures, and made available to the ANC and SACP. Subtitles have been added by *International Viewpoint*.

Strains in the Alliance

The labour press admits that "beneath the semblance of cohesion within the Alliance serious tensions and strategic differences exist and continue to grow". (*SALB* Feb.1997). The business press is more forthright: "GEAR [the government's new development plan] gave rise to talk within the SACP of the party cutting loose and contesting the 1999 election under its own banner. Within COSATU rumblings surfaced about forming a separate Workers' Party".

Not surprisingly, the rumours of a split between the Communist Party and the ANC provoked a flurry of conflicting assessments within the left. COSATU's executive committee was unambiguous: "Government's macro-economic framework takes a direction diametrically opposed to the economic growth path outlined in the Reconstruction and Development Program (RDP). Based on the economic model of the IMF/World Bank and Reserve Bank, it will not enable the creation of 400,000 new jobs, nor deliver the social needs of our people. At most it will increase the gap between rich and poor, and condemn the homeless and jobless to extreme levels of poverty".

At his union's 1996, conference, Miners' Union (NUMSA) president Godongwana, a member of the COSATU executive committee, had rejected GEAR as a "sop to neo-liberalism". But by February 1997 he was pouring oil on troubled waters: "because we [the Alliance partners] come from the same perspective there is agreement on objectives. The difference is over what instruments and tools we use to achieve them".

This climb-down came after the SACP (Godongwana is a member) had decided to "keep talking to influence the ANC on details and implementation". Jeremy Cronin, SACP deputy General Secretary, was equally reassuring: "The Alliance will be around for a long time", he said, contradicting his earlier comment that "we never said the Alliance would last forever".

Tensions in the Alliance preceded the GEAR programme. It has its roots in the practical requirements of a "National Democratic Revolution". This (essentially SACP) notion requires that COSATU give up its class independence by putting 'national' interests before working class interests. This has never sat comfortably with the unions and raised outcries when the RDP [drafted by

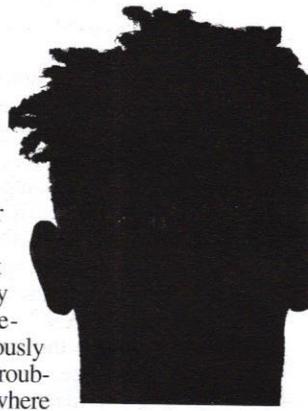
the unions] was stripped of all class content by the ANC.

The pro-bourgeois logic of the "National Democratic Revolution" became more apparent once the ANC was in charge of the state and began falling increasingly under the influence of capital. Soon the ANC shifted policy-making functions out of its extra-parliamentary structures, away from the Alliance and into the hands of 'specialist advisors', IMF/World Bank, etc. [see p. 25]. This shift in class allegiance resulted in the ANC presenting GEAR to its Alliance partners as a fait accompli, not open to negotiation.

Not that the ANC does not value the alliance. As the business press warns, "a badly disenchanted COSATU is seen as not

good for labour stability or business confidence". Most 1996 strikes, they note, have been "relaxed affairs, expeditiously resolved". The most troublesome strikes were where the problem was absence of strong unionisation".

"The ANC government without COSATU could not govern effectively. Privatisation and labour market flexibility would be met with far higher levels of resistance", wrote *Business Day*. "The key to labour stability is in full engagement with unionists - so they can learn about fiscal and monetary restraints".



Workers Forums In Search of Leadership

Strong words rang out from the Regional Workers' Forums organised by a COSATU commission established in September 1996. Among the issues raised were the state of COSATU's locals (branches), the way the federation operates, relations between affiliates and federation, the tripartite Alliance, relations between COSATU and government, and the need for a plan to achieve socialism.

The key problem raised was the union movement's lack of vision: "the movement had lost its way and this has resulted in a lack of interest" some participants said. "Members are confused and there is lack of direction in the workers struggle - they don't know whom to fight against". COSATU, it was said, had failed to provide a broad political vision and a program of action for its membership. The promotion of shop stewards into management positions has weakened the union. There was also a lack of organisational discipline - e.g. lack of attendance at meetings of various structures, members ignoring calls for action around campaigns, the gap between leadership and membership widening, and a lack of communication between national leadership and membership.

Many participants said that COSATU should put more resources into building its locals, employ local organisers and strengthen campaign structures which are not working. "If there are no campaigns the structures of the organisation begins to die" was a common complaint. "COSATU should reintroduce the

living wage campaign and the campaign for a 40-hour week" was another. "There is a need to democratise the workplace without compromising the independence of workers and their organisations."

Some said COSATU was failing in its goal of promoting working class interests: and asked "what has happened to COSATU's vision of socialism?" COSATU had to be independent, whether within the Alliance or outside. There was mixed opinions on whether the Alliance should continue. There was criticism of the way it had functioned but the dominant view was that it should continue and be strengthened "to ensure an ANC win in the 1999 elections". Strong views were expressed on the need for COSATU to intervene strategically in the political, social and economic issues of the day. The Reconstruction and Development Programme was still identified as COSATU's brainchild and the union confederation should steer its membership towards a worker friendly economy.

Many participants argued that a some vehicle to achieve socialism needs to be found, and the socialist vision rekindled. "Socialism should not be a dream, but should be linked to the concrete reality and the lives of the workers". COSATU should take the lead to bring together socialist organisations to determine a vision of how socialism could be attained. COSATU should encourage a revival of the discussion and debates on socialism. ★

Source: The Shop Steward (SA)

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The South African Communist Party (SACP) has used its considerable influence at union leadership level tends to curb working class radicalism. But no amount of arguing that 'the Alliance provides the best vehicle to influence the ANC and government in a programmatic direction' will make the tensions subside completely.

In fact, as the ANC government increasingly speaks for capital, tension will get worse. This will produce new conflicts within the base structures of all the Alliance partners: the ANC, COSATU and even the SACP (where the left opposition is slowly finding its voice).

The business press, fast to read the ambiguities, has advised the government that COSATU's alternative economic proposals should not be seen "as a wedge" between the ANC and implementation of the GEAR program, but as "a warning to be taken seriously".

Unions Debate the Alliance

At the 1996 Conference of the National Union of Mineworkers (NUMSA), three regions recommended an immediate break with the Alliance and building a working class party in the medium term. In 1993 the union had said that the Alliance should end as soon as the ANC took power.

But now a majority of delegates accepted the argument that continued participation in the Alliance was essential in order to ensure political support for NUMSA's economic platform. Finally, a compromise resolution entrusted union leaders with deciding, on an ongoing basis, whether the Alliance was still worthwhile for NUMSA members.

Staying in the Alliance was seen to offer labour its best chance of influencing government, particularly over economic policy. NUMSA President Godongwana described GEAR as a "right-wing document which has all the elements of neo-liberalism" and said government had turned its back on the RDP in a strategic retreat.

Conference rejected GEAR but agreed to negotiate with the government on key aspects, including industrial restructuring and building a social welfare base.

NUMSA resolved that the state should play an active and interventionist role in the economy. "We cannot rely on private sector investment, international market forces and the reduction in government spending to create the kind of growth that will create jobs".

On political policy, the union resolved that "We are faced with a nominally democratic state where economic power is still largely in the hands of capital...."

"This is a compromise born out of the complex forces involved in the transition to democracy and not necessarily the ideal outcome for the working class or the disadvantaged".

Delegates voted in favour of talks between COSATU, and the smaller Fedral and NACTU union federations, with a view to establishing a loose confederation of trade unions. ★

SANCO

Friend or foe of the Alliance?

Despite being one of the largest and most active component of the mass democratic movement, the South African National Civic Organisation (SANCO) never joined the Alliance. The organisation had suffered extreme marginalisation by the ANC, which even ordered SANCO to get permission from the ANC before launching campaigns or establishing new branches. SANCO was also advised to steer away from forging a mass identity "because SANCO and ANC share the same constituency." Some in government wanted SANCO disbanded because it was "seen as fashioning itself into an opposition to challenge ANC in the next elections".

In recent months, SANCO has been demanding the recognition it deserves. Under rank and file pressure, the organisation has been re-examining its electoral support for the ANC. Angry over the government's lack of delivery, many local SANCO organs wanted to cut ties with the ANC. This would have serious implications for government campaigns, and would impact negatively on the role of community development forums, community policing, and community health and education

transformation forums – all of which requires SANCO involvement.

Last year, SANCO recalled Moses Mayekiso (previously NUMSA President) from parliament to head its new investment arm. SANCO also recalled Mr. M Hlongwane, mayor of Vaal, to become full-time national president of SANCO. The organisation decided that there was a conflict of interest between holding key government positions, and leading an organisation like SANCO that is supposed to put pressure on local government to ensure accountability.

With relations almost at breaking point, COSATU suggested that SANCO be invited to join the Alliance. ANC leaders, including President Mandela, made a point of participating in SANCO's national conference. Mandela expressed ANC recognition of SANCO as a leading component of the mass democratic movement, and promising to consult and listen to the organisation in the future.

In February 1997 the ANC finally managed to persuade SANCO to allow SANCO officers to continue holding office as MPs and senior civil servants, and promote the ANC in elections. ★

SACP

The Communist Party and the Alliance

Members of the South African Communist Party (SACP) play a leading role in trade unions, civic associations, in the ANC and, since 1994, in all levels of government. But, influential as it is, the SACP is no longer the monolith it once was. It is certainly no more powerful than the nationalist wing of the ANC. Leading comrades are increasingly worried about this development.

Top SACP member (and COSATU General Secretary) Sam Shilowa told delegates to the September 1996 Congress of the National Union of Miners (NUMSA) that "COSATU and the SACP have to identify their role in the Alliance with the ANC so that we don't submerge ourselves but at the same time don't marginalise ourselves".

SACP deputy Chairperson Blade Nzimande, MP, told NUMSA delegates that "the organisational challenge was how to translate into reality the acceptance that the working class led the Alliance... The ANC remained the vehicle for attaining working class goals at this stage... The working class orientation of the ANC could be realised if organised workers played their role...

Organised workers need to consciously strengthen their role in all political formations of the Alliance, the ANC and SACP, to realise the working class potential of the ANC."

Nzimande re-stated the centrepiece of SACP theory, the need for a "National Democratic Revolution" before communists should push South Africa onto the socialist road. "The main strategic objective of the revolution at this phase should be the struggle for the transformation of South Africa's capitalist state into a national democratic state".

"I don't think we should be trying to come up with an economic strategy document, for instance," said SACP deputy General Secretary Jeremy Cronin, when asked to clarify the party's relationship with the Alliance. "And anyway, we don't have the capacity. That's why we are in the Alliance!" According to Cronin, "ultimately the Party is only as good as the ANC is - if it is weak, we are weak". A view shared by politburo member Langa Zita: "We're a party located in a mass movement. We're not a substitute for it. Our role is constant, systematic persuasion". ★

Is politics still popular?

The civic movement is rumoured to be on its last legs. Critics say that it has outlived its usefulness. Some even say that now that the ANC runs most local governments, "civics" should simply cease to exist.

Mzwanele Mayekiso

There are a number of major differences between civic activism today and in the early 1990s, or the mid-1980s era of mass organising. Then, our common enemy was apartheid; today we face confusion about who to struggle against. Then, the political/economic vision shared by most activists was socialism; now we lack clarity about our long-term goal (socialism, social democracy, or some form of neo-liberalism?)

Then, we saw the role of civil society as revolutionary; today, civil society is sometimes posed as a pliant partner to shrink-the-state neo-liberalism, or merely as a watchdog for social democracy, and more rarely, as a stepping stone to socialism via community-based struggle.

Then, the progressive hegemonic line was UDF non-racialism through mass politics; today, we suffer from top-down politics based increasingly on the politics of "corporatism" (pacting between elites).

Then, the dominant bottom-up sentiment was ungovernability and militancy; today we find popular anger, cynicism about the gravy train, alienation due to non-delivery, and activists now sometimes degenerating into "on-the-make" activities, not progressive organising.

Then, the dominant grassroots political formation was the civic; today there are a greater variety of community organisations and populist groups contesting for mass or community loyalties.

Then, resources were drawn from international progressive funders; today we have very few resources and we run the risk of succumbing to the corporate and foundation donor agendas and even their control.

Then, the spirit of voluntary community commitment was part and parcel of the logic of liberation politics and the self-activity of the masses; today, voluntarism is considered part of "social capital" and is increasingly commodified.

Then, class formation was affected by all black residents living together within homogenising townships; today, stratification intensifies, with the black petty bourgeoisie "escaping" the townships.

Given these differences, the civic movement must sooner or later provide solid answers to some tough questions. Is the tradi-

tional civic movement ideology of "working-class civil society" still relevant and appropriate? Is working-class civil society a vehicle for socialism, for weak social democracy, or even for succumbing to neo-liberalism? How do organs of working-class civil society relate to the democratic state? How has our mode of organising changed? Is there any hope for the civic movement and working-class civil society?

The new priorities

I believe there are sufficient continuities between the past and present that prove our relevance as civic activists today. Before, we challenged the legitimacy of the undemocratic state as our first priority, and slowly tackled bread-and-butter "development." Today, we work nearly entirely to achieve more progressive forms of development and community-based planning, a site of struggle where most of our constituents can maintain high levels of ongoing commitment.

But are we consistent in how we define development? Before, in the context of insurgency, working-class civil society generally adopted the ideology of socialism – expanding "dual power" through workplace and community "soviets," youth and gender campaigns, liberation theology, etc. – even if this was "millennial" (far into the future).

Today, in the context of on-the-make corporatism, three competing threads have emerged. We are most worried about neo-liberalism, because it gives civil society more prominence and responsibilities—without sufficient resources—so as to better shrink the state. Civics then become little more than rubber-stamp vehicles, driven sometimes by political parties which control government, for endorsing conservative notions of development.

Second, we have mixed feelings about social democracy, which can provide some basic goods but which, politically, envisages civics in the standard liberal role that "pluralistic" organisations have in relation to the state.

Third, we still feel comfortable with socialism, which requires us to continue developing class power and experiments in de-commodified relations of production and consumption, supported by a strong-but-slim state.

This brings us, as civic activists, to the question of our relationship to the democratic state. Today, we have complex relations with democratising local and provincial governments, including occasional protests, co-operation and a search for progressive allies.

But even good local and provincial relations do not nullify our concern that nationally, the political philosophy embodied in the Government of National Unity was a weak combination of ultra-reconciliation plus

neo-liberal economic policy. Concern at the grassroots level remains: this lethal combination is derailing ANC campaign promises and the Reconstruction and Development Programme.

What do we do about this? A decade ago, our ability to survive during long spells in prison depended upon our reproduction of new layers of cadre. Today, it is more difficult because leading layers from the movement keep getting pulled aboard the gravy train. And not only into government, but also private sector and even lucrative non-governmental organisation (NGO) work. Meanwhile, empowerment/capacity building support (such as funding, NGO assistance, even press coverage) has ebbed. Civics still offer few "career" prospects, salaries, and perks, and so we lose our better cadres quite quickly.



Nevertheless, the concepts of civics, of a national civic movement and of a left civic ideology are still widely accepted. Deep structural forces and contradictions in South African capitalism mean the need for protest is as great as ever. International trends point to the importance of urban social movement revivals during periods of advancing neo-liberalism, so that "IMF riots" don't degenerate into anarchy and instead transform into serious opposition against right-wing economic policy.

And while internal civic democracy has waned in practice, it is still the theoretical basis for civic politics. Many individual civics at township and rural village level retain the movement's best characteristics. And importantly, we also retain the ability to debate. It is the duty of our civic comrades to keep mass politics moving forward. ★

Source: Reprinted from *Against the Currents* (USA)

Black business is big business

Over US\$1.1 billion of economic power has shifted from white to black control over the past two years. And the process continues.

By the end of 1996, 17 companies listed on the Johannesburg Stock Exchange were under black control, and included black empowerment as one of their business objectives. The share price of these companies doubled during 1996, producing a total share value of R26.5bn. Four years ago the percentage of the Johannesburg Stock Exchange controlled by blacks was zero. It is now approaching 10%.

NEC, one major "black" consortium, states its objectives as "to obtain financial empowerment by acquiring meaningful stakes in growth sectors, and economic empowerment by participating at an operational level".

Because black enterprises have a positive advantage in dealing with government institutions, white big business is keen to link itself to these companies, which, it is hoped, bring 'empowerment-credibility' to new investments.

Thabo Mbeki, deputy President, recently cautioned black business not to project itself as "a parasitic class that can thrive only on pillaging state resources". He said most black empowerment deals appear limited to existing economic activities, and created no new jobs. Government, he said, would like to see the emergence of more black consortiums, but stressed that their investment should focus on sustainable growth and job creation in sectors such as manufacturing.

The colour of the money

The black press has commented on the explosion of 'fictitious capital' or 'credit financing.' Most new black companies are controlled by "heavily levered pyramids". In other words, control over even large companies has been achieved with limited, mainly borrowed capital. Borrowed from the white establishment, and backed by the country's trade unions. The three interlocking black conglomerates all have trade union involvement.

Economic empowerment deals are largely spearheaded by the white sector with the backing of local and international capital - making the white-controlled financial sector the major beneficiary. Black empowerment is "unquestionably being helped by a corporate establishment alert to the pitfalls and opportunities of fundamental social change" (*FM* 7/2/97) This makes "sound business sense and shows a realistic instinct for survival" by helping "to sustain a market oriented political philosophy". Miners' leader turned businessman Cyril Ramaphosa,



(previously NUMSA General Secretary, now chairman of Johnnic) is unrepentant. "If black economic empowerment does not become a reality, successful transition from apartheid to democracy will be in jeopardy," he argues. "Then everyone loses, including white business".

White business has recognised the challenge. SANLAM has made available assets worth R8.bn (\$1.8 bn.) and Anglo-America R16.bn. (\$3.6 bn.) in interwoven deals. "Anglo extracts a steep price - the diamond monopoly and a premium on the equity". But Anglo knows when to be generous. The majority ownership of JCI, which includes South Africa's top gold mine, Western Areas, recently passed to the African Mining Group. Anglo announced that it will not charge the group interest on the R2.9bn. (\$640 million) price tag (interest on such a deal would normally reach R70m. (\$15.6 m.) if the buyer was late with payments. No explanation for this generosity was given. Nor is it necessary.

According to *The Independent* newspaper, the South African labour movement, "one of the world's last outposts of militant socialism", is being subdued to capitalism. "The weapons? Union investment companies!" (*The Independent*, 2 February 1997). Three years ago only SACTWU & NUM were toying with the idea of an investment company - today very few unions are opposed. COSATU itself has an investment arm *Kopana ke Matla*. Even the SACP is investigating the possibility of making capitalism work for itself.

Former SACTWU leader Johnny Copelyn is frank. "People who focus too much on the cleanliness of each transaction they're doing and don't build a capital base are really missing the gap: a small window for black empowerment". NUM General Secretary K. Motlanthe, NUM General Secretary, admits: "you can't run a business in capitalist society on a comradesly basis". According to *The Independent*, the SACTWU/NUM axiom seems to be: "maximise profits to deliver benefit to workers and to educate their children so that they don't need to be workers like their parents" - an approach that "finds redemption in individual upliftment and in the possibility of the middle class".

There is already dissonance between unions militating against privatisation, and the union-owned investment companies which are preparing themselves to acquire privatised companies. Once union officials sit on company boards via the investment companies, how will they deal with the demands of workers?

Crossing the Rubicon

Even the South African National Civic Organisation (SANCO) "has moved into the heart of capitalism through their investment in direct insurance, marketing and advertising". SANCO Investment Holdings, run by former union leader Moses Mayekiso, describes itself as a 'people's investment company' It is also a tool to rebuild membership in the radical anti-apartheid civic organisation (R30 joining fee). The plan is that profits from SANCO's business operations will ultimately flow back into development projects and into popular black empowerment schemes. Profits will be distributed to regional SANCO offices.

SANCO also plans to make money by offering, for a fee, its expertise on local communities to company's keen to invest in rural areas. "We will be an integral part of the channel between communities and business" their brochures promise.

"We had to turn SANCO into a product, an empowerment organ, harnessing the buying power of the existing (1.2 m.) membership base," says Moses Mayekiso. "We are a mass-based black empowerment company - we are a people's company... I am more socialist than ever. The only shift is that we now have to look at a new way of empowerment. We are now facing the reality that we cannot depend on rhetoric any more. The shift is from throwing stones to using stones to build foundations for the future." ★

Notes

1. There are 24 Unions in the National Empowerment Consortium that acquired a 35% interest in AAC's Johnnic. 5 of the 20 directors are from unions (NUM, Sarhwi, Saccawu, Fawu). The ANC was also involved in the Johnnic deal.

The World Bank is back

In May 1990, the World Bank re-appeared in South Africa. **Patrick Bond** analyses the bank's failure to convince South Africans that it has their best interests at heart.

After two decades of absence, the first formal World Bank visit came not long after the imprisoned Nelson Mandela had re-confirmed his commitment to the Freedom Charter, including its plans for nationalisation. The unbanning of political parties had sparked demonstrations with hundreds of thousands of participants. The COSATU trade unions maintained impressive power and energy, and the country's social movements were at their most vibrant. The Bank tiptoed into this maelstrom with exceptional skill. For on the one side it faced a strong left rump of the Democratic Movement (as well as other radical forces), well aware of the Bank's reputation as the most powerful oppressive force in the Third World since the days of colonialism. Many within the ANC who had lived in Tanzania, Zambia, Uganda and elsewhere up-continent shared a gut feeling that a democratic South Africa must avoid the World Bank like the plague.

Econocrat strategy

On the other side — inviting the Bank and International Monetary Fund (IMF) with indecent haste — were powerful bourgeois forces. Business ideologues and civil servant scoundrels of the late apartheid era, including leading strategists of the Development Bank of Southern Africa (DBSA), were ever more anxious to show that Pretoria's control of bastions was dependent not merely upon *securocrat* musclepower but also upon homeland "structural adjustment programmes" (as the DBSA called them).

These "econocrats," were drawn from both old-guard government and big business cliques, and harboured firm ambitions not only of surviving the transition process but indeed of actually thriving in whatever environment lay ahead. At the vanguard was the Urban Foundation, Anglo American Corporation's main social think-tank, which tried to position itself as the favoured World Bank junior partner (ahead of its rivals the DBSA and Independent Development Trust). Using increasingly strident but nevertheless quite effective policy advocacy, the UF invariably cited free-market conventional wisdom from Washington DC as the gospel.

But as an unintended consequence, the econocrats' arrogance gave many Bank opponents in South Africa experience in understanding the logic and code words of neo-liberalism, critiquing these based on their emergence in the late-apartheid state's

development practice, and also gradually coming to know Bank personnel.

For example, during that first Bank visit in 1990, several key ANC leaders were visited by Geoffrey Lamb, a former SACP intellectual who had spent time in jail during the 1960s before escaping to East Africa and then to Sussex, England. There he had completed his doctorate and acted as supervisor to South Africa's emerging cadre of Marxist sociologists, prior to migrating to Washington where during the 1980s he focused on making neo-liberal African economic policies appear to be "home-grown." (Lamb now runs the Bank's London office.)

At Shell House meetings, Lamb broke the ice effectively, and proceeded to assign specialist teams to analyse conditions and generate policy options in macroeconomics, industry, health, education, housing and land reform. Lamb and his colleagues received ANC endorsements for their research, along with chaperons — drawn even from the SACP — for "urban missions." The Bank funded handsome consultancies to bring aboard some influential left-leaning intellectuals and researchers who had previously devoted nearly all their energies to the Democratic Movement, including the trade union movement.

The Bank also agreed that there would be no loans to the De Klerk government, which it too labelled "illegitimate." Nevertheless, the Bank's agenda was revealed in a 1990 paper, *Post-Apartheid Economic Options*, which called for a social contract "because co-ordination may be necessary to manage the relationship between national wage and price adjustments and to avoid wage push from selected groups of workers."

PW Botha's banker

Even this was more enlightened than the IMF, which less than a decade earlier had granted a crucial US\$1.1 billion bail-out loan to the PW Botha regime. That loan — and others dating to the post-Soweto financial crisis of the late 1970s — had raised all manner of social and economic controversies, including criticism of South Africa's unrestrained government budget (especially for defence), the Reserve Bank's inadequate monetary control, and distortions and artificial barriers created by apartheid.

As financial sanctions were gradually applied during the 1980s, the IMF quit lending and sent in advisory teams to help the apartheid government switch policies towards neo-liberalism. In 1991, IMF experts designed the regressive Value Added Tax (VAT), which led to a two-day strike by 3.5 million workers in November that year. In 1992, the IMF took another swipe at South African workers with its pronouncement that "real wage growth must be contained."

Global snafus

But the early 1990s were also difficult years for the Bank and IMF, in part because their international reputation plummeted to unprecedented depths. Internal reports finally acknowledged the lack of Bank project loan success, including 37% of projects completed "unsatisfactorily" in 1991.

Scandal also emerged when the Bank's chief economist, Lawrence Summers (now a top US government official), wrote some infamous lines in a December 1991 memo that was quickly leaked to *The Economist* magazine: "I think the economic logic of dumping a load of toxic waste in the lowest wage country is impeccable and we should face up to that... Under-populated countries in Africa are vastly under-polluted." The Bank again made headlines in 1992 when senior staff suppressed a United Nations report critical of their role in the disastrous Sardar Sarovar dam in India. Shortly thereafter, Summers' predecessor, South African-raised Stanley Fischer (who is now deputy director of the IMF), openly conceded that the Bank/IMF "culture of secrecy" was characterised by "few checks and balances." And in a 1993 speech, Bank Africa chief Kim Jaycox admitted that "The donors and African governments together have, in effect, undermined capacity building in Africa. They are undermining it faster than they are building it, or at least as fast."

It was no surprise then that Bank president Lewis Preston wrote a memo complaining of his institution's "increasingly negative external image," concluding that the Bank should now be "actively reaching out to under-exploited constituencies in developed countries, such as private sector industrialists or major academic centres; taking a more pro-active role in defining the agenda for debate with Bank critics; and using modern communications techniques, such as mass media advertising." With Preston's 1995 death and his replacement by James Wolfensohn — a charmer known as the Bank's "renaissance man" — such efforts gradually began bearing fruit.

"Advice" to policy makers

Following their colleagues' lead, the Bank's South Africa teams also began suffering self-inflicted wounds. An expert on local economic development advised that "low income housing development in the 'available land' between the central city and townships should be avoided," while the main housing expert advocated lower levels of subsidies than even late-apartheid "toilets-in-the-veld" schemes. Bank land reform



★ South Africa

experts came under fire for recommendations (later adopted) described as neo-colonial smallholder strategies identical to those that failed in Kenya. And when an urban mission visited Bloemfontein without their ANC chaperons by mistake, the local civics and ANC branch simply walked out on them.

There were enough of these lapses that South Africans could easily distance themselves from the Washington financiers. Rev. Frank Chikane, in 1992 still with the Council of Churches (and today a top advisor to Thabo Mbeki), warned of the “universal outcry and misery” in Third World countries that applied World Bank structural adjustment medicine. “We cannot believe that the salvation of our country lies in an uncritical and undemocratic subjection of our country to IMF and World Bank policies.”

Sensing the danger, particularly when drafts of the Reconstruction and Development Programme harshly attacked the Bank and promised there would be no foreign

influenced by Bank thinking. The Bank’s role in encouraging neo-liberal, cost-recovery policies in turn helps explain why these social sectors have been beset by delivery problems and why “market imperfections” have not been resolved.

... but not the right answer

The macro-economic strategy has failed to reach even the modest short-term predictions of the World Bank-DBSA- Stellenbosch-Reserve Bank model (which promised 126 000 new jobs in 1996, a strengthened currency in the last half of the year, and lower Reserve Bank interest rates). When a downturn begins in earnest, demands will intensify that the strategy be scrapped.

In their design of urban infrastructure, Bank economists revealed shoddy intellectual work and uncaring professional ethics, as they neglected to follow — or even acknowledge — RDP directives relating to universal access to water, sewage or electricity.

Nor did they factor in important environmental, public health, educational and gender-time benefits of full services that would have swayed the cost-benefit analyses away from pit latrines and communal water taps, back towards RDP promises.

Such failures gave Bank opponents plenty of ammunition to challenge policy and, at least in the case of infrastructure, demand a major rethink.

In December 1996, the government’s chief infrastructure bureaucrat wrote to the *Mail and Guardian* to emphatically distance himself from the earlier Bank work. Nevertheless, the Bank’s low standards and cost-recovery

principles remained intact.)

Softly, softly

Notwithstanding a much more suave new director (with a social democratic sales-pitch) and promises of a forthcoming \$750 million infrastructure loan, there was sufficient resistance to the Bank in democratic movement circles that another year passed before the arduous task of putting the new South Africa’s first Bank credit together really began. Other explanations for the long delay in lending include the lack of constraints to foreign borrowing — government periodically issued securities to raise hard currency when required — and satisfaction on the part of international financiers with South Africa’s evolving economic policies and the hegemonic mimicking of neo-liberal analysis by local compradors.

But this quiet, relatively unhindered process of drawing local economic bureaucrats more closely into Bank-think finally met resistance when Minister Trevor Manuel very publicly invited IMF managing director Michel Camdessus to South Africa in October 1996 “to meet the critics” (students

and trade unions). Within days the Campaign Against Neo-liberalism in South Africa (CANSA) had been formed, receiving the endorsements of 60 key activists from social movements.

Public protest against Camdessus

Camdessus was greeted by televised protests at his arrival in Johannesburg and prior to his Cape Town parliamentary session, sharp hostility from several ANC MPs, the cancellation of scheduled meetings with labour and community leaders, harsh press statements by the Progressive Primary Health Care Network, Sasco and the SACP, and an upsurge of anti-IMF publicity. CANSA attacked the Camdessus visit and called for the closure of the World Bank office.

Popular distrust is not the only problem facing neo-liberals in South Africa. Intense monetarism and other neo-liberal policies aimed ultimately at implementing a free-trade regime with a deregulated currency — is exceptionally difficult to realise in practice. After all, foreign reserves are at only around R10 billion, a few weeks worth of imports. In the event of full-fledged liberalisation, South Africa’s continuing balance of payments problems would be exacerbated by losing R13 billion (\$2.9 bn.) presently in blocked accounts of former residents (who want to expatriate their South African funds). Moreover, the Reserve Bank estimates that another R50 bn. (\$11.1 bn.) might flee if exchange controls are lifted. Under the circumstances, only a massive IMF facility would make it feasible to end capital controls without a perilous collapse of the currency, and given opposition to Camdessus from within the ANC, this was something Manuel dared not admit was even under consideration.

It is difficult at this stage to separate structural from struggle factors preventing full capitulation to not just the IMF/World Bank policy framework (which is quite advanced) but to a lending relationship that spells disaster. But although defeats have been suffered by the policy advocates of mass-based constituencies, the period since 1990 has nevertheless demonstrated that when mobilised, South Africa’s progressive forces can effectively hold the world’s most powerful institutions at financial arms-length. ★

Campaign against Neo-liberalism in South Africa

CANSA was established to help identify, arrest and eradicate the cancer of neoliberalism that increasingly threatens to reverse South Africa’s socio-economic transformation. Beginning with dozens of prominent members from progressive groups in civil society, the campaign intends to recruit support from trade unions, non-governmental organisations, students, community-based organisations, women’s and youth groups, environmental organisations, churches and other democratic forces. It will encourage and provide resources to supporters for domestic and international efforts to challenge concentrations of economic power and to promote people-centred development.

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loans for development that did not raise export capacity (so as to avoid a Third World debt trap), staff economists published *Paths to Economic Growth*. The document included a scenario for economic growth of 5% per year based on a rise in the budget deficit to more than 10% of GDP from 1995-97 (peaking at 12%), thanks to “the common assumption about kick-starting the economy with public investment programmes.” Comparing this with the Bank’s participation in the June 1996 *Growth, Employment and Redistribution* (GEAR) policy document, which firmly condemned rising deficits as growth-killing, it is clear that Bank models are merely erratic tools of political expediency.

An answer to everything...

After the April 1994 election, Bank staff found various routes to offer advice on social and economic policy. The conservatism of government’s old guard, the weakness of new bureaucrats, and the alliances made with business elites all help to explain why land reform, housing, welfare, private-sector health policy and infrastructure have been in-

South African book notes

The Cape Town-based Alternative Information & Development Centre (AIDC) has just published a report proposing a strategy for challenging the R90 billion (US\$18.7 billion) foreign debt incurred during the apartheid era but which democratic South Africa is now expected to pay.

R90 billion is an awful lot of money, at a time when the vast majority of South Africans in varying degrees, remain deprived of the basic necessities of life. Any unnecessary and unjustifiable diversion of resources from these necessities has to be opposed.

Also, the balance of payments, which is already near to the danger zone, cannot support the additional burden. Debt repayments, \$1.5-2.6 billion every year until 2001, are more than enough to create a balance of payments crisis.

Morality and international law provide another basis for challenging the debt. The Report reviews the *Doctrine of Odious Debt*, an area of jurisprudence which the US Government helped develop. One hundred years ago, following the American-Spanish War, the USA used this doctrine to repudiate Cuba's debt to its former colonial ruler, Spain. The US Government argued that the debt was "odious" and unenforceable since it had been incurred without the consent of the Cuban people and by means of force of arms. The US Government further maintained that the creditors knowingly took the risk of investment when they made the odious loans.

In 1923, the Royal Bank of Canada sought to recover debt from the recently established democratic government of Costa Rica. In the Costa Rican submission, the debt was illegitimate. The new government argued that the debt had been incurred by a dictator not the people of Costa Rica; the submission being that, at the time the loans were made, the people had been engaged in a political and military struggle to bring democracy to their country. The case was heard by Chief Justice Taft, of the US Supreme Court, who, sitting as arbitrator, fully upheld the repudiation of the debt by the government of democratic Costa Rica.

The legal authority who did most to codify the Doctrine of Odious Debt was the émigré Russian, Alexander Sack, while he was a Professor of Law in France. It was his opinion that Governments invoking the doctrine should be required to prove that the debt ill-served the public interest and that the creditors were well aware of this. The onus would be on the creditors to show (before an international tribunal) that the funds were utilised for the benefit of the country. If not,

the debt would be unenforceable.

Using Sack's principles, this report argues that all debts incurred during the apartheid years are illegitimate, because the regime itself was illegitimate. A wide range of international bodies, including the UN and the International Court of Justice, proclaimed the apartheid state to be illegitimate and apartheid to be a crime against humanity.

Apartheid loans came from three sources: the IMF and World Bank, foreign private commercial banks and individual speculators around the world. The Report shows how each of these groups actively supported apartheid and worked to undermine the international campaign to free South Africa from its racial dictatorship.

The Report's central proposition is that the democratically elected government of the new South Africa should invoke the Doctrine of Odious Debt and should then enter into negotiations with the creditors for the cancellation of the R90 billion (US\$18.7 bn.) foreign debt from the apartheid years.

The Report recognises that, even if sympathetic to the claims of democratic South Africa, the banks and their governments would probably balk at the precedent it might set for countries with debt burdens much greater than South Africa's. The strategy therefore anticipates the need for international solidarity action in support of democratic South Africa and suggests that the people who formed the anti-apartheid movements around the world would be a natural initial constituency to promote such action.

The AIDC further calls for the internationalisation of both Affirmative Action and South Africa's Truth & Reconciliation programme. It invites the outside world – more especially governmental and business forces in Britain, the USA and elsewhere – to acknowledge their own long role in the creation, development and defence of what eventually came to be known as apartheid. Moreover, many shareholders, speculators and ordinary citizens in the West benefited, whether directly or indirectly, from the very features that helped make apartheid a crime against humanity. The injustice that Affirmative Action is supposed to redress thus has an international dimension.

The AIDC acknowledges that the debt cancellation might well have a price-tag for a number of Western citizens, not just large, anonymous and enormously wealthy transnational banks. By cancelling the debt, the banks, governments and peoples of the West would be acknowledging their financial and moral debt to the oppressed people of South Africa. This acknowledgement would in effect be the West's submission of its responsibility to the Truth and Reconciliation Commission.

The Report acknowledges that similar arguments can be made for the cancellation

of the internal debt that the beneficiaries of apartheid passed on to democratised South Africa. Tackling the much bigger internal debt, however, requires further research and could be a logical consequence to the settlement of the foreign debt.

The Report also asks what would happen if South Africa fails in its attempts to negotiate the cancellation of its foreign debt. In this event, the strategy calls upon the South African Government to be prepared to invoke the Doctrine of Odious Debt unilaterally. The government will almost certainly need to be encouraged to take such a unilateral measure. Should South Africa's negotiators be left with little option other than unilateral implementation of the Doctrine of Odious Debt, the proposal is for a campaign by civil society to urge the government to take such a step.

The Report predicts an outraged response from business and some politicians in South Africa to any move in the direction of unilateral action. These sources, it says, will seek to terrify the South African public with dire warnings of economic collapse. Debt repudiation, according to these predictions, will result in South Africa alienating such powerful institutions as the World Bank/IMF and 'being cut off from international capital'.

To allay these fears, and thereby facilitate the mobilisation of civil society, the document brings three certainties to the caution it acknowledges must be part of the approach to the option of unilateral action. These certainties are: the manifest failures of the World Bank/IMF policies elsewhere in the world and particularly in Africa; the fact that the South African economy survived the unilateral debt freeze that the apartheid government actually imposed in 1985; and the clear inability of the Government's existing macro-economic policy, with its focus on "foreign investor friendliness" to address the basic needs of the majority of the population.

The document draws attention to precedents: the Government of the new South Africa unilaterally cancelling Namibia's debt; and the Paris Club of western creditor governments cancelling a large part of debt owed by Poland and Egypt.

The Report ends on a note of urgency. Apartheid's debt is being paid back now. The strategy to challenge apartheid's foreign debt is seriously weakened by time. The AIDC's call is to act now. ★

Copies of the full Report are available from the Alternative Information & Development Centre (AIDC), Tel (021) 4485197 Fax (021) 478583 Email aidc@iafrica.com, P O Box 1139; Woodstock 7924



South African book notes

Township Politics: Civic Struggles for a New South Africa

by Mzwanele Mayekiso. Monthly Review Press (New York), 1996. \$30 cloth; \$18 paper.

reviewed by Julie Klinker

In April 1994, some on the left cautiously held out hope that with the victorious election of Nelson Mandela and the ANC, South Africa could become an environment for the path to socialism, based on its long history of mass democratic movements and the reform program defined in the original Reconstruction and Development Program (RDP). This document, chiselled out in the early 1990s by the ANC, COSATU and SANCO, was designed to meet the basic needs of the majority of South Africans.

By mid-1995, however, it was clear that the new ANC-led South African government had fully embraced the virtues of a market economy. The RDP was all but dead, and the daily living and working conditions of the majority of South Africans had changed very little—and were not about to change radically any time soon.

These dashed hopes are perhaps the best reason to read Mzwanele Mayekiso's *Township Politics: Civic Struggles for a New South Africa*. Given the inadequate media coverage of the new South Africa, it is easy to forget about the ordinary citizens who were always the strength of the anti-apartheid struggle. The author reminds us of where South Africa's strength lies:

"[It] is with the ordinary citizens of our cities, towns, and villages that I rest my greatest hopes and expectations. Their role in South Africa and elsewhere has been inspiring, and it is in the whole rather than in the sum of the actions of a few leaders that change is accomplished." (p. 15)

A veteran insider of the civic movement, South Africa's popular community organisations, Mayekiso pins his hopes for a transformation to socialism on the continuing organisation of an independent working-class civil society. He is able to take a critical look backward at the civic movement of the 1980s and early 1990s, giving the reader a sense of the power that rested in the hands of the people during this crucial period of the anti-apartheid struggle. In so doing, he also provides a glimpse at the "people-centred power" that must be organised for the post-apartheid struggle against capitalism.

Mayekiso acknowledges the dangers in the trend towards increasingly independent institutions of civil society: playing into the hands of imperialist development agencies and foreign ministries to shrink the size and

scope of third world governments and force community organisations to take up state responsibilities with inadequate resources. But he is able to see beyond this danger and provide a vision for the future of the civic movement:

"What is needed to combat this powerful trend is a far more class-conscious perspective on civil society, one that highlights those strategies and instruments of the working class that are crucial to social, political, and economic progress... Our struggle against apartheid flows directly into our struggle against capitalist exploitation. South Africa's liberation movement was, after all, made up of activists convinced that we were fighting for national, gender, and class emancipation. This required us to develop and maintain critiques of apartheid, patriarchy, and capitalism. (p. 12)

Mayekiso provides an insider's look at the concrete tactics and strategies of the apartheid-era civic movement, honestly outlining the challenges and contradictions the movement faced. He argues that the township civic continues to be a relevant social movement model.

"Civics, after all, emerged not because of apartheid or the Black Local Authorities. They emerged because of the daily struggles of residents who, even in a democratic society, will continue to need civics to represent their interests on socio-economic (i.e. political) issues in a non-partisan way. (p. 13)

From Transkei to Alexandra

Sharing his experience as a township activist, Mayekiso gives the reader an historical context in which to understand the civic movement, some practical lessons and – perhaps most importantly – hope for the future of such an urban social movement.

Mayekiso begins his insider account by giving the reader a brief, but useful, look at his own background, admitting that it is impossible for him to be purely objective in his discussion of the civic movement as many other commentators claim to be.

The author shares the formative experiences that led him from being a rural student leader in his Transkei homeland to an urban community activist in the township of Alexandra: his upbringing in a poor, migrant worker family; his academic failings and early underground student organising; his introduction to the labour movement under the tutelage of his brother, NUMSA leader Moses Mayekiso; his civic involvement during the most tumultuous period of apartheid; his three-year imprisonment.

The author explores his own personal growth and discovery of "what it means to be a proletarian" and outlines his understanding of the relationship between labour and community struggles. In so doing, Mayekiso provides the reader with insight into the ideo-

logies of the civic movement in a way that an outsider is unable to do.

Mayekiso then gives the reader an anecdotal and analytical account of the concrete experiences, tactics and lessons of the civic movement. He outlines the development of an "independent working-class civil society."

This terminology was a point of much debate in the transitional period leading up to the April 1994 election and continues to be debated in the post-apartheid period. But Mayekiso's understanding of independent working-class civil society comes directly out of what was understood to be the purpose of the progressive Alexandra civic movement.

Gradually, he writes, "the notion that we in Alexandra had been developing since the mid-1980s—of mass-democratic, independent, non-party-political instruments belonging to poor and working-class people, carrying out advocacy campaigns, playing a watchdog role, and helping to pro-actively guide township development (all hinted at in the phrase working-class civil society) – soon became dominant across the civic movement." (p. 142)

Despite many conflicts, tensions and ideological differences within the civic movement (by 1990, represented by the umbrella organisation of SANCO), Mayekiso concludes that the movement retained a commitment "to the next stage of national struggle," and the possibility of moving "beyond simply national liberation and into socialism." (p. 152)

With some detail, Mayekiso takes us through the organising activities of the Alexandra Action Committee (AAC), reformulated as the Alexandra Civic Organisation (ACO) by 1990. He describes and analyses its opposition stance against competing civic associations manipulated by apartheid's puppet leaders, its canvassing of opinions and discussions of issues, the formations of yard committees and street meetings, workshops and boycotts, the development of political activism and consciousness that was class-oriented and non-racial:

"The goal was to have workers understand their role within the community, leading the political struggles against apartheid and capitalism, but working hand-in-glove with other community formations on housing, education, transport, health and the like. (p. 56)

Creating a culture of non-payment?

Brutal repression followed, including the author's own imprisonment from June 1986 to April 1989 on charges of treason, sedition and subversion. This was part of the apartheid regime's efforts to rid the anti-apartheid and civic movements of their best leaders. The AAC responded to the repression and violence, taking on a more aggressive role in

community development to counter the apartheid government's "Winning Hearts and Minds" strategies and leading the masses in the period of "ungovernability" and the advent of "organs of peoples power."

The call from the United Democratic Front (at the time, a surrogate for the banned ANC) to "make South Africa ungovernable" corresponded well with township attitudes. "It accurately reflected the mood, and the activities, already underway in the townships. Successful politicians make calls that derive from the realities on the ground, not from some utopian idea of how to conduct politics." (p. 67)

That the AAC/ACO understood this and reflected it at its height of activism in the '80s and '90s, that it translated this understanding into the construction of "organs of peoples power" and that it maintains this belief in a very difficult post-apartheid transition period – all these are perhaps the most hopeful and instructional element in the book.

Mayekiso responds to several commentators who have criticised the civic movement. One such criticism is that civics created an atmosphere of ungovernability and a "culture of non-payment." Mayekiso responds:

"Here it is critical to understand that community organisations used rent boycotts and consumer boycotts not only for political purposes, but also to offset declining income levels in townships during a time of rising rent and service charges. The strategy, in other words, is both one of ungovernability, and a cry for economic justice... It is no wonder, therefore, that in cases such as Soweto, where there was no noticeable change in living conditions during the early 1990s, the rent and service boycott continued long after several Soweto Civic attempts to call it off. Struggle strengthened not only the survival strategies of ordinary residents, but also our vision of a future society free of apartheid and socio-economic despair. This principle is deeply ingrained, not as a 'culture of non-payment,' as it may appear on the surface, but through the grassroots constituents of a social movement demanding decent living conditions as a human right.

"This remains true today. Like the Soweto Civic, the Alexandra Civic and nearly all other civics have had problems in the new environment, but we are regaining our influence over day-to-day affairs. The reason for our persistence, in contrast to many international urban movements which fade after a short period, is that the apartheid state failed to crush our political and economic program: the struggle to transform society through consciousness-raising, economic empowerment, participation, and control of community planning, strengthening of civil society, and democratisation of government. (p. 98)

That the civic movement of the '80s and early '90s was successful in creating this grassroots consciousness and mass-based activism may be debatable (and Mayekiso allows ample space for such arguments), but the insider Mayekiso makes a good case for its viability.

The author also lays out honestly and clearly the challenges faced by the post-apartheid civic movement. The most obvious of these are: 1) how to move "from protest to development" in an environment increasingly hostile to people-centred development, 2) how to maintain a non-partisan role faced with increasing pressure to play party politics, i.e. align with the ANC, and 3) how to keep the masses mobilised.

Acknowledging the ANC commitment to a mixed economy as early as 1990 along with other pressures (domestic business, Inkatha, the National Party, the International Monetary Fund, the World Bank, etc.) that would likely move the new government away from its progressive traditions, ACO and SANCO began preparing for these challenges well before April 1994:

"Examples from Africa and elsewhere told us that simply because nationalist organisations like the ANC are apparently progressive today does not mean they will remain so. The fact that there are, within the ANC, numerous class forces is a reason in itself for strengthening independent organs of working-class civil society. Class struggle will continue long into the post-apartheid era. As early as 1990, the ANC was committed to a so-called mixed economy, a code phrase for business as usual. Indeed, if that meant supporting private property rights, then there would necessarily be conflict with the working class." (p. 148)

By 1990, ACO was actively working against bureaucratic, top-down development plans, often administered by the puppet Alex Council. In place of minimally decent housing, for example, there were efforts to privatise housing, displacing thousands of shack-dwellers and creating a class of landlords. That meant programs to provide new "site-and-service" plots (at best, a shack and free-standing toilet). Educating people about privatisation and housing in political terms and forming the Shack-dwellers Coordinating Committee to fight off relocation led to some successes for the ACO. Mayekiso again relates with detail the strategies and tools employed in the struggle for community-controlled development, shedding light on lessons learned even in the unsuccessful struggles.

In 1995, as Mayekiso is finishing *Township Politics*, he writes that he is "heartened" that "the RDP recognised institutions of civil society as crucial implementing agents for development" and that official policy seemed to make a commitment to providing capacity-building assistance from the state. But by 1996, the ANC is distancing itself from this commitment to people-centred development, ever more enthusiastically espousing the virtues of the market economy. ACO and SANCO will need to recall the lessons learned from earlier struggles of the civic movement if a path to socialism is, indeed, to be found.

Mayekiso concludes by offering a broader proposal:

"The most important lesson of the pages I have written so far does not concern development and democracy in Alexandra,

the township social movement, national politics, or even the prospects for socialism in South Africa.

I believe that what we have learned over the last decade or so in the civic movement can inform the future of global progressive politics, which I firmly believe rests upon democratic organising and mass mobilisation from within working-class civil society. (p. 281) ★

Source: *Against the Current* (USA)

South Africa's Radical Tradition: A Documentary History Vol. I, 1907-1950.

Edited by Allison Drew. Buchu Books, Mayibuya Books, UCT Press, Cape Town.

reviewed by Charlie Van Gelderen

Apartheid did not arrive suddenly in 1948, with the election of an (Afrikaner) Nationalist Party government, but was the culmination of an historic process that began when the Dutch East India Company first set foot in the Cape 400 years ago.

This book is particularly valuable because it depicts very clearly the part played by the early industrial and political organisations of the (white) working class in setting the scene for the racism that dominated South African society till almost the end of the 20th century. The birth and growth of the socialist and labour movement is the theme of this thoroughly researched book.

Socialism and trade unionism came to South Africa with the arrival of skilled workers, mainly from Britain, who came to work in the diamond and gold mines at the end of the 19th century, and the mainly Jewish immigrants fleeing from Tsarist oppression in Eastern Europe.

The British workers brought with them their trade unionism; the immigrants their socialism. Between them they laid the foundations of the labour and socialist movement in South Africa. The carefully researched documents in this book faithfully chronicle the evolution of those movements.

While the workers from Britain were often fiercely engaged in militant struggle against their employers, they never looked on the mass of unskilled Black labourers drawn into the mining and industrial complex as fellow workers. On the contrary, they regarded them as a threat to their own relatively privileged positions. In a letter to Ramsey MacDonald, then secretary of the British



★ South Africa

Labour Party (August 1905), the Cape Labour party complains that "the interests of the savage Zulus, the comfort of the Chinese... the convenience of the Indian coolies seem to come nearer the heart of the English Labour Party than the continued oppression... of their white brethren of the same flesh and blood!"

The general strike on the Rand in 1922 was mainly fought – sometimes in armed struggle against the state – against the employment of Blacks as skilled workers in the mines. Their slogan was "Workers of the World Unite to Keep South Africa White." Though the early socialists and, after 1920, the Communists, were critical of the openly racist and xenophobic Labour Party, they accepted the traditional view of the Marxist movement that the socialist revolution would be headed by the organised industrial workers – who were, for the most part, white.

They tried to overcome this with all sorts of euphemisms, like "Black and White Workers Unite," or, as W.H. Andrews, a founding father of the Communist Party, put it, "Equal Pay for Equal Work."

It was not till the Comintern foisted the Native Republic thesis on the South African Communist Party in 1928 that the party began an in-depth study of the issues involved. Until then, it had regarded the movement for national liberation and democratic rights as reformist and subordinate to the struggle for socialism.

And it was not until April 1935, when Leon Trotsky intervened with his *Remarks on the Draft Theses of the Workers Party of South Africa*, that South African left oppositionists and Trotskyists began to recognise the importance of the national question.¹

This book will long remain a standard text book for all interested in the history of South Africa and the role played in that history by the socialist, labour, and national movements. We can only look forward to Volume Two. ★

Notes

1. Writings of Leon Trotsky 1934-35, Pathfinder Press, New York.

International Viewpoint

1996

collection

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Mauritius

Privatising the privatisation debate

Management consultants Coopers and Lybrand are helping the Mauritan government avoid public debate on privatisation.

Rajni Lallah

The whole debate on privatisation and development strategy was itself privatised when Coopers and Lybrand organised a seminar on privatisation where several top Ministers, private sector organisations, heads of the public sector and the trade union movement were invited to find a consensus on how to privatise. The Finance Minister was to make the opening speech, but the whole event was to be chaired by Peter Benson, head of the Coopers and Lybrand Privatisation Unit.

Through the All Workers Conference, all trade union confederations boycotted the seminar, and demonstrators at the hotel distributed an open letter explaining why the All Workers Conference was not participating. Government had promised national debate on privatisation, it read, and not it is "privatising the debate." "No consensus for privatisation exists in Mauritius. The All Workers Conference strongly opposes the process. Therefore we cannot participate in a seminar which aims at finding a consensus on how to privatise."

This intervention disrupted the consultants' high profile media campaign. In the end, the All Workers Conference probably got more media coverage than the Coopers and Lybrand seminar.

Two days later, the national public television station organised a prime-time debate with two representatives of the All Workers Conference, a ultra-liberal economist, and two representatives of Coopers and Lybrand. The pro-privatisation speakers kept scoring own-goals, the "independent" economist even saying that, if selling the country to multinationals would make money for the "nation", then it was better to do so. With no representative of government invited, the debate itself was effectively privatised, with labour representatives opposing paid consultants.

This TV debate transformed the All Workers Conference campaign on the necessity to oppose privatisation into a truly national debate. The "independent" commercial press was livid. Most editorials the next morning effectively

said that "government should stop looking for democratic consensus on privatisation, and get on with it."

After all this unexpected publicity, the 4th All Workers Conference [footnote] against privatisation on 10 March (Independence Day) was a great success. Organisers presented the government with a letter demanding that the government freeze the whole privatisation process until there has been real debate on what is wrong with the public sector, and what can be done to make it work better and more democratically; that the government sign an historic pact with the All Workers Conference and the trade unions promising that it will not dismantle universal, public and free services within the Welfare State; and that it stop trying to force privatisation through the sale or distribution of shares in privatised sectors.

The government has not yet replied. But someone at Coopers and Lybrand is burning the midnight oil to produce a slick, dishonest response. ★

• Taxation

A second All Workers Conference White Paper was published in April, discussing taxation (the movement's first White Paper discussed privatisation). The new document is very timely, as the debate is shifting from privatisation towards how to finance the public sector, as the government launches a illusory "pre-budget consultation" process that will culminate in May June with a new budget.

• Sugar

An All Workers Commission on the Sugar Industry met in mid April for the first time. Sugar Industry workers are the most experienced and still the most influential section of the working class in Mauritius. They were in the forefront of the big general strike in 1979. Now they are threatened with factory closures, as part of the centralisation of the sugar industry, and attacks on work conditions.

INTERNATIONAL INSTITUTE FOR RESEARCH AND EDUCATION

Do the workers have a country?

by José Iriarte "Bikila"

◆ £2.50/\$4. Cheque payable to P. Rousset, IIRE, Postbus 53290, 1007 Amsterdam, Netherlands.



book notes

Revolution from Above: The demise of the Soviet system

David M. Kotz and Fred Weir,
Routledge, London and New
York, 1997.

Reviewed by Boris Kagarlitsky

The Western press has attributed the fall of the Soviet Union to the unsoundness of its economy, and/or the bankruptcy of socialist principles as such. Added to this are stories of mass outbursts of popular protest destroying the system from within.

These mass protests, however, played a relatively unimportant role. There were strikes and demonstrations in the years from 1989 to 1991, but there have been far more in the years since. Work stoppages and hunger strikes have become a daily phenomenon in modern Russia, but almost no-one in official circles pays attention to them. Coal miners live from strike to strike, but rarely receive their wages in full. Yeltsin's "democratic" regime has been able for five years to ignore countless manifestations of popular discontent, while the communist system supposedly collapsed like a house of cards as a result of two miners' strikes and a few demonstrations in Moscow and St Petersburg.

Within Russia itself thinks the change was the result of a mass anti-communist movement. Among Russian writers there is, however, a theory that centres on conspiracy and treachery by the elite. Communist and nationalist newspapers claim that various figures within the Soviet hierarchy were bribed by Western intelligence services, or that Western agents carried out subversive operations. But even if a conspiracy existed, it explains nothing. Throughout the history of the USSR there were innumerable anti-Soviet conspiracies. All of them failed. Why, on this occasion, was the subversive activity of the West so stunningly successful?

The theory that the USSR suffered an economic collapse does not stand up either. Russia since 1991 has undergone an economic crisis many times more severe than the one it experienced in 1990 and 1991. Moreover, the economic woes of 1990 and 1991 had their origins not so much in the

decay of the system as in the first ill-conceived efforts to reform it. The Western economists who now write about the collapse of the Soviet system were previously much more inclined to make a high evaluation of its achievements in the 1960s and 1970s.

Analysing the development of the Soviet economy throughout its history, Kotz and Weir conclude that the crisis of the system was the result not of its fundamental bankruptcy but on the contrary, of its achievements. The hyper-centralised mobilisation economy, in which control over all resources was concentrated in the hands of the state, made possible the winning of the war and the transforming of a backward agrarian state into a super-power possessing not only military, but also industrial and scientific might. However, the same hyper-centralised system began showing signs of stress once the task ceased to be that of creating a modern economy, but of managing it.

It is one thing to build a factory on a bare field, but something quite different to come up with a long-term program for its technological development, for the retraining of workers and so forth. The fall in growth rates was accompanied by a decline in the ability of the Soviet leadership to control the functioning of the system, and this crisis of management in turn aided the spread of corruption and the growth of criminal structures.

"Despite these failings, we have seen that the Soviet economy managed to bring very rapid growth for many decades," Kotz and Weir note. "However... in its last fifteen years the system suffered a serious deterioration in its economic performance" (p. 229). In these circumstances the bureaucratic elite was forced to search for new methods of sustaining its rule... The Soviet system met its end not because the economy stopped working, but because a political coalition arose and gained power which was dedicated to replacing it with capitalism" (ibid.).

Unlike the supporters of the "conspiracy theory", Kotz and Weir show that in the USSR the "treachery" of the elites had profound social causes and was predetermined by the very character of the development which had preceded it. This prospect was outlined by Leon Trotsky in *The Revolution Betrayed*. Trotsky hoped that the rebirth of the Russian proletariat and a political revolution would stop events from following this course. But the system proved far more stable than the great revolutionary had supposed. It was precisely this which ultimately made the restoration of capitalism inevitable.

The turn to capitalism did not occur immediately, and the bureaucracy itself was far from united. The authors distinguish three tendencies within the Russian elite. These were supporters of capitalism; conservatives who tried to preserve the system with only minimal changes; and finally, supporters of

democratic socialism. The last of these the authors identify with Mikhail Gorbachev.

Unfortunately, here the authors succumb to their own myth. The bureaucracy did not resolve immediately to proclaim capitalism as its ultimate goal. A process of transition was needed; public opinion had to be prepared. Moreover, the ruling elite itself was by no means capable of immediately formulating its new priorities. Gorbachev prepared the path which most members of the elite were soon to follow.

Despite the socialist rhetoric, Gorbachev's project differed little from that of Yeltsin. In both cases the main stake was placed on privatising the economy, on turning the country into a junior partner of the West, and on integrating it into the world capitalist system as a supplier of raw materials and cheap labour power. It was Gorbachev who concluded the unequal agreements with the West that the Yeltsin regime later fulfilled.

Gorbachev would have preferred a gradual transition to capitalism while maintaining many of the familiar features of the Soviet system. This was the essence of his "socialism". In the period from 1988 to 1990 these moods were shared by the overwhelming majority of the Soviet elite, who were quite sincere in condemning Yeltsin as an extremist and populist. But the policy of gradual reform failed. The bureaucracy began losing patience. Former supporters of Gorbachev began crossing over to Yeltsin in large numbers. Yeltsin, who had criticised privileges and luxuries, unexpectedly became a prophet of liberalism. Then Gorbachev, who from 1987 to 1989 had practically forgotten the word "socialism", finally remembered it again as he tried to present himself as the guardian of Soviet traditions.

Gorbachev made a real effort to preserve the USSR, but only so long as this promised to allow him to retain his post. When he was faced in December 1991 with the choice of capitulating to Yeltsin or of convening the Congress of People's Deputies of the USSR, which would have provided a chance of preserving the union but which for him would have probably meant impeachment, he unhesitatingly chose capitulation. The country has not forgiven its former president. Proof of this is provided by Gorbachev's ignominious failure in the 1996 elections, when he failed to attract even 1% of the vote.

This idealisation of Gorbachev is the only serious flaw in Kotz and Weir's book. Readers will find a great deal of information on the real state of affairs in the Russian economy and the results of "shock therapy"; on the way society has been transformed; and on the government and the opposition.

It is not only the Soviet system that has suffered a crash during the past ten years. The policies of neo-liberal reform have failed as well. In this context the question of socialism remains pressing.

But socialism can only be discussed in a serious manner if the "Russian lesson" is well assimilated. In this regard, *Revolution from above* can serve as a highly useful text for Western radicals. ★

To order the books and magazines mentioned in *International Viewpoint*, try your nearest progressive bookstore, or write to La Brèche, 9 rue de Tunis, 75011 Paris, France ☎ (+33 1) 43676357 fax 43792961 (English, French and Spanish spoken). Where no price is given, we suggest you enclose US\$ 10 in any convertible currency to cover the postage costs of the publisher. To announce your publication in this free listing, send a sample copy to "Book reviews" c/o *International Viewpoint*, PECL, BP 85, 75522 Paris cedex 11, France.

Covert Action Quarterly

The Spring 1997 issue carries two stories that picture today's workplace: In "Captive labour: US business goes to jail," Paul Wright, a prisoner and editor of Prison Legal News, Seattle, explains how the use of prison labour in the US is growing as a way for corporations to harness cheap labour and for prisons to turn a profit.

And in "Labour slaps the smug new face of union busting," David Bacon, a former union organiser, analyses the new union busters, "from goons to PR gurus, from scabs to specialised law firms," and the inventive ways some unions are fighting back.

Back issues \$8 in US, \$10 Canada/Mexico, \$12 elsewhere. Covert Action Publications Inc, 1500 Massachusetts Ave NW (#732), Washington DC 20005, phone (202) 331-9763, fax (202) 331-9751.

Overworked and under-employed?

"Many Americans are both overworked and under-employed. Because of growing job instability, workers face a "feast and famine" cycle: They work as much as they can when work is available to compensate for short work weeks, temporary layoffs, or permanent job loss that may follow.

What's more, while American families as a whole are putting in more time, that work isn't producing significant increases in living standards.

For the typical two-breadwinner household, having both parents work longer hours may not mean an extra trip to Disney World or nicer clothes for school; more likely, it means keeping up car payments or just covering the costs of food and housing."

"Unravelling an Economic Enigma: Overworked and Under-employed", Barry Bluestone and Stephen Rose, in the March-April issue of American Prospect. Available online at: <http://epn.org/prospect/31/31bluefs.html>



Socialistisk Information

(in Danish) April issue includes: United action against the EU • Danish EuroMarch initiative • Trade union leaders abandon principle of wage solidarity in public sector contracts • NATO expansion • Fourth International IEC report

Contact: Box 547, DK-2200 Copenhagen N, Denmark. eMail <socinf@inet.uni-c.dk>

Science & Society

Special issue on the 71 year history of the Communist Party of Great Britain, compiled by guest editor Kevin Morgan, who writes "what draws the new generation of historians to communism is not so much the older concerns with party lines and orders from Moscow, critical though such issues remain. Often obscured by such emphases, and by a prevailing anti-communism, is the CPGB's contribution to a native radical inheritance that is only now receiving its historical due.

Contact: John Jay College, CUNY, 445 W 59th St, New York NY 10019, USA

Ernest Mandel Foundation

About 85 people participated in the March 16th study day organised by the Ernest Mandel Foundation in Brussels. This was the first public event of the new Belgian foundation. "The aim is not to put up statues of Ernest Mandel," explains François Vercammen, the Foundation's Director. "But to bring together people from the different milieu Ernest influenced: academic, economic, militant, to discuss a series of theoretical and political questions."

Although several of Mandel's comrades from the 4th International will play a role in the foundation, its identity and field of interests are much more diverse. According to Gabriel Maissin, President of the Foundation in the French-speaking parts of Belgium, "this is a critical-spirited, scientific undertaking. It will be pluralist and independent."

Among other things, the foundation will gather as much documentation as possible concerning Mandel's life and work. The aim is not to establish "a Mandelist school," Maissin stressed, but "to make possible a critical, contradictory and collective appropriation of the results (of Mandel's work) and to stress the links between Mandel's work and so many of the themes and questions which have occupied social scientists."

This first study day, for example, was opened by Els Witte, Rector of the Vrije Universiteit Brussels (VUB), the Dutch-speaking university where Ernest taught for many years. Witte noted that several of Mandel's students are now themselves professors at the VUB, and members of the new Foundation's support committee. She outlined the close collaboration between the VUB and the Foundation, which will include a research project to produce an annotated bibliography of Mandel's extensive writings. (JD/FV)

Contact: Ernest Mandel Foundation, PO Box 139, 1000 Brussels-1, Belgium.

Vive la revolution!

The 1997 International camp of youth organisations in solidarity with the Fourth International will take place from 19-25 July, near Clermont Ferrand in France's Massif Central.

The theme of the camp is "A breach in Fortress Europe". There will be five morning forums which will introduce an element of discussion of the different topics, as well as reflecting the concrete activity of the organising groups. There will also be 6 workshops per day around the theme of the day.

Languages: French, Castilian, English, Dutch/Flemish, Danish, Polish, German, Italian, and Portuguese. Cost: depends on your country of residence: Britain £75, Greece 13,000 Drx, Sweden 1000 SEK.

For more information, contact your local Fourth International group, or write to our Paris office.

NetWorking



Tories choose LabourNet

What does a bored Tory party worker do to, as the house of cards collapses? Go to Soho to get roaring drunk, plan a business venture, tell friends he was never a Major man. Wrong. Today's Tory researcher sits at the screen, catching up on... LabourNet. By April 15th, research.conservative-party.org.uk had logged an impressive 170 hits on the LabourNet web site. They probably buy "The Big Issue" too.

It is not known how often Tony Blair's researchers check out the radical web site, to bring themselves up to date on the Liverpool Dockers and other inspirational groups round the world.

www.labournet.org.uk

Roisin McAliskey

The Pat Finucane Centre in Derry has a web site in English, Spanish and German about the Roisín campaign.

www.serve.com/pfc/rm.html

Eric's site of the week

Eric Lee's eclectic, but useful "site of the week" service can be viewed at www.solinet.org/LEE/labour02.html

One recent winner is the Virtual Library hosted by the International Institute of Social History in Amsterdam. www.iisg.nl/~w3vl

International Viewpoint

An page has been created at the site of *Internationalen* newspaper in Sweden. www.internationalen.se/sp/ivp.htm

Our English listserv includes full contents of this magazine, and articles from our associated publications.

>> 100666.1443@compuserve.com

EuroMarches

New French website, hosted by the people who run the EuroMarch listservs. Great links to unemployment sites.

www.mygale.org/02/ras/marches97/marches.htm