



IV438 - July 2011

IV438 - July 2011 pdf

30 July 2011, by **robm**

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The Euro: to leave or not to leave?

29 July 2011, by **Michel Husson**

There was a fault in the original design. To seek to build an economic space with a single currency, but without a common budget, was not a coherent project. A truncated monetary union becomes a machine to manufacture heterogeneity and divergence. The countries which have higher than average inflation lose competitiveness and are encouraged to base their growth on over-indebtedness.

Retrospectively, the choice of the euro did not, moreover, have an obvious justification compared to a system of common currency, with a convertible euro for relations with the rest of the world, and readjustable currencies within each country. Actually, the euro was conceived of as an instrument of budgetary and especially wage discipline. Since recourse to devaluation was impossible, wages became the only element of adjustment.

However, the system functioned after

a fashion thanks to over-indebtedness and, at least initially, to the fall of the euro compared to the dollar. These expedients were necessarily going to become exhausted, and things started to go wrong with Germany's policy of wage deflation, which led it to increase its market shares, principally inside the euro zone. Even if the euro zone was in overall equilibrium, the gap thus widened between the German surpluses and the deficits of most of the other countries. The growth rates of the countries of the euro zone did not converge: on the contrary they tended to diverge, and that process began with the creation of the euro.

This configuration was not tenable. The crisis brutally accelerated the processes of fragmentation and financial speculation revealed to the light of day the tensions inherent in neoliberal Europe. The crisis deepened the polarization of the euro zone into two groups of countries. On one side, Germany, the Netherlands

and Austria benefited from large trade surpluses and their public deficits remained moderate.

On the other, there were already the famous "PIGS" (Portugal, Italy, Greece and Spain) in an opposite situation: large trade deficits and public deficits that were already above the average. With the crisis, the public deficits grew everywhere, but much less so in the first group of countries, which maintain trade surpluses. In all the other countries, the situation is getting worse, with the explosive growth of public deficits, and a growing imbalance of the balance of trade. In Europe, the sovereign debt crisis has accelerated the turn towards austerity which was programmed in any case. The speculation against Greece, then Ireland and Portugal was possible because there were no measures of control over the banks, nor any mutual responsibility taken for debts on a European level. Moreover, it is the central banks that provide the

ammunition, by lending to the banks at one per cent interest the money which will then be used to take advantage of the rise in the rates paid by countries, and to pocket the difference.

Since public debt has taken over from private debt, the financial crisis is rebounding on that terrain. From this point of view, the rescue plans for the euro are actually rescue plans for the European banks which hold a large part of the debt of the threatened countries. Speculative attacks are used as arguments in favour of moving quickly to drastic austerity plans. This is a piece of nonsense which can lead only to a new recession, including in Germany where exports to the emergent countries will not be able to compensate for losses on the European markets.

At bottom, the European governments have one objective: to return as quickly as possible to business as usual. But this objective is out of reach, precisely because everything that had made it possible to manage the contradictions of a wobbly monetary integration has been made unusable by the crisis. These elements of analysis are today quite widely shared. They lead however to opposite prognoses and orientations: the breaking-up of the euro zone, or a refounding of the way Europe is built.

For a refounding of Europe

The essential principle is the optimal satisfaction of social needs. The starting point is thus the distribution of wealth. From the capitalist point of view, the way out of the crisis goes via a restoration of profitability and thus an additional pressure on wages and employment.

But it is the share of the national revenue taken away from wages which fed the financial bubbles. And in fact the neoliberal counter-reforms deepened the deficits, even before the outbreak of the crisis. So the equation is simple: we will not get out of the crisis in a positive way without a significant modification of the distribution of income. This question

comes before that of growth. Admittedly, a more constant growth would be favourable to employment and to wages (it is still necessary to discuss the content of it from an ecological point of view) but, in any case, we cannot count on this variable if, at the same time, the distribution of income becomes increasingly uneven.

It is thus necessary to attack inequalities in a pincer movement: on the one hand by increasing the volume of wages, on the other by tax reform. The readjustment of wages could follow a rule of three thirds: a third for direct wages, a third for socialized wages (social protection) and a third for job creation by reduction of working time. This progression would be effected to the detriment of dividends, which do not have any economic justification or social utility. The budget deficit should be gradually reduced, not by a cut in expenditure, but by a re-taxation of all the forms of income which have little by little been exempted from tax. In the immediate future, the cost of the crisis should be assumed by those who are responsible for it, in other words most of the debt should be cancelled and the banks nationalized.

Unemployment and precarity were already the most serious social evils of this system: the crisis has reinforced them, more especially as the austerity plans will worsen the conditions of existence of the most disadvantaged. There again, hypothetical growth should not be regarded as the panacea. Produce more to be able to create jobs? That is putting things back to front. Here we must implement a total change of perspective and take job creation as the starting point. Whether by reduction of working time in the private sector, or by job creation in the civil service, public services and communities, it is necessary to start from needs and to understand that in fact employment creates wealth (not necessarily commercial). And that makes it possible to make a link with environmental concerns: giving priority to free time and the creation of useful jobs are two essential components of any programme of fighting against climate change.

The question of the distribution of

income is thus the right place to start, around this simple principle: "we will not pay for their crisis". That has nothing to do with "relaunching the economy through wage increases", but with a defence of wages, employment and social rights, something which should be non-negotiable. We can then put forward the complementary concept of control: control over what they do with their profits (pay dividends or create jobs); control over the use of taxes (subsidize the banks or finance public services). What is involved here is to progress from defence to control: only this shift can make it possible for the calling into question of private property of the means of production (real anticapitalism) to acquire a mass audience.

As Ãzlem Onaran [1] summarizes it well: "A consensus is emerging between the European anticapitalist forces around a strategy based on four pillars: 1) resistance to austerity policies; 2) radical tax reform and control of capital; 3) nationalization/socialization of the banks under democratic control; 4) audit of the debt under democratic control, possibly followed by a default.

Exit from the euro?

What would be the advantage of leaving the euro? The principal argument is that it would make possible a devaluation of the new currency which would restore the competitiveness of the country concerned. It would give back to the Central Bank the possibility of emitting currency in order to finance its deficit in a different way. Those who are the most optimistic see there a means of re-industrialising an economy, to attain higher growth and to create jobs.

The fusion of the national currencies in the euro took away an essential variable of adjustment, the foreign exchange rate. The countries whose price competitiveness is declining have no other means, within the current European framework, than limiting wages and rushing headlong into indebtedness. This is true, but it

does not prevent the scenario of an exit from the euro from being incoherent.

Leaving the euro would in no way solve the question of the debt and would on the contrary worsen it, insofar as the debt owed to non-residents would be immediately increased by the rate of devaluation. The restructuration of the debt should therefore in any case be realized before the exit from the euro.

To return to a national currency in the case of countries which have large external deficits would subject them directly to speculation on the currency. Belonging to the euro at least had the advantage of preserving countries from these speculative attacks: thus the trade deficit of Spain reached 9 per cent of GDP without any effect, obviously, on "its" currency.

A devaluation makes the products of a country more competitive, in any case with regard to the countries which do not devalue. It would thus be necessary for the exit from the euro to concern only a small number of countries. It is thus a non co-operative national solution where a country seeks to gain market shares from its trading partners. But a devaluation increases the price of imports, which has repercussions on internal inflation and can in part cancel out the gains in competitiveness of export prices. The economist Jacques Sapir, who has worked out a plan for an exit from the euro for France [2], recognizes that inflation "will force regular devaluations (every year or every 18 months)" in order to maintain a constant real foreign exchange rate. That amounts to accepting an endless round of inflation-devaluation. The competitiveness of a country rests on material elements: productivity gains, innovation, industrial specialization, etc. To think that manipulating foreign exchange rates can be enough to ensure competitiveness is largely an illusion.

That is why there is almost no experience of a devaluation which did not result in increased austerity, which in the last analysis hits the workers. For devaluation to be a means for putting in place another distribution of wealth and another

type of growth, the relationship of social forces would have to have been profoundly transformed. To make leaving the euro a precondition thus amounts to reversing the priorities between social transformation and the foreign exchange rate. That is a very dangerous slippery slope. In his document, Jacques Sapir stresses that "the new currency should then be inserted into changes in macroeconomic and institutional policy (...) if we want it to produce all the expected effects". Among these changes, he quotes an increase in wages that would make up for previous losses, the perpetuation of social systems, strict control over capital, the requisition of the Bank of France, state control of banks and insurance companies. But all these measures should be imposed even before any project of exit from the euro.

Moreover, a government of social transformation would make a terrible strategic error by starting by leaving the euro, since it would be exposed thus to all the retaliatory measures.

Politically, there is a very big risk of giving a left legitimacy to populist programmes. In France, the National Front is making leaving the euro one of the axes of its policy. It is coming back to a national-socialist logic which combines a xenophobic discourse with an analysis that makes European integration the exclusive source of all economic and social evils.

That is the root of the question. Neoliberal globalization and European integration reinforce the relationship of forces in favour of capital. But it is not possible to make it the single cause, as if a better sharing of wealth could be established spontaneously, inside each country, on the sole condition of taking protectionist measures. To make out that leaving the euro could in itself improve the relationship of forces in favour of the workers is at bottom a fundamental error of analysis. It is however enough to consider the British example: the pound sterling does not form part of the euro, but that does not protect the population from one of the most brutal austerity plans in Europe.

The partisans of an exit from the euro

advance another argument: leaving the euro would be an immediate measure, relatively easy to take, whereas a perspective of refounding Europe would be out of reach. This argument ignores even the possibility of a strategy of breaking with capitalism, which does not presuppose that it happens simultaneously in all European countries.

For a strategy of breaking and extension

The choice thus seems to be between a hazardous adventure and a utopian harmonization. The central political question is then to find a way out of this dilemma. To try to answer this question, it is necessary to work on the distinction between ends and means. The goal of a policy of social transformation is, once again, to ensure for all citizens a decent life in all its dimensions (employment, health, retirement, housing, etc). The immediate obstacle is the distribution of income which it is necessary to modify at the source (between profits and wages) and to correct on the tax level. It is thus necessary to take a whole range of measures aimed at deflating financial incomes and at carrying out a radical tax reform. These objectives involve challenging the dominant social interests and their privileges, and this confrontation proceeds above all within a national framework. But the arsenal of these dominant interests and the possible retaliatory measures go beyond this national framework: in the immediate term, loss of competitiveness, capital flight and breaking European rules.

The only possible strategy must then be based on the legitimacy of progressive solutions, which results from their eminently co-operative nature. All the neoliberal recommendations come down in the last instance to the search for competitiveness: wages should be lowered, to reduce the "costs" so as to, in the final analysis, win market shares. Since growth will be weak during the period opened up by the crisis in Europe, the only means for a country to create jobs will be to take

some from neighbouring countries, all the more so as the majority of the foreign trade of European countries is conducted within Europe. This is true even for Germany (first or second world exporter along with China), which cannot count on only the emergent countries to drive forward its growth and its level of employment. The neoliberal ways out of the crisis are thus by nature not co-operative: one can win only against the others, and this is, moreover, at the root of the crisis of European construction.

The progressive solutions, on the contrary, are co-operative: they function all the better by being extended to a greater number of countries. If all the European countries reduced the duration of working time and taxed the revenues of capital, this coordination would make it possible to eliminate the repercussions to which this same policy followed in only one country would be exposed. The way to be explored is thus that of a strategy of extension which a government of the radical left could follow:

1. It takes unilaterally the “good” measures (for example the taxation of financial transactions);
2. It associates this with protective measures (for example control of capital);
3. It takes the political risk of infringing European rules;
4. It proposes modifying them by extending on a European scale the measures it has taken;
5. It does not exclude a trial of strength and it uses the threat of leaving the euro.

This schema takes into account the fact that we cannot make the implementation of a “good” policy conditional on the constitution of a “good” Europe. Retaliatory measures of all kinds must be anticipated by means of measures which, indeed, call upon the protectionist arsenal. But it is not a question of protectionism in the usual sense of the term, because this protectionism is protecting an experience of social transformation and not the interests of the capitalists

of a given country against the competition of the others. It is thus a protectionism of extension, whose logic is to disappear as from the moment when “good” measures become generalized.

The break with European rules is not done on as a matter of principle, but starts from a measure that is just and legitimate, which corresponds to the interests of the greatest number and which is proposed as a procedure to follow in neighbouring countries. This hope of change then makes it possible to base ourselves on the social mobilization in other countries and to thus build a relationship of forces which can influence the European institutions. The recent experience of the bail-out of the euro showed, moreover, that it was not necessary to change the treaties to go beyond some of their provisions.

An exit from the euro is no longer, in this schema, a precondition. It is on the contrary a weapon to be used as a last resort. The break should rather be made around two points which would make it possible to obtain real room for manoeuvre: the nationalization of the banks and the repudiation of the debt.

Breaking and refounding

The first advantage is the ability to harm capitalist interests: the innovating country can restructure its debt, nationalize foreign assets, etc., or threaten to do so. Even in the case of a small country, the capacity of response is considerable, taking into account the interconnection of economies and financial markets. Many people could lose out, for example the European banks in the case of Greece. Instead of lying down literally before finance, Papandreou could have begun a trial of strength by saying: “Greece cannot pay, so we have to discuss”. That is what Argentina did by suspending its debt in 2001 and by obtaining a renegotiation of it.

But the main advantage would lie in the co-operative character of the measures taken. This is an enormous difference with traditional

protectionism which always seeks at bottom to defend its own interests by taking market shares from its competitors. All progressive measures, on the contrary, become all the more effective as they spread over a larger number of countries. We should therefore speak here about a strategy of extension which rests on the following discourse: “we affirm our determination to tax capital and we are taking adequate protection measures. But that is only while we wait for this measure to be, as we propose, is extended to the whole of Europe.” It is thus in the name of another Europe that the break with really existing Europe would be undertaken. So rather than counterposing them to each other, it is necessary to think of how to articulate the break with neoliberal Europe and the project of refounding Europe.

The project and the relationship of forces

A programme which only aimed to regulate the system around the edges would not only be insufficient, but also not very capable of mobilizing people. On the other hand, a radical perspective is likely to discourage people as they confront the scale of the task. It is to some extent a question of determining the optimal degree of radicality. The difficulty is not so much to work out devices of a technical kind: that is obviously essential and a lot of work has already been done on it, but no skilful measures can make it possible to circumvent the inevitable confrontation between contradictory social interests.

Concerning the banks, the spectrum goes from full-scale nationalization to regulation, with in the middle the constitution of a public financial pole or the establishment of very constraining regulation. As for the public debt, it can be cancelled, suspended, renegotiated, etc. The full-scale nationalization of the banks and the repudiation of the public debt are legitimate and economically viable measures, but they can appear out of reach, because of the present

relationship of forces. There lies the real debate: where is, on the scale of radicalism, the position of the cursor that makes it possible best to mobilize? It is not up to the economists to settle this debate and that is why, rather than proposing a set of measures, this article has sought to raise questions of method and to underline the need, for a real way out of the crisis, for three essential ingredients:

1. A radical modification of the distribution of revenues;

2. A massive reduction of working time;

3. A break with the capitalist world order, starting with really existing Europe.

The debate cannot be locked into an opposition between anti-liberals and anti-capitalists. This distinction obviously has a sense, according to whether the project is to rid capitalism of finance or to rid us of capitalism. But this tension should not prevent us

from going a long way together, while carrying on this debate. The "common programme" could be based here on the determination to impose different rules on the functioning of capitalism. And this is really the dividing line between the radical Left which wants to break from the system and social-liberalism which wants to go along with it. In any case the priority task today is, for the radical Left, to build a common European horizon which can provide the basis for a real internationalism.

Justice for Palestine - A Call to Action from Indigenous and Women of Color Feminists

27 July 2011

During our short stay in Palestine, we met with academics, students, youth, leaders of civic organizations, elected officials, trade unionists, political leaders, artists, and civil society activists, as well as residents of refugee camps and villages that have been recently attacked by Israeli soldiers and settlers. Everyone we encountered - in Nablus, Awarta, Balata, Jerusalem, Hebron, Dheisheh, Bethlehem, Birzeit, Ramallah, Um el-Fahem, and Haifa - asked us to tell the truth about life under occupation and about their unwavering commitment to a free Palestine. We were deeply impressed by people's insistence on the linkages between the movement for a free Palestine and struggles for justice throughout the world; as Martin Luther King, Jr. insisted throughout his life, "Justice is indivisible. Injustice anywhere is a threat to justice everywhere."

Traveling by bus throughout the country, we saw vast numbers of Israeli settlements ominously perched in the hills, bearing witness to the systematic confiscation of Palestinian land in flagrant violation of international law and United Nations resolutions. We met with refugees across the country whose families had

been evicted from their homes by Zionist forces, their land confiscated, their villages and olive groves razed. As a consequence of this ongoing displacement, Palestinians comprise the largest refugee population in the world (over five million), the majority living within 100 kilometers of their natal homes, villages, and farmlands. In defiance of United Nations Resolution 194, Israel has an active policy of opposing the right of Palestinian refugees to return to their ancestral homes and lands on the grounds that they are not entitled to exercise the Israeli Law of Return, which is reserved for Jews.

In Sheikh Jarrah, a neighborhood in eastern occupied Jerusalem, we met an 88-year-old woman who was forcibly evicted in the middle of the night; she watched as the Israeli military moved settlers into her house a mere two hours later. Now living in the small back rooms of what was once her large family residence, she defiantly asserted that neither Israel's courts nor its military could ever force her from her home. In the city of Hebron, we were stunned by the conspicuous presence of Israeli soldiers, who maintain veritable conditions of apartheid for the city's

Palestinian population of almost 200,000, as against its 700 Jewish settlers. We crossed several Israeli checkpoints designed to control Palestinian movement on West Bank roads and along the Green Line. Throughout our stay, we met Palestinians who, because of Israel's annexation of Jerusalem and plans to remove its native population, have been denied entry to the Holy City. We spoke to a man who lives ten minutes away from Jerusalem but who has not been able to enter the city for twenty-seven years. The Israeli government thus continues to wage a demographic war for Jewish dominance over the Palestinian population.

We were never able to escape the jarring sight of the ubiquitous apartheid wall, which stands in contempt of international law and human rights principles. Constructed of twenty-five-foot-high concrete slabs, electrified cyclone fencing, and winding razor wire, it almost completely encloses the West Bank and extends well east of the Green Line marking Israel's pre-1967 borders. It snakes its way through ancient olive groves, destroying the beauty of the landscape, dividing communities and families, severing

farmers from their fields and depriving them of their livelihood. In Abu Dis, the wall cuts across the campus of Al Quds University through the soccer field. In Qalqiliya, we saw massive gates built to control the entry and access of Palestinians to their lands and homes, including a gated corridor through which Palestinians with increasingly rare Israeli-issued permits are processed as they enter Israel for work, sustaining the very state that has displaced them. Palestinian children are forced through similar corridors, lining-up for hours twice each day to attend school. As one Palestinian colleague put it, "Occupied Palestine is the largest prison in the world."

An extensive prison system bolsters the occupation and suppresses resistance. Everywhere we went we met people who had either been imprisoned themselves or had relatives who had been incarcerated. Twenty thousand Palestinians are locked inside Israeli prisons, at least 8,000 of them are political prisoners and more than 300 are children. In Jerusalem, we met with members of the Palestinian Legislative Council who are being protected from arrest by the International Committee of the Red Cross. In Um el- Fahem, we met with an Islamist leader just after his release from prison and heard a riveting account of his experience on the Mavi Marmara and the 2010 Gaza Flotilla. The criminalization of their political activity, and that of the many Palestinians we met, was a constant and harrowing theme.

We also came to understand how overt repression is buttressed by deceptive representations of the state of Israel as the most developed social democracy in the region. As feminists, we deplore the Israeli practice of "pink- washing," the state's use of ostensible support for gender and sexual equality to dress-up its occupation. In Palestine, we consistently found evidence and analyses of a more substantive approach to an indivisible justice. We

met the President and the leadership of the Arab Feminist Union and several other women's groups in Nablus who spoke about the role and struggles of Palestinian women on several fronts. We visited one of the oldest women's empowerment centers in Palestine, In'ash al-Usra, and learned about various income-generating cultural projects. We also spoke with Palestinian Queers for BDS [Boycott, Divestment, and Sanctions], young organizers who frame the struggle for gender and sexual justice as part and parcel of a comprehensive framework for self-determination and liberation. Feminist colleagues at Birzeit University, An- Najah University, and Mada al-Carmel spoke to us about the organic linkage of anti-colonial resistance with gender and sexual equality, as well as about the transformative role Palestinian institutions of higher education play in these struggles.

We were continually inspired by the deep and abiding spirit of resistance in the stories people told us, in the murals inside buildings such as Ibdaa Center in Dheisheh Refugee Camp, in slogans painted on the apartheid wall in Qalqiliya, Bethlehem, and Abu Dis, in the education of young children, and in the commitment to emancipatory knowledge production. At our meeting with the Boycott National Committee - an umbrella alliance of over 200 Palestinian civil society organizations, including the General Union of Palestinian Women, the General Union of Palestinian Workers, the Palestinian Academic and Cultural Boycott of Israel [PACBI], and the Palestinian Network of NGOs - we were humbled by their appeal: "We are not asking you for heroic action or to form freedom brigades. We are simply asking you not to be complicit in perpetuating the crimes of the Israeli state."

Therefore, we unequivocally endorse the Boycott, Divestment, and Sanctions Campaign. The purpose of this campaign is to pressure Israeli state-sponsored institutions to adhere

to international law, basic human rights, and democratic principles as a condition for just and equitable social relations. We reject the argument that to criticize the State of Israel is anti-Semitic. We stand with Palestinians, an increasing number of Jews, and other human rights activists all over the world in condemning the flagrant injustices of the Israeli occupation. We call upon all of our academic and activist colleagues in the U.S. and elsewhere to join us by endorsing the BDS campaign and by working to end U.S. financial support, at \$8.2 million daily, for the Israeli state and its occupation. We call upon all people of conscience to engage in serious dialogue about Palestine and to acknowledge connections between the Palestinian cause and other struggles for justice. Injustice anywhere is a threat to justice everywhere.

July 12, 2011

Rabab Abdulhadi, San Francisco State University*

Ayoka Chenzira, artist and filmmaker, Atlanta, GA

Angela Y. Davis, University of California, Santa Cruz*

Gina Dent, University of California, Santa Cruz*

G. Melissa Garcia, Ph.D. Candidate, Yale University*

Anna Romina Guevarra, author and sociologist, Chicago, IL

Beverly Guy-Sheftall, author, Atlanta, GA

Premilla Nadasen, author, New York, NY

Barbara Ransby, author and historian, Chicago, IL

Chandra Talpade Mohanty, Syracuse University*

Waziyatawin, University of Victoria*

**For identification purposes only*

The hate factory: xenophobia and racism in Europe

26 July 2011, by **Enzo Traverso**

Too often racism is regarded as a kind of pathology rather than as a *norm* of modernity. We must understand that, in order to fight it, it is necessary to call into question a social order and a model of civilization, not just one of its deformations or distortions. It would then be necessary to start from the reality that the success of racism and xenophobia is not due to their veracity or their ability to describe reality objectively (to which they would possibly bring answers that were false or unacceptable from an ethical point of view, according to an old commonplace) but to their effectiveness, to their operational character.

Racism and xenophobia are a process of symbolic construction of the enemy - invented as a negative figure - aimed at satisfying a search for identity, a desire to belong, a need for security and protection. To reveal their mechanisms and to denounce their lies is certainly necessary, but insufficient (and often useless), because their influence is based neither on cognitive virtues nor on rational arguments - even when they are presented in the form of an "objective" discourse - but on a different method, on the search for a scapegoat.

Appearing towards the end of the eighteenth century, then entering into symbiosis with modern colonialism and nationalism, racism reached its apogee in the last century, when the encounter between fascism and anti-Semitism led in Nazi Germany to an epilogue of extermination. According to an intuition formulated at one time by Pierre-André Taguieff - who has today gone over, lock, stock and barrel to the neo-conservative Right - the contemporary racist discourse has undergone a veritable metamorphosis, giving up its hierarchical and

"racialist" orientation (according to the old model of Gobineau, Chamberlain, Vacher de Lapouge or Lombroso) to become differentialist and culturalist. In other words, it has slid from the "science of races" to ethnocentrism [3]. These changes, however, do not modify the old mechanism of social rejection and moral exclusion that Erving Goffman summarized by the concept of *stigma* [4].

During the 1990s, racism reappeared with force in Europe, by no means constrained by the diffusion of the official liturgies which ritually led the political and religious authorities and nuns to conduct ceremonies around the "duty to remember", and sent the teenagers of our colleges to visit the sites of the Nazi death camps. If racism has moved back on to centre stage it is not "because of immigration", according to a well-known stereotype, but because it belongs, as Alberto Burgio wrote, to the "genetic code of European modernity" [5].

But racism perpetuates itself by taking on a new skin and by adding new chapters to its inexhaustible "file" of exclusion and hatred. The tangled web of racism and fascism, nationalism and anti-Semitism which manifested itself in Europe during the first half of the twentieth century no longer exists. Nationalism and anti-Semitism still proliferate among the new member states of the European Union, where they can renew with a history that was interrupted in 1945 and nourish resentments accumulated during four decades of "really existing socialism". In that part of the continent, they claim descent from the dictatorships of the 1930s, like Jobbik in Hungary, which takes up the heritage of the Arrow Cross and cultivates the memory of Marshal Horthy, or exhume

an old revanchist and expansionist mythology, like the Greater Romania Party or the Croatian Rights Party (HSP), continuator of the Ustashi movement of Ante Pavelic.

In Western Europe, however, fascism is practically non-existent, as an organized political force, in the countries which were its historical cradle. In Germany, the influence of neo-Nazi movements on public opinion is almost nil. In Spain, where the legacy of Francoism was taken up by the Popular Party, national-catholic and conservative, the Falangists are an endangered species. In Italy, we have seen a paradoxical phenomenon: the rehabilitation of fascism in public discourse and even in the historical consciousness of a significant segment of the population - antifascism was the genetic code of the "First Republic", not of the Italy of Berlusconi - coincided with a major metamorphosis of the heirs of Mussolini. Future and Freedom, the party which their leader, Gianfranco Fini, has just launched is presented in the form of a liberal, reformist and "progressive" Right which attacks the political conservatism of Berlusconi and the cultural obscurantism of the Northern League.

While situating itself more to the right in the French political spectrum, the National Front is trying, driven forward by Marine Le Pen, to free itself from the traditional image of a far Right consisting of partisans of the National Revolution [6], fundamentalist Catholics and those who are nostalgic for French Algeria. Although there remains within it a fascistic component, today it is not hegemonic. During its last congress, the National Front embarked on an unprecedented exercise of renewal of its language, adopting a republican rhetoric which is not part of its

tradition. If Marine Le Pen replacing her father shows a desire for continuity, taking the form of a dynastic succession, it also testifies to an indisputable desire for renovation: no classic fascist movement ever entrusted its leadership to a woman.

However, the decline of the fascist tradition is giving way to the rise of a far Right of a new kind, whose ideology takes on board the changes of the twenty-first century. The political economist Jean-Yves Camus was one of the first to grasp their new features: the abandonment of the cult of the state in favour of a vision of the neo-liberal world centred on the criticism of the Welfare State, the tax revolt, economic deregulation and the valorisation of individual freedoms, opposed to any official interference [7]. The refusal of democracy - or its interpretation in a plebiscitary and authoritative sense - is not always accompanied by nationalism, which, in certain cases, is exchanged for forms of ethnocentrism calling into question the model of the nation-state, as the Northern League in Italy or the Flemish far Right demonstrate.

Elsewhere, nationalism takes the form of a defence of the West, threatened by globalization and the shock of civilizations. The singular cocktail of xenophobia, individualism, defence of women's rights and open homosexuality that Pim Fortuyn had concocted in the Netherlands in 2002, was the key to a lasting electoral opening. Similar features characterize other political movements in Northern Europe, such as Vlaams Belang in Belgium, the Danish Popular Party and the Swedish far Right, which has just made its entry into Parliament in Stockholm. But we also find them - although mixed with more traditionalist stereotypes - in the Austrian Liberal Party (whose charismatic leader was Jörg Haider) which imposed itself, in the elections last October, as the second political force in Vienna (27 per cent of the vote).

The theme that federates this new far Right is xenophobia, expressed as a violent rejection of immigrants. The migrant of today is the heir to the "dangerous classes" of the nineteenth

century, depicted by the positivist social sciences of the time as a receptacle of all social pathologies, from alcoholism to criminality and prostitution, including even epidemics like cholera [8]. These stereotypes - often condensed in a representation of the foreigner with well-defined psychic and physical features - flow from an Orientalist and colonial mindset that has always made it possible to define, negatively, uncertain and fragile identities, based on the fear of the "other", always perceived as the "invader" and the "enemy".

In Europe today, the migrant takes on primarily the features of the Muslim. Islamophobia plays today, for the new racism, the role that was formerly played by anti-Semitism for nationalisms and fascisms before the Second World War. The memory of the Shoah - a historical perception of anti-Semitism through the prism of its genocidal outcome - tends to obscure these analogies, which are, however, obvious. The portrait of the Arabo-Muslim painted by contemporary xenophobia does not differ much from that of the Jew constructed by anti-Semitism at the beginning of the twentieth century. The beards, tefillin and caftans of the immigrant Jews of Central and Eastern Europe in former times correspond to the beards and veils of the Muslims of today.

In both cases, the religious, cultural, dress and food practices of a minority have been mobilized in order to build the negative stereotype of a foreign body that is inassimilable to the national community. Judaism and Islam thus function as negative metaphors of otherness: a century ago, the Jew as depicted by popular iconography inevitably had a hooked nose and protruding ears, just as today Islam is identified with the burqa, even though 99.99 per cent of Muslim women living in Europe do not fully cover their bodies. On the political level, the spectre of Islamist terrorism has replaced that of Judeo-Bolshevism.

Today, anti-Semitism remains a distinctive feature of the nationalisms of Central Europe, where Islam is almost non-existent, and the turning-point of 1989 has revitalized the old

demons (still present, even where there are no more Jews), but it has almost disappeared from the discourse of the Western far Right (which sometimes declares its sympathies with regard to Israel). In the Netherlands, Geert Wilders has made the fight against "Islamofascism" his central theme. Consulted by referendum, 57 per cent of Swiss electors voted on November 28 2010 for the prohibition of minarets. Until now, only four mosques out of 150 in the Swiss confederation had a minaret: this threshold will now remain impassable.

In Italy and in France, several voices have proposed similar measures, showing that, far from being a whim of the xenophobic and populist Right in Switzerland, the desire to stigmatize Islam concerns Europe as a whole. Shlomo Sand is right to stress that Islamophobia constitutes today the cement of Europe - whose "Judeo-Christian" matrix should never be forgotten - just as anti-Semitism played a fundamental role, in the nineteenth century, in the process of construction of national states [9]. So this new "defascistized" far Right takes the form of populism. The concept, as everyone knows, is vague, elastic, ambiguous, and even hateful when it is used to affirm aristocratic contempt for the people. Nevertheless, the frequent electoral breakthroughs of this new far Right prove its ability to find a consensus among the working classes and the poorest layers in society. The populism of the Right - Ernesto Laclau has underlined it well [10] - feeds on the distress of people who have been abandoned by the Left, whose task it should be to organize and represent them. Populism, finally, is a transversal category which indicates a porous border between the Right and the far Right.

If anyone had doubts on this subject, Sarkozy has undertaken to dissipate them since his election, initially by creating a Ministry for Immigration and National Identity, then by launching a campaign against the Roms, who were raided and expelled on the basis of an ethno-racial census, generating the enthusiastic approval of many representatives of the European Right, in the first place in

Italy. At bottom, the fight for equal rights - avoiding the sterile conflicts between republican nationalism and communitarist multiculturalism - is coming back onto the agenda, in this beginning of the twenty-first century, as it was in the nineteenth century, when the rising liberal middle-class opposed democracy by restricting the vote through strong barriers of class, gender and race.

Today, in spite of the laws promulgated in several countries, women are still under-represented within our institutions; the popular classes are deserting the ballot box, more and more indifferent towards a political system which they perceive as foreign, even hostile; the migrant populations, finally, remain excluded from any rights. Those are the outstanding features of our "happy globalization".

The metamorphoses of racism and xenophobia cannot remain without political consequences. If antifascism is obviously a combat of today in the new countries of the European Union, where we are seeing today the rise of an extreme nationalist Right, anti-Semitic and fascistic, the situation is quite different in the West. Admittedly, in a continent which has experienced Mussolini, Hitler and Franco, antifascism should be part of the genetic code of democracy, as a component of our historical consciousness. To fight against the new forms of racism and xenophobia in the name of antifascism is however likely to appear as a rearguard action.

Antifascism fulfilled its role - as an organized political movement - in the 1980s and 1990s, when, in particular in France, it was confronted with the emergence of a far Right with a

fascistic matrix (even though the general context was no longer that of the 1930s). But it is not a question, today, of defending a threatened democracy. Racism and xenophobia present two faces, altogether complementary: on the one hand, that of new "republican" far-right organizations (protective of "rights" delimited on ethnic, national or religious bases); on the other, that of government policies (detention camps for undocumented migrants, planned expulsions, laws aiming to stigmatize and discriminate against ethnic or religious minorities).

This new racism accommodates itself to representative democracy, remodelling it from within. It is thus democracy itself which has to be redefined, as well as the concepts of equal rights and citizenship, in order to give a fresh impulse to antiracism.

East Africa in the grip of famine

24 July 2011, by **Norman Traub**

Famine was declared in two regions of Somalia on 20th July. This occurs when acute child malnutrition exceeds 30% and more than two people of every 10,000 die each day from hunger. The last time famine was declared in the country was 1992. 3.7 million people, half of the population are in need of urgent humanitarian assistance.

A further 8 million people require food in neighbouring countries, Kenya, Ethiopia and Djibouti. The drought has been severe across the Horn, with some areas receiving the lowest rainfall for 60 years.

Tens of thousands of people have already died as a result of the drought. Children and women are the most vulnerable. More than 2 million children under five in Somalia, Kenya and Ethiopia are acutely malnourished, including almost 500,000 children who are suffering from life-threatening severe acute

malnutrition.

In parts of Southern Somalia, acute malnutrition rates amongst children are already approaching an unparalleled 50%. The UN is convening an emergency meeting to discuss the response to the drought as its top aid official in Somalia, Mark Bowden warns that the situation is desperate and that it is likely conditions will deteriorate further in six months.

The last two rainy seasons have seen no rainfall in East Africa. This follows a previous five year spell of drought. The climate change caused by global warming in East Africa has led to more frequent and severe droughts in the already dry season and sporadic and unpredictably large rainstorms causing floods, mostly during the wet seasons.

Widespread crop failures and serious water shortages due to the drought have caused tremendous human

devastation, decimated livestock and driven farmers and their families off the land. The situation is made worse by high food prices. Nowhere is the situation as bad as in Somalia, torn by foreign invasion, imperialist intervention and civil war. The imperialist backed government is fighting against a fundamentalist Islamic movement, al-Shabaab, in control of mainly the south of the country as well as parts of the capital city, Mogadishu.

Somalia is the most dangerous country in the world to work for aid agencies, kidnappings, killings and attacks on aid convoys occurring frequently. Aid agencies are harassed not only by the insurgents, demanding cash payments but also by US military operations against the rebels, which have disrupted humanitarian operations. Insurgents vowed to target foreign aid workers after a US missile strike killed the head of al-Shabaab and 24 other

people in 2008. Al-Shabaab say they will maintain a ban on specific aid agencies that was imposed in 2009 and 2010, in spite of promising to lift it earlier this month.

Tens of thousands of Somali refugees are flooding camps in Ethiopia and Kenya, many walking for 30 days with very little food or water to sustain them and having to bury small children before even reaching their destinations.

In the refugee camps, aid agencies are struggling to cope with the refugees. The UN says it has so far raised only half of the \$1.6 billion needed for its regional relief efforts in East Africa.

Within Somalia many starving families are forced to travel to war-torn Mogadishu in search of food. Other countries in the region, particularly Ethiopia and Kenya are facing the failure of rains in pastoralist areas and soaring food prices.

An estimated 20 million people live in the dryland areas of the Horn of Africa; nomads who own livestock and feed themselves and their communities with milk, meat and other livestock products. But in recent decades vast areas of the land in the Horn of Africa have been taken over by agriculture and large scale farms. This has undermined the pastoralist system and reduced yields of milk and

meat. In periods of drought many nomads are forced to drop out of the system altogether.

East Africa depends heavily on rain-fed agriculture making rural livelihoods and food security highly vulnerable to the severe droughts and floods caused by climate change. The small farmers and pastoralists are under attack by capitalist agribusiness. The people are caught in the grip of the high prices of staple foods, mainly imported. In Somalia, plagued by imperialist intervention and civil war, there is the danger of the famine spreading to all the other areas of the country.

The democratic struggle and the fight for socialism

24 July 2011, by **Zely Ariane**



Democracy is the mother of prosperity, justice, equality, culture and all forms of creativity beneficial for the future of humanity. But it was not just for the sake of democracy that the Indonesian people overthrew Suharto in 1998, but also for justice and prosperity. It was not for reformasi (the political reform process that began in 1998) that students and the people occupied the House of Representatives (DPR), but for an Indonesia free from the threat of the gun and military spies, free from corruption and nepotism, for a prosperity where basic commodities would be affordable. Democracy was the tool; democracy was the means, to achieve the aim of human liberation from oppression by other humans. Without democracy, humanity becomes black and white, colourless, and prosperity becomes a commodity owned by those in power.

The student and people's reform

movement succeed in bringing down a dictator, broadening the people's direct political participation through a multi-party system, press freedom, the freedom to organise and most importantly, succeed in restoring the most effecting political weapon of the people, mass action. The movement however was unable to bring down Suharto's capitalist and militaristic regime and replace it with one that was more democratic and populist. The movement also failed to fully consolidate and push through a more progressive democracy. The movement failed in the two major battles: it failed in the fight against the military, militarism and Suharto's ruling Golkar Party, and failed to fight the hegemony of the anti-democratic forces.

Democracy has now been restricted and channeled into institutions unilaterally declared as the representative will of the people, complicated by bureaucracy and the manipulation of money, locked into the interests of capital and the status quo, and controlled by the gun and threat

of jail. Democracy has no longer the will of the people, but the will of a small elite in defending their interests and power.

When mass action changed the rules of the game, when democracy was in the hands of the ordinary people, when it was decided directly by the people, not one legal mechanism in capitalist society could say no. The evidence. Suharto was forced to resign.

Of all the universal elements of democracy, which were successfully won by reformasi, such as freedom of expression, assembly, the right to form political parties, the freedom of information, direct elections that were honest and fair, the post principle and fundamental element was mass action. Spontaneous and organised mass actions were the key to political change in 1998. Indonesian observer Max Lane, who translated the Buru Quartet by the country foremost author Pramoedya Ananta Toer, says in his book "Unfinished Nation", that politically, the Suharto dictatorship

was overthrown from the moment that political mobilisations began; when the politics of mass action again began to be used a weapon of struggle against the New Order's floating mass politics in the mid 1990s.

People have speculated that Suharto's downfall was the result of United State intervention, which no longer saw Suharto as an effective and efficient agent for international capitalism. While this conspiracy theory may be correct — and it is not impossible that the US would do such a thing — without the mass upheaval that begun in the mid 1990s, Suharto would not have been considered inefficient or ineffective by the US. So mass action remains the principal factor of change — regardless of whom or what hitched a free ride on this change in the days that followed.

Historically, mass action has been critical the Indonesia politics because it played a key role in heralding Indonesian independence from the Dutch and became the hallmark of Indonesian politics up until Suharto and the military seized power in 1965. And it was this political character that was first and foremost destroyed, right down to its roots, by the New Order after 1965 through the arrest and murder of activists, and the black propaganda against any perspective that supported mass action. Mass action became the ghost haunting the New Order throughout its years in power, and was transformed into an angel during the initial period of reformasi.

New organisations also grew, while old organisations split and were forced to reorganise. The most striking result of this was the growth and splits that occurred in the trade unions and political parties. Numerous committees and student groups were established, and compared with the years before reformasi, grew rapidly. All of these new organisations took up the jargon of reformasi, with even the old status quo organisations being forced to bow down before the flag of reformasi.

But freedom of information, direct elections, the multi-party system, regional autonomy, all of which were the results of reformasi movement, are

now being turned into a 'scapegoat' by the status quo forces, as if they are the source of the country's problems, it's inefficiencies.

It is not the fault of reformasi if the current state of democracy is deteriorating. Nor does it mean that Suharto's New Order was better because the 'Reformasi Order' appears more vulgar, obscene. Reformasi changed the rules of the game, creating space for the preconditions for a more advanced and essential democracy. On the other hand, it also provided a foundation for fundamental changes to the principles of institutional state.

Nevertheless, this foundation has no meaning if there are no democratic or progressive political forces to utilise or cultivate it. It is like a runway that has no function except for aircraft to land on it. Reformasi also has limits in and of itself. Reformasi changed what was on the surface, not what was deep inside. It only replaced a leaky roof tile, not the roof frame. Reformasi has been unable to reform a system deeply rooted in the oppression of humans by other humans. Reformasi was unable to make capitalism and militarism serve humanity.

Retreat

Bit by bit, many of the most important achievements arising out of the democratic struggle in 1998 are being taken out of the people's hands, even though many of its aims are far from being achieved. The people are still able to demonstrate in the streets, although the constraints on this are being progressively tightened. Large protests are now only allowed opposite the State Palace, yet before this they could be held several metres from the Palace gates. New restrictions on establishing organisations and political parties and the muzzling of trade unions are some of the most painful examples.

Just recently, activists circles were shocked by an Indo Barometer survey that found 40.9 percent of respondents believed that conditions under Suharto's New Order regime were better than now. Leaving aside the methodology and credibility of the survey, the political discourse about

reformasi is indeed being dominated by right-wing, status quo and conservative elements. They argue that the New Order period was better than now and that democracy has gone too far, is inefficient and wasteful. Progressive social movement groups meanwhile have concluded that not only has reformasi has failed to deliver prosperity the ordinary people but that their lives are becoming steadily worse. But both these views contain one thing in common — although for different reasons — that reformasi has failed.

For the social progressive groups, or those that claim to be left revolutionaries, reformasi has failed in three principle ways. This also differentiates them from the way the status quo views reformasi. First, although the military has been banished from parliament, its territorial command structure — which mandates the deployment of military command posts and detachments at all levels of the civil administration — remains intact, and has even been extended. Second, reformasi failed to bring Suharto and the generals who committed gross human rights violations to justice. Third, reformasi failed to weaken the power of the political parties that were the principle crutch of New Order — the Golkar Party and Suharto's cronies. These three fundamental political elements are a key measure of the failures of the democratic struggle in Indonesia.

It is untrue that things were better under Suharto. The New Order, backed by Golkar and the military, were in fact the historical cause of the systematic poverty that Indonesia suffers now, by first and foremost carrying out the slaughter and imprisonment of millions of innocent people accused of being communists because they were an obstacle to the New Order's capitalist economic development. It was these same big Indonesian capitalists who then pawned off the Indonesian people and their natural wealth into the hand of international capital domination through the 1967 law on capital investment.

Since that time, Indonesia, which had earlier tried to regulate its own

economy, politics and culture, free from imperialist domination, increasingly became fertile ground for foreign exploitation. Cheap labour, natural wealth sold off and the environment destroyed without thought of the future, the people entwined in foreign debt — so that from the moment of birth every child bears a state and private sector debt in the millions of rupiah — industries operating only to serve international markets and prevented from pursuing planned development to meet the needs of the ordinary people and domestic markets, cultural diversity castrated by the uniformity of a culture enforced at gun point. Indonesian's once dynamic culture became static, with diversity manifested only through traditional arts and regional dress, not through a diversity of thought, expression and political action. The people were no longer permitted to be involved in politics and simply

laboured and worked in accordance of the government's dictates for the sake of development ala Suharto; for Suharto and his cronies under the barrel of the military's guns. It was because of this that Widji Tukul — a street poet and activist disappeared by the military in 1997 — depicted Indonesia as being blanketed in a false peace.

There is a common view that life under the New Order was more comfortable because the price of basic commodities seemed cheaper. This is because in relative terms the average wage received at that time was still enough to cover the cost of basic staples. But this was not because Suharto's New Order sided with or cared about the ordinary people, but rather, or at least one of the reasons, was that the global capitalist economy still 'tolerated' the provision of government subsidies to the people, which they no longer consent to. Because of this therefore, real wages today are less and less able to cover the cost of basic staples because prices are increasing (due to inflation and subsidy cuts) faster than wages.

The other view expressed by status quo forces is that Indonesian democracy has gone too far. Former Vice President and business tycoon Jusuf Kalla has stated that democracy

is too expensive because there are too many direct elections and too many political parties. And worse still is the view expressed by intelligence analyst Wawan Purwanto who said: "The slow pace of dealing with terrorism in Indonesia is mostly caused by the emergence of reformasi. It isn't as easy as earlier times when the New Order was still in power... Before we still had the anti-subversion law and it was easy to deal with things..." (Tribunnews.com -7/5/2011).

These kinds of views — which have many adherents, particularly within the bureaucracy — make no sense, are unnecessary and hostile to democracy. Kalla's statement is pragmatic and anti-democratic because it fails to see the importance of ordinary people's participation and the political dynamics of direct elections and the establishment of political parties. The 1955 elections under the leftist government of Indonesia's founding president Sukarno involved many parties. Political life was very dynamic and the people's participation and diverse political views existed openly and clearly, providing a positive correct political education to the people.

Hersri Setiawan, a poet and activist from the People's Cultural Institute (Lekra), a now banned organisation formerly affiliated with the Indonesian Communist Party (PKI), commented that reformasi 1998 was a massive wave that brought down the Suharto-military regime but did not follow through and failed to overthrow militarism, because "ism" is a cultural concept. Setiawan's statement is correct in the sense that militarism is still a bugbear for this country. The addition of new military territorial commands, the involvement of the military in land conflicts and the shooting of farmers, the involvement of high-ranking military officers in the formation of many political parties, the discourse about political leaders with a military background being better than civilians and the narrow discussion of nationalism in the debate about territorial borders, reflects this militaristic behavior and thinking.

Reformasi will indeed be unable to fully solve this without a progressive social movement that is alive and real,

aimed at and continuing to force through their demands. Unfortunately, the progressive social movement has failed to present an alternative ideology against capitalism, against the ideology of bureaucratism and New Order militarism, against reactionary conservatism and fundamentalism that is finding a hearing in the midst of the lack of an alternative ideology. This is the principle failure of reformasi in Indonesia.

The movement was also unable to take advantage of the opportunities and potential to change the political rules of the game in the initial phases of reformasi. Perhaps this inability was because the movement was immature in terms of theories, strategies and the tactics of struggle and not yet rich enough in the face of the rapidly changing political situation.

Conversely, those in power, the bourgeoisie forces, were far quicker to consolidate post 1998. The impeachment of Indonesia's first elected president, Abdurrahman "Gus Dur" Wahid in 2001, was the first milestone in the alliance between the reformist bourgeoisie supporters of reformasi and the remnants of the New Order and military, in which the bogus character of the fake reformists groups became immediately clear. These fake reformists — the Indonesian Democratic Party of Struggle (PDI-P) and the National Mandate Party (PAN) were the most conspicuous — proved that they lacked any character or principles, that they were cowards, quick to betray reformasi and support the remnants of the New Order forces. It was also at this point that the bourgeoisie counter attack against reformasi began in earnest.

Following the ouster of Gus Dur, a massive capitalist economic consolidation was undertaken during the administration of President Megawati Sukarnoputri — the chairperson of the PDI-P. International capitalism post Suharto was pushing neoliberalism through the dismantling state protection of domestic markets. All of the people's basic needs such as food, housing, education and healthcare had to be commercialised.

It was the Megawati-PDI-P administration that played the biggest role in pushing Indonesia further into the precipice of dependency on imperialism through the privatisation key state companies, signing letters of agreements with the International Monetary Fund (IMF) and the World Bank, which further ensnared Indonesia in the mechanisms of international finance capital. The administration of President Susilo Bambang Yudhoyono (SBY) has pursued similar policies but with a slightly different emphasis, with Yudhoyono tending to rely more on foreign debt opening the tap of liberalism even faster. But their economic and political aims are the same: becoming the 'good child' of imperialism with no long-term vision to improve the welfare of the ordinary people.

The repeated attacks against the people's economic, social and political rights had to be continued for the sake of the post-reformasi bourgeoisie's economic and political stability. This process began to find its form and direction after the 2004 parliamentary and presidential elections that saw Yudhoyono win the presidency. Since then there has been almost no difference between the forces of pro-reformasi and the remnants of the New Order, particularly after student activist from the 1998 reform movement thronged to become supporters and candidates for the fake reformist and pro-New Order parties. The 2009 legislative and presidential elections saw a continuation of this consolidation and a truncation of bourgeoisie forces into just a few major political parties.

More recently, the bourgeoisie's political consolidation has been further ripened by the emergence of organisations and parties such as the National Democrats and the National Republican Party, both of which smack of attempts to return to or restore the New Order. The political forces behind these new parties are still the Golkar Party (or disaffected former members) and the military. The National Republic Party (Nasrep) is even led by Suharto's son Hutomo "Tommy" Mandala Putra and argues openly for a return to the "good-old-days" under Suharto.

Democratic threat

In the midst of these complex problems, we are faced with the huge threat to the future of the democratic struggle. The draft laws on intelligence and secrecy, state security and proposed revisions to the Criminal Code (KUHP) — which are expected to be ratified in July — are major projects being pursued by status quo forces to reassert the hallmarks of militarism and anti-democracy. Wawan Purwanto is of the view that what these forces are actually seeking to revive some kind of anti-subversion law — which was routinely used during the Suharto era arrest people suspected of being involved in "terrorism" and was revoked at the beginning of the reform era — in order to legitimise the arrest of those who oppose or criticise the government.

The phenomena of increasing terrorism and the Indonesia Islamic State (NII), regardless of its aims, interests and who is behind it, is also being used by these forces to create an atmosphere of fear while simultaneously increasing repression and the monitoring of the people's social and political activities. The draft intelligence and state security laws, along with revisions to KUHP will be used as a compliment and supplement for attacks against the people's democratic rights, which have increased under Yudhoyono's administration.

In a press release by the Draft Intelligence Law Advocacy Coalition the group said that the laws represents a concrete threat to freedom of expression and organisation, particularly in the articles related to intelligence information secrecy, arbitrary arrests in the name of secrecy and the complete lack of any control mechanisms in the name of state secrecy.

Meanwhile in one of the article of the draft revisions to the KUHP, it explicitly states: "Whosoever acts against the law by spreading or developing Communist/Marxist-Leninist teachings in any and all forms, and its manifestations" and "anyone who establishes an

organisation that is known or reasonably suspected of practicing Communism/Marxist-Leninism can be sentence to jail".

The other threat is the growth of anti-plural, conservative and fundamentalist-reactionary organisations and actions. While the underlying reasons for this phenomenon are beyond the scope of this article, as stated earlier, while reformasi provided opened up opportunities for democratic consolidation, in the contest to win the support of the ordinary people it has in fact been conservative ideas that have come to the fore, while progressive, socialist ideas have failed to gain a hearing.

For one step forward

In the midst of this unfavorable situation, when not one elite force that has any real belief in democracy, the solution still lies on the shoulders of the progressive social movement groups that (should) have the strongest faith in democracy. There is no other choice for the progressive social groups other than to consolidate against these attacks on democracy while continuing the struggle for economic justice.

This does of course provided a valuable lesson: that reformasi itself is no longer enough. It is now becoming increasingly evident, that even to achieve the smallest gains in the struggle for reformasi it requires the mobilisation of the ordinary people, it requires revolutionary politics to organise a radical new system of power, economy and society.

The problem at the moment is that the consolidation of the progressive social movements and the left is making few advances. The movements for economic rights are often fragmented and difficult to unite under a political and democratic struggle. Yet economic rights cannot be fulfilled and prosperity cannot be achieved without democracy. The lack of an alternative political vehicle that is sufficiently dominant and can play a role in building an awareness of the roots of the ordinary people's problems also complicates this unity process.

The solution to this must be formulated jointly because the problem has to be overcome jointly. The view of Italian revolutionary Antonio Gramsci regarding the consolidation of unity is absolutely correct in providing an inspiration to current inertia of the movement: "We must build the unity, consciousness and maturity of the movement, make it into a force that is strong and cohesive, and then with patience, with thorough attention to the contextual conditions, await an opportune moment to use this force".

Likewise with regard to the movement's responsibility to position itself in the face of real practical political problems, Gramsci continued: If the forces that are in line with this want to have an important historical influence, they have to eternalise and organically/make themselves one in relating to the conditions on the ground, not just converging momentarily. In order to build the momentum of the masses, they must demonstrate, both in the imagination of the people as well as in action, that they are capable of winning power and implementing the tasks that they have set themselves".

The importance of democracy

Now we have arrived at the question of why, we, the socialist movement, the social progressive movement, the democratic movement, are so very concerned with democracy. And why can we not hope or expect democratic reform from capitalism?

Democracy and capitalism can never run in parallel, because capitalism does not require the most basic ingredient of democracy: the direct participation of the majority of ordinary people. Capitalism has no objection to dictators and dictatorships as long as they correspond with their interests. In "The State and Revolution" Chapter 5, Lenin stated: "Within capitalist society we have a democracy that is emasculated, forlorn, false, a democracy for the rich, who are in the minority".

Democracy under capitalism is democracy for the capitalist whose economic position is free from people's control. It is sufficient that the people be given a representative assembly but without the right to recall the representatives that they themselves elected; it is sufficient that the people be given "democratic" institutions that provide a representative function without any direct involvement or understanding. All of this has one aim: distancing the people from politics, because the politics that they desire is the politics that serves the interests of the capitalist class, not the politics of the ordinary people. This kind of democracy inevitably makes society apathetic, decadent and passive, that has no political force of its own, and is mobilised only in the interests of the ruling class.

We can see the limits of democracy under capitalism very clearly when the capitalist state is confronted with radical demands for democracy and welfare. The capitalist state shows no reluctance in responding with acts of violence and repression, no longer concerning itself with the democratic principle that it claims to be its foundation. It is at moments like that that the real interests of democracy under capitalism are exposed.

Conversely, the struggle for socialism is a struggle to overturn all the logic of democracy limited by capitalism. Socialism calls for the broadest possible political involvement of the people, because it is the people who must in the end hold power themselves. To quote from Burmese democratic icon Aung San Suu Kyi at the opening of the ASEAN People's Forum in Jakarta on May 3-5, capitalist democracy is appearance without substance, without its fundamental elements. Drawing from the French revolution, the most fundamental elements in the struggle for democracy (democratic revolution) cover the people's sovereignty, human rights, constitutional authority, citizenship, oversight by the people

and so forth. While many of these ideals were born in the early stages of bourgeois-democratic revolutions, in the process of democratic development it came to threaten them, so it is the working people who have the greatest interest in defending and broadening democracy — that is the meaning of completing the democratic revolution.

The struggle for socialism requires an extension of democratic logic to broader political arenas such as fighting state bureaucracy. The struggle for socialism moreover politicises and democratises all areas of the people's lives including economic (through the class struggle) and household life (through the feminist struggle).

Socialism is closely linked with democracy, because socialism can only be realised with democracy. Socialism requires the direct contribution of ideas and action (participation) by the ordinary people as a whole in order to discuss and find solutions to problems in their lives. The more people are involved, the richer and more successful socialism will be. This is the reason why the struggle for socialism must continue to seriously intervene in the political struggle, because every step forward or political retreat will have an influence on the possibility of a socialist victory itself.

Politics is characterised by conflict, decisions, power and situations that cannot be predicted mathematically, all of which are the basis for the determination of the correct tactics in the struggle for socialism. Because of this therefore, socialist groups must play the fullest possible role in the democratic struggle. This is because the democratic struggle can only benefit us, not the status quo and pro-capitalist forces. The democratic struggle for socialism opens the way for reform of a system that is firmly and deeply rooted in the oppression of humanity by humanity.

May 20, 2011. Translated by James Balowski

"Why I am a socialist and intend to remain so"

20 July 2011, by **Jeyakumar Devaraj**



"Hey Kumar! Still tilting at windmills are you?" a doctor friend greeted me at an MMA function 4 years ago. There had been some news regarding the Parti Sosialis Malaysia in the media that previous week.

For many, the socialist experiment had already been assigned to the dustbin of history and only deluded people would still work towards socialism

But for us in the PSM, we believe that socialism has an important, even crucial, role to play in averting a colossal economic-ecological disaster that will occur within the next 30-60 years!

We believe that the world has to find a workable alternative to an economy driven by corporate greed. We advise 3 main arguments for this position.

1. Malaysia's current economic course recommends to a "Race of the bottom".

The global owners of capital and technological expertise who control market access are a relatively small number of corporations - about 500 to 1000. They have become all powerful in the unipolar world of today and they can "bargain hunt". Even the biggest governments can't control them.

The measures that Malaysia is taking to attract investors into Malaysia

include

Lowering corporate tax and supplementing tax income by enacting a GST. The tax burden is being shifted onto ordinary Malaysians

Enhancing "labour flexibility". This is a misnomer - it undermines job security and workers' rights through allowing contractualizing of labour and by weakening unions.

Privatization of basic services such as health care and tertiary education.

All these measures pile economic pressure on the lower 70 % of the population.

And these are measures other developing countries are also taking - each outdoing the neighbor in the mad rush for FDI. It is very difficult to build a caring society within this framework of development.

2. Chronic under consumption leading to massive growth of financial capital and increasingly volatile financial "bubbles".

The ability of large corporations to "bargain hunt" in the cheapest sites to station their factories has meant mega-profits for these corporations but at the same time has stunted the aggregate consumption power of the global economy. When a US or European firm lays off 100 US workers by shifting to China and

hiring 100 Chinese workers at 1/7 the wage, the total buying power of the working class is reduced.

The absence of robust growth in consumer demand dictates that the profits of the corporations cannot be invested in the production of more consumer goods. So the corporations need to try other alternatives to make money such as the Futures Market, Currency Trading, the Share Market, and other financial products like derivatives.

This tendency is highlighted by the fact that "Quantitative Easing" - the release of more money into the US economy in an effort to stimulate industrial production thus reducing unemployment - has backfired into the creation of more financial bubbles in various parts of the world. The problem is sluggish consumer demand, not a lack of productive capital.

The issue here is not insufficient regulations but a misdistribution of the world's wealth! To address this problem, the power of the corporations has to be challenged!

3. We are reaching the environment limits of growth.

The global economy is heavily dependent on petroleum. This commodity is going to run out within the next 50 years or so. We urgently need to think not only of alternatives sources of fuel, but also of much greater fuel efficiency!

Global warming is with us. How soon and how fast sea levels are going to rise is still a matter of conjecture - but does that mean we can afford to

ignore the issue if it only impacts our grandchildren and not us?

An economic model that requires a global average rate of growth of 4% per year to avoid downturns is clearly not sustainable! Not for the next 50 years! We need to redistribute the wealth we already are creating more equitably. We have to cut down waste! Growth cannot be endless.

All of these are only possible if we are ready to challenge the paradigm that

unchecked greed will lead to the best possible outcome for the world's majority because Adam Smith's "Invisible Hand" is still operating in today's corporate led globalization.

The ordinary people of the world need to take power to dictate the direction of the national or world economy away from the hands of the 560 richest corporations of the world.

We need to empower the marhein of the world to take on these tasks through a democratic process. These

are the tasks facing 21st century socialism. These are not easily attainable goals.

But the problems we are facing are extremely serious. Unchecked they could lead to an ecological, food or climatic disaster that will lead to a decimation of the world's population.

This is not the world that I wish to bequeath my grandchildren. That is why I am a socialist and intend to remain so despite the EO/ISA arrest!

Repression in Kuala Lumpur - Solidarity with the 6 comrades of the PSM

19 July 2011, by **Danielle Sabai**

Bersih 2 has found a growing echo among the public and it called for a demonstration on Saturday July 9. The government did all it could to prevent this demonstration, banning it, arresting more than 200 activists and preventing of thousands of demonstrators from getting to Kuala Lumpur. Nonetheless, more than 50,000 people joined the demonstration. The police arrested more than 1,600 marchers after having dispersed the peaceful demonstration with water cannon and tear gas. All were subsequently released.

As is the case with many authoritarian regimes, the Arab revolutions have struck fear into the heart of a government whose main party, the UMNO, has lead the country uninterruptedly since independence in 1957. It wants to prevent any extension of the campaign Bersih 2 in the manner of the first campaign, launched in 2007, which was followed in 2008 by an unprecedented electoral defeat for the ruling coalition and the UMNO.

Meanwhile, the government has arrested 30 activists of the PSM (Parti Socialis Malaysia) who distributed

leaflets in the context of their campaign "Enough already, retire now". Six of them, including a federal member of parliament, were detained. An Emergency Ordinance authorises the government to hold them in isolation in extremely harsh conditions for 60 days without charge. Their lawyers and families have very limited visiting rights.

The PSM has launched an international campaign for their immediate and unconditional release. You can contribute by:

Signing the [online petition](#);

Sending letters by mail to the authorities. A model letter is given below:

Dear Sir

We write to you concerning the detention of Member of Parliament Sungai Siput Dr Jeyakumar Devaraj and 29 members of the Parti Socialis Malaysia who have been detained in Penang.

They have been charged for attempting to revive the Communist Party and waging war against the King. These are extreme charges

especially when there is no shred of evidence to support this.

We understand that they are being held under deplorable conditions which are not acceptable especially when Malaysia sits on the UN Human Rights Council.

As such we urge your good self to intervene in this matter and seek your assistance to facilitate their immediate release.

Thank you for your attention in this matter.

Yours faithfully,

Send to:

YAB Datuk Seri Najib Tun Razak

Prime Minister, Malaysia

Office of The Prime Minister,

Main Block, Perdana Putra Building,

Federal Government Administrative Centre,

62502 Putrajaya, MALAYSIA

Tel : 603-8888 8000

Fax : 603-8888 3444

E-Mail : ppm@pmo.gov.my

Tan Sri Ismail Omar

Inspector General Police

Ibu Pejabat Polis Diraja Malaysia,

50560 Bukit Aman,

Kuala Lumpur, Malaysia.

Tel: +603 2262 6015

Fax: +603 2272 5613

rmp@rmp.gov.my

Statement by Anti-capitalist Left conference

18 July 2011

What prevented the ‘Great Recession’ of 2008-9 developing into a slump as deep as that of the 1930s is the willingness of the ruling classes of the advanced capitalist states substantially to increase public spending and borrowing: in 2009 budget deficits grew by five percent of national income in the advanced economies. But they have rejected calls to break with the neoliberal policies that helped to precipitate the crisis. Instead they have defined the increased government borrowing caused by the crisis as a problem that requires harsh austerity measures representing a radicalization of neoliberalism and threatening the survival of the welfare state. In Europe these policies are now being forced through by the bourgeois right, which is now in government almost everywhere.

But the crisis continues to pose an acute political danger to the ruling classes because of the intensification of the class struggle it can provoke. This danger has been realized in the Arab world with the revolutions in Egypt and Tunisia. Here material privations intensified by the crisis - mass youth unemployment, rising food prices, etc - have fused with the accumulated hatreds of corrupt, brutal, and misogynistic regimes backed by the US and the EU. The result has been astonishing popular explosions whose future is uncertain but that have put revolution back on the political agenda.

But although the Arab revolutions are the most spectacular cases, there has been a more general upsurge in

resistance. 2010 saw the struggle over pensions in France, general strikes in Portugal and Spain, multiple general strikes in Greece, student movements in Britain, France, and Italy, and the anti-precarity movement in Portugal. The 15th May movement in the Spanish state, beginning with a call for ‘real democracy’ and refusal to be ‘commodities in the hands of politicians and bankers’, has struck a chord with tens of thousands of mainly young people who have rushed to form their own ‘Tahrir squares’ all over the country, engaging in self-organized and increasingly self-confident civil disobedience, attracting a good deal of sympathy and with the prospect of spreading to other countries. A similar movement has developed in Greece with a dynamic that combines the squares and the strikes.

The recent movement to defend collective bargaining rights in Wisconsin shows that the austerity drive has now reached the United States, thanks especially to the victories won by the Republicans with the support of the Tea Party movement in the mid-term elections last November. But it also shows the persisting combativity of the American working class. The workers’ movement in the advanced economies has been weakened by the neoliberal offensive of the past generation, but the latest attacks risk stimulating a revival of militancy.

This big offensive can only be resisted through the cooperation of the anticapitalist left with a trade union movement that is combative, fully

democratic, and based on the strong participation of the rank and file. This requires a break with the policies of class collaboration that too often dominate the trade unions, and which are rooted in the social pressures on trade-union officials both to express and contain workers’ struggles. The growth of the influence of the anticapitalist left in the unions, as well as the greater confidence and self-organization of rank-and-file workers, are the most powerful forces in achieving such a break.

More concretely, we must:

• defend the democratic and social rights of the workers, the popular classes, and the youth against austerity, to be in all circumstances their spokesperson, to pursue in particular within the trade-union organizations a policy independent of the bosses, as well as of the state and of the government, whatever it might be.

• While starting from unconditional opposition to the parties of the bourgeois right, we pursue an unrelenting political critique of the so-called Socialist, Labour, and Social Democratic Parties for their capitulation to neoliberalism;

• defend in mobilizations as well as on the electoral terrain, as in parliament, an anticapitalist alternative to offer a perspective of rupture with capitalist society, rupture that can only be achieved by a movement of the whole of the population challenging the absolute power that the capitalist oligarchy

exercises over society and posing the question of a democratic government of the workers and the people.

â€¢ persistently and creatively use the united front tactic in order to build the unity of the working class for the struggle and and cooperate in a critical way with all those political forces that are against neoliberal policy and with the movements/trade unions who resist neoliberal policy.

This approach is likely to be most effective when it is based on active involvement in building resistance to austerity. The very severity of the crisis means that this resistance will confront ideological questions: above all, what is the alternative to austerity? The Western ruling classes have rejected Keynesianism and social democracy has refused to take it up. The anticapitalist left must oppose cuts in public services and the privatization of public services and campaign for an audit of the debt. But it should also be willing to put forward an alternative programme that begins to break with the logic of profit – for example, the nationalization of the banks, energy, rail, and the main service industries under democratic workers’ control, progressive taxation of income and wealth, cancelling the debt that has been created by financial speculation, investment in ‘climate jobs’ that would simultaneously reduce CO2 emissions and unemployment. We support the people of Iceland in their determination to refuse to pay the debt of bankrupt banks.

Anti-capitalist politics must continue to go together with anti-imperialism. American imperialism, already weakened by the Iraq debacle, has been further undermined by the revolutions in Egypt and Tunisia. But the United Nations Security Council resolution on Libya has given the green light to Western military intervention aimed at rebuilding the imperialist-dominated system of states in the Middle East. The radical and revolutionary left must combine support for the struggle against the Gaddafi regime with opposition to the

continuing military intervention in Libya by the US, France, Britain, and NATO. It is also necessary to continue campaigning against the occupations in Afghanistan and Iraq.

One of the many negative consequences of the ‘war on terrorism’ is the impetus it has given to the development of racism and xenophobia in Europe and the US. Official attacks on multiculturalism by the likes of Merkel, Sarkozy, and Cameron lend respectability to the attempts by the far right – whether it is Geert Wilders in the Netherlands, Marine Le Pen in France, or the English Defence League and its allies in Britain – to make anti-Muslim racism the cutting edge of their attempts to build up a popular base. Elsewhere in Europe it is the Roma who are the main target of the racist offensive. Building broad opposition to racism and Islamophobia and countering the attempts of fascist organisations to build themselves electorally and on the streets are among our most important tasks.

This means resuming the offensive on the social and political fronts, putting to work a politics of solidarity of the exploited classes against the dominant classes, who seek to divide the better to impose their policies. The surrenders and retreats create a climate of demoralization that opens the way to the reactionary ideological offensive. To resume the offensive on the social terrain means also to build a new socialist class consciousness.

It is clear that the situation places many demands on the radical and revolutionary left. We have therefore to build our own organisations to increase our capability to meet these demands – to win new militants to our ranks and to deepen our roots in working-class communities. We can also strengthen ourselves through cooperating together more. The anti-capitalist left has to match the international organisation of capitalism. Our strength is limited, but it is greater when combined. Through meeting and discussing together we can arrive at common initiatives and

actions and, we hope, to define the political basis of a European anticapitalist regroupment.

In this spirit, we support and, where possible, will intervene together in the following initiatives :

- July 16 : mobilization of the ENOUGH campaign against the IMF in Dublin
- ?
- October 1st : European conference against Austerity and Privatisation in London
- ?
- October 15th : call from indignados movement for action against austerity throughout Europe
- ?
- November 1st : mobilization against the G20 summit in France

Belgium : Ligue Communiste Révolutionnaire (LCR/SAP)

Croatia : Radnicka Borba

Denmark : Red-Green Alliance

France : Nouveau Parti Anticapitaliste (NPA)

Great Britain : Counterfire – Socialist Party – Socialist Resistance – Socialist Workers Party (SWP)

Greece : Anticapitalist Political Group (APO) – Sosialistiko Ergatiko Komma (SEK)

Ireland : People Before Profit – Socialist Party – Socialist Workers Party (SWP)

Netherlands : Internationale Socialisten – Socialist Alternatieve Politics

Poland : Polish Labour Party (PPP)

Portugal : Bloco de Esquerda

Scotland : Scottish Socialist Party (SSP)

Spanish state : En Lucha – Izquierda Anticapitalista – Partido Obrero Revolucionario (POR)

Sweden : Socialistisk Partiet

News Corporation: crime, corruption and class rule

16 July 2011, by **Piers Mostyn**

On Sunday, that bastion of scandal-mongering populist reaction, the News of the World (NOTW), departed this earth.

It was the country's biggest selling Sunday paper and the paper that achieved the highest ever sales in the world. Two days later, after what a Guardian columnist described as "an uprising of MPs", the Murdoch empire dropped its bid to take over BSkyB. It was a humiliating retreat for the world's biggest media mogul.

Things looked very different before. Hilarious TV clips from last autumn show Tory London mayor Boris Johnson guffawing about how this is "a load of old codswallop got up by the Labour Party", in response to a press query. More recently, as the unlikely spokesperson for anti-Murdoch militancy, the middle England romcom actor Hugh Grant archly put it, "the fact is that the prime minister and his wife, the leader of the opposition and his wife, members of the cabinet and shadow cabinet were all at [Murdoch's] party on 16 June, sipping his Pimm's and laughing at his jokes, and that's a sad reflection on the people who run out country".

One of those present as the oysters and champagne were served has commented, it now all seems like "an orgy at the end of the Roman empire".

Very late in the day Labour's Ed Miliband, wisely jumped ship - like a rat that can see the poop disappearing beneath the waves - and finally stated his opposition. This was quickly followed by the Lib Dems and finally the Tories.

However this course of events has shown that, but for Labour's stalwart backing over the years, the Murdoch press in this country would never have been in the position of strength that it

attained. And whilst the quintessential architect and product of this corrupt relationship was Tony Blair, his successors Gordon Brown (despite knowing that he too was a victim of hacking) and Miliband were content for it to continue.

What's clear is that this "uprising of MPs" was not a vanguard action but more a case of being dragged screaming and kicking after years of knee-bending to corporate capital and its media fronts.

The Murdoch method, which is by no means exceptional, depended on a tactically sophisticated combination of flattery, bribery, blackmail and corruption to create a consensus across the political spectrum on the basis that no serious party could afford to cross swords with the News International press - for fear of vilification and harassment on the pages of the tabloids or at the very least the withdrawal of vital political support.

Of course many innocent people will have lost their jobs. And no doubt this victory will prove cosmetic as the "News of the Screws" is replaced by stable mate or rival. But the significance of the unfolding drama as a challenge to core power bastions for global and national corporate capitalism and its political servants should not be underestimated.

The story started six years ago with the jailing of the NOTW royal correspondent Goodson and private detective Mulcaire over the hacking of the phones of members of the Royal family. News International and police investigations, involving the seizure of 11,000 pages of Mulcaire's notes and company emails led to quiet assurances that no one else was involved and there were no other victims.

But a growing trickle of celebrities couldn't understand how papers were getting hold of very private information. This led to a second police investigation and the further reassurance that there was no evidence of any wrong doing. Not a view taken by James Murdoch as he then proceeded to authorise six-figure payoffs to some of these celebs.

The whole affair might have rested there, given the public's difficulty in envisioning the rich as "victims". Then in June it was revealed that Mulcaire had hacked into the mobile phone of Milly Dowler - the teenage victim of Levi Belfield just sentenced to life imprisonment for her abduction and killing - in the days after her disappearance. Worse still he deleted messages, causing false hope in the minds of her parents that she might be still alive and accessing the phone. This from a newspaper that carried as its badge of pride the militant support for victims, particular children.

There followed a growing river of other allegations: including that the phones of relatives of victims of the 7/7 bombing had been hacked and those of soldiers killed in Afghanistan. Public revulsion was immediate.

Despite this Murdoch, incredibly, appointed Rebekah Wade (editor of NOTW at the time of the Dowler hacking, now Rebekah Brooks) to conduct an internal investigation - even as there were growing calls for her sacking. All party leaders and Cameron in particular, up to their necks in a web of close personal relationships with senior News International executives, were caught like rabbits in the headlights.

A breathtaking series of further revelations and developments followed on a daily basis: extending the scandal to other News International papers,

The Sunday Times and the Sun; and involving allegations of "blagging" (using trickery to obtain personal information).

It has also turned out that the Surrey police were aware at the time of Milly Dowler's disappearance that the NOTW had been hacking her phone but did nothing about it. This, information from NOTW that it had paid £100,000 to corrupt police officers for information and a well-established close history between the Metropolitan Police and the Murdoch press confirmed a general picture of police complicity and cover-up.

Assistant-Commissioner Andy Hayman, who ran the original investigation was simultaneously wining and dining with the executives of the company whose alleged criminality he was supposed to be looking into. Having exonerated them he then left the Met and got a job on a Murdoch paper. Even Tory MPs laughed and deride him as a "dodgy geezer" as he protested his innocence in front of a parliamentary committee that for years had swallowed this nonsense. The stench has become so over-powering that the only question is how it was kept under wraps for so long

The initial political focus has been on the criminal responsibility of individuals and how far up this stretched in the Murdoch empire. Once it became apparent that this brutal invasion into often highly vulnerable people's lives was taking place on an industrial scale (thousands of phones are believed to have been hacked or at risk of it) and that this is likely to have happened across a number of publications over a period of years - actual knowledge of particular acts of criminality becomes largely irrelevant. There has to be executive responsibility. Front page exclusives were being generated and £100,000s being spent.

The other focus was Newscorp's bid to take a controlling interest in BSkyB and the implications this has for pluralism in the media, particularly the news. Until a fortnight ago there was not a whiff of opposition from the political establishment and good money could be put on it sailing

through.

Over the previous six years none of the main media outlets (except The Guardian which has led the fight) now obsessing over the scandal had the courage to follow the story to where it truly led. So much for a free press. The reason: not simply fear of Murdoch, but jealousy and the probable fact that they were all up to the same games.

There seems to be an inescapable argument for individual culpability of one sort or another at senior levels in the Newscorp. But more important is what all this says about the organisation as a whole.

News Corporation owns News International which runs the stable of papers at the heart of the scandal. It is a major global player with a multi-billion pound turnover. It was, as top plod Peter Clarke (admittedly one of those anxious to shift blame, given his responsibility for the original investigation) put it, "a major global organisation with access to the best legal advice, in my view deliberately trying to thwart a police investigation". Having invested large sums and significant resources in crime, corruption and cover-up, it only began "fessing up when presented with its DNA on the bloodied knife. This tells you everything you need to know about its business, political, legal and moral perspectives.

Clearly there are no ethical boundaries. Hacking and blagging will only be part of the story. Remember Benjamin Pell (aka Benji the Binman, aka The Fleet Street Sewer Rat)? He spent the later part of the 1990s extracting secrets from people's dustbins and selling them to papers - ending up with little more than a £20 fine. And does anyone believe that mobile phone call and cell site (showing location) data or CCTV images (council, police and private) have been immune from this type of theft and corruption, particularly given police access? The planting of evidence and fabrication of stories are also quite possible.

What has been exposed is not a rogue corporation or some immoral individuals. It is nothing less than the

ruthless maximisation of profit at almost any cost, even in a commercial field so highly sensitive to public opinion. The veil has been taken off the underlying motor-force of all capitalism.

Hardly surprising that the media and the political establishment are running around like headless chickens. The entire capitalist class and its relationship to the state is implicated. How else explain Cameron's eventual volte-face to kick in the teeth close personal friends of many years standing?

Potential consequences include a massive loss of public confidence not just in the such media corporations but in the private sector as a whole. In a period of austerity people will put up with a lot of hardship if they can be persuaded of two things: that "we are all in it together" (already under a lot of strain as public support for the June 30 strike showed) and that we can trust the main pillars of the social order to sort things out.

In laying bare the brutal and repugnant consequences of the profit motive, the scandal threatens to expose to ridicule all the many assurances we still receive (despite the crisis triggered by finance capitalism) that the private sector can be trusted to run public services. We are told that even when a problem arises the state is there sort it out and failing that self-regulation ensures that other private sector companies can be relied upon to tame the rogues in the pack.

Well that's been proven to be a load of nonsense - police and parliamentary enquiries were either hopeless or cover-ups and everyone thinks the Press Complaints Commission should be renamed Poodles for Craven Capitulation. Gordon Brown's attempt to blame the Cabinet Secretary for his failure to institute a judicial inquiry when he could have as Prime Minister, is just another example.

Coming at the same time that Southern Cross, a private company running care homes for 31,000 elderly people, has collapsed in disarray putting tens of thousands of the most vulnerable people in a great deal of

anxiety and with the real risk of many fatalities if they have to be transferred – we have all learnt something very important about whether we can trust the private sector with those aspects of life that we most cherish.

That developments that led to this scandal are typical of normal capitalist operation, rather than exceptional is underlined by considering the longer term processes that produced them.

Although Murdoch's operation has been going for well over four decades, it is since the 1980s that he has made a particular impact in this country. Having bought a succession of newspapers he used them as an ideological battering ram to front up the Thatcherite assault on the working class and the accompanying transformation of capitalism to a neo-liberal market model.

This involved a systematic vilification of oppressed groups through sexism, racism, homophobia and xenophobia. It relentlessly preyed on the increasing economic insecurity of working class people under the yoke of unemployment, "flexible working", low wages and declining pensions focussing the resulting anxiety on a fear of crime, disorder and immigration and vilifying any radical oppositional political explanation.

The relentless campaign for more repressive laws in the name of "victim's rights" and ridiculing the Human Rights Act – one result of which was Labour passing laws to create 3,000 new criminal offences – now appears deeply ironic when one considers the treatment meted out to victims by News International employees.

But at its centre was a union-bashing crusade at the heart of which was one of the mighty trade union struggles of the 1980s as News International transferred its operations to Wapping provoking a bitter and lengthy strike and pitched street battles with mounted police. The legacy of that defeat, coming after the miners strike, paved the way for two and a half decades of decline in union militancy, membership and organisation.

The absence of strong unions with an

ethical code of conduct in the print room and at journalists' desks also freed up editorial policy from any constraint. If there is any one measure that can help ensure there is no repeat of the crime and corruption that has been revealed it is the presence of strong ethically committed unions in a pluralistic, independent, publicly accountable media – all sorely missing at present.

The deepening influence of neo-liberal economics have played their own role. The past three decades has seen a growth in inequality and an increasing determination of value in money terms. Privatisation and the assault on the welfare state has seen not only an attack on ethical standards across all public sector professions but a gradual shift towards valuing everything in money terms rather than public benefit.

From top executives on massively inflated bonuses to the lowest paid trying to scrape a bare living there has been a dangerous slide towards a culture in which everyone is expected to have a price. Hardly surprising that there has been a mushrooming of prostitution and the return of below-minimum wage "slave labour" in domestic service. Hardly surprising that bank employees, civil servants, telecoms workers and police officers can be bought – either corrupted by the culture or simply desperate.

Alongside this there has been a massive growth in surveillance and "data farming". In part this is an outgrowth of the digital and internet revolutions. But it has also become a new sector of the economy, with its own need to maximise returns. The collecting, storing and dissemination of this data has largely been sub-contracted to private companies. Its very existence has created a marketplace for secret information upon which a populist reactionary tabloid media with money to throw around has thrived. Phone hacking is but a minor extension of this process. The cutting of the odd corner.

And finally the process of privatisation has seen the delegation of core roles of the state to the private sector. This has gone well beyond the main utilities, public transport and so on. It

has included the state's monopoly on the use of force. There has been a massive growth in the private security industry to the point where over half a million are employed; the Iraq and Afghanistan wars saw the widespread deployment of private military organisations in a web of corruption as billions of pounds and dollars were doled out to buy off local leaders in the occupied countries.

This private security sector has seamless connections with the official sector represented by the police, armed forces and secret services, with the regular crossing over of personnel. A consistent feature of the NOTW scandal has been the presence not just of corrupt police, but ex-detectives working for private agencies and using their contacts.

A careful examination of the core activities revealed in this scandal shows that it simply replicates what MI5 and the anti-terrorist, special branch and serious crime sections of the police have been doing for decades with the full backing of government and parliament. Earlier this year police were exposed for using systematic deceit, gross invasion of privacy and entrapment as part of a long term infiltration of the environmental movement. Neo-liberalisation of the economy and privatisation has simply and naturally led to the transfer of these skills and operations to the private sector. Hardly surprising that NOTW journalist Mazher Mahmood (aka "The Fake Sheikh") boasted in the final edition of the paper that he had "clocked up 250 successful prosecutions" through his use of undercover surveillance and entrapment.

Of course this cross-over between the dark arts of the secret state and the capitalist media is hardly new. The BBC famously had an MI5 office in its building to vet employees. And foreign correspondents in a variety of news organisations over the past century have doubled up as MI6 agents (as shown by Phillip Knightly in *Truth: the First Casualty*).

Media corporations have undoubtedly benefited from a trade off for their assistance to the imperialist state – an

implicit understanding that their misdeeds would be overlooked.

Why has all exploded now? Nothing new has actually happened. All that occurred is that a vast bank of highly incriminating information, in existence for years, has suddenly come to light.

The obvious cause of the delay is the British bourgeoisie's traditional method of containing revolt, scandal and crisis - to suffocate it in an endless series of parliamentary and police inquiries, relying on the false veneer of trust in the "integrity" and "fairness" of these state institutions and particularly their "independence" from the interests of the soiled sections of the ruling class in question.

All anger and protest is diverted and diluted down the gloomy corridors of Scotland Yard and the House of Commons. Overlaying that is the cover up. It's a tried and tested model that held firm for nearly four decades after Bloody Sunday, when troops massacred civilians in Derry 1971.

One obvious lesson is that the righting of wrongs will only effectively occur by the exercise of power independently from and outside of state apparatuses. Preferably in a mass and militant exercise in organised people power. The Egyptians have shown the way.

Nonetheless there must have been some trigger for the sudden outpouring. Why now? Why not last year or two years before? It would be glib and inaccurate to suggest that the previous week's historic one day public sector strike by teachers, lecturers and civil servants was the cause. But in a sense the timing wasn't simply coincidental.

Everything has changed since 2005-6, when the first glimmers of the hacking story emerged. The banking crisis has thrown the ruling class into disarray, leading in turn to a political crisis - not only because of deep divisions and the lack of strategy to deal with the economic crisis nationally, regionally and globally. It was quickly followed by the MPs expenses scandal and then an election in which none of the political parties got a majority mandate for it's austerity policies and a coalition government was cobbled together to implement policies that had no electoral mandate.

This slide into a state of almost permanent political weakness and instability and on the part of the political elite was made possible by the earlier and still running crisis of confidence created by the debacle of successive military invasions, based on lies and at huge financial cost, from Iraq onwards.

But this has been met in the past 9

months by an upsurge of working class militancy - with the student protests, followed by half a million on the March 26 TUC demonstration against the cuts and then the successful 30 June strike. Meanwhile the past six months has also seen a mass revolt in the Arab world, mass struggles in Greece and Spain and major developments elsewhere.

Against this background the Wapping crooks and their friends in the police began to fall out. The outcome of the ruling class austerity offensive is looking far less sure. The traditional political mechanisms for ensuring ruling class political stability and hegemony have begun to weaken. No one wanted to be left still standing when the music stopped. So a mutual blame game has started.

A further lesson, therefore, is that if even the most powerful anti-union globalised capitalists can be confronted and rolled back - others can too. Many people have said that the anti-austerity movement badly needs a victory. Well, it may have been unexpected, but now it's got one. With the political establishment weak, now is a good time to shake off the legacy of past defeats and fight back whilst it is on the back foot.

July 14, 2011

This article was first published by [Socialist Resistance](#).

Support International Viewpoint's work!

16 July 2011, by **International Viewpoint**



From the movements in Tunisia and Egypt leading the Arab spring, from the population of north-east Japan suffering in the aftermath of the tsunami and the Fukushima nuclear disaster, from the *indignad@s* of Madrid, Barcelona and Athens, *International Viewpoint* has published

documents, reports and analysis from those involved directly and those extending solidarity to these movements.

We have also been able to publish more material outside the monthly magazine itself - in particular in our debate section where we have carried extensive material on the question of Libya - and also extended our book reviews section. In the latter case, we

would like to particularly encourage our readers to send us contributions - of whatever length they choose - on any books or indeed films or music they think may be of interest to other readers.

We have also recently been able to resume the service of producing a pdf of the monthly magazine sent out to those who have [subscribed](#) to our mailing list - and in some months have

also produced supplementary dossiers on particular subjects. We would very much welcome [feedback](#) as to how much these are useful to you and particularly whether you produce and distribute multiple copies of the paper magazine. We know this was the case in a number of countries of the south when the magazine first became on-line only, but wonder whether the extension of the internet has changed this subsequently. A further or alternative service would be a monthly digest with live links to the articles. Would this be a useful addition or

replacement?

We are able to do all this thanks to the activists on the spot and our other contributors who take the time to send us material, but we have to turn it into articles and post them on our website. This work relies on a team of volunteers - recently strengthened by new members, which explains our renewed activity! But it does involve costs - for translation, for the website, and for the IV team to meet together occasionally to review our work and

plan for the future.

Readers have in the past been generous with their donations to International Viewpoint, helping us upgrade our technical capacity. We hope that despite the economic crisis which is affecting all of us, you will be able to make a new effort to help International Viewpoint so that we can continue and extend our work.

To make a financial contribution please use the "Make a Donation" button on the left of the home page..

Resisting homophobia and occupation

13 July 2011, by **Alex de Jong**

HM: I'm here to share my experience as a Palestinian queer activist. As a movement, we are often marginalized in the media - if somebody writes about queers in Palestine, it's often dismissive about what we have to say ourselves. Instead, the focus is on our supposed victim-hood, not on our accomplishments. That is one of the reasons we feel it's important to talk about our experiences in meetings like this one or a recent speaking tour I did in the United States. Al Qaws is a queer and LGBT grassroots group that focuses on answering people's individual needs and creating a community where people can freely acknowledge all their identities, without having to choose between for example being queer or being Palestinian. For us, this is part of a larger vision of challenging and breaking the current sexual and gender hierarchies in Palestinian society.'

Palestinian society is one of few Arabic societies in which during the last fifteen years a distinct queer voice has developed. Why do you think that is?

HM: Actually, there are also groups in North-Africa, there are many great but still informal groups. But Palestine and Lebanon are the only two places

with formally organized groups. Palestinian society is very secular and very organized. Resistance is a daily fact of life and we have been challenged about our identity for decades. I grew up in a small village in the north and only when I moved to Jerusalem and was confronted with racism, I discovered I was Palestinian. In my family, people who experienced the trauma of 1948, the Nakba, didn't talk about it. Israeli society systematically denies a Palestinian identity to 'Arabs living in Israel'. So, the experience of discovering your identity and having to fight for it is familiar to many. Adapting such an experience to being queer was relatively easy.

In the last 63 years we have been constantly compared to Israeli society, we are for instance supposed to be homophobic and kill queers while they have gay rights. Such ongoing comparisons force you to think about these issues. When we started as a group, we were completely a-political: until the war against Lebanon in 2006 we didn't talk politics, we were only interested in our own experiences - but this became impossible, we couldn't escape politics. The Second Intifada, that started in 2000, was the first time Palestinians living inside Israel took part in the resistance.

Palestinian citizens of Israel were killed by Israeli police during demonstrations. Events like this made us question our identity, I think this was the first time I asked my grandfather about his experience during the Nakba. It is not an accident a movement like ours developed in Jerusalem, the symbolic center of the confrontation between Israeli and Palestinian society. When I went there I immediately became the Other.

How does discovering your identity as Palestinian compare with discovering your identity as queer?

HM: It was more gradual, I never really 'came out of the closet' - there was no closet, so to speak. Through Al Qaws, we formed a space where people can explore their sexual identity in an easygoing way, listening to other people's stories. I remember when I understood I could be both Palestinian and queer - it felt strange before to be talking about queerness and on the way back be ordered by an Israeli soldier to identify myself because I'm Palestinian. Many other members experienced this. Western strategies like visibility and 'coming out' are irrelevant for us. The gay liberation movement in the West can inspire us, but we can not copy it. A Pride parade in Ramallah would not be useful -

among other reasons because a lot of our members are not 'out' in the way Westerners think of being out of the closet.

We all have friends who know and some family members that know, but others don't. In different places, we can be different people. We can have this flexibility in our identity without having the 'ceremony' of coming out. We are not a christian culture, we don't have this tradition of confessing. In the Western context, 'coming out' grew organically from its social context. It's a very individual approach, from an individualist society. Palestinian society, however, is much more collective, you are part of a large family as it were. My parents are more angry about me moving away than being lesbian. Many people are very connected to their families and are not willing break with them by coming out in the Western sense. They are not afraid about violence or anything, they just value their ties with their family more. Coming out is not a precondition for a vivid movement, we proved we can build a community without everybody needing to be 'out' on all different levels.

Do you have any contacts with other Palestinian queer or feminist groups?

HM: We work closely with Aswat - meaning 'voices' in Arabic - an organization of Palestinian gay women. Aswat is an independent part of a feminist organization. Together, we operate a support line, we organize education and we have a large network of groups that work on sexual rights, feminism and Human Rights, both inside Israel and on the West-bank.

Do you have any contacts with Israeli groups?

HM: That's a complicated issue. Our main focus is on Palestinian society so we don't have much interest in cooperating with Israeli groups. On a personal level, we know each-other but in the last three years, we have taken different paths. We took a more radical and political road, talking about the connections between different forms of oppression while,

unfortunately, many of the Israeli LGBT groups have come to accept the nation and strive to become integrated in it through winning specific rights. Whether you are Palestinian or Israeli, I don't agree with this kind of liberal activism. We do have good contacts with some radical anti-Zionist groups that try to defend their community's interests while not forgetting the wider social context.

Two years ago, two gay youth were shot in one of the gay centers in Tel Aviv and we expressed our solidarity against this hate-crime. But when we went to the large demonstration against these crimes, it was dominated by white men and right-wing politicians. Shimon Peres was on the stage, saying 'don't kill', while two months earlier he was part of killing hundreds Palestinians in Gaza, and the Israeli national anthem was played. So, as Palestinians we were excluded from this demonstration. We asked to speak from the platform but this was refused with the argument this was not the place to talk about politics - as if the whole issue is not political! This demonstration turned out to be a symbolic junction.

Aside from the occupation, what are the problems Palestinian queers are confronted with? Of course we hear a lot about the rise of religious fundamentalism...

HM: I actually don't think this political trend has an impact on daily life. Palestinian society is very secular, notwithstanding people wearing hijabs or growing beards. As someone who lives in Jerusalem and spends a lot of time on the West Bank, I don't see an extremist wave of religious revivalism. I think I drank more beer on the West Bank than in Tel Aviv.... But Palestinian society is very diverse, some people live in large cities, others in small villages, you can't say there is a single experience. For Palestinian queers, both inside Israel and outside, there are two categories of challenges. The first are the universal difficulties of feeling isolated, growing up in a hetero-normative society, to experience a crisis because you are different. And there is homophobia, another universal challenge for queers.

Of course, Palestinian society has its particularities: it is very patriarchal for instance. Even a younger brother might expect he has the right to tell his older sister what to do. Another particularity is the taboo on talking about sexuality, even straight people will not talk about it. Talking about homosexuality is a way to push for talking about sexuality in general. We are not hiding we are lesbian, gay or whatever, but talking about sexuality is a precondition for a discussion on these subjects. Some Human Rights or women's groups might not be willing to be associated with us. But when sexuality in general is an issue, they can't pretend it's not an issue for them - sexuality is not limited to gays. Women's groups, Human Rights groups, LGBT groups, all have a shared responsibility.

The second category of challenges has to do with being a double minority, being both Palestinian and queer. You can't avoid discrimination that targets you as an 'Arab' or Palestinian. Not all the discrimination is systematic, organized. It can vary from when you buy food that people make fun of your accent, to riding on a bus and somebody telling you they don't want to hear Arabic or soldiers stopping you. The racism is pervasive. On the West Bank, people are dealing with the occupation in daily life, your freedom of movement is limited by all the checkpoints. We are facing homophobia in Palestinian and Israeli society and the occupation and racism.

What do you think, you as a queer group can contribute specifically to the Palestinian liberation movement?

HM: I think that the most marginalized have most to gain from social change and will be the most committed to change. You can choose to talk about homosexuality specifically and to work for gay rights - but you can also try to talk about sexuality in general and about other forms of marginalized sexualities, to talk about Human Rights and base yourselves on all the forms of oppression you experience. That is what we try to do, we want to include other categories than just homosexuals. For example, we want to

also include people that feel oppressed because of their gender or because they don't want to get married. As a small group, we have to build coalitions to make change in society and that is what we are trying to do. We now exist ten years and the first seven years we focused on building our own capacities, discussing our vision. We are aware that different groups have tried to manipulate the issue of queers in Palestine. Some Palestinian groups said we were 'westernized' for example. Or there is the traditional liberal claim that sexuality is not political but only affects people in their private life. The Israeli government uses the issue of gay rights, trying to paint itself as a kind of gay haven in the Middle east and accusing Palestinian society of being inherently homophobic. Our experience gives us an unique perspective. When I was touring the United States, Zionists didn't engage with us. We would have liked to discuss but they just can't deal with Palestinian, political queers. Supposedly we are either killed by the Palestinian Authority or we don't exist at all.

One of our main political campaigns is to counter what is called 'pinkwashing', a part of a broader campaign of the Israeli government: the cynical use of the relative progressive gay rights in Israel to divert international attention away from their Human Rights violations and occupation. I often hear the objection; 'so what if Israel wants to promote its gay-rights policies?' But it's not about gay rights, Israel commits Human Rights violations and occupies another people and then abuses my difficulties and my name by saying my society is backward and homophobic. My struggle is dismissed and my people are demonized. This has a direct impact on our image internationally but more important is its impact on Palestinian gay youth who internalize these ideas and dream

about running away to Israel, the supposed bastion of gay rights. But the law is very clear: Palestinians can not get refugee status in Israel, Israel will not help or protect Palestinian gays. The Israeli campaign of 'pinkwashing' is another reason we have to take a political stand.

That is also why you are now in Amsterdam, right?

HM: Yes, tomorrow I'm giving a workshop on pinkwashing and gay tourism to Israel. I will talk specifically about BDS (Boycott, Divestment, Sanctions) as a tool to counter Israeli policies.

You are here to give a workshop on 'queer BDS' - can you say something about this?

HM: We consider ourselves an integral part of Palestinian society: we do not mean this is in a nationalist way but in the sense that we suffer from the same hardships as other Palestinians. The occupation also affects queers, racism doesn't distinguish between queers and straights. So we were already part of campaigns against the occupation, discrimination and the separation wall. We feel we can contribute a special perspective to this struggle and this is why we wanted to create a separate, independent group that can work to support the BDS campaign from a queer perspective. We see BDS as a promising strategy, it is well structured, non-violent and it is supported by the overwhelming majority of Palestinian civil society. It's creating a new wave of resistance, independent from the Palestinian Authority. After 63 years of occupation, peace-talks and all kinds of initiatives to support 'co-existence' have had no success, the BDS campaign is a new campaign, based on Human Rights. It's not about fighting Israeli's but about challenging the Israeli state's occupation. This campaign is the right place for us as

Palestinian queers to express ourselves as part of Palestinian society and promote the BDS strategy in the queer context. Our main aim with 'Palestinian Queers for BDS' is to talk internationally with queer groups and to encourage both radical and mainstream groups to support BDS. Only external pressure can force Israel to give up the occupation.

The BDS campaign is gathering momentum internationally. What are your experiences with this?

HM: We are a young group - PQBDS started about a year and a half ago with making general statements. We issued a call to queer academics and artists to boycott Israeli institutes with links to the government. For us, we saw the most momentum, in Europe at least, in the campaign against IGLYO's decision to have its General Assembly in Tel Aviv this December. IGLYO is the International Gay and Lesbian Youth Organization, it has around 75 member organizations. Through this campaign, we reached many international groups. The main goal is to boycott the GA - not IGLYO itself - and this call opens the discussion on the issue of Palestinian queer rights and the occupation. Dozens of European LGBT groups were forced to have this discussion, we feel this was a huge accomplishment.

What do you consider your biggest achievements so far?

HM: 'After ten years of activism, we established ourselves as part of our society and proved we have a special contribution to make. Our ideas about identity and sexuality bring something new into Palestinian society, and there is a lot of interest in us, also among straight Palestinian activists. Even straight people are now coming to our events, they feel more free there. The greatest accomplishment of our movement is that we created a solid infrastructure and community.'

Elections in Thailand: a stinging disavowal of

the ruling oligarchy

13 July 2011, by **Danielle Sabai**

The result of the elections is beyond doubt. Despite censorship, military propaganda and intimidation, the voters turned massively towards the main opposition party, the Puea Thai (For the Thais). It won 265 of the 500 seats in the parliament and thus won an absolute majority. This party is the descendant of the Thai Rak Thai, the party of Thaksin Shinawatra, the businessman turned politician overthrown by the last military coup in September 2006. With Thaksin in exile, the Puea Thai had chosen his younger sister Yingluck to lead the campaign. The electoral message was thus perfectly clear and the elections took on the character of a referendum on the events since the coup.

Abhisit's Democrat Party, the motor of the ruling coalition, only obtained 165 seats. It paid the price for its proximity to the military, the monarchy and the high ranking bureaucrats who cream off the wealth of the country and maintain deep inequalities despite a real modernisation and healthy economic growth. The Democrat Party also paid for the strong repression exerted against the Red Shirts. The censorship of their newspapers, radios and television channels, the intimidation and arrest of activists has not sapped their determination.

These elections are a harsh blow aimed at the oligarchy which has dominated political and economic life in Thailand for several decades. It has lost direct control over the legislature and the executive. Despite the 2006 coup and a change in the Constitution drawn up under the direction of the generals, the ruling élites have not succeeded in getting rid of Thaksin who remains extremely popular. Yingluck will become the first female Prime Minister in the history of Thailand. She will be supported by a parliamentary coalition of 299 deputies made up of the Puea Thai and five small parties.

The option of a new military coup seems very unlikely today. At the international level, a new overthrow of a democratically elected government would not be acceptable to the US ally as was the case in 2006. But above all the divisions inside Thai society are so exacerbated that the refusal to recognise the verdict of the ballot boxes would undoubtedly lead to a genuine popular uprising of the Puea Thai and Red Shirt rank and file.

It is more probable that everything will be done to destabilise the new government without recourse to force. The risks of still greater political polarisation are real. The weakness of the parliamentary opposition could favour the development of an extra parliamentary opposition like that of the ultra-nationalist movement of the Yellow Shirts against Thaksin or recourse to backroom manoeuvres by the army and the palace.

The military could also make the choice of adopting a more conciliatory attitude towards the Puea Thai whose interests are not so divergent. This party is not without contradictions. Although elected by a popular electoral base and supported by the Red Shirts, it remains a capitalist party which defends the interests of the big industrialists. Its popularity rests on Thaksin who between 2000 and 2006 conducted a populist policy which allowed considerable improvement for the lives of millions of the less well off.

Since the military coup, the popular mobilisations have shown a real aspiration to democracy, social justice and to political and social changes. Will the new government meet these expectations? The response to this question depends in great part on its will and ability to confront the ruling élites. The military control and dominate to a great degree political life and to a certain extent Thai economic life. Reviving the democratic

process halted by the 2006 coup supposes depoliticising the army, subjecting it to the civilian authorities and eroding its economic bases. The government should attack the economic property of the army and its means of communication which include several television channels and drastically reduce the budget allocated to it.

If it really wants to strengthen democracy, at the institutional level the new government should first restore the Constitution of 1997 replaced in 2007 by a new constitution dictated by the generals. The Constitution of 1997 was by far the most democratic ever since the revolution of 1932. The new government should also give guarantees at the level of social justice. All political prisoners and persons prosecuted for the crime of lèse majesté, more than 300 cases according to the Political Prisoners in Thailand association, should be released or amnestied as soon as possible. Meanwhile, the Yellow Shirts who have been guilty of a number of crimes, in particular the closure of the two international airports at Bangkok in November 2008, should be prosecuted. An independent commission of investigation should also be set up to shed light on the repression which led to the death of 93 people in April and May 2010, mostly Red Shirts. The responsibilities of Prime Minister Abhisit and his Vice Prime Minister Suthep Thaugsubal, the former commander in chief Anupong Paochinda and his replacement Prayuth Chan-ocha should be clearly identified.

The democratic process cannot be revived without a profound reform of a justice system which has been in the service of the wealthy, an end to censorship and all the repressive laws like the crime of lèse majesté and the law on cybercrime.

At the economic level, the Puea Thai

has advanced many economic proposals in favour of its popular base, among them bringing the daily minimum wage up to 300 baths, that is increasing it by 40 to 100% according to the region; allowing borrowers to suspend the repayment of their debt for three years; implementing a programme guaranteeing rice growers a fixed price ; indexing the repayment of

loans granted by the state to students to their incomes; fixing the price of universal cover for medical care at 30 baths. The implementation of such measures would allow a beginning in the reduction of the deep social inequalities which divide Thai society.

The Red Shirts have mobilised to call for respect for democracy and social justice. The massive vote for the Puea

Thai is another sign that the majority of the population want structural change. Will the Puea Thai have the political will to deal with the political, institutional and social problems which traverse Thai society? The implementation of the reforms necessary to overcome this multiple crisis will undoubtedly depend more on the capacity of the Red Shirts and civil society to impose them.

Obama, Bin Laden and the Pakistani crisis

9 July 2011, by **Pierre Rousset**



In recent years, public opinion has become increasingly hostile to the growth of US military activities on the Pakistani side of the Afghan frontier - in particular the multiplication of pilotless plane (drone) attacks with their attendant civilian victims. Today the Pakistani political class can only condemn a flagrant and unprecedented violation of the country's national sovereignty, through an aerial intervention in an important urban centre. The civilian government could not however explain the presence of Bin Laden in a city which hosts the country's main military academy - except by admitting that it controlled neither the army nor the secret services.

The political crisis in Pakistan is all the sharper in that the Taliban question took on a new breadth in 2009 with the war in Swat (a valley in the North West). It acquired an internal dimension and was no longer only a border affair. Taliban groups formed beyond the Pashtu communities from which they had

emerged, linking up with other Islamist and radical fundamentalist movements. The army's traditional double game (fighting and simultaneously supporting the Taliban) became singularly complicated. With the rise in power of fundamentalist pressure and the sectarian conflicts which accompany it, the fractures in the state risked spreading.

The Pakistani army also wishes to show that there will be no peace in Afghanistan without its agreement. Washington seeks a political solution involving the Taliban, but Pakistan has been kept out of these tentative pre-negotiations. Indeed, Islamabad cannot accept seeing a government in Kabul allied with India, "the hereditary enemy". The secret services can use their very close links with the Taliban to hinder the negotiations while the government can turn to China to check the USA and New Delhi. The Bin Laden affair is at the heart of a geopolitical game with multiple actors which affects the whole region.

In the event Pakistan is also paying the cost of the ideological rearmament

of US imperialism. The extra-judicial execution of Bin Laden provided an opportunity in the USA to rehabilitate targeted assassinations (which had been banned by the courts), the prison at Guantanamo (which the candidate Obama had promised to close), the use of torture (according to the official version it was confessions forced from a Guantanamo detainee which put the CIA on Bin Laden's trail), great power nationalism and the universal "right" of intervention which Washington claims. The political operation was all the more effective inasmuch as it is led by a black Democratic president whose election had been hailed by numerous progressives. The time of illusions is very much over.

The action of the US commandos was an operation of war - but a war whose stakes go far beyond the spectacular production of an Obama-Bin Laden duel and the next presidential elections in the US. On a world scale, Washington has announced its bellicose intentions. In Asia, the geopolitical cards around the Afghan conflict are reshuffled. In Pakistan, a country whose people are paying the biggest price in all this, the crisis deepens.

National Conference of the NPA: a campaign faced with the crisis of the system

9 July 2011, by **Jean-Francois Cabral, Sandra Demarcq**



On Saturday, the first debate began around our approach to the elections. The principal divergence between the delegates of Position A and those of Position B (40 per cent of the delegates) related to the strategy of the NPA towards the Left Front. Position C (5.8 per cent of the delegates) considered that the approach proposed by Position A has was not sufficiently revolutionary.

The general profile of the campaign

The discussions on Saturday afternoon centred on the profile and the main lines of our campaign. As a result of these discussions, broad agreement took shape around the idea that our campaign should respond to the crisis of the capitalist system and its consequences for the population and the working class. This crisis, which is at the same time economic, financial, social, environmental, energy and food, has disastrous effects. Faced the with governments of both right and left which orchestrate the austerity plans in the service of the ruling classes, the need to give our social camp the confidence that is necessary to fight back is a common preoccupation. But differences have

arisen on the way that this campaign should be conducted. Some comrades of Position B are afraid that there will be a “workerist and sectarian” campaign and the comrades of Position C are worried that there will be a campaign which would not refer sufficiently to measures of a break with capitalism.

On Saturday evening, our comrade Philippe Poutou was designated as presidential candidate of the NPA by 122 For, 50 Against, 11 Abstentions and 47 NPPV (did not take part in the vote). [11] Some comrades in particular were opposed because they considered it regrettable that our candidate is not a woman, in particular one of our two spokespersons. But a majority considered that the social and political profile of Philippe illustrated best the project of our organization during this crisis period of capitalism and made it possible to unite the party.

The launching of the campaign

On Sunday, the discussions in workshops made it possible to deepen the various axes of our campaign ? : working conditions, sharing out of work, jobs and precarious work, wages, ecology, discriminations, cancellation of the debt, youth... As an

anti-capitalist organization, we want to link the defence of the demands that arise in the daily life of the population to the discussion on how to win them, by the mobilization of the working class, in order to organize society according to other interests than those of the capitalists.

At the beginning of the morning session, a discussion also took place on the urgency of succeeding, all together, in overcoming the barrier of 500 sponsorships of elected representatives that the law imposes on us. This is the immediate task, the most urgent thing for everyone. At the conclusion of the national conference, a declaration was adopted, with 62 per cent of delegates voting in favour [12], in order to unite the organization around its campaign. Position B wished to make a public statement putting forward the basic disagreements and is calling for the constitution of a public current next October [13].

After this national conference, the challenge is now to put the internal discussions in the background, to unite the NPA and to turn the party outwards, towards struggles and towards the electoral campaign which must give coherence to our interventions, by linking them to our project of society.

Published in the NPA weekly Tout est a nous (TEAN), 30/06/11.

“The worker Poutou succeeds the postman Besancenot”

9 July 2011



Yesterday evening, the far-left party chose the trade unionist who works at Ford Blanquefort to represent it in 2012. Philippe Poutou was elected with 53 per cent of the votes.

“Calm and a hard worker”

A trade unionist, member of the CGT, this father of two children, who lives in Bordeaux, has been in all the battles to save jobs in his factory, which was due to close and which finally continues to operate. “He is a calm person, a hard worker, who thinks very quickly and thinks his ideas through to the end”, says Gilles Penel, one of his CGT colleagues at Ford. “We have seldom seen him lose heart during these difficult years”, testifies also Francis Wilsius, CFTC activist and representative on the enterprise committee for several years.

“I will not try and be a super-Besancenot. I will be never as good as him. I will really need the help of my colleagues and friends to succeed”, the activist considers. Irony of history, he is the son of a postman, his three brothers and sisters are also postal workers. “As for me, I failed the entrance exam.”

Without any diploma, doing temporary work for ten years in small storage companies, before starting, again on a temporary contract, in the gear-box section of the Ford plant in 1996, Philippe Poutou came in contact with politics at a very young age.

He was born in Seine-Saint-Denis, but arrived in Gironde at the age of seven, and grew up in a family of Mitterrand supporters - something that he questioned as a teenager. He joined the far left when he was

18. For ten years, he was active in Lutte Ouvrière (LO). He read a lot. Marx and Engels, but also Zola, Hugo, Poullat, Jaurès. “It was the history of human society through novels that

interested me the most”, he explains.

He left LO. After a disagreement with Arlette Laguiller, the local branch was expelled from the party. The Bordeaux members then formed “The Workers’ Voice”, before joining the Revolutionary Communist League (LCR) in 2000. Within the NPA, some people reproach Philippe Poutou with this too “workerist” approach. “We don’t all have the same way of seeing things. Personalization around the candidate doesn’t go down well in the party. In any case we will run the campaign in a collective way”, he replies.

Philippe Poutou is articulate. And also self-assured. Having got used to dealing with the media in the battle for Ford, he is also used to election campaigns. He has stood several times under the banner of the LCR then the NPA, in municipal legislative and European elections. In March 2010, heading the list for the regional elections in Aquitaine, he got 2.52 per cent of the votes.

Laurie Bosdecher for *Sud-Ouest*

Declaration of the Executive Committee members of the NPA supporting Position B

9 July 2011

1. In line with the positions of a new majority leadership, the National Conference of the NPA has turned its back on the project of bringing together anticapitalists and on any kind of unitary perspective. By doing this, it has gone beyond simply taking a position on the presidential election. It considers that the NPA on its own is capable of responding to the challenges of the period, of contesting, on the basis of an orientation of a break with capitalism, the hegemony

of the Socialist Party and of social-liberalism.

The leaders of Position A explain in *Tout est a nous* that “the idea of regrouping antiliberals and anticapitalists on the electoral terrain and outside it, on the sole basis of non-participation in a government with the SP” is an “obscuring of our project” and that “the central axis of the NPA” must be “the direct dialogue with workers, young people, the

unemployed”. Never in the short history of the NPA has a majority leadership defended such a strategy: reduced to self-assertion and self-centred construction, breaking with the project of a broad party launched by the LCR. Quite an achievement for a party which wanted to be much broader!

2. This proclaimed and programmed isolation can lead only to a dead end and will deprive the NPA of any ability

to influence the debates which will arise from the important developments to come. In a political situation that is rich with potentialities but also full of threats, such a retreat is profoundly worrying. The crisis of capitalism, with its consequences of debt and austerity in Europe, the climatic and environmental threats and the latent food crisis that they involve, the scarcity of resources and the risks of war that they carry, the brutality of the policies followed by the Right and by social democracy, the uprisings and resistances which they provoke, from Greece to Spain, from France to Italy, the rise of the far Right, the Arab spring and the slow and inexorable catastrophe of Fukushima; the situation is new, moving and contradictory. In this context, it is necessary for us to be even more an open party, able to take initiatives, to intervene in an overall way without dissociating the social and ecological needs from politics, the street and the ballot box and thus to carry forward a project of anticapitalist unity independent of the SP, addressing the organizers of the social movement, without circumventing the political forces and currents.

We want the Right and the National Front to be beaten in 2012. It will then be a question of bringing together, in a block of left opposition, the social, ecologist and political forces that will refuse to participate in or support the policies followed by the social liberals. This is a decisive challenge which should be prepared as of now with determination by those who know that such unity is an absolute necessity in order to build an alternative. It is the object of a permanent political battle whose programme consists of a plan for an anticapitalist and ecosocialist break with capitalism, starting from the document adopted at our last Congress: "Our answers to the crisis".

3. Concerning the possibilities of an electoral agreement with other forces for the 2012 presidential election, we continue to affirm that a single candidature of the forces to the left of the SP was desirable. But for us, any electoral agreement supposes that all the components clearly affirm the impossibility of governing with the SP and of constituting a parliamentary

majority with it. We are obliged to recognise that with the Left Front these conditions do not exist.

We think that an active policy on the part of the NPA could have influenced the situation in a positive sense.

We also note that there exist many currents and activists who agree with us, who do not resign themselves to the division which reigns on the left of the Left and who refuse the perspective of a governmental agreement with social-liberalism.

So, as opposed to a counter-productive policy of denunciation and self-assertion, it is necessary to continue political confrontation, to influence the reconstruction and recomposition of the social and political movement (in particular social struggles and the legislative elections).

4. Although we recognize the result of the vote by the members of the NPA, we cannot take responsibility for the consequences of the decisions of this national conference: they express an identity-centred posture of an NPA that no longer has any link with its founding project, which aimed to "represent what is best in the heritage of the socialist, communist, libertarian and revolutionary traditions." and to bring together the many who "in and around the parties of the institutional Left, have not given up the aim of radically changing society".

This project was not to build a party by bringing together "the anonymous" around a core of "genuine anticapitalists", addressing the masses directly, in an "anti-system" logic. "A party is not an end in itself. It is a tool to bring people together, to gain in effectiveness in the collective struggles" as our founding principles affirmed.

And "to bring together the anticapitalists" involves building initiatives on all terrains in order to create a political alternative which can polarize as broadly as possible anticapitalists of different horizons, traditions, experiences and generations.

The choices that have been made on the programme, the profile of the NPA

and the method of designating the candidate are clearly those of a campaign of self-assertion and not of a campaign of uniting anticapitalists. During the national conference almost all the delegates of Position A voted against an amendment which proposed to add to their document a reference to "Our answers to the crisis", a programmatic document adopted by a majority at the last congress. They also excluded the idea that the NPA should be represented at the presidential election by one of its spokespersons. That will certainly bring reproaches to a feminist organization which finally had the chance to present a woman as candidate.

We cannot identify with the launching of this electoral campaign, which does not unite our party. We will continue to play our full role in the party while defending other choices.

5. After this national conference, at which an opposition emerged representing 40 per cent of the membership and of the delegates, we invite the comrades who agree with this orientation for the NPA to organize themselves in an anticapitalist, ecosocialist, feminist and unitary current. We are determined to continue to do everything possible along with all the members of the NPA. And we will also take the necessary measures to maintain the founding project of our party, on which a majority has unfortunately just turned its back. We will organize an assembly to establish this current in October. In the meantime we will discuss how it should function in a collective and democratic way, what means of expression we will have and the type of relations that we will maintain with other political, social and ecologist forces in France and in other countries.

Declaration by the members of the Executive Committee supporting Position B, after a collective discussion between the members of the National Political Committee and the delegates of Position B, who met together on June 26, 2011 during the National Conference of the NPA:

Catherine Faivre d' Arcier, Coralie Wawrzyniak, Damien Joliton, Emre

Why the left should back independence

8 July 2011, by **Alan McCombes**



This earthquake that wiped out Scottish Labour on May 5 in most of its key seats in the (ex) industrial heartlands of the country came about because many voters in Scotland are comparatively happy with the record of the previous minority SNP administration that had left of Labour policies on a series of key questions. Most students in Scotland don't pay tuition fees unlike in the rest of Britain and prescription charges had been abolished on April 1, 2011, just before the election. The SNP also has a record of campaigning against the siting of Britain's Trident nuclear submarine in Scotland.

Further, few people were impressed by the decision of Scottish Labour, with the colourless Iain Gray as leader, to run a vitriolic campaign against independence rather than putting forward any positive policies of its own.

This was combined with the fact that the Tories in Scotland have had very little popular support outside their own bastions since Margaret Thatcher's imposition of the poll tax in the 1980s, while the Liberal Democrats across Britain were punished everywhere for their support for the Conservatives' attacks on working people through deep cuts and extensive privatisations.

At any rate, SNP leader Alex Salmond's night of triumph brings the prospect of Scottish independence closer than it has ever been - with a

referendum set to take place within this five-year parliamentary term. Salmond himself has talked about waiting two to three years - but there may now be pressure to move more quickly.

The prospect of independence for Scotland - of a break-up of the British state is a prospect that should be supported by all socialists, as the Scottish Socialist Party's Alan McCombes explains in this article, updated from 2005. "Terry Conway

Over 150 years ago, Karl Marx and Frederick Engels called on the working class of all countries to unite and fight for a socialist world.

At a time when there were no telephones, no cars, no aeroplanes, no TV and no radio, their internationalist vision represented an extraordinary feat of historical imagination.

In today's world of the internet, satellite TV, high speed air travel, global capitalism and the World Social Forum, the philosophy of socialist internationalism no longer looks like a utopian flight of fantasy.

But what does socialist internationalism mean in practice?

"Imagine there's no countries, I wonder if you can; nothing to kill or die for, a brotherhood of man," sang John Lennon in his celebrated radical anthem.

Such a world may well be built sometime in the distant future by generations who are not yet born. But how do we begin to move from here to there? And how do we apply the principles of socialist internationalism to the 21st century world that we live

in?

There are three key questions the Left has to address. We may not reach agreement on the answers, but even to ask the questions would at least be a step forward.

First, does socialist internationalism mean that we are striving to replace capitalist globalisation with socialist globalisation? Are we aiming to build gigantic socialist mega-states? Or should our more immediate goal be to build socialism from below - a socialism that is based on decentralisation, diversity and voluntary co-operation?

Linked to that is a second question. Should socialists be in favour of larger, broader states under capitalism? Is bigger always better? Do large-scale multinational states unify and strengthen the working class or can forced unity from above sometimes aggravate national conflict and resentment?

The third question revolves around the process of change. Will socialism be achieved as the product of a single big bang, a simultaneous, world-wide revolt of the working class and the oppressed? Or, because of differing national conditions and traditions, will social change be more fragmented and disjointed? Will it tend to develop at local and national level first, before spreading outwards?

For those who subscribe to the "bigger is better" theory of internationalism, multinational states such as the United Kingdom represent historical progress. They say that, whatever the social costs, the Act of Union [14] and the destruction of the Scottish Gaedhltacht after

Culloden [15] paved the way for the rise of large-scale capitalism and the emergence of a powerful British working class. Any attempt by Scotland or Wales to break free of the United Kingdom today would be a regressive step.

Logically the same arguments should be applied to the development of the European Union. Those trying to push forward towards a European superstate represent historical progress; while those Swedish and Danish trade unionists and women's organisations who successfully campaigned against the euro were putting their own narrow interests above the greater historical project of internationalism.

Moreover, socialists in Canada and Mexico - and the rest of Latin America too, for that matter - should be advocating union with the United States of America on the grounds that such a continental state would unite hundreds of millions of working people from the Amazonian jungle to the Arctic Circle. After all, a manual worker in Toronto or Guadalajara has more in common with a worker in a Detroit car factory than with a Canadian banker or a Mexican landowner.

Unfortunately, all historical evidence illustrates that forced unity from above tends to inflame national division rather than eradicate it. The European Union, for example, rather than cementing international harmony has become a breeding ground for suspicion and division between nations.

The tides of anti-European resentment now surging through Scottish fishing communities are likely to foreshadow more widespread discontent as industrial communities in 'Old Europe' become increasingly pitted against the sweatshop economies of 'New Europe' after enlargement.

Swapping the Union Jack [16] for the Saltire [17] would not rid Scotland of inequality, low pay, pensioner poverty and the other problems inherent in any capitalist economic system. But it would allow normal class politics to develop more naturally than ever before.

Especially since the 1960s nationalism - in its broadest sense - has permeated every pore of Scottish political life. There are times when it has played a progressive role, for example magnifying the intensity of the campaign against the Poll Tax.

More frequently it has acted to deflect attention away from the real source of Scotland's problems. Independence in and of itself won't rid Scotland of these problems, but it would at least clear the way for politics to be fought out on the basis of ideology and class rather than on the basis of nation.

An independent Scotland would also mark an important democratic advance. From the 1980s onward, the Scottish labour and trade union movement spearheaded the battle for devolution.

Whatever the shortcomings of the Scottish Parliament, it has marked an important democratic advance, opening areas such as health, education, transport and the environment to public scrutiny and democratic accountability for the first time ever.

Yet there remains a democratic black hole at the heart of Scottish society. On the big decisions that really matter power is retained at Westminster, an institution which now has a virtually built-in, centre-right majority.

It is Westminster which will decide whether nuclear weapons remain on the Clyde, whether Scottish soldiers are sent to kill and die on behalf of George Bush, whether Thatcher's anti-trade union laws remain on the statute books, whether pensioners should continue to be paid a pittance, whether the rich should continue to pay some of the lowest rates of taxation in the world, whether the minimum wage should be raised from its existing pitifully low level, whether asylum seekers should continue to be locked out of our empty, depopulated land.

A further reason why the Left should back independence is that the break-up of the United Kingdom would weaken capitalism and imperialism internationally. In Scotland, support for the union has always gone hand in

hand with support for imperialism. Even today, the official title of the Tory Party in Scotland is the 'Scottish Conservative and Unionist Party'.

The old British Empire has long gone but Britain continues to play a key role on the world stage as the staunchest ally of the US in its drive to conquer the resources of the planet for multinational capitalism.

The departure of Scotland from the United Kingdom would mean more than just the loss of a big chunk of territory. Scotland is a vital cog in the western military machine, with vital nuclear submarine and air bases. More than 80 per cent of all European Union oil reserves are in Scottish waters, while Edinburgh is the fourth finance centre in Europe.

The tearing of the blue out of the Union Jack and the dismantling of the 300 year-old British state would also be a traumatic psychological blow for the forces of capitalism and conservatism in Britain, Europe and the USA. It would be almost as potent in its symbolism as the unravelling of the Soviet Union at the start of the 1990s.

It is no accident that big business and the conservative right in Scotland are fanatically pro-union. The break-up of the United Kingdom might not mean instant socialism, but it would mean a decisive shift in the balance of ideological and class forces. Political attitudes in Scotland are not necessarily any more left wing than in some of those regions of England which have huge working class concentrations, such as Tyneside, Merseyside or South Yorkshire.

But on a national scale, for close on half a century, the political centre of gravity in Scotland has been more heavily tilted to the Left than in England.

That is reflected, for example, in the fact that the Tories have never won an election in Scotland since the 1950s. Media pundits down south may have proclaimed Old Labour unelectable in the 1980s, but Old Labour beat Thatcher hands down every single time in Scotland.

In 2010 a Westminster Tory / Lib Dem coalition was elected and immediately enacted savage spending cuts while the 2011 Holyrood election saw an SNP government elected on an essentially left of centre social democratic manifesto.

The one legitimate fear expressed by left wing opponents of independence is that the unity of the trade union movement could be torn asunder. But that fear is groundless.

Generations after Ireland won partial independence, a number of British and Irish trade unions continue to organise on both sides of the border. There are many US-based trade unions organised in Canada. There is also close collaboration within the trade-union movement across Scandinavia. In today's world of global corporations, trade union organisation will tend to transcend international

borders, though that may well be accompanied by greater decentralisation within trade unions.

Independence is not a synonym for isolationism. In today's globalised economy, it would be no more possible erect a new Hadrian's Wall today than it would have been possible for Robert Burns to hop on board a transatlantic flight at Prestwick Airport. Nor would anyone claim that it's possible build a fully-fledged socialist society in a small country on the edge of Europe. But what we can do is push forward in a socialist direction, blazing a trail which others will then follow.

As a general rule, social and scientific progress is not achieved by waiting until all conditions have ripened to fruition. The Wright brothers didn't wait until the jumbo jet had been invented before flying across the sands of Kitty Hawk. Nor did Fidel

Castro and Che Guevara wait until the USA was ready to break with capitalism before leading a revolution in Cuba.

With the victory of a majority SNP government on May 5th 2011 there will be an independence referendum in the next 5 years. That will be preceded with at least a year of wide-ranging constitutional debate on the history of the UK and its relevance today. For the Left, there will no hiding place.

Silence will not be an option. We will have to spell out where we stand. Do we stand with the forces of conservatism on the side of the Union? Or do we strike out courageously on the side of change through participation in the Scottish Independence Convention that could eventually pave the way to a new, socialist Scotland?

Declaration of the National Conference of the NPA on the presidential election

6 July 2011

In Greece, in Spain and in the whole of the Arab world, millions of demonstrators are opposing the policies of the ruling classes and the states whose aim is to make the workers and the peoples of the region pay for the crisis. In France, the employers, Sarkozy and his government are engaged in violent and reactionary attacks against workers, women, young people and immigrants. Since it was founded, the NPA has consistently advocated the broadest unity in opposition to these attacks, and has initiated and taken part in all the unitary frameworks which make it possible to act effectively in this sense.

On the occasion of the upcoming elections, presidential and legislative, we want to continue these daily battles while making heard the voice of the exploited and oppressed, the

working class, immigrants, women, youth, all the victims of the austerity imposed by a state that is subjected to the banks and the employers, and which uses racism and xenophobia to divide us. Starting from the positions discussed and adopted by our party since its foundation, we will defend a programme of breaking with capitalism, for a different distribution of wealth, so that wage-earners and the whole of the population do not pay for the crisis. It is a programme for struggles, for their generalization. It is the only way forward, faced with the social, political and ecological crisis which cannot be solved in the framework of a simple change of government, in a context of respect for state institutions and private property. A programme which could only be implemented by a workers' government, because only control and direct intervention by workers can

overthrow the system and change the world.

In this context, the National Conference of the NPA presents the candidature of Philippe Poutou for the presidential election. He is a member of the NPA, a trade unionist who has for years been organizing the fight against the closure of his enterprise, against one of the world's leading car companies. He is an anti-capitalist, feminist, ecologist, anti-racist and internationalist candidate. [18]

In these campaigns, the NPA will make a voice heard which unambiguously condemns austerity policies, whether they are carried out by the Right or, as in Greece and Spain, by the Left. This voice will be completely independent of the Socialist Party and its allies. The NPA demands the cancellation of the debt,

the expropriation of the banks, their socialization in a single public financial service under the control of the mobilised working class and the population and the defence and the improvement of the public services that are now being attacked under the pretext of the debt.

It wants to make a voice heard which, basing itself on their mobilizations, defends the interests of the workers against lay-offs, for a ban on sackings, for sharing out the work available and for pay rises (an increase of 300 euros a month, net, no wages below 1600 euros net, indexation of wages on prices) and for an end to intolerable working conditions.

A voice which, a few months after the catastrophe of Fukushima, demands an end to nuclear power and the expropriation of EDF, GDF-Suez, Areva, Total... and the creation of a public service making it possible to have energy planning.

A voice for equal rights, for the regularization of all undocumented workers, against all racist laws and discourses, in particular the stigmatization of Roms and Muslims.

A voice which fights the National Front, a party that hides its support for all the capitalist attacks behind a pseudo-social discourse.

A voice which denounces and firmly combats the oppression of women and fights against all the forms of discrimination and violence that they undergo in both the public and private spheres. A voice which fights against the discriminations that lesbians, gays, Bi, transsexual and intersexual people experience.

A voice which refuses the unlimited power of the employers and the banks, which fights for real democracy, as the *indignados* at Puerta del Sol in Madrid, the Greek demonstrators of Syntagma Square and the revolutionaries of the Arab world demand. A voice which expresses its solidarity with all the struggles of the oppressed, starting with the struggle of the Palestinian people.

A voice to build another Europe, founded not on competition but on solidarity. A Europe of the workers and the peoples. A voice which is opposed to the military and economic interventions of French imperialism.

In the forthcoming electoral campaigns, we will make heard an emergency programme; we will defend a policy that is as faithful to the interests of the workers as the Right and the UMP, currently in government, are to the interests of the rich.

We have before us a difficult battle and we are faced with many obstacles. To start with, we must succeed, all together, in overcoming the barrier of 500 sponsorships of elected officials which the anti-democratic law imposes on us. Differences have been expressed during the preparation of the National Conference and in the conference itself. Our party must now unite around the fundamental demands which we share.

Our campaign will involve a collective leadership and campaign spokespersons, including our two national spokespersons and Olivier Besancenot. It will be based on the whole of the party. We call on all those who so wish to take their place in our collective combat.

Nanterre, June 26, 2011.

A first turning point in the crisis

6 July 2011, by **Pierre Rousset**

Initially, only small minorities mobilised against the social and energy policies of the government. Subject to incessant calls for national unity, the population was initially traumatised by the brutality and the violence of the triple disaster: earthquake, tsunami and nuclear crisis. Then the feeling of having been fooled by the sorcerers' apprentices spread, lighting the fires of popular anger. Faced with rising opposition, rather than apologising, the employers showed a clear will to let nothing go. Lines of confrontation are taking shape; the political issues of the months to come are emerging.

Fukushima: today's lies

Tepco, the operator of Fukushima 1, and the Japanese authorities have had to recognise that from the beginning of the crisis, the core of three of the six reactors of the power station had melted; that - contrary to previous affirmations - the earthquake damaged the buildings and that the tsunami was not alone responsible; that in drowning the fissile material to cool it, they had created a new major problem: a mass of radioactive water which spread on the site and made it impossible to work there; that they

were totally unprepared for such an accident. Industry and administration have also not been capable of coordinating their action effectively faced with the disaster.

Note that the lack of preparation was not only Japanese. The international nuclear authorities never envisaged the Fukushima scenario: the simultaneous accident of four reactors with the conjuncture of an earthquake and a tsunami. A myth collapses, according to which "everything is planned for", "everything will remain under control". A truth is imposed: the scientific body (the physicists), the experts and the media have been complicit in a criminal lie. Indeed,

most particularly in Japan, a country condemned to suffer violent earthquakes, the support of the population for the nuclear industry depends on confidence in "expertise". It is this confidence which is being shattered.

Nuclear power: yesterday's lies

A sign of the times - although with delay and much timidity - the Japanese press is beginning to offer more critical information on the ongoing nuclear crisis [19]. Progressively the veil is being lifted also on the history of nuclear lies in the archipelago. A Pandora's Box is opening.

The deployment of the nuclear industry is above all imposed on peoples on the basis of a dishonest promise: access to unlimited energy, cheap, risk-free, the basis of a continuous economic development and social progress. However, to make it accepted in Japan, it has been necessary to surmount two obstacles: the trauma of Hiroshima-Nagasaki and the concern aroused by the seismic instability of the archipelago.

To promote the nuclear industry in the 1950s, and conceal their culpability in the mega war crime of Hiroshima and Nagasaki, the United States opposed "atoms for peace" to "atoms for war" - blurring the organic link between the two, with civil nuclear energy producing what the military need to produce the Bomb. As occupying power they obtained the active collaboration of the Japanese government to pass on the message, with a certain success: the figureheads of the movement against atomic weapons in Japan became fervent defenders of civil nuclear energy.

Another big lie, the affirmation that all was anticipated, all would remain under control, whereas the nuclear risk was created for hundreds, thousands of years and still more. It is enough to glance at past history to know that the history to come will bring natural disasters, industrial accidents, governmental crises,

economic collapse, wars, revolutions and counter revolutions. However few journalists and scientists have derided this claim to keep fission (which cannot be cut off like electricity) and the emission of radioactivity (that cannot be destroyed) eternally under control. Dissident voices were rendered inaudible thanks to the backing contributed to the nucleocrat enterprise by the body of physicists and experts, relayed by the opinion formers, who have played a truly criminal role. Cracks appear today in the academic front, whereas the people doubts the experts. Beyond its specificities the history of nuclear lies in Japan greatly resembles what has happened in other countries, France most particularly.

The end of received ideas

A more surprising aspect of the consequences of the disaster of March 11 is that the lack of preparation of the Japanese authorities does not concern only the nuclear aspect of the crisis, as shown by a report prepared by the UNO which the Japan Times [20] has published.

The combination of the earthquake, its repeated aftershocks, the tsunami and the nuclear emergency, notes the report, provoked a simultaneous "multisectoral" collapse of infrastructures - a type of collapse generally associated with less developed countries: incapacity to rapidly supply water, food and shelter to those affected or to re-establish the functioning of communications and services. Although Japan's level of preparation for earthquakes certainly saved numerous lives, the authorities have not wished to invest in protection from events deemed to be improbable.

One figure illustrates the breadth of the problem: in the mid May note of Yomiuri Shimbun [21] in average only 30% of the aid passing through official channels reached the victims, so great was the disorganisation.

Employers in battle order

The Japanese crisis makes no exception to the rule: in time of humanitarian disaster class domination strengthens more than it is blurred in the name of solidarity. The bosses have made it known that they would not challenge the choice of nuclear energy, that they considered that Tepco and the nuclear industry were neither guilty nor responsible, that the indemnification of the victims should be financed by taxes or increased electricity prices - pushing to its end that very capitalist logic according to which profits are privatised and losses socialised.

The Japanese economy has entered into recession and for the first time since 1980, in April the trade balance was in deficit. The employers argue the crisis justifies a cut in social aid, increased taxes borne by the population, and the reduction of protection against layoffs. The bosses are leading a head on offensive on the nuclear question and on social rights. The *résistance* should also link the two questions.

The rise of resistance

In the nuclear area, there has been a loss of confidence in the "experts" among the public, while the people have been particularly shocked by the cynicism of the government, which has increased the legal rates of radiation; and this not only for the personnel working in the Fukushima 1 power station, but also for the school students of the region. "Can the government guarantee the health of our children?" ask the parents [22].

As in France, the nuclear industry in Japan uses the weapon of financial blackmail, to silence opposition, manipulating taxes and subsidies in the localities where the power stations are established. The government has nonetheless had to agree to temporarily close the reactors at Hamaoka, an installation particularly poorly prepared for a tsunami. Other

scandals have come to light, like that of the breeder reactor at Monju, in the bay of Tsuruga. It is situated on a very active seismic fault and had been closed in 1995 following a serious sodium leak. Reopened in May 2010, it experienced a new accident three months later when a part of the cover fell in the pit of the reactor. Since, no solution has been found and one of the site managers has killed himself, leaving a testament whose content is kept secret.

Today, the anti nuclear movement has taken off. After sometimes significant demonstrations (17,500 in Tokyo in two places), a call was made to pass from local action to national and international action, with June 11 a world day of mobilisations [23].

This passage from local to national resistance remains to be carried through on the social terrain. Initiatives are being taken in defence of workers in the nuclear industry, subject to radioactive risk. Village dwellers express dissidence. Refugees denounce their conditions. Radical trades unionists fight in defence of social rights. But there is not for the moment, a call to makes these struggles converge.

Radical activists, however, are making the link between the social and anti-nuclear struggles [24]. Innovative initiatives like the sit-in before Tepco headquarters have been initiated by trades unionists

The political stakes

Activists from political, associative and trade union backgrounds took part in the anti nuclear mobilisations. But the latter are largely dominated by youth without prior commitments, using the social networks as a mode of keeping in touch. They also now involve parents concerned for the future of their children. The entry into action of milieus without political traditions gives strength and vitality to the emergent movement of resistance. Without a precedent for forty years in the Archipelago, it shows that we are witnessing a turning point in the political situation of the country.

The Japanese crisis is not “sectoral”; it does not concern “only” nuclear energy or “only” social issues. It is a crisis of confidence, a democratic crisis, a legitimacy crisis for the government, a national crisis. It will not be easy for the elites to overcome it. But it is also a crisis without a ready constituted alternative and it will not be easy for the rank and file to give form to a real political alternative.

For the first time, certainly, plans for ending nuclear power are being drawn up. But in the event that the administration would be forced to withdraw on this terrain (for now it has renounced plans to increase the share of nuclear power in electricity production from 30 to 50%), the industry would propose its own alternatives, productivist, chosen for the profit that they can generate and not for their social and ecological rationality. It is not enough to close existing power stations. It is necessary also to change the energy paradigm – which cannot be done without attacking its dominant economic logic (capitalist) and the established powers. It should be hoped that the disaster at Fukushima does not get worse; but even in the most optimistic hypothesis, the affected power stations will continue for a very long time to emit radioactivity. As to the social conflict, it is only beginning and will accompany the whole period of post-tsunami reconstruction. It is to solidarity in the long term that we must look.

The internationalisation of the stakes

The shock wave from Fukushima has been felt well beyond the Japanese archipelago. It has stimulated other mobilisations as in Jaitapur in India against the construction of a giant nuclear power station. It strengthens public rejection of nuclear power where this was already strong as in Germany, and reduces public support where it was predominant, as in France.

The political context has changed following Fukushima. Also from the point of view of industry, the economic profitability of investment in nuclear power is challenged, given the price of the new safety demands that the Japanese disaster, after that of Chernobyl, will impose. It is symptomatic that the German company Siemens has just decided to withdraw from this sector, and the Swiss authorities have announced an end to nuclear power, while other governments hesitate. For its part, the French government maintains an unbridled defence of the nuclear options

Unfortunately at an excessively high price, the disaster of March 11 has opened a breach in the wall of nucleocracy. The Japanese people must simultaneously face the consequences of the earthquake, the tsunami and the Fukushima disaster. At this difficult time they need our solidarity.

ESSF collects funds for the Japanese social movements, in particular the north eastern region of the National Trade Union Council (NTUC). Please send donations via Europe solidaire sans frontières (ESSF):

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Report of the European conference for the defence of public health services

6 July 2011

[Health systems in Europe - changes and resistance](#) Reports from the

European conference for the defence

of public health services, Amsterdam, May 2011

Municipal elections: Berlusconi's defeat

5 July 2011, by **Salvatore Cannavò**

The defeat of the right



These elections represented a defeat for the right and in particular for Berlusconi and his communications strategy. Even his traditional electorate abandoned him, in particular in the big towns. He will find it difficult to stabilise his government without changing the current political equilibria: the tensions both within the PdL and with its ally, the Lega Nord are obvious. The centre-left is once more an electoral "alternative" to the right and has regained a little credibility.

The radical candidacies

The most striking results were those in Milan and Naples. In Milan, the candidate of the left coalition (of which the PD is the biggest party) was Giuliano Pisapia, a member of SEL, and a former far left activist, who won

the primaries [25], and was then elected mayor thanks to a popular campaign, based on activist support committees. To invest all this hope in an alliance with the PD is certainly not the best thing SEL has done, but it is clear that the atmosphere of the city has changed and that the sentiment of "liberation", of being free of the right is very clear. Not to mention the fact that Berlusconi considered Milan as "his city": he campaigned there for three weeks, giving each election date a quasi national importance, and it was in Milan that the Lega Nord waged an unrestrainedly racist campaign, centred on Pisapia being allegedly the candidate of immigrants, gypsies and squatters. Another striking victory was that of Luigi De Magistris in Naples with a coalition opposed both to the right and the PD [26] and supported by the far left, even if without the popular participation that characterised the Milan campaign. These two victories show that the "people of the left" are regaining confidence and hope from any candidate or coalition that represents something new in relation to the traditional centre left.

The campaign continues

The hope revived by these elections was mixed with growing enthusiasm around the successful campaign to halt the privatisation of water management and prevent the construction of nuclear power stations at the referendums of June 12-13, 2011. These campaigns mobilised the energy and creativity of thousands of local committees across the country, restoring a sense of direct participation to tens of thousands of activists, disappointed and disillusioned by the left. For the first time in a very long time, a movement can win a clear victory. And the committees created could, with the workers in the affected sectors (the law also concerns waste collection and public transport, even if the committees started from the water question) be a basis for rebuilding the left that Italy needs. [27]

A light breeze

It is too soon to say that the winds have changed in Italy but the weeks of

municipal election campaigning and the referendums have revived hope in the possibility of beating Berlusconi and the right. This hope has however not led to permanent mobilisation; the indignation which is so strong in the other countries of the Mediterranean has not for the moment in Italy found any other tool or space to express itself than the elections. Sinistra Critica ran only where a viable candidacy based on mobilization could be set up, with some pleasant surprises but limited results. It is clear that the main work that awaits us is alongside the thousands of workers, students, women, and peoples affected by environmentally catastrophic measures who have struggled in recent years, in the campaigns around

the referendums, so that this mobilisation becomes political and social and can put Berlusconi and the right on the back foot while posing the question of the necessity of a social transformation.

Berlusconi still has many resources at his disposal, but his time is over. And the symbol of this defeat is Naples, the town where he had invented his image as a man of action, accusing the centre left of being alone responsible for the waste disposal catastrophes in recent years. And yet it is there that the voters have turned their backs on him, worse - they have just not listened to him, preferring to put their confidence in Magistris, who represents novelty, legality, moral

propriety and social change.

It remains to be seen what these new mayors can do. But the message is clear; there is a desire for change, to throw off a politics in a state of putrefaction. The professional politicians already debate how to organise for the post-Berlusconi period. The PD is trying already to build a "grand alliance" open to the centre, and will thus represent a brake on the spirit of change, above all if it proposes an "emergency government". It is then obvious that what is needed is above all another left, a different left. But that is another debate. Whatever happens, a phase in this country is over, and we need to go to work to build the next.

Declaration of the European Car Workers' Conference

5 July 2011

Engaged in trade-union and political struggles, we measured the extent of the coordinated attacks conducted by the car industry employers against the workers. Everywhere in Europe, we are experiencing the same offensives against jobs, working conditions and wages. The employer practice of blackmailing through the use of referendums - which seek to make workers accept the revision of collective agreements won in previous decades - is spreading.

The policy of FIAT may well prefigure the policy of all employers in the car industry. In their determination to contest rights that had previously been won, the employers' offensives have had as their primary target the unions which directly contest their policy, but it is today extending to the whole body of labour legislation and to all trade-union organizations.

The capitalist globalization of the car industry organizes the production of cars on all continents, following only the dictates of the maximization of

profits. Against this policy and the nationalist poison which divides workers against each other, international solidarity is more than ever on the agenda. The workers' movement today is not facing up to the employers' attacks as it should. It is urgent to build common struggles. The road from resistance to offensive struggles has to involve exchanging information, the sharing of experiences of struggle by workers in the car industry and the development of initiatives of solidarity. We have decided to set up a permanent information network, open to all those currents and activists who refuse to accompany the crisis of the car industry employers. We call for convergence with the already existing initiatives that are going in the same direction.

This meeting was held as the gatherings of the "indignant ones" in the cities of the Spanish state encountered police repression. We affirm our total solidarity with these mobilizations. The resistance of car workers must be linked to all the

movements in Europe that challenge the established order, the precariousness and the crisis which capitalism imposes on us.

Amsterdam, May 29, 2011

Signatures: Boguslaw Zietek (president of WZZ "Sierpien 80", the "August 80" Free trade union, Poland), Franciszek Gierot (WZZ "Sierpien 80", FIAT Auto Poland Car), Zbigniew Pietras (WZZ "Sierpień 80", General Motors Manufacturing Poland - Opel, Poland), Adriano Alessandria (FIOM-CGIL union delegate, Lear Corporation - Grugliasco, Italy), Pasquale Loiacono (FIOM-CGIL union delegate for the body shop Mirafiori, Turin, Italy), Federación de Sindicatos de la Industria Metalúrgica (Trade-Union Federation of the metal Industry) FESIM-CGT (Spanish state), Sindicato de Trabajadores del Metal-Confederacion Intersindical (STM-Confederacion Intersindical, Union of Metalworkers - Inter-Union Confederation, Spanish state), Gunnar

Pettersson (IF Metall Volvo Trucks, Umea, Sweden), Gilles Cazin (CGT militant at Renault Cléon, member of the NPA, France), Didier Laforêt

(CGT militant at Renault Cléon, member of the NPA, France), Dianne Feeley (Autoworkers' Caravan, United States), Olga Masson (Interregional

Trade Union of Car Workers, Russia), Philippe Poutou (CGT militant at Ford Blanquefort, member of the NPA, France).

The movement of the “Indignad@s” and its perspectives

4 July 2011, by **Esther Vivas, Josep María Antentas**

How would you define the central characteristics of this movement?

Josep Maria Antentas: The movement started completely by surprise. The demonstrations of May 15th (15M) were much larger than expected and the camps arose spontaneously. From the beginning of the crisis, social reaction had been weak. Finally everything exploded in an unexpected, or “unseasonable” way, as Daniel Bensaïd would say. And as nearly always when a large social movement starts, it did so with young people being the protagonists in the initial phase, and with innovative and disruptive forms of protest. It is the most important instance of social radicalism for the last ten years, when the antiglobalization movement started, and now, in the middle of the crisis, the social and territorial depth of the movement keeps growing.

Esther Vivas: The 15M movement's criticism is twofold. On the one hand, it is aimed at politicians, and on the other, at economic and financial powers, as the motto aptly sums up: “We are not merchandise in the hands of politicians and bankers”. The revolts in the Arab world have been a source of inspiration, as is shown by the occupation of squares and by the camps, which follow the example Tahrir square, among others. These actions have worked as a lever to propel future protests, and they have helped amplify current ones. They played a symbolic role and acted as base camps, not as an end in themselves. The internet and social networks, such as twitter and facebook, have played a key role as a

space for discussion, political awareness, and to build an identity and a shared experience, beyond being instrumental to social mobilization.

From the outside, one gets the impression that the break with the organized workers' movement, trade unions and parties, is even more important than in Greece.... What happened with the unions after last year's September 29th general strike?

Esther Vivas: After the general strike on September 29th the majority unions demobilized as usual. The general strike was only a temporary shift and did not mean a change of orientation. In January CCOO and UGT and the government signed an agreement about pension reform, which raised the number of years' contributions that are needed in order to receive a state pension. This violently ended any hopes of union mobilization. The majority unions remain puzzled by a movement they never expected and which questions them. Now it remains to be seen what their reaction will be and whether the movement will be strong enough to force some kind of change on their part. On many camps, such as the one in Barcelona, a general strike was clearly called for, and the will was also shown to “take indignation to the workplace”, where there is still a lot of fear and resignation.

Josep Maria Antentas: The movement expresses a total rejection of Zapatero's government policies. Izquierda Unida have shown sympathy

with the protests, but in general they have remained well on the outside, without a real militant commitment. The left outside parliament and some alternative unions have been present in the movement, together with a large variety of non-organized people and social collectives. Struggling sectors, such as health workers in Catalunya, who had mobilized against the cuts, have also played an active and visible role.

As mobilization develops, is there progress in the demands and the level of awareness?

Esther Vivas: The protest day on June 19th (19J) showed how the movement was moving towards the left and had deepened its demands. Some of the most often recurring slogans in many demonstrations were against the Euro Pact, against social expenditure cuts and against banks, and also for a general strike. A radicalized atmosphere can be perceived, although in a vague and diffuse manner, in shouts like “revolution begins here”, chanted on many of the camps. Another key moment in political radicalization was June 15th, when in Barcelona there was an attempt to block the Parliament of Catalunya during the parliamentary debate on the Catalan government's budget, where the most important social cuts in the history of democracy were put forward.

Josep Maria Antentas: From the start the movement has passed various tests, which have allowed it to mature and to deepen its discourse, for example the victory against the

attempted removal of protesters in Barcelona on May 27th, or the criminalization undergone after the blocking of the Parliament of Catalunya on June 15th. Denouncing the use of the budget deficit as an excuse to cut rights has been a part of the movement's policy. In the case of Catalunya, for example, the rejection of the Catalan government's budget, which includes severe cuts on health and education, has been a key aspect of the movement.

In your opinion, what will remain of this movement? Is there a chance that more permanent ways of structuring it will survive?

Esther Vivas: Since the first camps and the occupations of squares in big cities, their example has spread to medium and small cities and towns, as well as suburban areas around big cities. Coordinated assemblies in towns and neighbourhoods have also been set up. And these are, in fact, one of the movement's main

organizational achievements. We are expecting a heated autumn with new protests, like the one on October 15th, and with specific struggles against social expenditure cuts.

Josep Maria Antentas: This is not a temporary movement, but the tip of the iceberg of a predictable new wave of protests. 15M and the camps have been the first blast and have acted as a springboard. In the last few weeks the movement has spread, diversified in terms of class and age, and it has taken root geographically. The success of the 19J demonstrations showed this clearly. In less than a month there has been great growth in quantity and quality.

What is the impact on the Spanish state's political scenario? Does the movement involve or can it cause important changes?

Josep Maria Antentas: The movement that arose from 15M has had a strong

impact on public opinion and it has been very prominent in the media. No one expected the huge success of 15M, and even less what followed. These few weeks have changed the political and social landscape of the whole of the Spanish state. They are a token of the rejection of Zapatero's government policies, and also a very clear warning to the right, which aspires to win the next general election, that they are going to meet a panorama of social unrest once they rise to power.

Esther Vivas: These protests mean, without a doubt, a turning point and the start of a new stage. Many people have said that "nothing will stay the same", and so it is. The movement has finally ended the resigned passivity and the despondency that ruled until now. The present has opened up a window of hope for the future.

*Interview by Jean-Philippe Divès for the French newspaper *Tout est À Nous*, June 2011.

Health in the service of capital?

4 July 2011, by Jan Malewski

Financed by the state since 1950, the Polish health system has suffered budget restrictions since the mid-1970s. Low wages, the lack of medical personnel, the introduction of increasingly frequent fee-based services (imported medicines and so on) in the hospitals during the 1980s, generalised corruption going hand in hand with the development of fee-based "cooperative" health centres and the rejection of the dictatorship after the coup of December 13, 1981, have generalised a rejection of statism and idealisation of the "private", deemed to be more efficient, within society.

Counter-reforms

The first counter-reform, introduced by the government of Jerzy Buzek in

1997, sought a mixed financing of the health system (partially by insurance, partially by the state budget) and led to the creation of 16 regional insurance funds, financed by contributions deducted along with income tax. This decentralisation was combined with the creation of autonomous public and non public health centres which led to numerous abuses allowing an initial accumulation of capital in the health services sector. In 1998 ownership of local hospitals was transferred from the state to the regions, cantons and localities, henceforth responsible for their deficits.

In 2004 the regional funds were transformed into regional departments of the National Health Fund (NFZ) which finance the health services, whether public or not, by annual contracts. This system of contracts has

limited the resources of public hospitals and other health centres, leading to the impossibility of financing certain medical procedures when the annual number of such procedures specified in the contract was attained. The waiting time for patients was thus increased, forcing them to resort to private care, not reimbursed but available rapidly, allowing the accelerated development of capital in the health sector.

The neoliberal government of Donald Tusk passed a law in April 2011 on health care activity which obliges regions and municipalities who have not "commercialised" [28]. hospitals, to cover their deficit within the three months following the closure of annual accounts. Those regional or local authorities who wish to "commercialise" their hospitals or health centres can request the

cancellation of their legal obligations (debts and so on). This law also forbids the creation of new public health centres, with the exception of the creation of a new body through the merger of two pre-existing public bodies.. Finally the law envisages the possibility of extending the working time of some medical professions and making nurses work in these commercialised enterprises not only on the basis of a work contract but also as “individual entrepreneurs” on the basis of a commercial contract, which allows the employer to avoid financing their social security. Finally the government envisages a 3% increase in the amount of the obligatory employee’s social security contribution to finance the health sector deficit.

The goals of the government

Zbigniew Zdónek, doctor and health sector organiser for the Polish Party of Labour, explains the current counter reform: “Last year the NFZ spent 57 billion zlotys (14.37 billion euro) to finance health care. Poles have spent as much from their own pockets for medical visits, care and medicines. This will increase further because society is ageing and our health expenditure will increase. That means that in one year we spend half of what during the last ten years we had paid on the accounts of private pension funds. And as it happens, at the same time that recent modification of the state pensions reform has deprived â€” rightly â€” the capital market of nearly 20 billion zlotys, paid into it at a loss over the last ten years, thus increasing the state debt, as the prime minister Donald Tusk himself remarked, the road has been opened for new health insurance. The health care reform reduces hospitals to the role of typically mercantile enterprises, financed by various payers. In this way the prime minister has opened to the capital market access to much more money. . It appears that he does it in our interest. Ten years ago, when he was in coalition with Solidarity Electoral Action, it was also in our interest that he reformed pensions â€” today he has to take a step backwards because

his solution was too costly to the Polish state.” [29].

“The politicians of the Civic Platform know how to enrich themselves to the detriment of public resources. They have 20 years experience, Two years ago they introduced their project through the health ministry, who limited the skills of generalist doctors, forbidding them from diagnosing and correctly caring for patients. This apparently insignificant gesture reoriented patients towards specialised medical centres. Millions of patients turned towards specialists, but the ministry did not envisage the finance for that and as the specialists no longer had contracts, they could not treat these patients. Public hospitals received them, because they had to do it. But The limits of the medical procedures for hospitals were not increased, that is they did not have the financing for these extra patients. That led to their growing indebtedness. Then the minister began to say loudly that it was about public resources and that commercial companies would be more efficient. But what trade in the world could make a profit if it was not paid in part for the provision of services in the case of the so-called over-charged hospitals? This is how the death of public hospitals has been planned; It has opened the road for them to be taken over by private capital. The key for this is the recent law, signed by president Komorowski, who only a year ago said that the privatisation of the hospitals was contrary to his ideals” [30].

The effects of privatisation

Examples of what has happened due to hospital privatisations already carried out are not lacking. Thus at the public hospital of Ruda Slaska, privatised two years ago , the mayor A. Stania (PO) had to devote 200,000 zlotys of the town budget every month to finance the new public limited company, Yet the free trade union “August 80” at this hospital and the Polish Party of Labour had drawn up a draft plan to save the hospital. Citizens came together to sign a petition demanding the maintenance

of the public hospital in return for a citizen’s contribution of 10 zlotys a month for each adult inhabitant.. Thus, the inhabitants could take control of the hospital, helping its funding through 5 million zlotys collected annually! In three years we would have a modern hospital and all the money collected could be used to develop prevention and care for the sick. And what have we instead? A commercial company that generates each month a shortfall of 200,000 zlotys and the prospect that it will eventually be privatised, because this is the law.... of the market ” [31]

But at the municipal elections of November 2010 the mayor responsible for these machinations lost and was replaced by Grazyna Dziedzic, head of a citizens’ initiative list supported by the Polish Party of Labour. The head of the canton of Krosno Odrzanskie, also a member of PO, transferred the management of the cantonal hospital to a public limited company in Szczecin. This resulted in the “miracle” typical for this kind of move: it reduced the costs of care and the wage bill. In this canton of 60,000 inhabitants, only one doctor was employed in the internal department, who was also the head of this department, the medical director of the hospital, the palliative care physician and the diabetes centre doctor... With such staff reductions the company made large profits and at the end of the year it was able to buy one of the hospitals for 6 million zlotys. Z. Zdónek commented: “Patients suffering from heart attacks had no guarantee of medical transport, there was no doctor capable of receiving a critically ill patient. People would die. But it is not them that matter, but profits...” [32]

Victorious Resistance!

The head of the canton of Swidncia, a PO deputy, heavily indebted, attempted to “commercialise” the public hospital “Latawiec”. The nurses and midwives union OZZPiP, supported by “August 80” and the Polish Party of Labour, objected. “We are against the commercialisation and therefore the privatization of the

hospital” explained Elzbieta Pieprz, President of the *Spółdzielczość OZZPiP* at a public meeting last March.

“We want to defend our jobs! We are ready for all forms of struggle, including sit-in strikes. When nurses agree to work with commercial contracts, it already causes conflicts. But a private employer wants the maximum amount of savings. Privatisation will put in danger not only jobs, but also employment contracts” said Marta Galezka of the nursing self-management council “*Latawiec*” [33]. . On April 13, a Committee for the Defence of the Public Hospital of Swidnica was created. “We are fighting for the good of the employees, because objectively working in a public hospital is better than in the private sector. But we also struggle in the interests of our

patients. The cases of the hospitals in the vicinity, Swiebodzin, Dzierżonów or Zabkowice Śląskie, show that they only care for cases that could not be transported or light cases, which are profitable. Patients with more severe illnesses are sent to us. Private hospitals go where the profit is, because that is what the Commercial Code imposes on them” said Elzbieta Pieprz, calling for the constitution of the Committee [34]. The Committee brought together trade unionists (*OZZPiP* and August-80), professional organisations (nurses, midwives and doctors), political parties as well as the Polish Party of Labour (PPP), the Alliance of the Democratic Left (SLD, social liberal) and Law and Justice (PiS, populist right), patients and many citizens of Swidnica. The committee’s petition has received

thousands of signatures. Finally the authorities climbed down - on June 2 the cantonal commission which was to present the “commercialisation” project ended its work, without daring to propose such a project!

This article was written with the help of Zbigniew Zdónek (doctor, health sector organiser for the Polish Party of Labour), Iwona Borchulska (national vice-president of the OZZPiP), Krystyna Ptak (vice-president of the OZZPiP in the region of Silesia), Elzbieta Pieprz (president of the OZZPiP of Swidnica) and Luiza Nowaczynska (OZZPiP activist at the “Latawiec” hospital in Swidnica), who introduced on the situation in the Polish health sector at the European Conference for the Defence of the Public Health Service on May 7-8, 2011 in Amsterdam.

The counter-reform of social security and hospitals in France and our proposals

4 July 2011, by **Jean-Claude Laumonier**

In France, as in the other European countries, the health system, like the pension system, is at the heart of the liberal counter-reforms carried out by governments of right and left since the end of the 1970s.

The determination of the ruling classes to present the bill for the present crisis of capitalism to workers and the popular classes is accelerating the speed and the extent of the attacks. The counter-reforms of pensions, health insurance and hospitals have been unceasing since 2002. To this Sarkozy is adding, this year, the question of “dependence” (the financing of the services that make it possible to compensate for the loss of autonomy of elderly people who have become “dependent”).

In an internal note revealed by the *Médiapart* information site, the MEDEF (the organization of big employers in France) estimates that

the time has come for a “profound structural reform” of the health-care system. “We cannot give any more time to time” affirms this note, which details the programme of the counter-reform.

We will deal here with the following two aspects:

What are the aims of the counter-reform?

What alternative do we counterpose to it?

1) The objectives of the counter-reform.

In the relationship of forces after the war, which was very favourable to the working class, a health-care system was established in France that in principle gave everyone access to quality health care.

This system developed over the thirty

years of economic expansion which followed the war, based on two pillars: health insurance, a branch of the social security system, which financed health care on the basis of solidarity, via national insurance contributions (the social wage,); and the public hospital, a public service providing access for everyone to quality care.

So we went from assistance (public charity) for the poorest, supplemented by insurance for those who could pay for it, to a system that made it possible “for everyone to have the best care”.

This principle was never completely applied. Nor was it accepted by the ruling class, which never stopped fighting it. It is in fact situated within a logic that is opposed to a society based on the laws of the market and on profit

1) National insurance contributions,

indirect wages that are added to direct wages, are considered by employers as an unbearable "load", whereas for them it is a question of reducing the "share of wages" in the wealth that is produced, in order to increase the share of profits.

2) The social wage prefigures a society where needs are satisfied by drawing on the wealth produced, and not according to people's individual monetary resources (to each according to their needs and not according to their means).

In the beginning, the social security system was mainly managed by the elected representatives of the workers, and not by the state, something which has since been called into question.

The attacks increased with the turn towards liberal counter-reforms, at the end of the 1970s, under all governments (both "right" and "left"). Since 2002, the objective, more and more clearly proclaimed, is the global revision of the health-care system (in order to "save" it, of course!), the return to the liberal duo assistance+ insurance, in other words health care "on several levels", where people receive care according to their means and not their needs.

This return allows, moreover, the opening up of the health market to private insurance and private hospital groups.

The main obstacle to counter-reforms is the attachment of the great majority of the population to this health system. In spite of the attacks and the real deterioration that it has undergone, it remains largely perceived as an asset which must be defended.

To justify the counter-reform, there exists a consensus between employers, the Right and the social-liberal Left. This is the dogma of the "bringing under control" of health expenditure. This expenditure, digging deeper every day the celebrated "hole" in social security, can apparently not continue to increase, or else it will bankrupt "our model" of social protection.

This ideological construction is aimed at making people believe that the alleged "deficit" is an objective economic reality, and not the result of a policy option, the real question being, as with pensions, how wealth is distributed.

The goal of the counter-reforms is not, however, the reduction of spending on health - It is on the contrary the opening up, and the development, of the market in health, to the insurance companies, to the private hospitalization commercial trusts - a market that has been until now restricted by the existence of a public source of finance, based on solidarity (health insurance) and of a public service structuring the whole system of care (the public hospital system).

The real goal of the counter-reform is in fact to reduce massively the share of socialized financing, (the social security system) in order to open up the market to private insurance companies. It is also to almost completely exonerate employers from paying contributions, to shift the bulk of the "load" onto the workers (via taxes).

Even though it is decreasing, the share of care that was financed by the social security system was 75.5 per cent in 2009, whereas that of complementary organizations (mutual and private insurance companies) was 13.8 per cent, including only 3.6 per cent for private insurance companies). [35]

In the same way it's a question of limiting the scope of the public health care system - which is still preponderant (60 million euros as opposed to 18 million for the private sector) - in order to allow the development of chains of private clinics or private commercial homes for the elderly (their shareholders talk about "grey gold").

We can thus synthesize as follows the objectives of the counter-reform.

a) To reduce the share of socialized health expenditure (compulsory health insurance, AMO), to a minimum level of assistance "to the very poorest" and to the financing of "uninsurable" risks,

to everything that is "unprofitable" from a capitalist point of view.

b) To make this expenditure profitable, repressive measures of control, hitting those who are the most socially fragile.

c) To exonerate the employers from financing the socialized part of wages, by a massive reduction in national insurance contributions, and to transfer (by means of taxation) this expenditure to the workers themselves.

d) To replace socialized financing by individual financing ("franchises") or by complementary insurance (at the expense of those insured), from a mutual or private insurance company.

e) To transfer to complementary insurance, the insurance of the "profitable" segments of care activities, in particular everyday treatment defined as "minor risk". Those defined as "major risk", major operations, long and expensive chronic illnesses would continue to be covered by compulsory insurance.

f) To reduce the role of the public hospital by reducing its functions to non-profitable activities (unprogrammed treatment, expensive, complicated and risky operations), aimed at the most fragile public.

g) To outsource hospital logistic activities to private companies.

h) To transfer the "profitable" activities of hospitals to the private hospital sector.

i) To limit the functions of the public hospital system, transferring "upstream" primary treatment to private doctors and "downstream" to the medico-social sector.

2) What alternative policy?

We cannot fight these counter-reforms by simply defending what exists. For us, on the contrary, it is a question of defending an alternative policy based on the "right to health".

Our proposals are organized around five main chapters:

- 1) To prevent disease, to create the conditions for everyone to live in good health.
- 2) To guarantee free health care for everyone.
- 3) To defend the public hospital system and to broaden it so that it becomes a real public health service.
- 4) To transform private health practice, in particular by putting an end to payment for each consultation.
- 5) To establish a public medicine policy.

1) Prevent: act on the social and environmental causes of health.

The preventive dimension of the right to health will have to be the object of attention in all fields: health at work, with not only the reinforcement of, but the right to veto of health and safety committees over any working conditions that are harmful to health.

Policies concerning the environment, agriculture, town and country planning.... etc., will have to integrate the "health" dimension

2) Ensure free health care for all.

- Equality in access to treatment necessitates free health care for all. Health costs must be completely, 100 per cent, reimbursed by a single health insurance system, part of social security system based on solidarity, financed by the national insurance contributions paid by the employers.
- In order to avoid having to pay in advance, which often dissuades people, the "payment by a third-party"

system must be generalised.

- Abrogation of any form of "franchise" and "user fee".
- Prohibition of any kind of extra payment.
- The mutual insurance companies would no longer reimburse costs of health care. They would continue to play a role in prevention.
- Nobody would be able to make a profit from health care; the private insurance companies would be removed from the sector.

A self-managed social security system.

- We propose to return to the founding principles of social security. National insurance contributions are part of the wages that are "put in common", socialized. This part of wages must be managed by the representatives of the employees themselves, without any intervention by the employers or the state.
- Election by those paying social insurance of their representatives to the insurance funds.
- Consultation of those paying social insurance on all important decisions concerning health, after an open and pluralist public debate informed by the point of view of experts (health professionals, economists, associations of patients, etc).
- Abrogation of the vote by Parliament of the law fixing the level of health expenditure (the Juppe Plan)

3) Defend the public hospital system and expand it to become a real public health service.

We first of all propose to defend the public hospital system:

- Suspension of any reduction in the number of beds and any closure of

departments or hospitals. Whether or not a part of the health service should be maintained must be decided by the population itself.

- Abrogation of the reform known as "Hospital 2007", withdrawal of the "patients, health and territories" bill.
- Removal of private beds in public hospitals.
- Attribution of the budgets that are necessary for medical establishments: an immediate increase of 8 per cent to make up for previous reductions).
- A "jobs-training" plan for the creation of 100,000 jobs in the public hospital sector.

- Suppression of the numerus clausus in medical studies: training of the number of doctors necessary for a preventive and curative health policy.

- Expropriation of profit-making private establishments. Transformation of these establishments into public hospitals.

- All of the employees of these establishments to be taken on by the public hospital system.

But for us, the public health service of health cannot be limited to hospitals. That is why we propose the development of a public health service including both the public hospital system and **entirely free public health centres, established in towns and in neighbourhoods**, starting with those areas where there is most need of them.

Health centres and public hospitals would form a whole, functioning in a coherent way.

The public health centres would play a role of prevention and of providing treatment, directing patients if necessary to a hospital. Treatment would be completely free.

In these centres work would be carried out in multi-field teams, comprising both general and specialist doctors, paramedical professionals and social workers.

Working daily as part of a network with all those involved in health care

(private general practitioners and health professionals, social workers, elected representatives...), these teams could tackle health issues in their context and their social dimension.

These centres would ensure the "permanent treatment" on the terrain, 24/7.

The existence of these centres would make it possible to respond rapidly and to be close to the health needs of the population. They would make it possible to direct patients to a hospital if necessary, avoiding saturation of accident and emergency departments. They would not however replace neighbourhood hospitals which must keep their emergency services, their maternity wards, their medical and surgical departments.

4) Transform the exercise of private medicine, in particular by the suppression of the payment at each consultation.

We propose to challenge the way private doctors and health professionals currently operate:

- Payment per consultation as practised by the private medical sector must be abandoned.

- A new method of payment will be established, which encourages the preventive dimension of care, enabling the medical professional spend the time necessary with each patient, and

does not encourage the multiplication of consultations.

- The necessary continuous training will be ensured, conducted in a way that is independent of the laboratories.

- So as to encourage general practitioners to set up in the areas where there is a shortage of doctors, and also in order to democratise medical studies, medical students who wish to will have the possibility of being paid a salary throughout their studies, in exchange for a "commitment to serve" in a sector where increasing the number of doctors is a priority.

5) Establish a public medicine policy.

Our refusal of the commoditisation of health leads us to demand the expropriation of the pharmaceutical industry, whose fabulous profits are provided by national insurance contributions.

Medical research must be placed under public control.

Medicine is not a commodity: either it has effectiveness and recognized therapeutic qualities and it is completely refunded by the health insurance, or else it is useless, and quite possibly dangerous, and it should not be produced nor sold.

The public

hospital system in France (2003 data)

Hospitalization accounts for approximately 45 per cent of health insurance expenditure.

The French hospital system is divided into three types of establishments.

1) Public hospitals.

A very big majority of the personnel are employed under the statute of the public hospital service (nearly 800,000 employees), even though precarious work has largely developed there.

Doctors (hospital practitioners) are also governed by a statute.

In 2003 there were 303,420 beds (66 per cent of the total) in this sector.

2) Private non-profit-making establishments, known as "PSPH" (taking part in the public hospital public service).

These establishments do not make profits that are distributed to shareholders, but their employees are governed by private sector status. There is in particular the status of the Centres of Combat against Cancer (CLCC) .

In 2003 there were 64,917 beds in this sector (14 per cent of the total).

3) Profit-making private establishments.

These are private clinics whose goal is commercial. As we have seen, there has been a strong process of concentration this sector.

In 2003: there were 93,812 beds in this sector (20 per cent of the total).

Brief Report on Irish Health Service

4 July 2011, by Peadar O'Grady

Universal access to a comprehensive service? Free and financed by progressive taxation?

Hospitals: 13,400 public beds (1000 closed in last year, 18,000 in 1980), 107,000 staff (4,000 jobs lost in last 2 years). 100% of population entitled to public hospital services (user fees introduced in 1990s; ED charge and daily inpatients charge) but about 50% of population take out additional (tax-free) private health insurance, most of which is to secure a private room in a public hospital (2,500 earmarked private) and to see a specialist doctor more quickly. There are also 2000 beds in private hospitals who cherry-pick largely elective work. Attempt to build 1000 extra private hospital beds on public hospital sites failed due to the recession. 2-tier system.

Primary Care: 33% have medical cards giving free GP care and free medications. 6% free GP only. Everyone entitled to reclaim medication costs over â‚¬120 per month and all medical expenses (including additional private insurance is tax deductible. Some combined pharmacy, GP health clinics built in 2000s. 2-tier system.

â‚¬16 billion spent on health per year (under severe attack in government austerity plan under EU-IMF monitoring).

Democratically planned?

Elected health boards were abolished in 2005 and a bureaucratic 'Health Service Executive' set up by a neoliberal health minister. Accountability to department of health was also much reduced. So democracy is weak and planning and prevention underfunded and disorganised. New neoliberal health minister (a GP) has reversed these changes but has announced a plan to introduce 'Universal Health Insurance' aiming to copy the 'reforms' in Netherlands in 2006 and universalise a private health insurance market. For a public sick of a 2-tier system 'universal' sounds attractive. Propaganda about 'efficiency' in the private sector is common while the failures of market systems in the US and Netherlands are underreported. The government is also slow to give any real details of their plan but have promised a white paper.

Public campaigns to defend health services:

Campaigns against 'privatisation'

or 'marketisation' are generally seen as abstract and possibly involve a distaste for 'politicising' healthcare. However where a rationalisation programme known as the 'Hanly' plan involves reduction in hospital beds and staff, especially where closure is threatened, demonstrations have been large (thousands) and sometimes huge (tens of thousands). Campaigns to defend services, usually hospitals, have often been dissipated by winning concessions or by a focus on getting a hospital candidate elected or lobbying politicians. Fear of appearing 'political' sometimes paralyzes participants and can be used by right-wing forces to disrupt and divert campaigns back to establishment politicians.

Despite some huge marches against cuts in public services (100,000 marched) and austerity (70,000 marched in freezing conditions) trade union leaders have actively encouraged collaboration with embargoes on staffing in a 'partnership' process which ended in 2009 but which they beg the government to return to (the president of the Irish Congress of Trade unions is called Begg). Union members, under general attack by the right-wing press as public sector workers often lack confidence to seek solidarity from the public and to argue that good conditions for health workers (bar senior doctors and managers) is good for the quality of services. The EU-IMF austerity package and the 'Dutch model' health reforms are now centre stage.

A short report on changes in the Swedish health care system

4 July 2011, by **Maria Sundvall**

A brief overview

Organizing the main part of health care is the responsibility of the county councils on a regional basis. The

municipalities have a responsibility for the care of old people and to some extent for the care of persons with long term psychiatric illness. The state regulates and supervises and contributes to the financing. The

finances of the health sector come mainly from county and municipal taxes but also from state grants and user fees. The services are not free at the point of use - on the contrary, they are quite expensive. For example, to

visit a specialist physician in public care in the Stockholm County costs 32 euro, which is a lot for many people even though there is a maximum fee of 95 euro a year. Medication, glasses and dental care are also paid for by the patient (with some reductions) .

Most of the health system has been public up till ten - fifteen years ago. There have been private specialists and GPs especially in the big cities (concentrated in the rich areas) and private insurances have been quite rare.

The sickness benefits are financed by a national insurance, partly paid by the employers and partly through transfers from the state.

Neoliberal policies changing health care

There have been a number of cuts in health care since the early 80ies in terms of share of the GNP. It is said that 100 000 jobs were lost in the 90ies, mainly among staff active in the daily care of the patients in inpatient or outpatient settings.

Private funding increased in the last ten years through higher fees.

Privatization started - timidly - in the early 90ies at the initiative of national and local right-wing governments. It is significant that socialdemocrats coming back to power have not pursued the same privatization drive, but neither rolled back the privatizations. In the Stockholm County there has been a change of local government at every election for round 20 years, and the socialdemocrats have each term implemented (sometimes very unpopular) cuts, only to be voted out and replaced by right wing governments that have privatized. (The line was broken in the elections of 2010 when the right wing alliance was voted back in local and national power with a "promise" to continue privatizations.)

Since the early 90ies the health care system has been characterized by New Public Management ie the idea

that public services should imitate the functioning of the private. Purchaser/provider systems and buy and sell mechanisms have been introduced. Today we have quite an intricate system of "points" and "bonuses" and "quality registers", designed to control and increase the efficacy of the staff. The effects of this are of course questioned by many scientists, trade unionists etc. All established parties favour this system, however.

In 2006 the most confident right-wing government in the history of Sweden was elected (and sadly reelected in 2010). It immediately launched an accelerated privatization drive. In 2007 a law was passed permitting the sale of publicly owned hospitals, all of them, as a whole or in parts. The law also permitted patients with private insurances into publicly financed hospitals, something that the opponents call a "rapid lane" - of course no one would pay for a private insurance unless it was beneficial. In reality no whole hospital has been sold, so far, but parts of them have been privatized.

There have been different types of privatization:

- Direct transfer to a group of staff, that sets up a small firm - this has however been stopped since it was deemed illegal under EU regulations to give competition advantages to a particular group.

- Services have been put out to tender with contracts normally lasting 3-5 years. This has disrupted continuity especially in the care of the elderly and it has also led to a rapid development of oligopolies in that sector.

- The favoured method for the moment is to let "the money follow the patient", which is often advertised as the method of "free choice". For example this system has been introduced in the primary care of many counties, meaning that any certified provider can open a health centre and get funding from the county according to the number of patients listed, or the number of visits or a mixture of both.

The worst "free choice" system has been introduced in Stockholm, where all earlier extra resources to compensate the primary care centres in low income areas have been abolished at the same time as the GPs are compensated almost only according to visits. This has led to a "more accessible" health care - increasing short visits for the healthy and reducing resources for old people with many diseases. It has also led to an increase of social inequality in the access of health care.

A year ago the free choice system in primary care was turned into a law forcing all counties to introduce some variant of it. This law is said to be unique in Western Europe - obviously there are many countries with a lot of private GPs but it is not so common that the authorities give public funding to private care givers without any control over where they choose to establish!

Since 2008 new "reforms" of sickness benefits have been introduced, reducing the number of days on sick leave according to fixed dates. At the same time the possibility of getting a disability pension has been drastically reduced, leading to many tragic cases, where for instance people with cancer have to stop treatment because the national insurance authorities demand that they start working part time. An especially vicious effect that has caused the concern of the trade unions is that jobs have become less secure. Normally (at least in theory) you cannot sack a person without cause and especially not for being ill, but with the new rules the employer basically has to wait 180 days - if the person cannot go back to his own employer he has to look for any work on the national labour market after that date.

Resistance

Resistance against the development has been too weak. The staffs in the health services are split on many trade unions. The unions of the doctors and nurses have traditionally been pro-privatization. The union of the auxiliary nurses, porters, mental health workers as well as of the workers employed in the care of the elderly - the biggest union in Sweden -

has been ambivalent to privatization at best.

There have been local struggles against cuts, especially against the closure of one hospital, one maternity ward, one health centre at the time, but normally there has been no continuation. There have been only a few local campaigns against privatization.

The Network for Common Welfare was formed in 2005 with an idea of

bringing people together from different campaigns (not only on health issues), to be a memory and continuity, to strengthen propaganda and opinion building. It brings together local welfare activists, ecologists, anti-globalization activists (Attac) and some trade unions and is mainly active in the bigger cities. The state-employed workers' union has been active from the start. In the last few years contacts with the municipal workers' and the nurses' union have increased, as well as contacts with

users' organizations and progressive scientists. The Stockholm TUC as a whole has developed a more radical stance than the TUC nationally, formulating a welfare platform.

In the last few months we have seen a broader mobilization against the reforms of the sickness benefits, bringing together of a broad range of forces including all churches. The government has only promised minor changes to the system, and the protests will certainly continue.

An update on the British government's piecemeal privatisation of healthcare

4 July 2011, by **John Lister**

The situation in England's health care system reflects the broader picture on the European and a world scale. Healthcare is the world's biggest industry with a turnover in excess of \$5 trillion annually, 85% of which is spent in the wealthiest countries, in most of which the majority of spending takes place through tax funded systems all through social health insurance. The private sector, looking to rebuild its profit margins, is determined to recapture a larger share of this health budget, especially in Europe.

But because of the political obstacles to most European governments being seen to break up and privatise healthcare systems, which currently deliver near- universal care - in general with few copayments or charges at point of use - the privatisation process has been of a special kind.

This is very different from the process of privatisation in the UK and in other countries in the 1980s, in which whole utilities such as gas and telecoms and electricity were sold off to shareholders and became private for-profit businesses.

There are three reasons for this: the

first is the political sensitivity of the issue for parties, which in general are trying to appear different from the old style Thatcherite neoliberal parties of the 1980s: and in a political climate in which there is little sympathy for the private sector and privatisation.

The second reason is that the private sector itself has limited interest in taking over the whole of healthcare systems: their focus is primarily on cherry picking those parts of the system which appeared to offer them a profit, primarily uncomplicated elective surgery - the mainstay of private medicine around the world. Certainly in England there has been very little pretence from private sector companies of any interest in taking over for example work on accident and emergency services, complex and risky surgery, or chronic care for older people and community services of any type.

And finally there is the issue of resources in the private sector: healthcare systems are far larger than the utilities of the 1980s, while the private health care sector is centred on small-scale hospitals and providing services to an elite wealthy minority of the population: it therefore has nowhere near the management or

capital resources required to contemplate a takeover of the entire health systems.

In England the process of slicing off particular sections of health care for privatisation began in the mid-1980s with Margaret Thatcher's government deciding to put non-clinical hospital services such as cleaning, catering, porters and other services out to competitive tender. The result of this was to stimulate the emergence of a new range of small-scale and untested private companies, and in the context of labour intensive and generally low paid work, these companies attempted both to undercut existing costs to win contracts and at the same time make a profit focused on employing fewer staff, working harder, and offering them worse pay and conditions.

This in turn brought the virtual casualisation of hospital cleaning in much of the UK, but also undermined staffing levels and standards of cleaning and hygiene, even in those hospitals where services remained in-house, since public sector managers were obliged to compete with the low standards and low wages of the private sector.

A generation later the legacy of this

privatisation is still haunting the National Health Service in much of the UK, and especially in England, where fewest services have been brought back in-house in recent years. Hospital-borne infections, poor standards poor morale and gaps in staffing levels continue to create problems and often to dump work which should be done by private companies onto nursing and other staff who have other responsibilities as well.

The privatisation process in support services was linked in the UK with a massive squeeze on public sector spending on health care in the mid-1980s, with three successive years of cuts in real terms spending. This drove up waiting lists and waiting times, and was intended by the Thatcher government to press more people into paying for private health insurance. Despite this pressure private health insurance covers only a small minority - fewer than one in eight - of the population in the UK, and far less than this in Scotland Wales and Northern Ireland.

In 1989 Thatcher's government published a White Paper entitled "Working for Patients" which set the agenda of establishing an internal market, to create competition between NHS providers for NHS contract income. This market brought with it a split between the "purchasers" and "providers" of health services, and a split between "fund-holding" GPs who were given additional resources and freed up to "shop around" for the best deal for their patients, and other GPs, whose patients were dependent on contracts negotiated in bulk by local health authorities.

This split in turn brought a very large increase in bureaucratic costs and administration, diverting resources away from front-line patient care, But it also re-created the idea that health care was some form of financial transaction rather than a public service. It was the first step to re-commodifying health care which had been taken out of the market system in the massive reforms which established the National Health Service in 1948.

The 1989 White Paper also run

alongside the privatisation of a growing share of continuing care services provided by social services through local government. The reason for this expansion in local government involvement was that while services provided by the NHS have since 1948 been tax funded, and free to all at point of use, social services, run by local councils have always been subject to means tested charges payable by the user at point of use.

This privatisation opened the door to the closure of tens of thousands of specialist publicly provided elderly care beds in NHS hospitals, but also the closure of tens of thousands of places in local authority residential care homes, as councils were compelled to spend upwards of 70% of the money they received to finance continuing care in the private sector. The private nursing home sector, in which the larger chains run by for-profit companies, began a rapid expansion, fuelled by contracts with local councils and funded with public money and individual charges levied on patients. These changes took place from 1993, after a general election had been held. In the first year the Financial Times estimated that upwards of 40,000 people in England had been obliged to sell their homes to pay for care under this new system.

In 1997 Tony Blair won his famous electoral victory over the Conservatives, promising to "save the NHS," and to "sweep away the costly and bureaucratic internal market" in health. But while there was some restructuring and the abolition of GP fundholders, new Labour retained the purchaser provider split, and therefore retained the foundations of a new, even more competitive market in health care - in which NHS hospitals would effectively be forced into a one-sided competition with private sector providers, something the Thatcher government never attempted.

In 2000, after three years of maintaining Conservative spending cuts, Tony Blair's government unveiled a new NHS Plan, under which spending would be substantially increased year after year for 10 years, but a growing share of this money would be spent on private providers.

The government had already begun signing deals for the building of hospitals funded through the Private Finance Initiative, an extremely expensive way to pay for new buildings, and pay back the money with interest and profits guaranteed to the private sector for 25, 30 or more years to come. [36] Already in 2011 we can now see some of the first wave of PFI hospitals in England that have paid 2 to 3 times the capital cost of their new buildings, but still face another 20 or so years of payments, while the costs of the so-called "unitary charge" of the PFI contract mean that they are forced into making cuts, closing beds and wards and sacking staff. In total up to now something like £11 billion of new hospitals has been built or signed contracts under PFI, with a net cost to the NHS of £64 billion over the next years up to 2045.

2000 also saw the first "Concordat" signed by Health Secretary Alan Milburn with the private hospitals: under this arrangement NHS trusts locally would pay for the treatment of NHS patients in private hospitals, allegedly to help relieve waiting lists during times of extra pressure (such as winter). However the catch was that the costs of these minor elective treatments were far higher than the cost of treatment in the NHS; in many cases as much as 40% higher.

In 2003 legislation was pushed through by the Labour government to create a new type of autonomous hospital organisations, to be known as as NHS "Foundation Trusts": these were to stand outside the management and accountability structures of the NHS.

Local MPs can no longer ask questions in Parliament about issues relating to the local hospitals where they have become foundations. Foundations - the best-resourced and top-performing hospitals - gained the freedom to retain any surpluses they may generate from their work, irrespective of the financial problems that may be faced by other health providers and services in their local area. This controversial policy scraped through the House of Commons with a majority of just 17 votes. One of the concessions by the government that

helped secure sufficient votes in Parliament was the imposition of strict limits on the amount of income that the foundations would be allowed to generate from private medicine and the treatment of private patients.

Significantly in 2011 one of the controversial points of the “reforms” now being proposed by the Conservative-led government in England is to remove that limit on the amount that Foundations can make from private medicine, effectively encouraging the elite foundation trusts in London and other big cities to focus not on caring for publicly funded NHS patients, but on attracting wealthy paying customers from around the UK and around the world.

Also central to the NHS plan was the use of for-profit private hospital chains from outside the country to set up new “ independent sector treatment centres” (ISTCs) which would provide uncomplicated elective surgery, almost exclusively on a daycare basis. These contracts required stimulus payments from the government upfront to encourage these companies to get involved and to invest in facilities in England.

They also involved payment of premium rates, admitted by ministers to average 11% above the standard NHS payment, for all operations carried out by ISTCs, despite the fact that all of the most serious and complicated cases remained in the NHS, and only the most minor cases were treated by the private sector. These contracts, which were centrally negotiated by Department of Health bureaucrats, were also remarkable in that they guaranteed payment for a fixed number of patients in advance, and that payment was irrespective of the numbers of patients who could be persuaded to accept treatment in ISTCs rather than use their existing local NHS hospitals.

In many cases it proved difficult to persuade sufficient patients to use these new services, and as a result many thousands of operations – costing tens of millions of pounds – were paid for under these contracts which never took place.

However in the second wave of ISTC contracts, the claim that they were “additional capacity” to deal with waiting times was effectively dropped, and ministers began to argue openly that they were there to create what was called “contestability” [i.e. competition] among NHS providers, and some ministers even argued that they wanted to destabilise NHS providers in order to spur them into improving services.

However the competition was extremely one-sided, since the contracts for ISTCs were not open to any NHS providers, leaving competition between various private sector providers who could secure the guaranteed profits over a five-year contract period.

In other words these arrangements ensured that money was taken from existing NHS providers and used to subsidise the emergence of a new private sector, for which there was no organic market, and no other basis for its existence other than government sponsorship.

Time and again when critics accused the New Labour government of piecemeal privatisation of services by bringing in private providers, the response from ministers was to argue that there was no privatisation since NHS services remained “free at point of use”. Interestingly exactly the same argument is now being used by the Conservative led coalition in 2011 to defend their policies of even more sweeping privatisation of health care provision.

In 2005 a further step was taken to breaking up the structure of the NHS with a directive from the chief executive of the NHS which was entitled “Commissioning a Patient-led NHS”. The key word here is “commissioning”: the entire proposal centred around a new competitive market, and in particular breaking away community services from their organisational link within local healthcare body in the primary care trusts, and opening up these services to competitive tender and possible take-over by non-profit “social enterprises”.

Social enterprises it should be

stressed are outside of the NHS, so this was effectively the threat that the community health services workforce of up to 250,000 in England, and the community health services budget of up to £10 billion a year could be put up for tender and effectively privatised.

These proposals would hugely controversial in 2005 and triggered a political row and a temporary retreat by the ministers. In 2006 the focus was more on a round of spending cuts being forced through by local health management to balance the books of many local services up and down England: in many cases threatened hospital closures were successfully beaten back by vocal campaigns in some very unlikely areas of “middle England”.

But ministers had not given up on their objective of restructuring the NHS and bringing in ever more private providers to be paid out of NHS funds. In 2009 and another attempt was made to open up in particular community services to what was said to be “any willing provider”, whether this be a non-profit social enterprise or a for-profit multinational company.

At the same time local GP contracts were being put out to tender to private companies, and dozens of GP contracts even now are in the hands of multinationals and middle sized companies.

It also became clear that the private sector had been expanding behind-the-scenes in the provision of mental health beds, filling a gap in NHS provision at much higher cost: by 2009 private sector mental health beds were costing the NHS in excess of £800 million a year.

The attempt to bring private providers into community health services, an area of health care that the private sector had previously shown little interest in taking over, was coupled with the establishment of a new “Cooperation and Competition Panel”, which was to act as a complaints body to which aggrieved private sector providers could appeal if they felt they had unreasonably been excluded from bidding for work in a particular area.

Behind the scenes, pressure was also applied very strongly in the other direction by the large health unions, affiliated to the Labour Party, which made clear that this was one policy they were not prepared to go along with, and that a failure to show preference to the NHS would undermine the link with the unions.

Towards the end of 2009 the Health Secretary, Andy Burnham, announced a retreat from the policy of “any willing provider” and instructed local commissioners of services that unless there were overwhelming reasons to the contrary the NHS (public sector) should be the “preferred provider” of services. Private sector bosses were furious.

Early in 2010 the Competition Panel was approached by the body representing voluntary sector organisations, who joined with other private sector providers to complain that some services in the East of England were being preferentially given to NHS providers rather than to “any willing provider”. They demanded that Andy Burnham’s policy be abandoned. Surprisingly Gordon Brown sided with Burnham, and the policy remained intact until the general election of May 2010.

The new Conservative led coalition government in July last year unveiled a new White Paper which centred on breaking up the NHS and replacing it with a fund of taxpayers money purchasing services from a range of largely privatised providers.

The very first clause in the Bill flowing from the White Paper abolishes the duty of the Secretary of State to ensure access to comprehensive and universal health care free at point of use. Instead of the direct accountability to Parliament embodied in this duty, instead all commissioning will be overseen by a new NHS Commissioning Board, a bureaucratic body with no public accountability.

All of the existing local and regional management structures of the NHS are to be abolished if the Bill is carried: currently the NHS in England is run by 150 Primary Care Trusts (PCTs) which hold £80 billion in commissioning budgets to purchase

care for their local population, and the PCTs in turn are overseen by 10 Strategic Health Authorities would also take responsibility for the training and education of medical and nursing staff. These bodies are to be scrapped.

Instead the Bill proposes that £80 billion of commissioning budgets are to be devolved to local consortia of GPs, which will decide how best to spend the money. The Bill lays down no specific requirements in terms of the size of population to be covered by a consortium, the organisational structure of a consortium, or for any public or non-GP involvement. The Bill specifically excludes hospital doctors however senior, and nursing staff and other health professionals from any specific role in this new management structure.

GPs have a poor track record over the years in managing budgets, and in achieving the benefits for patients which the Conservatives seem certain will arise from these changes. In the period of GP fundholding in the 1990s many GPs did precisely a hold on to funds – to the tune of millions of pounds – while local hospitals, mental health, and other services faced major financial problems.

More recently experiments in “practice-based commissioning” have also shown that almost all GP practices have struggled to remain within cash limits or have simply overspent, even in those experimental areas which are held up as examples of success.

It’s also clear that GPs are not trained as managers, and in only a few cases have they got the time, will, or energy to effectively carry out the commissioning role themselves. Instead they will almost certainly delegate this role to new teams of managers they will employ, or contract it out to private management consultants, some of which are already getting ready for lucrative contracts managing commissioning budgets on behalf of GPs.

Another important component of the proposals in the White Paper and the Bill is that all clinical services – not just community services as under Labour, and not just elective hospital

treatment as in ISTCs – should be opened up to “any willing provider”, whether non-profit or for-profit. The register of willing providers is to be kept NOT by local GPs and consortia, but nationally by Monitor, currently the regulator of foundation trusts, which is to take on the role of financial regulator of the whole NHS. It will have a specific brief to maximise competition, and therefore to place the fewest possible barriers in the way of new entrants to the provider market.

All those NHS hospitals which are not currently foundation trusts, mainly as a result of financial problems, are required by the Bill to become foundations by 2014, or be broken up or taken over by foundation trusts.

Health Secretary Andrew Lansley has made clear his personal ambition to go further and ensure that all foundation trusts are removed from the NHS balance sheet as soon as possible – and become social enterprises.

This would mean that the staff working in foundation trusts, almost all of whom currently are NHS employees, would lose their NHS terms and conditions, pay scales, access to training, pensions and other rights.

The NHS workforce of around 1 million in England will be effectively reduced to a mere handful. Healthcare provision would not be carried out by NHS bodies, but by foundation trusts, other social enterprises, or by for-profit companies.

It’s important to recognise that these changes take place in the context of an estimated £20 billion of “efficiency savings” to be made by 2014: this was in the opening paragraph of Andrew Lansley’s White Paper last July and is already driving a rapid process of cuts and closures and job losses across the country.

This makes it even less plausible that handing £80 billion in commissioning budgets to GPs could result in anything other than the GP consortia acting as than rationing boards, deciding which services to cut or to withhold from local patients in order to balance the books. Monitor has

recently warned that the cuts might actually have to be even bigger, and that the real target for efficiency savings could be as high as £30 billion by 2014.

This is why the Bill has become more and more contentious as the background and the content of the Bill have become clearer to those who were initially confused by the deceptive rhetoric, or by the complexity of the Bill (the Bill itself is 360 pages long: much bigger than the legislation which set up the NHS in 1948, and bigger than any piece of legislation on health care since).

At its spring conference the Liberal Democrat party, which has supported the bill at each stage through the House of Commons suddenly discovered fundamental flaws and demanded a series of far-reaching amendments be made.

The party leader Nick Clegg, having suffered a bruising defeat for his party in the local elections on May 5, has subsequently also toughened his

rhetoric on this, making NHS policy an area in which to demonstrate the independence and robustness of the Liberal Democrats as a force within the coalition.

All this can be taken with a pinch of salt, but it runs alongside growing unease throughout all of the professional bodies related to health care, notably the Royal College of General Practitioners, the British Medical Association, many high profile think tanks, including many on the right, along with Parliamentary committees, the trade unions, and the wider public.

It appears very much that under pressure David Cameron may abandon his Health Secretary rather than face the prospect of major political damage to the more respectable Tory image he has laboured to create.

This crisis the government sadly comes not as a result of trade union pressure or activity, or as a result of the main Labour opposition: but it

does reflect the political difficulties that right wing establishment parties face in Europe as they seek to undermine comprehensive and universal services and to find ways to break up popular public provision in order to allow the inroads of private profit.

The task for campaigners is to maintain the pressure until the Bill is completely abandoned, and to continue the pressure against the cuts, which are inflicting major damage on health services and in many areas leading to a growing list of treatments no longer being available on the NHS.

Organisations such as Keep Our NHS Public will continue to play an important role in maintaining and developing the ideological fight against those that argue it matters not at all where the services are provided publicly or privately.

[Health Emergency](#)

May 2011

Health systems in Europe - changes and resistance

4 July 2011, by **Thadeus Pato**

1. The different systems

Types of systems

1. Beveridge-system: state financed system - example: Great Britain
2. Semashko-system: completely state-controlled system - example Poland
2. Bismarck-system: the system is financed by contributions to a social security or insurance system - example Germany
3. Market-oriented systems: example USA

Generally there are existing four systems of financing health-care - at least in the industrialized countries:

The so-called Bismarck-system, named after the former German chancellor Bismarck, who introduced this way to finance healthcare end of the 19th century. It is a system of (a single or a couple of) non-profit public health insurance(s) [37], every person up to a certain income has to pay for. The amount of the contributions depends on income. The system is self-governed, the extent of the service is fixed by laws. Doctors and hospitals are paid directly by the insurance, there is a catalogue of fixed prices for any service. Generally every

"necessary" diagnostics or treatment are paid. But the institutions are private enterprises, except a part of the hospitals. Examples are the German or the Austrian system.

The so-called Beveridge-system, named after the British economist and social reformer, Beveridge, was introduced end of World War II. It is a completely tax-financed system, the administration is made by a national institution, the NHS. Generally every "necessary" measure is paid. Examples are Denmark, Great Britain, Ireland, Spain, Portugal, Finland, Sweden, Norway, Italy.

The so-called Semashko - system,

named after the first minister of health of the USSR, this system is completely state-controlled and owned, including hospitals and practising doctors. Healthcare principally is free for everybody. An example was the Polish system [38], but also most of the other countries of the former Eastern bloc.

The fourth system, the free-market system, does not exist in Europe, but the USA have got a system, which is mainly market-based.

All these systems are, like the Dutch sociologist Abram de Swaan said, systems, to compensate the risks resulting from the rise of industrial capitalism:

"In the meantime the "welfare state" has become a giant system of law-based collective institutions, to compensate the external effects of risks and deficits"

One has to say, that nowadays none of these systems is existing in a "pure" form any more. A lot of changes have been introduced in the last decades in the different countries, which softened or weakened the first three systems, in some cases even a complete change of the system. For instance in some countries one has to pay fixed or floating excesses, a part of or the whole expenses for pharmaceuticals, a fixed or daily contribution in the case of hospitalisation etc..

In Switzerland for example some years ago they introduced a system with a basic public insurance (everybody has to pay the same amount not respecting the level of income) and an additional private one. Netherlands chose a similar way. We will come back later to that.

Additionally in all countries there exists a more or less big sector of private healthcare, which usually is only accessible for the rich. Generally the military has got a complete parallel system of healthcare for the soldiers.

2. What are the

reasons for the changes, made in all systems in the last decades?

There is no evidence for any correlation between costs of the respective health system and the outcome. But there is a correlation between costs and kind of system....



Increases of expenditure for health



Average expenditure on health: percentage GNP/US dollar per capita



Life expectancy in the EU in 2009



more money - more benefit?

Officially it is said, that the reasons, to change the respective systems to a more or less market-oriented, individually financed system of healthcare, is, that the expenses for a public system are too high. This is not true, and it is easy to prove :

The comparison of the different systems shows, that the system of the USA, which is market-oriented, is the most expensive one.

The second argument is, that the quality of health-care would be improved by a private insurance system. This is not true as well

The respective investigations show, that there is no correlation between the kind of system and the medical outcome. Life expectancy is an example.

Additionally it is to say, that respecting patients' satisfaction the private system are the worse, as you can see in this investigation of WHO

The general background:

In the framework of the ongoing realisation crisis of the capitalist economy there is a general and long lasting attempt, to open the health sector for private capital. This partially co-incides with the interest of the capital as a whole to reduce secondary costs.

So, what are the true reasons? There are two types. First the reason on the short run:

The lack of money of the governments as a result of the long lasting crisis. By selling off public goods and enterprises they try to solve their financial problems and at the same time, by weakening the public system, get rid of at least a part of the cost (subsidies etc.) by changing to a private insurance system.

The second reason is on the long run:

In the time of falling profit rates and a severe, longlasting realisation crisis of capital, the latter is seeking to invade public spheres, which had been closed to it until now. And so they try to change healthcare from a public good to a simple commodity. [39]

This means: privatisation will worsen the outcome and will make the system more expensive. The real difference is, that the expenses are paid by individuals and not by a system of solidarity and so the possibilities of the capital to expand the sector are much better.

General Tendencies :

- Introduction/extension of market elements in the public health systems
- Influx of private capital into the

public healthcare systems (private insurance companies etc.)?

- privatisation of public health institutions (hospitals, care etc.)?
- Change of healthcare from a public good to a commodity like any other one

3. The main contradictions

The main contradiction is the one between the (until now...) mainly public health systems organised on the basis of solidarity and the private structure of the health industry (pharmaceutical industry, hospital-trusts, production of medical equipment etc.). The solidarity contributions therefore become privatised. This is the main reason for the increasing costs.

On the other hand one can say, that the existing systems in fact are not functioning very well. But this has reasons, which don't result from the systems as such. The problems, all these different systems are living, are based on two main contradictions:

There is an inherent contradiction between the collective and solidarity character of the Beveridge-, Semashko- and Bismarck-systems, and the private appropriation of the collectively financed funds by the respective care providers, including the industries like pharmaceutical enterprises, producers of medical equipment etc.

The second contradiction is the one between the interest of the individual and the society as a whole in a safe, efficient and cheap healthcare and the interests of private providers and producers in selling ever more products, performing ever more operations etc. It means, it is the contradiction between the public and solidarity non-capitalist structure of the financing system and the private, profit-oriented capitalist structure of (a part of) the providing system. [40]

These contradictions for instance in Germany already led to a situation, in which it is apparent, that 50-60% of the arthroscopic knee-operations (just

to give one example, there are lots more) today are simply not necessary. But if you have opened a private ambulatory or clinic, you have to perform a minimum of procedures, sell a minimum of products etc., otherwise you simply go bankrupt.

The analysis is a bit more complicated, but I cannot go into detail here. Just to mention: There exists another contradiction, which is an inner-capitalist one. A part of the capitalist class wants to reduce the cost of healthcare, which is one of the fastest growing parts of economy in the developed countries, for several reasons, mainly because the people can spend their money only once and therefore have got an interest to limit the expenses for healthcare, while the capital-groups involved in the medical business like to expand them.

And there exists a fundamental contradiction between the social character and origin of health and the individual approach to healthcare, the existing system is representing. This is a contradiction, which is based generally in the approach to healthcare and the ruling paradigm, that "health" can be reached individually. I will come back to that at the end of this text.

4. What changes took place in the last decades?

The reality

In the last decades the respective systems were weakened through the appearance/introduction of:

- co-payments
- additional insurances
- privatisation
- corruption

So up to now none of the above mentioned systems exists in a "pure" form.

Generally we can observe a couple of measures, to satisfy the desire of the capital in the health sector, to invade it and to change healthcare from a

public good to a simple commodity on the one hand, and to maintain a minimum of social security, which seems necessary for the coherence of the society and for the need of the employers for healthy workers on the other hand.

These measures and the extent, to which it were pushed through already, is different in different countries, not only because of the different starting points respecting the system of healthcare, but also because of the different level of resistance and the different cultural and historical background. But generally they are similar in most countries:

Privatisation of public institutions

Work is made precarious.

(Partial) privatisation of insurance systems (for instance additional private insurance in Switzerland)

Fixed or floating excesses (Germany: 10 Euro for every visit of the doctor)

- Privatisation of science

Example Germany I
Reform 2010:

- Unlimited co-payment respecting contributions to the public insurance, if costs are rising

- Freezing of the contributions of the employers

- if necessary, co-financing through the government

Example Germany II
Analysis of the German TU ver.di:

- Nowhere in the EU are more public hospitals for sale

- Nowhere are bigger hospitals for sale

- No other country even sells whole university clinics

- German hospital-trusts are the biggest ones in Europe

- Between 1996 and 2007 the number of privatised hospitals had an increase of 42%

Example Great Britain



Example Poland

2005: Jacek Ruskowski, the administrator of a health centre, estimates, that the annual payments of bribe to doctors and hospitals reach 12 billions of Zloty (3 billion Euro), which is one third of the budget of the National Health Fund

And there is, especially in the Semashko-systems, but not only in these, an ongoing tendency to increasing corruption, which at least also represents a form of "floating" excess.....

5. Resistance?

Resistance - general :

- The attacks of private capital to the public health systems are systematic and generally the same all over Europe.

- The resistance is splintered, mostly local and lacks a coherent perspective

Resistance against the ongoing deregulation and privatisation of healthcare is difficult. There are examples of resistance, but mainly it is resistance not against the above mentioned general tendency as a such, but against its consequences.

We had strikes for better wages and working conditions, struggles against privatisation of single hospitals etc in different countries but generally no mass movement for the maintenance of the public healthcare system as a such. The reason is, that this would require a coalition between the workers in the health sector and the general population, which is hard to achieve. But, as one example from my home-region shows, it is possible. [41]

Here are some examples, but I think, we should exchange our experiences in the discussion respecting this point.

Resistance - examples I

Poland: 2007 protests of nurses respecting wages, 2010 strike of nurses, fights against privatisation of hospitals

Germany: Local protests against privatisation of hospitals (2010 in one case successful plebiscit), 2010 strike of 15000 doctors in hospitals, 2011 successful protests in a big university clinic against labour leasing

Resistance II

Great Britain: "The Look After our NHS campaign" of the BMA

France: 2010 strike of health workers against the pension reform

6. Perspectives

And now we have to talk about a crucial point. Mostly the discussions among TUs and activists in the health sector are neglecting the basic problem in healthcare: 90% of the expenses are spent for diagnostics and treatment of existing or threatening diseases, only 3-5% for prevention and health promotion.

Change of perspective

- 90% of the expenses for health are spent for diagnostics and treatment of existing diseases

- only 3-5% are spent for prevention and health promotion



- Ivan Illich: "The modern medicine probably is killing more people than it is healing."

The problem is, that it can be considered as proved, that the effectiveness of prevention and health promotion is much higher than treatment. The general improvement in health in the last 150 years in the developed countries has not much to do with treatment. I will show it in an example: One of the biggest killers of the 19th century, Tuberculosis, was already conquered long before the chemotherapy and, later, the vaccination came into use. (Mc Keown)

The effect of the existing healthcare system to health in the sense of the definition of "health" of the WHO is marginal. The reason, why the healthcare system grew to such a

giant extent, like it did, cannot be explained by its outcome, it can only be explained by cultural reasons on the one hand and, in the first place, simple economic, means, capitalist, reasons, on the other. Prevention and health promotion do not require the mass production of commodities of all kind.

There have been even authors like Ivan Illich, who said, that most probably modern medicine kills more people than it is healing.

So, if we talk about perspectives, what are we fighting for on the long run, we have to talk also about putting the system from the head to the feet, means, putting prevention and health promotion in the first place and therefore avoid health problems, before they need therapy.

The perspective I

- de-privatisation of the health sector, including health-industry

- decentralisation

- change from therapy to prevention and health-promotion

The perspective II

- democratisation of the health sector: election of health professionals by the local population

- administration of the health system through elected professionals

- one system for all - no private health-business

It is obvious, that anyway we will need a system for diagnostics and treatment in the future, even if we change to prevention like mentioned, but the system will and should be:

much smaller

public, which means, self-governed by the people, with democratically elected professionals

non-profit

rationally planned

universal, means, it has to include everybody and not to allow additional or alternative private providing.

But we have to be careful: Nowadays, in the existing political framework, the argument, that prevention is better than therapy, often is abused, to weaken and to reduce the existing health care systems. So we have to point out, that the above mentioned principles can not be seen or introduced separately, but in an integrative form: Every single point is not viable without the others.

That requires, if we look back to the basic contradictions I mentioned, to de-privatise as well the whole sector of the medical industry, to get rid of the above mentioned main contradictions. And that has to include for instance the deprivatisation of science and a ban on patents. I cannot go in detail respecting these points,

but they are crucial as well.

This is a perspective, which is going far into the future, but if we like to develop immediate demands, we should have an imagination, where we want to go to.

The best health system is a just, ecological and equal society based on solidarity