

<https://internationalviewpoint.org/spip.php?article146>



Confronting capitalist globalisation

- Fourth International resolutions - World Congresses - 14th World Congress - 1995 -

Publication date: Thursday 1 February 1996

Copyright © International Viewpoint - online socialist magazine - All rights reserved

The present decade remains dominated by a world economy bogged down in a recessionary long wave indicative of a profound transformation of the logic of accumulation. This break, situated in time at the beginning of the 70's, has been accompanied by radical modifications in the relationship of forces on the world level: the main one being the collapse of the bureaucratic societies. The present mode of capitalist functioning has brought out its two basic limits: first of all, it is an economic system that is less and less able to place the development of productive forces at the service of satisfying the needs of the majority. And, even if it dominates the planet, today, practically without exception, it has shown itself to be perfectly incapable of establishing a stable world order.

1. The phases of the long wave

Since the first generalized recession in 1974-1975, the world capitalist economy has gone into a recessionary long wave, from which no way out is foreseeable, and which, thus, characterizes the overall economic framework of the present period.

1.1 The turnaround

But within this long wave, several phases can be distinguished, the development of which should be analyzed so as to specify precisely where we are at the present time. The end of the expansionary long wave dates back to the beginning of the 70's. The turnaround was clearly marked by the generalized recession of 1974-1975 which sent all of the imperialist countries into what can be called the "crisis" which has lasted since then. The first phase, which immediately followed that recession, corresponded to the pursuit of Keynesian policies attempting to treat the recession like those that had occurred following W.W.II. At the same time, petro-dollars were recycled and generously loaned to Third World borrowers, such that the attempts at boosting the economy were both internal and transnational.

1.2 The neo-liberal turn

The inadequacy of this therapy became obvious with the explosion of the second generalized recession at the beginning of the 80's. This is the second important turning point, whereby neo-liberal policies spread throughout the world with a remarkable similarity of objectives and means. The Third World countries which, for a few years, had served the function of amortizing the slow-down of the world economy, were violently hit by the debt crisis and the rise in interest rates. In the imperialist countries, a period of profound restructuring opened up accompanied by the rise of unemployment, notably in Europe.

The neo-liberal phase, that we are still clearly in, can be broken down into several sub-periods: offensive (1980-1986), apparent success (1987-1990), relapse (1991-1993) and then revival. The first half of the 80's witnessed a systematic anti-labour offensive the catchword of which was flexibility. This not only involved wages, hammered by austerity and the elimination of cost-of-living allowances but, more generally, the overall living conditions of salaried workers (the social security net, the right to a job, etc.). Real advances and the resistance met were variable but the generalization of such policies made plausible a rapid relapse into a new generalized recession, provoked by the smothering of wage demand across the world.

1.3 The reasons behind the passing success

The outbreak of the third generalized recession was delayed until the beginning of the 90's thanks to the world demand that the Reaganist policy involved, particularly in terms of military expenditures. A dissymmetrical configuration of the world economy was set in place wherein the substantial American deficit was financed by Japanese and German capital at the cost of a rise in interest rates to unprecedented levels. At the same time, international commodity trade and investments intensified but mainly between imperialist countries.

Within each imperialist country, the normally recessionary effects of wage austerity were offset by an increasingly unequal distribution of incomes. The rise in interest rates also played a key role here: it not only ensured the financing of the American deficit and the pillaging of the Third World debtor countries but also served to modify the distribution of incomes in favour of bond- and shareholders. What some have called the financialization of the economy thus reveals itself to be a gigantic process of redistribution of surplus value.

The 1986 oil counter-shock trimmed the non-producing countries' oil bill. The October 1987 stock market crash, which was correctly controlled by the international bourgeoisie, paradoxically doped up the real economy. As a result, the second half of the 80's registered a recovery of accumulation. This was presented as the triumph of the neo-liberal theses: austerity and unemployment were merely the price to pay for adapting to technological change, bearer of a new economic order and a new logic of growth. Millions of jobs were, in effect, created across the capitalist world and the rate of unemployment began to decline.

At the same time, the cracks in and then the collapse of the bureaucratic societies made it possible to present capitalism as the heretofore un-avoidable horizon of humanity. Only the Marxists correctly pointed out the limited and contradictory character of this recovery: rather than sustainable growth, it involved a cyclical movement based, for the main part, on a practically mechanical jump-starting of investment, buttressed by the world-wide redistribution.

1.4 The relapse

The third generalized recession at the beginning of the 90's settled the debate and opened up a new phase, characterized by important reversals. The role of the Gulf War from this points of view appears to have been secondary, since the recession began before the oil crisis in several countries and has gone on much longer than the war, the strictly economic repercussions of which have finally been of little importance. The characteristics of this third recession clearly illustrate the present period: it has been particularly deep, durable and costly in jobs; it has brought about, compared to the two previous recessions, a relative desynchronization which reveals a growing contradiction between the globalization of the economy and the persistence of national trajectories.

Despite initiatives like the Rio summit, the negative effects on the environment of out-of-control neo-liberalism have continued to increase in virtually all parts of the world.

2. A contradictory homogenization of the world economy

2.1 The re-centering on the imperialist countries

The 80's were marked by a growing globalization of economic activity. This can be measured, for instance, by the growth in world trade which is approximately twice as rapid as that of the sum of the national markets: there has been

an intensification of commodity trade mainly between the more developed capitalist countries. The same process can be seen in direct investment movements and in mergers and alliances between large international groups. This movement does not take place following the vertical logic of a segmentation of the international division of labour: the investment movements essentially concern the imperialist countries as does the movement of commodities. Delocalizations towards the Third World play a very secondary role in this process.

In opposition to this interpretation, some have put forward the reappearance of investment transfers towards countries in Asia and Latin America, either to prove the success of the World Bank's structural adjustment policies, or to dramatize the competition from low-wage countries. In the case of Latin America, these movements of capital correspond for the main part to investments attracted by the stock markets and by the wave of privatizations. It is an influx of speculative and very volatile capital.

The case of Asia is different and combines a number of elements. South Korea and Taiwan have followed their own trajectories which have allowed them to escape from the category of dependent countries. This is obvious no matter what criteria are used (income levels, the structure of the productive apparatus, etc.). If we add the two mainly financial centres, Hong Kong and Singapore, this creates a pole of powerful growth. But it is Japan which continues to structure the region based on a very compact network of trade and investment. On the periphery of this imperialist centre are to be found countries like Malaysia, Thailand or the Philippines which are integrated into an international division of labour and whose roles are well defined. This is why the Korean path is not reproducible: the second-rank countries in the region serve the function of supplying the regional Capital with low-wage labour and are not able to accede to the rank of industrial powers.

But the major economic success story of the last decades is, in reality, China which has registered more than a 10% growth in production over a decade, an exceptional performance given the size of the population involved. This success is based on a very specific mixture of liberalizing the peasant economy, developing a mass domestic market, a voluntaristic effort to export from free zones and, finally, brutal repression.

2.2 International Finance

Consistent with neo-liberal doctrines, the decade of the 80's saw a frenzied financial deregulation which underlay and even amplified the globalization process. Contrary to what the theory forecast, this movement did not lower real interest rates which have consistently remained at extremely high levels for which there is no historical precedent.

To talk about financialization in order to deplore the fact that Capital has preferred speculative financial investments over productive investments would be very superficial and show a lack of understanding of the real nature of capitalism. The rise of interest rates served as a tool of economic coherence in the redistribution of incomes within each country as well as on the world level. High interest rates were the price to pay so that the US deficit could sustain the growth that delayed the onset of the third generalized recession for several years. In Europe, it has been the key role played by the German economy and currency as a fulcrum of stabilization for the second lever for the upward trend.

This world-wide financial totality fulfils specific functions. But there are not only benefits. This is why we have seen the bourgeoisies discoursing unanimously on the overly high level of interest rates, a discourse which has only partially been followed up by effective action. High interest rates represent an obstacle to recovery and nourish the global monetary instability which led to the collapse of the European Monetary System. The main effect of the rise in interest rates has been to swell budget deficits in Europe and to nourish the growth of public debt which is the counter-part of the de-taxing of financial income.

2.3 Inter-imperialist Rivalries

The globalization of the capitalist economy is literally unmanageable, but for reasons that are not principally related to the instability of finance and currencies. The main source of the imbalance resides in the historically new fact that this process of globalization puts into direct relation economic regions with very different levels of productivity. This situation is distinct from the internationalization of Capital: the multinationals were, until now, the agents of imperialist metropolises in the dominated countries and instituted one-to-one relationships with them, completed by a system of political domination. With globalization, relationships are multilateral from the very start and the multinational groups have crossed into another stage in internationalization which is leading them little by little to becoming autonomous in relation to their States of origin.

So it is not surprising to note the appearance of a counter-tendency to the constitution of regional zones, under very diversified forms. What some have called the Triad does not only designate a tri-polar domination of the world economy (United States, Japan, Europe) but also a certain type of relationship between the three poles and the structuring by each of them of their own zone of influence. The configuration, however, is not at all harmonious and stable since it is accompanied by fundamental asymmetries. The three major zones vary considerably in their cohesiveness.

The Asiatic zone is both the best protected and the best organized. While Japan and Korea are present in all world markets, penetrating their domestic markets is in practice extremely difficult. The organization in concentric circles of the region's economies and the way in which China has taken its place in the set-up provide the ensemble with a formidable economic efficiency and commercial aggressiveness.

Europe differs completely. Here we are dealing with a conglomerate of capitalist Nation-States of comparable rank, which, in addition, is largely open to external competition. Europe is less present in third-party markets and above all has shown itself to be incapable of dynamically structuring its natural periphery, the Mediterranean and Eastern Europe. As for the United States, its vocation to run the show on the entire American continent was once again reaffirmed by the Treaty signed with Canada and Mexico. But the gap between the development of the North and the South of the continent are too important to go much further than relatively secondary complementarities.

These differences are accompanied by a disproportion in the political functions assumed on the world scale. Between the strictly economic relationship of forces and the hierarchy of political domination, a complex dialectic has been established. Its latest developments lead to the following remark: the present tendency seems to indicate a re-establishment the politico-military as well as economic supremacy of the United States. This movement has taken on the form of an American-Japanese condominium due to the slowing down of the Japanese economy and American technological revival. If the imbalances subsist, this configuration renders plausible the emergence of a Pacific zone which would constitute a dynamic pole in the world economy in the years to come.

2.4 The contradictions of building Europe

Europe seems to be the weakest pole in the Triad for reasons that are not simply due to its level of intrinsic economic development. The basic difficulty the European countries have to resolve consists of building something that would fulfil on the European level the elementary functions usually reserved for the State. The other poles of the Triad are organized hierarchically around a Nation-State, which still constitutes the base of operation for the dominant groups. The situation is different in Europe particularly since multinational groups there rarely have the vocation of functioning with a specifically European logic. The process of building Europe thus has a different nature than the treaties signed in America and Asia.

This process is a response to clear requirements for the European bourgeoisies but it is not free from contradictions. The path chosen by the Maastricht Treaty was perhaps the most rapid. In any case, it was the most constraining. Its failure results from an under-estimation of national economic particularities but, even more so, from the different forms of class social relations in each of the countries that make up the European Union.

This absence of cohesiveness shows up every time Europe comes face to face with the two other imperialist powers. The latest GATT negotiations made it possible to measure to what degree these relations are lacking in symmetry. Europe is the only one to fully play the free trade game. The permeability of its economy weakens it vis-à-vis its competitors. The imperialist condominium is thus potentially a conflicting one by reason of its multiple imbalances. Unless it develops a European “nationalism” which does not correspond to the interests of either the major groups or of the peoples, the European bourgeoisies will be durably exposed to witnessing processes of falling back on more traditional nationalisms.

2.5 The East and the South: similar insertions

The very different performances of the various countries of the South and the East do not make it impossible to examine their situation as a whole. One absolutely striking trend is the almost universal choice of an export-driven mode of growth. This convergence is not accidental since these policies have been to a large extent imposed on the countries involved by international institutions like the IMF and the World Bank. As a result, the whole logic of the world economy is based on competition between these countries, on the basis of low wages or other specific advantages, for extremely volatile investments or very unstable markets. This leads to a new form of dependent development, delineating what can be called a neo-imperialism.

Every country cannot be a winner at this game. The main reason is arithmetic: the capacity of absorption of the imperialist countries is limited compared to the countries of the South and will remain so, as long as they succeed in selling to them by reason of the social effects of such successes. In such a market, the “offerers” that are the low-wage countries are caught in an circular logic which reduces them to their “comparative advantages” which reside above all in their low wages. So this type of configuration is not a model of development. It is very different from the Korean trajectory and it is practically excluded that any new countries will accede, on the basis of the international division of labour, to any complete mastery of industrial sectors. Less systematic successes are not impossible, but they will always be successes against neighbouring competitors.

This evolution is not just a source of inequality and differentiation. It poses a series of supplementary questions: the tendency to produce goods far from the place where they will be consumed is not a new phenomenon, but it now involves much greater quantities of raw materials and commodities. This represents a significant ecological cost, in terms of superfluous consumption of energy, development of road networks, gas emissions, and so on.

Such a model also leads to a degradation of working conditions, security, health and life. There is an increase in workplace accidents and ecological catastrophes. In some cases, factories which pollute or are dangerous are simply transported from the North to the South. So is toxic or radioactive waste.

Alongside their economic protectionism, the rich countries impose protectionism in immigration, which is to a large extent a response to the negative effects of the global system which the same countries support and develop.

The same considerations are at play in the restoration process going on in the Eastern countries, which are largely over-determined by the new ordering of the world economy. Far from constituting a new frontier, a limitless zone of expansion for the accumulation of capital, the Eastern countries represent, to a certain degree, a burden that international capital is not really in a position to take up. The experience of German re-unification is there as living

proof: even with a strong political will and enormous financial resources, its assimilation remains a contradictory and difficult process. This would be even more the case for countries too poor or too vast to be assimilated in such a fashion. Here again, the dominant logic is going to consist of choosing among these countries those which present a sufficient interest and can, to a certain degree, be agglomerated with capitalist Europe. Hungary, the Czech Republic and Poland appear to be the best positioned, which means that other countries will be set aside if not set upon. The Yugoslav precedent is undoubtedly a borderline case, but its internal tensions were clearly reinforced by the differential attraction exerted by Europe on the different components of Yugoslavia. The ex-Soviet Union will have to recover, up to a certain point, its role as an economic centre for countries such as Ukraine, without be able to stabilize at the same time the zones of imbalance or tensions.

The absence of external relays will give the restorationist process a specific colouring, by accentuating the trend to developing a parasitic capitalism that is relative incapable of seizing the reins of any central core of the economy. The specific advantage attributed to the Eastern countries, in terms of the training and skills of their labour force, have already to a large degree evaporated at the same time as these countries have undergone a very deep process of social decomposition. The hypothesis of their "Third-World-ization" is rapidly becoming a reality.

3. The present mode of functioning of the capitalist economy

3.1 A regressive functioning

The recession of the beginning of the 90's presents the proof that neo-liberal solutions do not lead to putting the capitalist economy back on a similar road to that of the 60's. No edifying combination between profits and outlets has been able to emerge and the present situation is dominated by a relatively new phenomenon: the conditions for profitability have been re-established but they have been accompanied by compromising the possibility of sustainable development and the persistence of mass unemployment. Capitalism now looks like what it really is: a profoundly contradictory system with a concrete mode of functioning that tends to dissociate and even counter-pose profits and outlets.

This contradiction takes on the form, today, of a growing inadequacy between what capitalism can and knows how to produce profitably and the most urgent needs of humanity. The enormous gains in productivity, largely accumulated during the expansionary wave, have run into difficulty in finding sectors in which they can be reinvested with the same profit outlook because of the displacement of social demand towards goods that no longer make possible such gains in productivity. In other words, the growth of real wages compatible with maintaining the rate of profit is limited by the perspective of a relative surplus value, such that the combination of the 60's, usually called Fordism, cannot be re-established. This difficulty is regulated in its own way by the logic of capitalism which consists of not producing anything that is not profitable. This is the root of unemployment which has to be characterized as a capitalist unemployment.

3.2 A limited legitimacy

The corollary of this analysis is the limited legitimacy of this mode of functioning of capitalism. Without idealizing in hindsight its performance, the strength of the capitalist mode of production was, during its years of expansion, its ability to deal with needs and aspirations within its own logic. It was able to ensure a very sustained development while redistributing, in a relatively egalitarian fashion, the gains of this in terms of increased purchasing power. In any case, it did so sufficiently to give itself the appearance of efficiency. As time goes by, it becomes increasingly clear that this period - in the last analysis, a rather short one on the scale of history - was only a quickly closed

parenthesis. Capitalism has gone back to functioning “normally”, i.e. with slower growth submitted to wildly swinging cycles, with massive and permanent under-employment, and increasing social insecurity, not to mention a sharpening, on the international level, of the most classical characteristics of combined and uneven development.

The heightening of inequalities is, from now on, and even more so than in the past, a central characteristic of the reproduction of capital including on the international level. The Marxist critique permits understanding why this is so: the growth of inequalities represents the way of adjusting the structure of outlets to the structure of profitable production. The present-day capitalist vicious circle literally involves the refusal to produce and the setting aside of entire social layers and populations. The ugly face of severe divisions is part of every social formation. The mechanisms of exclusion function everywhere even if under different modalities. Beyond the differences of social context, the rise of unemployment in the imperialist countries and the swelling of the informal sector in the dominated countries arise out the same structural determinants.

3.3 An unrestrained capitalism

The downfall of the bureaucratic societies constituted the predictable end result of a long process of degeneration of the workers' States. The latter had such disastrous balance sheets, their social acquisitions seemed to be so little worth defending, that the road of capitalist restoration appeared to be the easiest one. This unchallengeable historical verdict will probably be completed, once time has gone by, with another aspect: the threat of revolutions in Europe in the post-war period and then in the Third World during the following decades, will undoubtedly have constituted an important element in the implementation of components that made up a better regulated capitalism which, in particular, was able to guarantee full employment in the advanced countries. But now, everything is proceeding as if the failure of the supposed alternatives, whether bureaucratic or reformist, has left the field wide-open for the regressive functioning of contemporary capitalism.

3.4 The decline of the Welfare State

The progressive dismantling of what could be called the Welfare State is one of the primary objectives of the neo-liberal offensive. Potentially, all the elements of the codification and socialization of the wage relationship are up for grabs today. This does not mean that this offensive is advancing without running into obstacles: the balance sheet on this point seems to be rather ambivalent. There have been some considerable setbacks that have to be as considered as defeats even if they remain only partial. Thatcher's policies, for example, profoundly modified the relationship of forces by institutionally weakening the unions. But there exists, at the same time, a very strong social resistance which has held back the implementation of agendas that would destroy important parts of the social security nets. In some cases, the very successes of neo-liberal policies have lead to such severe dysfunctioning that the theme of the Welfare State is making a comeback, even if this comeback is closer to charity for the poor than social regulation.

This trend combines with the effects of globalization to develop an economic framework likely to produce a resurgence of nationalism. The disarticulation of Nation-States and their relative loss of substance expose the mass of workers to living conditions that are increasingly unstable and precarious, thus creating a desire for a more reassuring social order.

3.5 The end of full employment

Its inability to ensure a return to full employment centrally illustrates capitalism's loss of legitimacy. The major novelty here is the bourgeoisie's clearly and loudly declaring that, henceforth, any such return to the “good old days” is no longer part of their objectives because it has simply become impossible. This admission profoundly changes the

ideological relationship of forces, because the bourgeoisie no longer has an adequate explanation for unemployment in this day and age. Until now, it had always attributed unemployment to an excessive regulation of the labour market, to excessively high wages, to the inadequate training of youth and workers, to the demands of modernization and technological change. Since unemployment has continued after 15 years of wage austerity and improvement in the average level of skills, the root causes of unemployment must be sought in the economic system itself. It is becoming increasingly easier to prove this to workers insofar as those social layers and even those countries that appeared to be best protected from unemployment are now in the process of “catching up” to the rest.

The beginning of the 90's can thus be characterized as being a phase of revelation of capitalist contradictions, with a gradual disappearance of false explanations and illusions about the capacity of the system to get itself out of the misadventure. Some elements of a recovery are showing up in several countries and the bourgeoisie is certainly not going to miss out on crying victory for every half of 1% in growth it can point to. This is an inevitable process that might even be fairly deep in certain countries given the seriousness of the recent recession but it will in no way modify our views in the middle run. All these movements of recovery are of a cyclical nature and occur within a middle term trend toward sustained social regression.

To qualitatively reverse the course of events, it would be necessary to imagine the return over several successive years of growth rates in the order of, or higher than, that of the years of expansion, i.e. 5 or 6%. The structural conditions for such a scenario do not exist and are not within reach of contemporary capitalism. It goes without saying that the alternative which would consist of massively reducing working hours and reorganizing production on the basis of the satisfaction of human needs is by its very nature foreign to the logic of capitalism.

3.6 An unsustainable model

The unrestrained consumption of resources is part of an inegalitarian system, which forms a whole. It cannot, therefore, offer everyone in the world the same standard of living. But, even if things were different, it would be impossible to generalise this model of consumption, because it is simply not sustainable from the point of view of the exhaustion of resources and the generation of waste. The consequences of intensive agriculture, over-exploitation of the seas, use of non-renewable energy sources, contaminating products and nuclear waste all fix certain physical limits to the extension of this model in space as well as in time.

4. The Crossroads

The parenthesis of the post-war long wave of expansion has been closed. The possibility of returning to what now appears to be a “Golden Age” has disappeared and capitalism has, in a certain fashion, come back to its “natural” mode of functioning, characterized by inequalities, anarchy, social insecurity and wars. But this regression has occurred based on social acquisitions and a technological potential that are qualitatively different when compared to all previous epochs. Today, it would be possible to ensure for everyone decent conditions of existence and this is why a stabilization of capitalism on the basis of its present functioning is impossible.

In this context, it is not absurd to eventually envisage an recovery of a social movement that could take advantage of the conjunctural as well as structural conditions that can be anticipated in the coming years. From a conjunctural point of view, the coming recovery, in spite of its limited character, will favor a fresh upsurge of wage struggles and struggles against the most immediate forms of flexibility.

But, given the persistence of the deep-rooted failings of the system, the limits of which the workers have already felt, and which even the bourgeoisie recognizes as such, we find ourselves in the situation of a new beginning, where

illusions have, in part, disappeared and where it has become possible to put forward demands opposed to those of the dominant economic system. From this point of view, we can say that the conditions have been created whereby the labour movement will pass, at least for certain of its sectors, from a defensive attitude weakened by a certain demoralization to a positive expression of demands addressed to the system and its mode of functioning. It is in the course of this turnaround, for which the evolution of capitalism is producing the objective conditions, that a renewed anti-capitalism may be born. What would be its basis?

The central difficulty concerns the emergence of a new internationalism. This is objectively necessary and possible, insofar as capitalist globalization, which pits the workers of the entire world against each other, creates the condition for unifying their fight. The model of development that contemporary capitalism has everywhere imposed is, at one and the same time, extraordinarily systematic and incomplete. Very systematic, it applies indifferently to all countries: the prevailing neo-liberal model in the imperialist countries does not differ fundamentally from the structural adjustment policies imposed on the countries of the South and the East. The three sectors of the world revolution, hitherto relatively distinct, have in practice been unified by capitalist globalization. The workers of the world have a common interest in putting an end to the process of levelling down to the least common denominator which concerns all of them.

Objective conditions obviously do not suffice, and the delay in consciousness is one of the most serious dangers of this fin-de-siècle. It has not spared the European workers, put into competition among themselves by the logic of Maastricht, who have not, for the time being, found the path to a united and coordinated response on the international level, in the same way the bourgeoisie's offensives are coordinated. The main material obstacle to this consciousness resides in the durability of the functions left to each State. More and more, the socially regressive policies are carried out in the name of external constraints (Maastricht, NAFTA or IMF) but they continue to be applied by national States. This submission to the logic of globalization is, moreover, contradictory even within the bourgeoisie; there exist non-hegemonic sectors of the bosses who are opposed to the neo-liberal overture. There are some outlines of potential bourgeois alternatives developing but they have not yet gelled except when polarized to the far right. The neo-liberal agenda does not respond to all the necessities of the reproduction of bourgeois domination, but is internally highly consistent and eliminates self-centred variations since it is based on the dynamics of accumulation of the most powerful and dynamic factions of international capital.

Looked at from the point of view of the exploited, there is a major risk of slipping into nationalist-populist temptations, the attraction of which resides in two elements: on the one hand, the fact that, within this generalized competition, not everybody can win and so you have to protect yourself; on the other hand, the vague feeling that nobody controls the process going on world-wide and that it is necessary to give back to the national States the means needed to once again regulate the economy. This idea is not without some basis but it is, in the original meaning of the term, reactionary, since it attempts to return to a previous stage in the structuring of Capital and can only base itself on minority, even retrograde, sectors of Capital. We have to avoid like the plague any convergence of this criticism of Capital and ours and distinguish ourselves by setting clearly progressive objectives for our rejection of savage free-trade.

The best way of doing so is to use the logic of a renewed transitional approach which corresponds perfectly with the requirements of the moment. The starting point is the idea that a different economic orientation is possible, everywhere in the world, one that would be better able to satisfy social needs. The main flaw of contemporary capitalism is that it introduces a deepening distortion between what it finds interesting to produce according to its own criteria and the priority needs of humanity. This distortion is present in both the imperialist and the dominated countries and putting forward basic and specific demands on capitalism brings out its limitations and shows the necessity of organizing the economy otherwise, whatever we want to call the thing.

In the imperialist countries, the central line of such an approach is the reduction of work time: mobilizing for such a demand if correctly posed leads increasingly to a critique of the system as a whole. This is not sharing

unemployment. It raises the necessity of fighting for a redistribution of incomes. Nor does it mean accepting an intensification of labour, which raises once again the concept of workers' control over the organization of labour. It rejects cheap jobs which means little by little demanding the implementation of different standards of economic efficiency, specifically, the right to oversee the social usefulness of investments.

In the dominated countries, the main lines of a popular agenda are rather easily identified: denouncing the debt, agrarian reform, wage increases, tax reform and social budgets. Once again, the resources of each country must be used differently and specifically be reoriented toward the domestic market and the satisfaction of local needs, breaking with the tendency to accord absolute priority to exports. The central economic rule consists of rejecting any alignment with the norms of the world market as the unique economic criterion. Its blind application can only, in fact, lead to the eviction of entire social layers. On the contrary, we have to accept and find the means to produce for the domestic market even if this implies being less competitive than world standards. Real development is simply impossible without a certain degree of disconnection and if there are countries which need social clauses they are certainly the countries of the South which have been forced to contend with unequal arms with the most competitive industries in the world.

The fight against GATT and the World Trade Organization (WTO), the first function of which is to prohibit any measure allowing the countries of the South to realize any disconnection with the world market, lays out the road to a convergence of interests among peoples, which raises the possibility of a new internationalism. Indeed, there is no objective contradiction between the satisfaction of workers' needs throughout the world. The well-being of some is not nourished by the abject poverty of others and pitting one against the other only leads, in reality, to the degradation of everyone.

At the ecological level, global well-being cannot be compartmentalised. The greenhouse effect, weakening of the ozone layer and deforestation may not affect everyone to the same extent, but there could come a moment when the very future of the human species is threatened.

Reciprocally, an improvement on the world level of the fate of workers could produce relationships of cooperation, of mutual support. The idea that trade is to the advantage of everyone would take on a real meaning but only if there is a radical reorganization of the world-economy. The necessity for such radicalism is not ideological; to the contrary, it is the product of the evolution of a system that has transformed the most reasonable and elementary aspirations to dignity and equity into unattainable objectives. The very existence of such a gap has put on the agenda the reactualization of a revolutionary project without which this gap may very well be filled by barbarism.