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The triple failing of the big private banks

24 March 2008, by **Damien Millet, Éric Toussaint**



How did the banks manage to build such an irrational lending system? Eager for profit, mortgage companies made loans to a sector of the population that was already heavily indebted. The conditions attached to these mortgages - highly profitable for the lender - amounted to daylight robbery for the borrower: the interest rate was fixed and reasonable for the first two years but thereafter rose sharply. Lenders assured borrowers that the property they were buying would quickly appreciate thanks to the boom in the real estate sector. The problem was that the real estate bubble burst in 2007 and house prices started to go steadily down.

The number of defaults on payment soared and mortgage brokers had trouble repaying their own loans. To protect themselves, the big banks either refused extra credit to the

mortgage lenders or agreed to new loans at far higher interest rates. But the spiral did not stop there, since the big banks had bought up a large number of the original loans as off-balance sheet operations by creating specific companies called Structured Investment Vehicles (SIV), which finance the purchase of high yield mortgages converted into bonds (CDOs, or Collateralised Debt Obligations).

As from August 2007, investors stopped buying the unguaranteed commercial papers issued by SIVs, which no longer looked like a safe or credible option. Consequently, the SIVs lacked the liquidity needed to buy up mortgages and the crisis worsened. The big banks who had created the SIVs therefore had to bail them out to stop them going bankrupt. Up to then, SIV operations had not appeared in the banks' accounts (thus allowing them to conceal the risks involved), but now the SIV debts had to come out of the closet and onto the

books.

The result was general panic. In the US, 84 mortgage companies either went bankrupt or partially stopped doing business between 1 January and 17 August 2007, as opposed to only 17 similar cases for the whole of 2006. In Germany, the IKB BANK and SachsenLB were saved by the skin of their teeth. Recently, in England, the bankrupt Northern Rock has had to be nationalised. On 13 March 2008, the Carlyle Capital Corporation (CCC) fund, known to be close to the Bush clan, collapsed with debts 32 times its capital. The following day, the prestigious US bank Bear Stearns (5th US investment bank) called on the US Federal Reserve to provide an emergency credit line. Bear Stearns is being snapped up by JPMorgan Chase for a mere pittance.

Several branches of the lending market are shaky constructions on the point of collapse. They drag into their misadventures the powerful banks,

hedge funds or investment funds through which they were created. The salvage of these private financial institutions requires massive intervention on the part of the public authorities. And thus once again, profits accrue to the private sector, and losses to the public purse.

Which brings us to a key question: how is it that banks can readily waive bad debts to the tune of tens of billions of dollars yet have constantly refused to cancel the debts of developing countries? Why should the one be feasible and the other impossible? It should be remembered that the debts claimed today from these countries go back in the past to criminal dictatorships, corrupt regimes and leaders pandering to major powers and investors.

The big banks lavished loans on such notorious regimes as that of Mobutu in Zaire, Suharto in Indonesia, the Latin-American dictatorships of the 1970s and 1980s, not to mention the apartheid regime in South Africa. How can the banks persist in inflicting the burden of debt on people who have suffered the consequences of despotic regimes funded by the banks themselves? From a legal standpoint, many of the debts appearing in their

accounts are odious and as such should not be repaid. But the banks continue to demand their pound of flesh.

We should also remember that the Third World debt crisis was caused by the drastic unilateral hike in interest rates imposed by the Fed in 1982. Up to then the private banks had been happily handing out variable rate loans to countries that were already over-indebted. The crash came when these countries could no longer sustain repayments. Today history is repeating itself, this time in the North: overindebted households in the US are faced with mortgages that they can never repay as they watch the value of their properties plummet.

The recent waiving of debts by banks can only justify the claims of those who, like the CADTM, demand the cancellation of Third World debt. Why? Because the long-term debt of Third World public authorities towards international banks reached 181.9 billion dollars in 2006 [1]. Since August 2007, the banks have had to cancel a far greater amount, with more still to come.

It is clear that the big private banks have failed in three ways:

- they have built up catastrophic private lending structures that have led to the present disaster;

- they have lent to despotic regimes and forced the democratic governments that replaced them to repay this odious debt down to the last cent;

- they refuse to cancel the debts of developing countries, for whom repayment means ever-worsening living conditions for their people.

For all these reasons, the banks must be held to account for their actions over the last decades. The governments of the countries of the South must make a full audit of their debts, as Ecuador is doing today, and repudiate all debts that are odious and illegitimate. The bankers have shown them that such a step is perfectly feasible. It would also be the first step towards restoring the true role of finance, which is to be of service to men and women. Everywhere, without exception.

Translated by Judith Harris and Elizabeth Anne

[Original at CADTM](#)

Morales is Checked

24 March 2008, by Franck Poupeau, Herve do Alto



When elected on 18 December 2005 with 53.72 per cent of the vote, he promised to defend the rights of the indigenous Andean Indian population, denied since colonization, to end 20 years of neo-liberal politics and to implement the October agenda, whose most significant aspects are the nationalisation of the gas and oil industries and the re-founding of the state based on a new constitution.

Since it came to power, his party - the

Movement towards Socialism (MAS) - has been cautious in its economic policies for fear of provoking instability orchestrated by the economic elite. Whereas some ministries replaced most of their staff after the election, there have been almost no changes at the Department of Finance. The government's overall approach to the economy has been pragmatic. It negotiated the end of the involvement of French company Lyonnaise des Eaux in La Paz's water system in January 2007. But despite the announcement of the nationalization of the petrochemical

industry on May 1, 2006, it has guaranteed that Brazilian, Argentinian and Spanish multinationals can continue their activities. Instead of nationalizing, Morales has increased taxes on the multinationals and renegotiated their contracts. As a result, tax revenues from the gas and oil industries have gone from \$300m in 2005 to \$1.7bn in 2007.

Two years after coming to power, Morales finds himself in an impasse: his project for a new constitution faces fierce opposition and the rich oil and agro-industrial regions of the media luna [Santa Cruz, Tarija, Beni and

Pando are the four eastern departments of the country and together resemble a half-moon] the economic heartland of the country, have declared their autonomy.

Most of MAS's social reforms have been blocked in the Senate, where, in contrast to the lower house, the right has a majority. In November 2006 farming reforms only went through because several members of the opposition voted with the government. Approval of the *renta dignidad*, an old age pension, was held up through all last year.

The Main Problem

MAS's principal problem stems from its political management style. Its political intentions are hard to read because it is not so much a political party as a federation of social organizations, with its roots in the peasant unions of *cocaleros*, the coca producers, mainly from the Chapare region, in the north of the Cochabamba department. Its assembly members have differing degrees of political clout depending on whether they come from peasant stock – long repressed and marginalized – or from urban intellectual circles. The demographic makeup of the party explains why parliamentarians with a rural background tend to adopt hardline positions and present their opponents with *faits accomplis*. This reinforces the impression, strong among the urban middle classes, that the government is only concerned with the indigenous Indian communities of the Altiplano (the high Andean plateaux in the west of the country).

MAS's political miscalculations are not simply a matter of breaking the formal rules of democracy; they reveal that at a deeper level the government feels it must drive through projects blocked by the opposition. This is paradoxical since MAS won the last two elections with an absolute majority. The right has made use of all legal (and some illegal) blocking tactics at its disposal.

The election of assembly members and a referendum on regional autonomy took place in July 2006, both at the government's instigation. At the national level, more than 56 per cent of Bolivians voted no to separatism,

but the four eastern media luna departments voted in favor.

In the run-up to the referendum, MAS allowed the opposition to recover from past electoral defeat, by succumbing to pressure from social organizations to call for a no vote. These social organizations view regional autonomy as a plan dreamt up by the elites of the media luna. MAS clumsily let the opposition monopolize this issue even though its own manifesto had sought to promote the autonomy of indigenous peoples. At the same time, the assembly ratified an electoral system similar to the previous one, but which doesn't offer any great advances in popular representation. While MAS won an overall majority with 133 assembly members out of 255 in the assembly elections, it did not reach the two-thirds level necessary for the approval of the new constitution.

For several months after the election, a group of MAS moderates tried to reach agreement with the opposition. But the hardliners prevailed in November 2006 and attempted to change the rule requiring a two-thirds majority into a simple majority. The opposition seized on this as an opportunity to renew its attack on the government, accusing it of authoritarian tendencies reminiscent of Hugo Chávez in Venezuela. There are similarities between Morales and Chávez, who has sanctioned aid measures for Bolivia.

The Rally of the Millions

The regional prefects, whose revolt first began over control of their budgets, also seized the chance to renew their claim for regional independence from the dictatorship of the central state. Anti-government protests culminated on December 12, 2006 with the *cabildo del millón*, a rally of a million people in Santa Cruz, renamed the *cabildo de los millones* (the rally of the millions) by Morales' supporters – a reference to the money put up by big entrepreneurs to ensure the demonstration's success.

Thereafter both sides became entrenched. First came clashes in January 2007 in Cochabamba between peasant union members and

supporters of the local prefect, Manfred Reyes Villa, who had called for a second referendum on the autonomy of his region, which had previously voted no. Next came a dispute over which city should be the nation's capital. The opposition proposal to make Sucre the outright capital, replacing La Paz, won strong support from the outset from the civic committees in the eastern regions. Yet MAS excluded this issue from its debate on the constitution, and took comfort from a huge demonstration of support in La Paz and El Alto (the rapidly growing city which began as a suburb of La Paz).

The civic committees of Sucre then blocked debates in the assembly by methods which included violence. From November 23 to 25 violent clashes took place in Sucre between an alliance of students and municipal workers and the forces of law and order. The authorities were protecting Sucre's military school in which members of the government had taken refuge.

The opposition claimed the vote on the constitution taken on the night of November 24-25 was invalid. MAS and its allies had passed the draft constitution with 130 votes out of 255 (therefore not a two-thirds majority) at a session which the opposition had boycotted. The government found itself obliged to see through its constitutional project in order to hold on to its core vote.

By late 2007 the regions of the media luna were engaged in a decisive struggle. Defeat would spell the end of regional political autonomy, which is the core of their political program. The government's decision to change the distribution of the petroleum tax by financing the *renta dignidad*, but also by allocating more money to the town halls and less to the regions, left the regional authorities no alternative but to challenge the government in order to keep their funding.

Bolivia's eastern regions are the richest and most dynamic, thanks in part to their gas reserves. In this context, the battle over which city should be the capital was a rallying point for the opposition. What was really at stake was reining in a

constitutional reform which would man greater recognition for indigenous peoples and a fairer distribution of the nation's wealth, especially its land. Power centers on the right. The spokesmen of the right include some of the most prominent landowners in Bolivia's agro-industrial sector, such as Branko Marinkovic, who is president of the Pro Santa Cruz civic committee and also the head of a large national oil producer (a commodity whose price rose by more than 20 per cent in December 2007). Morales has accused these opposition leaders of waging economic war by encouraging inflation on primary consumer goods such as meat, produced by the big agro-industrial concerns in the east. They are hostile to the new constitution, which would limit the size of haciendas.

As these powerful figures on the right also own the large private media companies (such as Unitel, the nation's most popular television station), the violent clashes at the end of November 2007 sparked angry anti-government outbursts in the media. On the evening of the clashes in Sucre, the opposition declared the new constitution illegal. There was a similar reaction when, on December 9 in the mining town of Oruro, in another session boycotted by the opposition, the assembly approved by 165 votes the text of the constitution which the social organisations had been promised.

The political deadlock raises questions about the overall direction of the government's policies. Since it was founded in the 1990s, MAS has been characterized by its anti-capitalist stance and its advocacy of the exercise of national sovereignty by reclaiming natural resources (water, gas, mines) from the domination of foreign companies. Since its victory in the 2005 elections, it has made the decolonization of the state and society its main objective.

The government's rhetoric is designed to appeal to indigeno-campesino trade unionists, since it needs to maintain their grassroots support at a time of great change. Yet disaffection with the current situation among Bolivians who don't identify with any particular ethnic-cultural group is especially

pronounced in a large part of eastern Bolivia. Here people doubt whether policies which they suspect of favouring the indigenous Indian communities of the Altiplano have any relevance to them.

Meanwhile the elites in the more economically successful regions have proposed a more inclusive principle: regional identity based on economic dynamism and modernization. This goes hand in hand with attempts to question the legitimacy of Morales' authority, by means which have at times provoked charges of racism. In a speech the mayor of Santa Cruz, Percy Fernández, said: "Soon you'll have to wear feathers if you want to get any respect in this country."

Consequences

The government's radical attitude to indigenous peoples has had two consequences. The first is that the unconditional affirmation of the legitimacy of their cause has given the impression that it takes precedence over the law: so if political forces oppose this cause, it is no longer necessary to abide by constitutional rules. The right has often been able to make political capital from the government's disregard for the rules. And when the right employs tactics which used to be the preserve of the left, such as road blocks and public rallies, those in power face an insurmountable problem: how can a government of the people use repressive force? All they can do is resort to denouncing their opponents as seditious factions in the service of the old oligarchies.

The civic committees easily sidestep this charge by presenting themselves as defenders of democracy, as evinced by their support for regional self-determination in the face of the authoritarianism of the state. Political observers who are usually quick to denounce the populism of the left have fought shy of applying that term to rightwing opposition to Morales' government. MAS supporters are unable to understand the growing support for regional identity since it originated with the old oligarchies. The second consequence of the radicalization of the government is the problem of inclusiveness: neither the

urban middle classes nor the eastern regions, despite voting for MAS in increasing numbers since 2000, have benefited from the policy of wealth redistribution, whose dividends have gone mainly to the countryside. The government's social transformation project has alienated large sections of the mixed-race population in the east and in the cities by establishing a multi-coloured flag, the wiphala, which symbolizes the different indigenous populations as an emblem alongside the national flag.

The Bolivian left has revealed the limitations of redefining itself around the issue of ethnic identity, since it has given priority to ethnic diversity over tackling inequalities between classes and offering a remedy to the harmful effects of capitalism. It has also made it difficult for the government to broaden the base of its support. The (often opportunistic) mass conversion of leftwing intellectuals to this postcolonial cause, especially in the cities of La Paz and El Alto, which are the heart of power, also explains the force of the issue of the capital city. Returning the capital to Sucre from La Paz is a way of challenging the dominance of the Altiplano regions, the source of most of MAS's support. This gives the right a way of justifying its frequent claims of inverse racism (which are not without bad faith). It remains to be seen whether, in a country such as Bolivia, marked by such social inequality, and the ethnic discrimination and anti-Indian racism which still prop it up, a leftwing government can find another discourse and whether it is possible to avoid violent consequences of the resentments built up in the colonial past.

MAS's decision to force through the constitution in December 2007 risks provoking the rejection of its entire program, which includes historic advances towards the construction of a communitarian, multinational state, which is decentralized, autonomous and democratic, and which at last recognizes the rights of indigenous peoples. Beyond that, the constitution also legitimizes economic plurality (communitarian, state and private), the guarantee of fundamental rights (to education, basic services, work,

health and an old age pension), the existence of several levels of autonomy (regions, provinces, cities and original indigenous territories), and the affirmation of sovereignty based on natural riches (whose industrialization will be favored alongside national investment and associated structures of small producers in town and country).

Recent events have shown that in the name of resisting a drift towards authoritarianism and the suspension of democracy, populist conservatism can make use of democratic rules (and undemocratic means) to block all attempts at change. The question is whether it is possible for Bolivia to drive through a peaceful revolution: the radical transformation of society

by democratic means whose legitimacy derives from a popular mandate, and government which respects constitutional law. The democratic and cultural revolution advocated by Morales is today being taken forward by the classes in society which have historically been downtrodden. Despite their engagement in past and present struggles (against the dictatorships of the 1970s and 1980s and then the neo-liberal policies of 1990-2000), they have not yet mastered the parliamentary and democratic rules of the game from which they have until recently been totally excluded.

MAS faces a difficult dilemma: the more it reinforces the privileged place of the rural world, the more it risks alienating the urban population, which

remains attracted by the anti-Indian rhetoric of the regional elites. Unless accompanied by more visible gestures to the middle classes, the desire to establish civic, economic and social rights for the poorest in society also risks stoking up social and ethnic tensions. In these circumstances the likelihood of violent clashes between right and left cannot be ruled out. The present struggles endanger one of the most significant benefits of the Bolivian democratic revolution - the granting of genuine political citizenship to Bolivians who are represented in the spheres of government and decision-making for the first time.

Translated by George Miller. [Original at CounterPunch](#)

Carbon Trading - an Ecosocialist Critique

24 March 2008, by **Daniel Tanuro**



1. Carbon trading is a source of windfall profits for polluting sectors. They invest little or none of that profit in low carbon technologies, and instead try to slow or delay the implementation of climate policy.

The over-allocation of quotas in the phase 1 of the EU-ETS provided the steel sector a windfall profit of 480 million Euros at the end of 2005. In the same period, RWE, a German utility, made a huge profit of 1.8 billion Euros. Even the oil businesses made windfall profits: Esso (€10 million), BP (€17.9 million), Shell (€20.7 million).

Little or none of these windfall profits were invested, in low carbon technologies or research. The European steel industry, for instance, invests only 45 million Euros/yr in the ULCOS research program, which is financed at 50% by the Commission. The German RWE, number 3 in power production on the EU market but

number 1 in GHG emissions, is building the biggest lignite power plant in the world.

Consequently, I would argue that the windfall profits generated by the quota system strengthen big carbon emitters that have a strategic interest in slowing or delaying climate change mitigation and in continuing to burn fossil fuels as long as possible.

It is unlikely that the proposed auction of the quotas in Phase 3 of the EU-ETS will put an end to these windfall profits. This is because there will be a relative abundance of quotas at the beginning of Phase 3, due to various factors: banking from the 2nd to the 3rd phase, free (over)allocation of quotas to new sectors entering the system, and abundance of carbon credits. Consequently, quotas will be relatively cheap in the first years, after which the price will rise, providing windfall profits to speculators.

2. Carbon trading is a new source of social inequality, and thus of potential

social unrest that could thwart the climate change mitigation policy.

Let me illustrate this with an example. Arcelor, number one in the global steel sector, decided in 2005 to close a blast furnace in the Liège region of Belgium. Two years later, the new group ArcelorMittal decided to relaunch production of pig iron, and restart the blast furnace. The problem is there were not enough quotas left - they had been distributed to other businesses.

ArcelorMittal refused to use its own quotas - it has a lot - and blackmailed the unions with a threat to cancel the project if it did not get concessions, so the government decided to sell Kyoto units in order to buy quotas which it gave to ArcelorMittal. The gap in price between the Kyoto units and the quotas will be covered by the public budget. As a result, the Walloon government will have to reduce spending in other areas, and the quotas reserved for new entrants are now insufficient for some of the investments planned by other

economic sectors.

This example shows clearly how carbon trading creates new sources of division among workers, generating specific threats regarding jobs, wages, benefits and work conditions. The risk is that labor will oppose climate policy in name of social justice. In my view, if climate change mitigation means more unemployment and competition between workers, it will be a new source of social unrest that could undermine climate change mitigation and make it even more complicated.

3. Carbon trading is also a source of North-South inequality that could undermine climate change mitigation policy. In particular, linking emissions trading and the Clean Development Mechanism puts the principle of "common but differentiated responsibility" at risk.

As you know, under the Clean Development Mechanism, "clean investments" outside the EU can provide carbon credits to the EU. The linking directive makes these credits equivalent to quotas in the EU-ETS. At the moment, there is a ceiling on the import of carbon credits. In phase 2 of the EU-ETS, this ceiling is 280 Mt/yr.

Since the emissions reduction during Phase 2 is about 130 Mt/yr, this means that the EU could completely fulfill its commitments using credits, without reducing its own emissions at all. In other words, there is actually no ceiling.

In its new proposals for 2013-2020, the Commission allows polluters to bank credits from Phase 2 to Phase 3. If there is no international treaty, Brussels estimates that Phase 2 credits could cover about 33% of the Phase 3 reduction effort. If an international post-Kyoto treaty is approved, the EU will set an emissions reduction of 30% instead of 20%, but 50% of the additional reduction can be made up of carbon credits.

This means the EU is evolving in the direction proposed by Sir Nicholas Stern. The Stern Review proposed to cancel any quantitative ceiling on the CDM and to extend CDM eligibility to the building of nuclear plants and to

the protection of existing forests against deforestation and degradation. (This extension to forest protection was adopted in Bali). According to Stern, these changes could multiply CDM activity by 40. Under this scenario, 50% of the global mitigation effort would be done in the South, even though the South is responsible for no more than 25% of global warming. Investors from the North will reap considerable profits and cheap carbon credits.

I leave aside the well-documented fraud, corruption, abuses and the so-called "low hanging fruits effect" that characterize the Clean Development Mechanism and that will inevitably characterize any climate strategy based on it, to ask one decisive question: in this situation, what remains of the "common but differentiated responsibility", a fundamental principle of the United Nations Framework Convention on Climate Change? What remains in practice of the Kyoto stance that CDM and JI should only be used as "complements" to "domestic measures" in the developed countries? These in my view are very important equity questions that could also complicate and undermine the struggle against climate change.

4. The allocation of emission rights amounts to an unprecedented distribution of property rights in the carbon cycle and its regulation, and thus on life itself. This is socially and geographically unfair. Emission rights are assets. In effect, the allocation of emission rights amounts to allocation of property rights in the emission and absorption of carbon, in other words in the carbon cycle.

Of course, these rights are not permanent but semi-permanent. Nevertheless, this poses another important political, ethical, and even "civilizational" problem. The chemistry of carbon is the basis for life on Earth, and life regulates the carbon cycle. Consequently, control of the carbon cycle is control of life itself, and to appropriate the regulation of the carbon cycle is appropriation of the regulation of life.

This is not the first time that

capitalism has appropriated natural resources: such appropriation is one of the basic conditions for its development. But such a sweeping appropriation of natural resources on a global basis is absolutely unprecedented in history. This appropriation is both geographically and socially extremely unfair: carbon from the North and South is appropriated by big business in the North. This could have huge social consequences in the future and even affect everyone's most basic rights.

5. Because it is a purely quantitative measure, cost-effectiveness can not take into account the qualitative aspects of the essential energy revolution, nor its global rationality on the long term.

The struggle against climate change involves quantitative and qualitative objectives that must be reached globally within a very short time. The quantitative objectives are those recommended by the IPCC: a reduction of GHG emissions in the developed countries of 25-40% by 2020; a peak of global emissions within 10 to 15 years; and a global emissions reduction of 50-85% by 2050.

The qualitative objectives can be summarized as an energy revolution, in other words the transition from a centralized, inefficient and energy-wasting system based on fossil fuels to a decentralized, highly efficient and conservationist energy system based on solar energy in different forms. This has implications for all society, not only industry and the utilities, but also for land management, transportation systems, crop-production, leisure, etc. What is needed is a profound and global transformation, within 50 years.

Transitional measures towards this new energy system must be consistent with the long term objectives. This requires a global approach and qualitative changes, including radical changes to the existing productive apparatus.

The problem here is that quality can not be taken into account by cost-effectiveness, which is a purely quantitative measure. In the carbon

market, for example, one ton of carbon absorbed by a tree-plantation is to the same as one ton carbon not emitted by a factory that burns fossil fuel. The only difference is price. If the first is cheaper than the second, the market will choose the first. In other words, market instruments based on price can not see the qualitative difference between tree-planting and the phasing-out of fossil fuels as mitigation strategies. Quantitative measures tend to orientate the climate policy towards non-structural measures rather than structural ones.

The Stern Review provides interesting examples showing that cost-effectiveness can be inconsistent with a global approach that takes into account the needs of humanity as a whole. According to Stern, cost-effectiveness will permit a rational phasing of mitigation measures, beginning with the cheapest solutions like forest protection (5USD/tcarbon) and biofuel production, for instance. But we see clearly now that massive biofuel production, although rational from the partial and quantitative point of view of cost, is actually totally irrational from the global point of view of basic human needs.

For similar reasons, no qualitative shifts, such as abandonment of useless production or technologies, can be

achieved easily, if at all, in a competitive framework dominated by the existing carbon intensive productive machinery.

Conclusions

It is very unlikely that the IPCC targets can be reached in time using emissions trading and market mechanisms. These mechanisms are inappropriate to the global, qualitative objectives that need to be achieved and to the structural transformation of productive apparatus that must occur in a very short time, if dangerous climate change is to be avoided.

Their social and economic effects, in both North and South, will make the transition more complex and chaotic. They also imply an unprecedented appropriation of natural resources (carbon, its cycle, and its regulation) whose social and "civilizational" implications have not been taken into account, despite their immense importance.

What is needed is an approach that combines the following elements:

• non-tradable quotas and sanctions;

• compulsory phasing out of some products, processes, technologies and transportation systems;

• public initiatives, rather than market incentives in energy efficient buildings, land management, transport, etc.;

• public initiatives to quickly develop renewable energy sources independently of their costs;

• redistribution of wealth and democratic planning with popular participation at every level from local to pan-European.

This alternative approach should be viewed in the broader context of a global climate mitigation strategy that fully respect the "common but differentiated responsibility" principle and the right of all people on Earth to emit carbon equally.

As a last word, let me state that the profound transformation of world society that is necessary to avoid catastrophic climate change is above all a social and thus political question: real democracy, climate justice and social justice in general will be essential for its success.

This is the text of his talk at the Conference on the future of Greenhouse Gas Emissions Trading in the EU organized by the Slovenski E-forum, Focus and the National Council of the Republic of Slovenia, Ljubljana, on March 21, 2008

France: Coming together to build something new

22 March 2008, by **Olivier Besancenot**



Olivier Besancenot: We have no claim to reinvent everything. But it's true, this project is rather unique. First, it is not so usual for a political organization that has not been discredited - and has even experienced some success - to pose the problem of its disappearance! Of

course, this is not about assessing the profits and losses in the history of the political current that the LCR represents. But instead, to write a new page, with others. With many others.

And neither is it about a merger between political movements, even if we are ready to discuss with all those who might be interested in this project. In fact, this project is based on an analysis of a new situation, in

particular the extent of the crisis of the workers' movement.

And on the idea that it is both urgent and possible to take a giant step. This is urgent because of the violent attacks from the employers and the emptiness of the institutional left. This is possible because, despite the points scored by the MEDEF [2] and the right the popular layers still show remarkable abilities of resistance and

there is an expectation of something new.

The NPA aims to integrate currents from various traditions of the radical left. Does this integration have as its condition an explicit discussion on the legacy of these traditions, or can it only be done through practice and the convergence of concrete struggles?

The discussion on the various ideological and historical "legacies" can be interesting. It will also undoubtedly be long. But we cannot start with that! Especially since the objective is to bring together men and women who, rightly, do not have a long history of party political commitment and do not identify with any of these traditions particularly...

One of the main reasons — although not the only one - for the failure of previous attempts to bring together the various anti-capitalist currents is that there was a "top down" approach and that inevitably came up against the past of various people, their old differences. This time, we will try to do it differently. And starting from common practices, all the resistance struggles that bring us together on a daily basis. And that, in outline, sketches the contours of a radical and revolutionary change in society.

What will be the attitude of the new party towards existing political institutions? Does it, for example, intend to take part in the management of municipalities or regions, as part of alliances with

other left-wing parties or independently?

Participating in institutions and management is not a matter of principle. The social liberals and their allies accuse us of now wishing to "get our hands dirty" with political responsibilities. That is not correct. We are not simple "witnesses"; our goal is to participate in the implementation of measures and policies that we defend. But not to serve as a left cover for social liberal policies! And herein lies the basic problem, and what differentiates us from many "anti-neoliberal" currents, we have no plans to participate in a coalition (with the PS), which, "in power" (local, regional, national), applies every day of the week... the policies against which we demonstrate at the weekend!

The Greens and particularly the PCF tried, a few years ago, under the Jospin government. With the results that we know, their shipwreck and an additional discredit cast on political commitment. Imposing - as we advocate - the redistribution of wealth in favour of the vast majority of the people who produce it by their labour will inevitably lead to confrontation with the small minority which currently scoops it up. This means a real relationship of forces in society... and not just in the institutions.

Will the new party be a revolutionary party, like the LCR, and if so what meaning does this word have in the current context?

Revolutionary and "revolutionary like the LCR?" Probably not... Otherwise, we could merely continue - and continue the LCR! — as before, but better obviously! We need of course, a common foundation: the defence of radical proposals, opposition to the capitalist system, a strong commitment to mobilizations, political independence from the PS. This common platform will not answer a priori any questions, tactical or strategic. Some will remain open. But we believe that there are tens of thousands of men and women that are available to build a party for struggles and mobilizations.

A left that is not afraid to face down the attacks from the right and the renunciation of the left. A new political representation for the world of work, young people and victims of various oppressions. A left that does not confine its ambitions to limiting the damage of capitalist globalization, but which still wants to do away with the system and radically change society. And, indeed, change society! On these tens of thousands of men and women who are ready, like us to "revolutionize society," we do not impose our past, whether the general history of Trotskyism or the specific history of the LCR. But put them together to build something new!

We reproduce here an interview he gave to Razmig Keucheyan during the 17th congress of the LCR, held in Plaine-Saint-Denis from January 24-27, 2008, for the Swiss bimonthly SolidaritéS.

"Pakistan is not a heaven for left ideas"

16 March 2008, by **Chris Den Hond**



Farooq Tariq

Farooq Tariq: The Labour Party of Pakistan has been part of the advocate movement in Pakistan, which started last year. This movement started to

support the chief of justice who was asked by General Musharaf, the military dictator of Pakistan, to resign from the supreme court. The chief of justice had become an obstacle in the implementation of the liberal agenda. He canceled some privatisation deals, he made a lot of decisions in favour of

poor women, who were active in solving some conflicts of the communities. He acted as a human rights activist. So he became very popular among ordinary people of Pakistan.

The Labour Party of Pakistan, which is one of the main left wing parties in

Pakistan, became part of the advocate movement to support the chief of justice. Once, the police asked me to cancel a rally we organised in support of the advocates movement. I refused. They tried to prevent the rally, we crossed the police barriers. We pushed them back. It was a big news in Pakistan. After this demonstration, Labour Party became more known. We all had our red flags and the majority of us were women, fighting women. We have a very good base amongst working class women in Lahore. We learnt this kind of demonstration from a peasant movement. During its campaign in 2001 for land rights, we discussed how to demonstrate and we concluded: if men go in the front, the military will just kill them, but if women and children go and demonstrate, they will hesitate to shoot, and if they shoot, they will pay the price.

In June, I was arrested and put in jail while it was 52 degrees (centigrade). I remained in jail for 18 days in a small cell alone without any visits. I was totally isolated from the party. In September, I was arrested again. I was charged under the anti-terrorist act. The sentence was death. I was released after four days on bail. I am still on bail on that case.

Musharaf has been defeated

After the elections of 18th of February 2008, the situation is a bit better, because Musharaf has been defeated decisively by the people of Pakistan in the polls. During these elections the Pakistans Peoples Party of the assassinated Benazir Butto got nearly 36% of the votes. Second was the Pakistan muslim league, the party of the former prime minister Nawaz Sharif. He is the one that was prime minister and was overthrown by

general Musharaf in 1999. Some fundamentalist parties, that obtained 13% in the elections of 2002, got a serious loss. They only obtained 3% of the votes. The overall vote was against the Musharaf supporters.

Many persons have a lot of illusions in the Peoples party of Butto, because of the important reforms in the 1970s. It nationalised nearly 35% of the industry and gave a lot of money for social development. That was a golden era for the working class in Pakistan. But it's just a bourgeois party, that has collaborated with the military government and with the US imperialism. Benazir Butto was speaking the language of Bush, saying: "I will help the war on terror in Pakistan" That means more bombing, more repression and more killings.

"Most of the leaders of the Labour Party have gone to jail because of their democratic struggle."

The Labour Party of Pakistan, that we have found in 1997, has become a nationally-known small party. Many activists in the social organisations and trade unions are members of our party. We have nearly 3000 members all over Pakistan. Pakistan is not a heaven for left ideas. It's a theocratic state, totally dominated by religious ideas. 99% of the population is moslim. We don't talk big tall slogans of revolution that only socialism will solve everything. We are a socialist party, but we are involved in day to day problems of the people. We take on issues and fight on it. We take up issues of land rights. We have founded the anti privatisation alliance of Pakistan. We take up issues as woman rights, human rights, against child labour and we make a campaign around that. We always bring together different groups, different trends and

we are organising networking. Most of the leaders of the Labour Party have gone to jail because of their democratic struggle. So our opposition to general Musharaf has earned us a good respect, which is now translated into more members, more contacts, more financial support. We are often invited by private TV groups to have a debate. Journalists take our comments by phone. We are becoming popular, but we are not yet in the parliament. Maybe we could have been this time, but we boycotted the elections. But in local elections, more than 100 councilors from the LPP are elected all over of Pakistan.

The strategic position of Pakistan is important for the US imperialism because Afghanistan is next door and they have installed the unpopular regime of Karzai over there. Karzai is facing a lot of problems from the Taliban who controls nearly two thirds of Afghanistan. They forgot any lessons of democracy and support here a military dictatorship. They had the illusion that by doing this, General Musharaf would stop the rise of religious fundamentalism. But we say that religious fundamentalism can only be defeated by political means, not by repression. Bush is talking against religious fundamentalism, but his policies are promoting this fundamentalism. A democratically elected government in Pakistan, a civil government, can make peace with the religious groups by discussing the problems. It should also demand that the North Americans must go out of Afghanistan. NATO must leave Afghanistan. That's the center of gravity. If they are there, there will be no solution.

Watch the video of the interview with Farooq Tariq at: <http://snipurl.com/21ve9>

A just solution requires multinational co-existence

16 March 2008, by **OKDE-Spartakos**

1. "The Yugoslav crisis began in Kosovo, and it will end in Kosovo".

This phrase that is widespread among the people of ex-Yugoslavia indicates the significance and the tension that is encapsulated in that region. Seventeen years after the collapse of Yugoslavia we stand before a new episode related to Kosovo. Unfortunately, there is no sign that a just solution can be secured in the absence of a social dynamics that oppose nationalism and imperialist interventions as well. The Yugoslav crisis that started in 1989 with the violent dissolution of Kosovo autonomy is about to complete 20 years full of wars, national conflicts, rebellions but still yet many of its pain aspects are still pending (i.e. Bosnia)

2. The imperialist forces of NATO and the European Union in 1999 launched the bombing of Serbia in the name of "human values". This military operation resulted in:

- a. the killing of more than 2000 people in different towns of Serbia,
- b. an important sector of the country's infrastructure was destroyed,
- c. there has been an increasing uprising of nationalism and
- d. Milocevic unleashed a sweeping ethnic cleansing with the killing of thousands Kosovars and the displacement of more than 500000 people as the "humanitarian bombings" lasted.

Their intervention was completed with the establishment of a protectorate whose main aim was to keep a balanced status. In the diplomatic jargon this is called "humanitarian crisis administration". Kosovar people for about 10 years have survived mainly thanks to the benevolence of the "civilized West", who in exchange has been building military bases in order to guarantee their interests in the whole region of South-Eastern Europe and Middle East. Kosovo inhabitants live under humiliating conditions and the majority of them

are unemployed, surviving thanks to the donations of their immigrant relatives. The country is paralyzed, without basic infrastructure (e.g. continuous distribution of electricity) and the state apparatus is totally corrupted. All these past years, the imperialist forces have shown no interest in changing this situation in order to be able to steal all the productive wealth and national resources and to implement the "reconstruction" projects by the big multinational and Western European corporations.

3. Ten years later, US and many countries of the EU (like Germany, France, Britain, Italy etc.) are about to complete their mission by recognizing this fiasco-independence of Kosovo. Actually, they create a protectorate. The "independence" of Kosovo is fully subordinated to the plans and the pursuits of the imperialist forces. The NATO force of about 16.000 military personnel, who have occupied Kosovo, will remain and the EU will send EULEX that will consist of 2000 policemen, juridical and administrative staff. The colonial-style rule of the UN will be re replaced by the International Civilian Office; a body that will be appointed by the EU and it will be able to exercise veto on every law that the "independent" parliament of Kosovo will vote for.

The construction of the military bases (Bonsteel, the biggest and most luxurious base that US has ever built after Vietnam War, and Monteith) in Kosovo does not only aim at securing the "order" in the region but also at protecting broader interests. In these military bases thousands of personnel can be hosted and they are not limited only to "transitional" use. The US shows clearly that the territory of Kosovo will be the fortress for future interventions mainly for guaranteeing alternative oil routes towards the West.

The rest of the big powers who are against the independence of Kosovo

are not deprived of cynical attitudes and profit interests. Russia, who stands by Serbia, is trying to exchange its solidarity with a monopoly contract for Russia's Gazprom, while at the same time, together with other countries like Spain, Canada and China, is skeptical because the independence of Kosovo will be a bad example for the ethnic groups and minorities that are badly oppressed at home. Today, Kosovo is at the heart of an intra-imperialistic conflict and the people of the Balkans have nothing to hope for from these so-called "protectors".

4. The pursuits of the imperialists should not be identified with the just demand of the Kosovar people for self-determination, which must be supported by the international working class movement and all the progressive forces. It is a fundamental right of the Kosovar population to define their future. The real liberation -both national and social- of the Kosovar people can only be achieved if it is linked with the struggle for the socialist transformation of their society and not in the frame of capitalism.

The Kosovo Albanian people have been for many years the victims of a very oppressive, antidemocratic and racist policy. The national-liberation movement of Kosovo Albanians is not an artificial invention of imperialism. Its root can be traced back at the beginning of the previous century. The texts of the left-wing Serbian socialists (as Dimitrije Cucovic) and revolutionary socialists (as Leon Trotsky) revealed in the most obvious way the colonial discriminations against Kosovo Albanians. Even after the founding of Yugoslavia and the victory of the partisans, the national issue of the Albanian people was not resolved, although their autonomy was typically recognized. The Kosovo Albanians became the victims of the conflict among the Yugoslavian bureaucracy who were reluctant to implement a policy of equality. The demand of Kosovo Albanians to

become a separate federal Republic within the framework of the former Yugoslavia was never met. The Kosovo Albanian people used to be the most repressive and humiliated nation of the ex Yugoslavia.

The only exception was the period 1974-1988, when Kosovar autonomy was upgraded and they gained some rights similar to the other republics.

The full annexation of Kosovo to Serbia took place in 1989 after the violent abolition of the Kosovar autonomy and the military coup d'état imposed by Milosevic. Kosovo was condemned to "apartheid", where the use of Albanian language was forbidden, schools and universities were shut down, all Albanian employees in public sector were fired and a lot of Albanians were sent to jail as political prisoners (some of them are still there).

5. The Serbian minority, as well as other non-Albanian ethnic groups (Roma etc.), after the bombing of NATO and the de facto secession of Kosovo from Serbia in 1999, are under persecution. A big part of the Serbian population escaped into Serbia or other neighbor countries. The majority of the Serbian people have gathered in the north part of Kosovo, in the Mitrovica region, and there are still some enclosed ghettos in the rest of the country. This unacceptable situation that Serbian people suffer is not just the result of some personal revenge actions. The government of PDK (the main Albanian party that comes from dissolved KLA), despite its hypocritical statements on co-existence and the respect of minority rights, has occasionally encouraged the national tensions against the minorities aiming to the "national homogeneity". NATO and the rest of the imperialist forces motivated the Albanian nationalism through their diplomatic tactics and their refusal of a clear independence for Kosovo. The more unsafe the Albanian nationalists feel about the independence, the more eager they were to create a "national cleansed" state. Additionally, the main tactics of KFOR for coping with the national tensions in Kosovo was the division of the people across ethnic lines, through the implementation of the notorious

"decentralization plans". Today, a real just solution for Kosovo comes through the restoration of multinational co-existence (an aspiration that unfortunately has been lost in most part) and the full respect of the rights of all ethnic groups and minorities, including their right to define the level of their autonomy and self-defense.

6. No progress in the national issue can be achieved if at the same time there isn't any social evolution reflected in the consciousness of the masses. Today, in Kosovo the conditions for a "normal social life" are absent -even by the criteria of an average capitalist normality. The majority of the inhabitants are obliged to survive through the donations of the western NGOs and other organizations. The social and political life is somewhere between an ambiguous legality and an extended corruption. The country is about to be offered to the big corporation groups so they can execute their "business plans" in a small "paradise" of a cheap and over-exploited labor force.

We have no trust in the international community that can prepare and implement a plan for the restoration of economy, production and social institutions in favor of the public interests.

Being fully aware of the difficult situation, due to the weakness of the organized trade-unions and the lack of political and social forces with a class and left-wing orientation, we still insist on the necessity of building resistance movements as the only perspective for a just solution in Kosovo.

During the last years there has been a movement among the Kosovo Albanians (known as Self-determination - Vetevendosje) who are against the presence of NATO troops and they defend a program of progressive social reforms. This movement has organized massive demonstrations against the imperialist troops and they have been brutally suppressed by the occupying forces (last February, two members of this movement were killed by Romanian soldiers and many Vetevendosje

activists have been arrested). Nevertheless, their nationalist rhetoric is a big political problem.

Some initiatives that are related to the anti-globalisation movements such as the European Social Forum and the Balkan PGA (People Global Action) can surely play an important role. Although limited, there have already been some networks on various themes in the Balkan region that have managed to break the isolation and to establish a co-ordination between different social groups.

7. In the national question, the Left must implement a politics of principles without being dependent by the temporary and opportunist maneuvers of the imperialist forces who act according to their profit interests. The starting point should be the defense of the democratic rights of the people. All those who say that, in the name of any "primary antithesis", the systematic repression of a people should be ignored it is not anything else than a by-mistake or on-purpose racist attitude against the oppressed people.

The real guarantee for the defense of the democratic rights should be based on the fraternity of the labor masses. The task of the Left should not stop simply at declaring the democratic principles. An indispensable element of a left-wing strategy should be also the unity of the workers and oppressed masses that live in the war-zone regions. This unity cannot be secured with a typical maintenance of Kosovo within Serbia proper; which actually it will be a big prison for the majority of Kosovar people. This unity can be forged only in the ground of joint fights and demands, where the working class and the oppressed people could understand that their real enemies are not the national but the class ones. The maintenance of an obscure and uncertain status in Kosovo will always be an excuse for the nationalists, the ruling classes and the imperialists in order to divide the working class and impose their plans more easily.

The left-wing currents should defend the independence of Kosovo -keeping alive all their critics for the process

that is followed by the imperialist forces and the dangers that can be produced by that. From this viewpoint we are against the maneuvers of the Greek government who uses the issue of Kosovo in the diplomatic negotiations for the name of the Republic of Macedonia. Unfortunately, the majority of the Greek left-wing organizations (in contrary with the brave attitude of the Serbian internationalist radical left-wing currents) actually identify themselves with the main orientations of the Greek "foreign policy". The main argument of the Greek Left (both reformist and anticapitalist) is the "maintenance of the borders" and the International Law. Nevertheless, the borders of the contemporary world, which in general have been formed after the end of Second World War, are the outcome of the imperialist division. The adoption of these slogans from the Left means that they do not recognize actually the right of the

oppressed peoples (like the Palestinian, the Kurds, East Timor etc.) for self-determination. But above all, it means their full adaption to the imperialist institutions and the abandonment of the humanist demand of the communist movement that the rights of the oppressed people are above any law. Finally, they consider that for "destabilization" can be equally blamed both the "oppressor" and the "oppressed" as well.

8. Today, the fight for the Balkan Socialist Federation is still live as the only way for an internationalist and antiwar strategy that will be based on the best experiences of the workers and socialist movement of the peninsula. Against the diplomatic realism that simply legalizes the nationalist, militarist and imperialist violence we must oppose the class unity and solidarity of the Balkan proletarians.

The tasks of the socialists is to fight for the unity of the Balkan people and to demand

- The withdrawal of all imperialist troops from Kosovo and the whole region of the Balkans
- Recognition of the right of self-determination for Kosovar people
- Equal political and legal rights for all ethnic groups and minorities
- Fight back all the neoliberal plans for the "reconstruction" of the Balkans
- Cancellation of all privatizations that have been occurred - Defend the public wealth and national resources of the Balkan countries
- Defend the rights of women who are the major victims of reactionary institutions and trafficking.

Athens, March 4, 2008

Leftists worldwide call to defend Tamil Cause

8 March 2008, by Fourth International

More than thirty political parties and organisations from all over the globe who met in the capital of Holland made an appeal to left wing and progressive forces to come forward in defence of the just cause of the Tamil people. In a public statement they demanded that the Sri Lankan government stop imposing its will militarily on the Tamil people.

Delegates who convened in Amsterdam pledged to lobby governments in their respective countries to call upon the Sri Lankan government to restore the ceasefire and stop killing civilians. Chamil Jayaneththi of the Left Front represented the Sri Lankan left.

The signatories

Belgium - Socialist Workers' Party (SAP)	Germany - Revolutionary Socialist League (RSB)
Bolivia - Partido Obrero Revolucionario. Combate	Greece - Kokkino - Red
Brazil - Socialism and Freedom Party (P-SOL)	Greece - Organization of Communist Internationalists of Greece-Spartacus (OKDE Spartakos)
Britain - International Socialist Group (ISG)	Italy - Bandiera Rossa Association (BRA)
Denmark - Socialist Workers' Party (SAP)	Japan - Japan Revolutionary Communist League (JRCL)
Ecuador - Democracia Socialista (DS)	Mexico - Revolutionary Workers' Party (PRT)
Ecuador - Refundacion Socialista (RS)	Netherlands - Socialist Alternative Politics (SAP)
France - Revolutionary Communist League (LCR)	Netherlands - International Institute for Research and Education (IIRE)
France- Europe Solidaire Sans Frontiere (ESSF)	Pakistan - Labour Party of Pakistan (LPP)
Germany - International Socialist Left (ISL)	
Algeria - Socialist Workers Party (PST)	
Basque country - Ezker Gogoia (EG)	

Peru- Resistencia Global (RG)

Workshop (TFP)

Turkey - Freedom and Solidarity Party (ODP)

Philippines - Revolutionary Workers Party - Mindanao (RWP-M)

Quebec - Gauche Socialiste (GS)

USA - International Socialist Organization (ISO)

Puerto Rico - Political Education

Sweden - Socialist Party (SP)

Switzerland - G Anticap

Against the Colombian government's military intervention in Ecuador

5 March 2008, by **Fourth International**



Colombian helicopter on Ecuador border

In relation to the events of 1st March 2008 in the north of Ecuador, we declare that:

Ecuador has suffered a serious aggression by the Uribe government with the incursion of the Colombian armed forces into Ecuadorean territory in order to massacre Colombian guerrillas. In this most recent operation Raul Reyes and 19 FARC guerrillas were brutally assassinated in an action that we strongly condemn and lament.

We denounce the the fact that the Colombian government has carried out a series of incursions into Ecuadorean territory, which are causing serious damage in the northern frontier zone of Ecuador. On the one hand there are grave political, economic, cultural and environmental consequences, not only for the Ecuadorean people, but also for the Colombians, as a result of aerial fumigation by the Colombian government. On the other, the forced involvement of Ecuadorean frontier communities in the military conflict

puts at risk the lives and the human rights of women, indigenous people and children in the area every time the Colombian army carries out military operations against the FARC.

We reject all these actions carried out by the Uribe government in total disregard for the sovereignty of Ecuador, in order to restore and extend its own military control and the intervention of the US government, which aims to recover its geopolitical domination by increasing Colombian state terrorism against Ecuador and Venezuela, as well as through its espionage activities in Bolivia and the promotion of pro-imperialist, separatist autonomies. At the same time we denounce and reject all of the Bush administration's attempts at destabilization against progressive governments and the peoples of Latin America and the Caribbean.

We support the measures taken by the governments of Hugo Chavez in Venezuela and Rafael Correa in Ecuador to break off diplomatic relations with Colombia and to prevent the increasing militarization of the Uribe government, which has the underlying objective of blocking the advance of the Bolivarian revolution and the struggles of resistance by the peoples of Venezuela, Colombia and Ecuador

against the neo-liberal model.

We demand that the Uribe government respects and does not block the liberation of Ingrid Betancourt and other hostages through a humanitarian exchange initiated by the FARC.

We call on the FARC to release all those it holds who are not prisoners of war.

We believe that in order to restore diplomatic relations the government of Rafael Correa should demand that the Colombian government assumes responsibility for the destruction caused in the region, commits itself to making no further violations of Ecuadorean territory and to a complete cessation of aerial spraying.

We express our solidarity with the mobilization for peace and sovereignty on 6th March called in solidarity with the Colombian people by social and human rights movements in various parts of the world, demanding peace and an investigation into the deaths and disappearances of all those affected by paramilitary activities and the war in Colombia.

Fourth International, 5 March 2008



The workers' movement must make its voice heard and impose its own solutions!

1 March 2008, by **SAP-LCR**



Belgian general strike 2005

Indeed, workers and those on benefits whether they are Walloon, Flemish or from Brussels, should not pay the price for this situation. But it is surely them who will be in the line of fire on two fronts!

First, with attacks on the right to strike, on pensions, on unemployment benefits, on working conditions, contained in the agreements already agreed or to come of the - still probable - orange-blue government.

Secondly, from the absence of any public measure seeking to counter the current degradation of living standards, following the catastrophic increase in prices (basis foodstuffs, rents, energy). Increases which hit all workers hard but particularly the most modest households and which are absolutely not compensated for by the index.

The organised workers' movement in this country thus has a primary responsibility to defend social conquests like Social Security and the right to work. A regionalisation of

health care, for example, would inevitably open the way to its privatisation. But it is not enough to stay on the defensive, the present situation also requires that offensive demands be advanced for another division of wealth, one which privileges Labour and not Capital.

The workers' movement should not defend a retrograde Belgian centralism, not should it support the reactionary nationalisms; it should on the contrary advance and impose its own solutions to the crisis, in the most absolute independence from the dominant class and its political agenda.

In this sense and despite its contradictions, a positive approach has already been taken by the trade union sectors with the petition "Save solidarity". But that is not enough, it is necessary to massively mobilise the workers in the street so as to impose the solutions of the workers' movement. It is necessary to draw up a programme of offensive demands in a common front on the question of wages, living and working conditions and so on

The LCR-SAP argues then

1. That the **General Federation of Belgian Labour** and the **Confederation of Christian Trade Unions** jointly organise a national mobilising demonstration for the defence and extension of the social conquests of the workers

2. A national common conference of the delegates and activists of the Federation and Confederation so as to adopt a programme of struggle and offensive demands like :

â€” the full re-nationalisation of the energy sector

â€” the public control of housing prices

â€” the re-establishment of a genuine index: suppression of the health index

â€” The suppression of VAT on goods of primary necessity

â€” a minimum wage of 1,500 euros net/month

â€” An end to the presents being given to the employers

â€” Hands off the right to strike!

â€” an emergency tax on big fortunes.