



IV450 - July 2012

IV450 - July 2012 PDF

29 July 2012, by **robm**

[IV 450 July 2012 PDF](#)

Towards a European mobilisation in defence of public health

27 July 2012, by **Jan Malewski**

“Liberalisation” and privatisation...

Health has experienced a growing “liberalisation”, implemented by the WTO in 1995 and concretised by the signature of the General Agreement on Trade and Services (GATS), accelerated again since the bursting of the financial bubbles in 2001 and since 2007. Potentially it constitutes a very broad sector for the accumulation of capital, and the systems of health protection appear as a milk cow for capitalists in search of new sources of profits and liquidity.

Following neoliberal policies, the central concern of the EU governments has become that of financing of health protection because of the growing gap between income (reduced by the numerous reductions

in social contributions and the taxation of capital) and expenditure (which continues to grow because of the aging of populations and the continued increase in the price of drugs and medical equipment). As the standard of competition is at the centre of European neoliberal construction, attempts to control health protection expenditure, that is budget cuts, have led to the introduction of market style mechanisms: the German reform of 1992, strengthened in 1997, introduced competition among health insurance funds. In France this competition has been generalised though supplementary coverage by opening mutual funds to the competition of the market, so that the previous coexistence of public and private non profit making health networks was definitively undermined by the establishment of pricing in activity and price convergence with

the sole aim of profit making.

In Britain the reform of 1990 introduced competition at the level of health care supply between district health agencies and general doctor's surgeries, the management of the property stock being handed over to the private sector. This competition was increased by a new reform in 1999. These “quasi-market” mechanisms established in Britain have served as a reference model for Spain. Competition between public and private establishments has been most clearly implemented in Catalonia.

These developments, transforming carers into “care entrepreneurs” have led to the theme of the “enterprise hospital” which is reflected by the internal managerial reforms of hospital institutions, accompanied by an evolution of the sociological profile

of their directors. Neoliberal ideological hegemony has led to the generalised diffusion of competition between care providers and the setting up of performance measurement instruments for care as well as the transfer of "solutions" (organisational schemas and so on) from one country to another. In the health sector, as in others, we have witnessed the appearance of a veritable international élite of "specialists" who impose in their countries the neoliberal recipes drawn up at a European and international level.

A recent report from the research department of Deutsche Bank [1], devoted to the possible growth of income from competition, indicates that there are "benefits to be derived from the privatisation of government services of general interest, e.g. water supply and disposal, healthcare facilities and non-sovereign administrative tasks" because "Fundamentally, these are private goods".

It continues: "facilities (such as hospitals) that are not covering their operating costs and/or are in debt can probably only be disposed of at a corresponding discount. Nevertheless, privatisation will usually make sense here, too. This is one way the government can reduce its future payment obligations, while offering the facilities the chance to be successfully restructured in private hands". And as governments have obligations in the area of health services, the report announces that following privatisation of the health sector "the government should procure these services from private providers and pay for them. One example here is the requisite capacity reserves in hospitals in times of crises such as epidemics". In short governments should sell health institutions at a discount so as then to pay, without discount, for the reservations of the necessary capacities. The authors then indicate, in note form, that if the governments hesitate to sell off public property, because of a substantial civic opposition and accusations that they were "selling the family silver", then "a sizeable part of the potential is at the municipal level. As the

municipalities are more or less autonomous..." "thus municipal representatives are more approachable ... or corruptible [2].

These recipes seeking the "restructuring" of the health service are consistent both in challenging the benefits of health employees (wages, working conditions, social protection and so on) so as to reduce labour costs and reorganising health institutions with a view to distinguishing that which is profitable, so that it can be privatised, and that which is not.

... and their results

Poland is an example of the results of this policy. Here the financing of care has been transferred to a national health fund, divided into regional structures, which finance fixed annual contracts "thus independent of developments in patient needs" for health services in public or private institutions. This system has first allowed the blocking of expenditure, then rendered the public hospitals, which are obliged to care even when their contract has been bypassed, loss-making. The ownership of local hospitals has also been transferred to the localities and to the cantons, although they do not dispose of the necessary budgets. A new law envisages that all the indebted hospitals should be "commercialised" (transformed into public limited companies) by the end of 2012, or their public "owners" should repay the debt in six months. The desired effect has been attained: hospitals have been massively privatised. These private hospitals, oriented towards profit maximisation, profit from all the flaws of the financing system. A recent research report carried out in its region by the Medical University of Gdansk (GUM) concludes that "non-public institutions: 1. Offer a more restricted range of care and frequently use more than 50% of their contract for a single procedure; 2. Carry out the procedures whose profit margin is the highest; 3. Avoid patients whose hospitalisation could be lengthy; 4. In certain situations select patients on the basis of age." [3]

The daily "Gazeta Wyborcza" sums it up: "A patient affected by

complications, necessitating a prolonged hospitalisation, will not go to a private institution because it is not profitable. Where will they be treated? In the public hospitals, where the majority of patients are not profitable, like them". [4]

The other side of the coin: the employees see their employment contracts challenged. An employee of the N Piekary Slaskie Medical Centre, which has been transformed into a public limited company held (still) by the municipality, wrote recently in a letter to the press: "Our respected CEO has had an excellent idea: that all the care personnel resign and she will take them back as hired labour, (...) women, who have twenty five years seniority, who are already exploited by hard labour, who accept such contracts will have no paid holidays, or sick leave. They will simply be destroyed. And what a farce "they will not be dismissed, they must dismiss themselves! (...) The women are broken, they don't know what to do, and they don't dare to say NO in a loud voice. So, in their name, I launch an appeal for help!"

Let us stress that the international media incessantly stress the fine economic health of Poland (growth rate in 2011: 4 %) and present it as an example, unlike Greece. But in Greece, following the memorandums of the Troika, we see a real humanitarian and health crisis. Whereas a movement had in the 1980s imposed a system of free public health, only the ruins of it remain. During the first nine months of 2010 the national health service budget was reduced by 60%, leading to the closure of care services, suppression of jobs and reduction of wages. Psychiatric hospitals, deemed dispensable, have been closed. Three million people, or nearly a third of the population, are without any social cover, because health insurance is linked to employment. The hospitals no longer have the resources to provide drugs. And all access to care institutions is conditional on payment of an "entry ticket" of 5 €, -. Finally a racist offensive has targeted immigrants, deemed "responsible for the deficit" and carers are asked to reject those without papers and denounce them. Immigrant women

have suffered the “confiscation” of their newly born, returned to their mother after payment of the price of the confinement!

The Polish examples are not isolated. Alexis Benos writes: “The reality in the different countries is remarkably similar. Belgium has cancelled the right of universal access to health services and legalised the selection in the name of profit of patients of the private sector. In Britain, the list of diagnoses which are not covered by the free health services because they “are not immediately life-threatening” gets longer. It includes knee, hip joint and cataract surgery! In Spain, after the closure of beds in public hospitals, health is now recognised by the law as a commodity, and the treatment of immigrants is no more generous than that meted out by Papadopoulos and Loverdos [in Greece]. In Germany, 30% of public hospitals have already been handed over to the private sector. (...) In Italy, the share of patients in the payment of their medicaments has gone from 35 % to 40 %.” [5].

We should add that in Germany there has been an increase of more than 11 % in the financial cost transferred to households, thus a fall in access to care, and in Belgium, where the hospitals still belong essentially to the non profit making private sector (associative, mutualist and so on), the services are little by little being “externalised”. Old people’s homes are experiencing a differentiation: the more profitable (the most expensive) are commercialised, which is accompanied by a deterioration of the working conditions of employees. In Italy, the Monti government is preparing to increase its expenditure cuts plan to 25 billion Euros. In this context spending on health “should be reduced by 1.5 billion Euros”.

Victorious struggles against health privatisation

These policies justified by budgetary reasoning seek in reality to render the

greatest part of the health sector profitable, in order to privatise it. It is the demands of capital which determine these “restructuring” projects. For example, the Penta investment group, which the Slovak doctors union LOZ/LUP has denounced as being the beneficiary of the privatisation of the hospital sector, writes on its webpage in relation to “investment criteria” that “the internal rate of profitability demanded is at least 20% for each investment” [6] For the hospitals to realise such a margin, the Slovak government must break the resistance of the doctors, in particular by rejecting their wage demands.

After weeks of protest actions by the doctors and strikes by medical students to “save the public care system” and fruitless negotiations with the government, a third of Slovakia’s hospital doctors announced that they would resign on November 30, 2011 if their demands were not satisfied. These demands were: respect for the labour code and safety at work regulations, modification of the hospital financing system which does not reflect real costs and allows five health insurance companies to make profits, an end to the transformation of hospitals into public limited companies governed by the commercial code, a legal guarantee of salaries for doctors of between 1.5 and 3 times the average salary. Although the government declared a state of emergency (allowing the requisition of doctors) and brought in Czech military doctors to replace them, 1,500 doctors blocked the functioning of hospitals and forced the government to capitulate on December 5, 2011. “By this action, the doctors have saved the public character of the medical services in Slovakia. The transformation of all the hospitals into public limited companies has been stopped. The real price of medical services, including the salaries of health professionals, has been adopted. A law on the minimum wage of doctors has been adopted” currently it is fixed between 1.05 and 1.6 times the average wage in the economy; starting from July 1, 2012 it will rise to between 1.2 and 1.9 times the amount of the national average salary”. [7]

In Rumania at the end of December

2011, in the context of the austerity demanded by the IMF, the World Bank and the European Union, President Basescu’s government began an attack on the health system. Its counter-reform specified a reduction of medical cover and the entry of at least four supplementary private insurers on the health insurance market as well as the “commercialisation” of health institutions. Raed Arafat, a doctor of Palestinian origin and under secretary of state for health, criticised the reform on a broadcast televised on February 12, 2012. Basescu then intervened on air and insulted Arafat, the latter then resigning. The day after the Romanian population, harassed by austerity, went onto the streets of Bucharest and other cities. Although the president had already announced the withdrawal of the reform and Arafat had rejoined the government, despite the snow and the cold, thousands of people occupied the streets demanding the resignation of the government led by Emil Boc, on February 6. A new coalition government of the right, led by Mihaela Razvan Ungureanu, resigned in its turn three months later. Elections are to be held in November 2012. The mobilisation against the health “reform” has opened the way to opposition to all austerity policies.

In Germany, the privatisation of the hospitals has already advanced. The multinational Fresenius, first centred on dialysis machines, than on dialysis clinics, before broadening its activities to the pharmaceutical industry and to hospitals, already owns 75 hospitals. The decentralisation of the health system “that is, the decentralisation of spending” leads the local administrative bodies to try to slough off the weight of health expenditure. It is in this context that the Dresden municipality has tried to merge the two municipal hospitals that it manages inside a public limited company and transfer its management to a private group, a first step towards its sale. To oppose this an “Alliance for hospitals” has been set up, bringing together hospital staff, the trade union Ver.di, the collective “Hands off the hospitals”, and the political parties (Die Linke, SPD and so on). 37, 000 signatures were collected for a petition for the maintenance of the

municipal status of hospitals. A referendum was forced and on January 29, 2012, 84% of votes cast favoured the maintenance of the two hospitals as communal enterprises, which the municipality will now be obliged to respect for the three coming years.

A European resistance movement is born!

These victorious have three characteristics. First, they mobilise force well beyond health workers alone, as in Rumania and Dresden (Germany). Secondly, the dominant trade union confederations, forming part of the European Trade Union Confederation (ETUC), do not play any motor role, indeed do not support them. Sometimes - as in Slovakia - it is a sectoral trade union that plays a central role. Finally, the ETUC, which has enormous resources which could allow it to publicise in all EU member countries information on the employers' and governmental attacks of which its members are victims and the struggles waged at the national level does not do so. Whereas the capitalists have multiple structures of coordination, the European coordination of struggles waged by the health sector employees remains to be put in place. It is the ad hoc structures and sometimes European sectoral associations (like the European Federation of Employee Doctors) who publicise the demands of mobilisations in defence of health.

The bursting of the speculative financial bubbles (that is, the collapse of what Marx called "fictitious capital") and the recession (in other words the reduction of capital investment possibilities at rates deemed to be "profitable") have accelerated the search for new spaces of capitalisation. In health this leads to a qualitative leap in "liberalisation" and to an acceleration of "restructurings" to "open to the market" a sector which was largely protected. It is "a uniform international policy, whose characteristics are coherent. These main stages are the commercialisation of health services (creation of the

internal market), dismantling of the public health service and social protection (which rests on its under-financing, leading to obsolescence of equipment and the reduction of the labour force, the elimination of services, the pillage of public insurance funds and so on) and finally the privatisation of services, characterised by the transfer of the costs to the individual budget of the patient and their family" [8].

The great majority of the dominant trade union leaderships do not take initiatives to react to this new situation, which demands breaking with routine, be it only to defend the right of unions to exist. For, as indicate by the example of the privatisation of hospitals in Poland, capital no longer needs "partners": the transformation of employees into "auto entrepreneurs" - with business contracts rather than employment contracts imposed on them - deprives them of their right to join a union, because Polish trade union law (correctly) does not allow entrepreneurs to be members. Trapped in the ideology of social partnership, the ETUC limits itself at most to protesting that it is no longer invited to negotiate at the European level.

It is this note that has led political, associative and trade union activists to attempt to regroup on a European scale. In May 2011, with the help of the International Institute for Research and Education (IIRE-IIRF) (16), at the initiative of the Nouveau parti anticapitaliste (France) and the free trade union "August 80" (Poland), a first European conference in defence of the public health service took place in Amsterdam, with activists present from Germany, France, Britain, Ireland, Poland and Sweden. They were there to exchange experiences of struggles and collectivise information on attacks against public health services and the relationships of forces in the different countries. The idea of extending this experience, by a broadening of the network to a greater number of European countries and to all the popular organisations sharing this viewpoint was adopted.

A second conference took place in Katowice (Poland), in November 2011,

at the initiative of the Polish National Union of Nurses and Midwives (OZZPiP), the free trade union "August 80" and SUD Santé Sociaux (France). The question of broadening of the network as well as the idea of making it a tool capable of initiating common actions on a European scale was raised. With this aim the Katowice conference called a new European meeting, which took place at the University of Nanterre (France), on May 12 and 13, 2012, with delegations from 28 organisations from Germany, Belgium, Spain, France, Greece, Ireland, Italy, Poland and Slovakia. It was co-organised by the NPA, SUD Santé Sociaux; the Coordination nationale des comités de défense des hôpitaux et maternités de proximité and another French organisation, FASE. [9]

The participants adopted a declaration calling for "the organisation in each country of a week of European action for the right to health of peoples and against the dismantling of public health services and their commoditisation, from October 1-7, 2012 "and decided to participate in the "European White Village" (a camp of health employees) in Warsaw on October 6, 2012 as well as in "the organisation of a European Conference on October 7, 2012 in Warsaw". A "campaign of coordinated communication with a common petition and posters" will be realised.

These decisions constitute a big step forward. There is nothing obvious about bringing together political, associative and trade union activists. The history of the European workers' movement has created barriers between trade unions and political parties, the unfortunate experiences of the submission of unions to Stalinist and social democratic parties still weigh, the capacities of mobilisation differ, and so on. Even if, as we have seen recently, victorious struggles in defence of public health have been led by such groupings (in Dresden, for example) and collectives of this type exist in some countries ("Notre santé en danger" in France or "Keep our NHS public" in Britain, for example), traditions die hard. It is urgent that we face up to the coordinated attacks by capital against the public health sector and the ineffectiveness of the

superstructures of the European trade union movement.

The European week of action was launched through press conferences held on June 5, 2012 in various European countries. The week of action should not be considered as an end in itself but as the point of departure for the broadening of the mobilisations to other countries and organisations not present in Nanterre. "A movement of resistance to the privatisation of health protection, against the favouring of private institutions, against the unacceptable treatment of employees and patients is born", said Iwona Borchulska, president of the OZZPiP during the press conference in Warsaw on June 5. "Across the continent there is a struggle against the commercialisation and privatisation of hospitals, dispensaries, and medical centres. The organisation of health employees and patients will not accept the commoditisation of health" added Zbigniew Zdonek of "August 80".

Health: Declaration of European conference in defence of health and public and universal social protection

Nanterre (France), May 12- 13, 2012

In the context of a crisis of capitalism, people's health has been significantly degraded across Europe by the economic, ecological and social crisis that exacerbates inequalities.

The past year has seen an acceleration of the crisis in Europe. A second banking crisis has begun in Europe; the austerity policies which are being carried out jointly in all countries and

by the European Union, are leading to a widespread recession, or even, in Greece and in other countries, to a veritable depression.

In successive layers, European leaders want to make austerity stronger and more irrevocable through ratification of the fiscal pact and the European Stability Mechanism (ESM).

Public debt, unemployment, poverty and inequality are increasing at an alarming rate.

Austerity and debt, presented as inevitable, have everywhere become the pretext for harsh attacks on public health and systems of social protection and social rights. Greece, which is the emblematic case for all Europe, is living through an unprecedented humanitarian and health crisis. Today the countries of southern and Eastern Europe are the most affected.

Austerity plans for health and social protection are taken under pressure from the health multinationals and private insurance systems.

These multinationals play a major role in the destruction of the social rights of collective bargaining and trade union rights (collective bargaining, freedom of union activity, conditions at work and so on), in lowering wages and the wage share of GDP (which the new economic surveillance, with control of "unit labour costs" will exacerbate) and the casualization of employment (return to daily work, explosion of temporary work, pseudo-independent so-called auto-entrepreneurs and so on).

These austerity policies constitute a violation of the human right to health and destroy public health and social services. They concern all socially insured persons and especially affect certain citizens:

1. Women, very much in the majority in these public services, occupy the most precarious jobs, are the first to be laid off in the closures of hospitals, crèches, centres for the health of women and reproductive rights, and structures of care for the handicapped, and assume the bulk of the "work of social reproduction" which austerity policies re-transfer

massively to the domestic sphere,

2. The disabled, are major victims of the crisis, excluded not only from work, but also often from the institutions supposed to welcome them;

3. Migrants and those without papers are often excluded from health and social protection systems.

Beyond the necessary national response, in each country, these measures require concerted action by health professionals, patients and citizens; this implies a pooling of experiences of national struggles in defence of public health and social security, the organization of a concrete solidarity in struggle, and reflection on the construction of international initiatives for the defence of a universal public health which is egalitarian and socially responsible.

At the end of the conference in Nanterre (France), which took place on May 12- 13, 2012, participants from trade unions, political parties and associations of struggles for the defence of health and social protection, defending a public health system of high quality throughout Europe, voted for:

- the construction of a European area of exchange, mobilization and action against the privatization of health and social protection systems, open to all those who wish to take action against austerity affecting the health of peoples, and regression of social rights and social protection.

- the implementation of a European program presenting an alternative to the neoliberal goals which defends public health and social protection as universal common goods that can no longer serve the private profits of shareholders private stakeholders in health or social welfare institutions. Such a program requires equal access to health, free care, health democracy, and collective and public funding.

- a citizens' audit of debt, including the debt of hospitals, social bodies and social protection with particular emphasis on the impact of the debt for women.

- the setting up of a permanent network of exchange of initiatives and action against the privatization of the health and social security and systems and against any prescription charges or taxation of patients and any measure to reduce universal access to health.

- the organization of press conferences coordinated around this statement on June 5, 2012 and an appeal for solidarity with the Greek people.

- the organization in each country of a week of European action for the right to health of peoples and against the

dismantling of the public health services and the commodification of health from October 1-7, 2012.

- a representation of each country at the "European white village" (a camp of health personnel) in Warsaw during the week of action.

- the Organization of a European Conference on October 7, 2012 in Warsaw.

- the coordination of a common communication with common posters and a joint petition campaign.

Conscious that action for a public

health and universal social protection system cannot be the prerogative of only health professionals, associations for the defence of public health and concern the whole of society, the members of the conference:

- wish to register the specificity of this fight in all initiatives to rebuild a new European public space and to build inside it a permanent campaign in defence of the right to universal and public health services.

- will be involved in the European campaign for the non-ratification of the European stability pact and the withdrawal of the ESM.

As mining conglomerates target Haiti, Latin America rises against them

25 July 2012, by **Roger Annis and Kim Ives**

In Haiti, U.S. and Canadian gold mining companies are rubbing their hands over the riches that they believe await them. A recent study by Haiti Grassroots Watch estimates up to \$20 billion, at gold's current price of \$1,600 an ounce, lies in the ground [10].

So it's no coincidence that Washington has used its proxy, the Organization of American States (OAS), to illegally install a compliant regime - that of President Michel Martelly - whose operative watchword is: "Haiti is open for business." Washington and Ottawa, which represent most of the international mining firms in the Americas, are adopting an increasingly interventionist response throughout the continent.

Nationalizations grow

"From expropriations in Venezuela, Bolivia, and Argentina to violent opposition in traditionally mining-friendly jurisdictions such as Peru and

Chile, the rising political tensions pose a risk to a decade-long bonanza mining companies have enjoyed," reports the Canadian national daily Globe and Mail on July 11 [11].

The previous day, Bolivian President Evo Morales announced his government would expropriate the Vancouver-based South American Silver Corp. According to the company, its claim in Bolivia's Mallku Khota region contains one of the world's largest undeveloped silver, indium, and gallium deposits.

In May, Bolivia nationalized a Spanish-owned electrical generation company. That followed by several weeks a highly-publicized nationalization of a Spanish oil company's operations in Argentina, the largest oil company in the country. Then in June, the Morales government nationalized the Colquiri tin and zinc mine owned by the Swiss global mining giant Glencore International PLC.

The mine nationalizations were prompted by inter-Bolivian conflicts that the Bolivian government accuses

the companies of stoking. Tensions have arisen at mining sites between employees of the operations of large companies, artisanal miners who have a long tradition of working through cooperatives, and local Indigenous residents. The stakes are further fueled by sky-rocketing prices for minerals in international markets.

As well, nationalization of resource industries has been a key demand on the government by social movements in Bolivia, though this demand had apparently not been a large factor in Mallku Khota.

"Unfortunately, the so-called transnational companies...pit brothers, in-laws, cousins, neighbors, brothers from the same ayllu (community) against one another," said President Evo Morales about the decision to nationalize South American Silver.

Some Latin American populations are standing up to the mining transnationals, regardless of their government's stand. That's increasingly the case in Peru. Five people were killed by police during the first week of July at protests

against the multi-billion dollar Conga gold and copper project, which would be the largest mine in Peru's history if it goes ahead. The project's owner is the U.S.-based Newmont Mining Group.

Area residents do not want the Conga mine, saying it will damage local water supplies. A string of protests against mining projects have occurred in Peru in recent years.

In Chile, similar concerns over water supply and quality as well as the effects of mining on electrical supply are driving protests. The Council of Canadians released a detailed report in March 2012 looking at recent developments and concerns in Chile's Patagonia region [12].

The U.S.-based Sustainable Development Strategies Group wrote in a 2010 study on mining in Chile, "If social movements in opposition to mining are now part of the landscape, and if mining is creating increasing intense competition for water and energy, the real question now is how, institutionally, politically, and legally Chile will accommodate the citizen voice in mineral development."

Interventionist responses

According to the Vancouver Sun, Canadian Trade Minister Ed Fast wrote to his Bolivian counterpart on July 11 expressing "deep concern" with reports that Bolivia was preparing to nationalize South American Silver. Fast's spokesman Rudy Husny said the minister has instructed officials to "intensify their engagement with the Bolivian government to order to protect and defend Canadian interests and seek a productive resolution of this matter."

The paper reported that Canadian officials were expected to meet with the Bolivian government and with Bolivia's ambassador to Canada. President and Chief Executive Officer of the South American Silver Corporation, Greg Johnson, appeared on the Canadian Broadcasting Company (CBC) Radio One's The Current on July 12 and argued that his company has been wronged [13]. He reported, with satisfaction, that the

Canadian government is pressuring the Bolivian government to reverse its decision.

The CBC host of the program sounded like a public relations spokesperson for the company. In an accompanying interview, he hectored Bolivia's ambassador to the U.S., asking if South American Silver would be compensated. He also expressed offense at Evo Morales' statements accusing foreign mining companies of "looting" Latin America's wealth for generations.

Evidently, the radio host has not read The Open Veins of Latin America, Eduardo Galeano's classic history of the continent. Galeano describes how Latin America became "a huge mine." [14]. The book details the unbelievable human toll and suffering and the environmental destruction perpetrated over the centuries starting with Spanish conquistadors until today's European and North American mining companies.

"The metals taken from the new colonial dominions not only stimulated Europe's economic development; one may say that they made it possible," Galeano writes. The book is appropriately sub-titled, "Five centuries of the pillage of a continent."

The Prospectors and Developers Association of Canada estimates there are 20 Canadian mining companies operating in Bolivia.

A recent series of articles translated from Spanish into French and published by the Belgium-based Committee for the Abolition of Third World Debt (CADTM) examines the role of the British-Australia aluminum mining giant Rio-Tinto in the parliamentary coup d'etat against Paraguay's President Fernando Lugo on June 22 [15].

The company had been lobbying heavily for a long-term agreement for cheap electricity prices as an incentive for it to establish aluminum smelting operations. Paraguay shares several very large hydro-electric dams with Brazil and Argentina. It has substantial installed electrical generation capacity, approximately equal to 5% of all of Canada's. In

2007, Rio Tinto acquired the Canadian-owned Alcan and its large aluminum operations in Quebec and British Columbia.

The coup has returned to power Paraguay's traditional economic elite, who, not coincidentally, are amenable to making a long-term deal with Rio Tinto. Among the few countries to recognize Paraguay's coup government is Canada, which, with the U.S., was also quick to recognize the Honduras coup d'etat in June 2009.

In the weeks ahead, Washington and Ottawa will inevitably heighten sharpen their rhetoric against the Morales government as they contemplate how to further intervene in Bolivia.

Haiti's situation

In February 2004, Washington and Ottawa worked with Paris to carry out a coup d'etat against the elected and socially progressive government of President Jean-Bertrand Aristide. As Wikileaks diplomatic cables released last year by Haïti Liberté showed, those three governments worked hard to keep Aristide in exile in South Africa for seven long years [16].

During his triumphant return to Haiti on March 18, 2011, Aristide gave a speech to the nation at the airport. "To honor [Haiti's founding father] Jean-Jacques Dessalines, we come to bring you our little bit of help," Aristide said in his metaphor-laden Kreyòl. "With the little ball of education centered in the court of dignity, we will kick exclusion off the field and this way, the new generation will begin to benefit from the wealth that slumbers deep within Haiti: gold, copper, uranium, bauxite, silver...

"The calcium carbonate to be found in Miragoâne is valued at more than U.S. \$23 billion. The petroleum reserves are no doubt larger than estimated."

This thinly-veiled nationalist message is precisely why U.S. and Canadian governments backed Aristide's ouster and maintain the ensuing UN military occupation of Haiti to this day. In his place, Washington and Ottawa have

placed Martelly's "Open for business" regime.

Newmont Mining is partnered with the Canadian Eurasian Minerals in seeking to open gold mining operations in Haiti's three northern departments. The Haiti Grassroots Watch study, "Gold rush in Haiti: Who will get rich?," published in May [17], examines how Haitian law has already been circumvented by the gold-mining companies as they forge ahead with exploration. HGW Co-Director Jane Regan spoke to Democracy Now on June 1 about the study. [18]

Among its findings are:

? Haiti's former Minister of the Economy and Finances is now a paid consultant for Newmont.

? Two Haitian ministers recently signed a "Memorandum of

Understanding" with Newmont and Eurasian that says - in violation of Haitian law - the companies can begin drilling at one of their exploration sites. Haitian legislation states no drilling can occur without a mining convention.

? Nobody appears to be telling the communities in Haiti's north what is going on, and what deals have been made behind closed doors.

? Haiti has the lowest mining royalties (production taxes) in the hemisphere.

The UN military occupation of Haiti is what the imperialists hope will ensure that Haiti's mineral wealth can again be plundered like in the days of the conquistadors.

Eduardo Galeano spoke last September at an event at Uruguay's National Library discussing Haiti's current plight and its place in Latin

America [19]. "The military occupation of Haiti is costing the UN more than \$800 million yearly," he said. "If the United Nations dedicated those funds to technical cooperation and social solidarity, Haiti could receive a good boost to its creative energy. Then they would be saved from their armed saviors who have a certain tendency to violate, kill, and deliver fatal illnesses."

"Haiti doesn't need anyone to come and multiply its misfortunes," Galeano concluded. "But Haiti does need solidarity, doctors, schools, hospitals, and a true collaboration that makes possible the rebirth of its alimentary sovereignty, killed by the International Monetary Fund, the World Bank, and other philanthropic societies."

If the transnational mining companies get their way in Haiti, that will surely "multiply its misfortunes." [20]

Victory in Mauritius on Abortion Decriminalization

22 July 2012, by **Lindsey Collen**

This victory comes less than a year after another victory accredited to LALIT: the introduction into schools of the mother-tongues, Kreol and Bhojpuri, for the very first time in 2012.

The new abortion law passed last month decriminalizes abortion in the circumstances of serious ill-health of the woman or malformation of the foetus, rape, incest or statutory rape. But, it means that all women can now speak openly about abortion, and can, when ill after a complication resulting from a future illegal abortion, go to the hospitals for treatment with more freedom. And the struggle continues.

The law came into the National Assembly only two months after the women's organization, the Muvman Liberasyon Fam (MLF), had held ceremonies in two cemeteries with the

families of women who had died as a direct result of abortion still being illegal. The MLF had over the past three years accentuated its campaign for abortion decriminalization, and putting into question the very wording of the archaic law, which referred to the woman being "quick with child". A woman had been charged in 2009 with illegal abortion, and the Director of Public Prosecutions had finally, after women's mobilization against the law as "not clear", dropped charges. In 2011 he admitted in public that the wording was not clear enough for him to arrest and charge women under, once the confusing expression "quick with child" was exposed to scrutiny. Jurisprudence showed that it usually meant around the 20th week of pregnancy, but the DPP's office had always for 174 years assumed it meant simply "pregnant", because the

French version used the word "enceinte". MLF called a Common Front on Abortion which became very strong. The death of a woman photographic journalist following an illegal abortion changed the balance of forces enormously, as all the reporters and other employees of the Press groups could no longer toe the line of the main companies that run the Press, which are historically close to the Catholic Church.

During the mobilization of women behind the Bill, even if only for partial legalization - mobilization organized mainly by LALIT women who are in the leadership of the Muvman Liberasyon Fam (MLF) - the law was finally passed with only 20% of MPs voting against. This massive support in Parliament was despite a campaign that would make you think "everyone"

is against, or, if not, then too weak to stand up to the religious lobbies opposing abortion.

Every time Parliament met, there were dozens of women in the galleries, holding press conferences before or after, and even staying until after midnight. There was a candelight ceremony in memory of women who had died from illegal abortions.

The mobilization was given strong, vocal support by the Nursing Association, the biggest union in the health sector. The leadership, including Ashok Callooa and Ram Nawzadick, and the women's wing representatives, all spoke out in favour of the law, and attended mobilizing events. The Union called for complete de-criminalization, and for women to feel free to come to hospital. "We are here to look after the sick, not to judge you," Ashok Callooa announced. He also said that nurses are the ones who see the suffering that results from back-street abortions, and he, like almost everyone else in the debate, put emphasis on the class issue. Poor women suffer disproportionately from the repressive law.

Other Unions also came in in strong support, including the Government Teachers' Union and a Federation (the Federation of Para-Statal Bodies) as

well as the big Confederation (the Confederation of Private Sector Workers, CTSP). This added to the growing support from human rights groups, and the family planning organization to the mobilized women's movement.

A surprisingly large number of MPs spoke in favour of well-nigh total de-criminalization, showing their reliance on the argumentation developed over decades of struggle, specially by LALIT and the MLF. Another surprise was the strong pro-secular approach amongst MPs of almost all parties. They put emphasis on the health issues, human rights issues, and need for a secular state. The only parties against were three parties that have only one MP in Parliament, the FSM (a fundamentalist party), the MMSD (a party run by a maverick capitalist), and the OPR (run by a former Catholic Priest). Two parties were 100% in favour, despite giving a "free vote". They were the biggest party, Labour, and the bigger of the two Rodrigues parties, the Mouvement Rodrigues, whose two MPs spoke eloquently from the point of view of working class women in the Republic as a whole. The Labour Party's coalition partner, the PMSD was 3 out of 4 in favour, while the Opposition MSM was 3/4 in favour. The Opposition MMM was split down the middle, and thus came out worst, with its anti-abortion MPs

making fools of themselves in speeches so outrageous that the Press denounced them unanimously. This once-long-ago left wing party is now a bastion of the reaction.

One of the MMM's MPs, Jean-Claude Barbier, in an all-time first-ever, actually told Parliament that God had personally spoken to him about what to say in "the august Assembly".

While some MPs spoke of "murderers", one MMM deputy, Lysie Ribot, said that women who had abortions, were also more likely to have road accidents and get cancer of the cervix. She said, in a grotesque statement, that women who were raped were unlikely to fall pregnant because their ovulation got "blocked".

Adil Meea, yet another MMM MP said religion was one of the last ramparts against degeneracy and depravity. Soon, he said we will hear talk of same-sex marriages.

But, these were marginalized completely in the generally massive support for the law, not only in Parliament, but also outside. A survey of women's opinions in the country carried out by a big commercial opinion poll company found that over 2/3 of women are in favour, and only 20% against, thus reflecting neatly the vote in Parliament.

Women's struggle in South Africa - still a long way to go

22 July 2012, by **Lauretta G Ngcobo**

My first child was born on 6 February 1956. I was driven against the wall. It was inevitable. I could not accept the fate that awaited my miracle of creation: to be herded through life in indelible contempt as soon as he began to gurgle. The thought became more and more unbearable.

At about the same time, and perhaps in keeping with the tempo of the

times, the women's campaign against the introduction of passes was escalating. The Federation of South African women drew women from all working sectors and trade unions, regardless of colour, race or creed, to fight for the removal of all social, legal and economic disabilities, and to work for the protection of women and children in South Africa. This powerful call raised an alert in all parts of the

country, for every woman knew the severity of apartheid oppression whose main instrument was the pass. Throughout South Africa, women organised themselves for the first non-racial National Conference of April 1954 in Johannesburg, followed by the marches of 1955 and 1956.

I could not help but be swept into the wave of protest. At the time, I lived in

the Pretoria township of Lady Selbourne, but kept in constant touch with some of the women I had worked with in Durban on matters of the struggle. I was in touch with Dorothy Nyembe, Bertha Mkhize and others who kept the issue burning. But since I had a small baby I only made up my mind to join the march at the last minute. We (a few other women from Pretoria and I) decided to join the amazing march, the stream of women who were arriving by trains and buses and on foot. We walked and climbed towards the Union Building slowly, without transport. We were happy to be part of the show of strength that escalated from all corners of that historical hill.

The failure of Dr Verwoerd to come out and receive the multiracial delegation fostered in me a new fervent belief that some day we, the people of South Africa, would topple over the burden of apartheid. In that act alone, by that single mighty leader, I knew the superstructure was

not invincible; I knew then that one day apartheid would come tumbling down.

The long years of exile were fired by the belief that my grandchildren, if not my own children, would one day live in a free South Africa. The journey has been long. Thirty years have not been without disappointment and sometimes outright hopelessness. But my conviction stayed with me until I returned to South Africa in 1994.

I am back home now, and apartheid is gone, but it would be untruthful to say the seeds of patriarchy on which apartheid itself was anchored have all been swept away, that all my dreams are fulfilled. The seeds of the patriarchy on which apartheid itself was anchored have all been swept away. But Africa has had her own malignant strain of patriarchy. This leaves the women of South Africa with only half the battle won. To compound the situation, the residue of apartheid, which left the African men scrambling

on the lower rungs of the social ladder, has left many men disgruntled and feckless, turning on their own women to assuage their anger. Besides, apartheid left many totally unprepared to take over the institutions that might turn the tide of poverty into productive capacity.

One other legacy of the past is greed – everyone for himself. This is not what the struggle was about. Those who have the means, or who got there first, are grabbing and looting, and are seen to have benefited more from the freedom than everyone else. But strangely enough, even those who do not grab everything for themselves, those who got there by their own sheer natural ability or opportunity, are often perceived as having done so in a negative way. This has left us all with a bitter taste of an unfinished task. Where to next? How long shall we wait for freedom to be fulfilled? That is the task of the next generation.

Amandla "Still a Long Way to Go".

A programme against the debt tyranny

16 July 2012, by **Left Bloc**

This crisis moreover demonstrates the technical incompetence and fanaticism of the European leadership. They guaranteed that, in the Euro reality, an imbalance problem, such as that we are facing today, would never occur because the economy would automatically correct it. Take, for example, the statement of Vitor Constancio when inaugurating his position as governor of the Portuguese Central Bank, in 2000: "Without national currency, we will no longer have problems in balancing our budget like we did in the past. There is no macroeconomic currency problem and no need to take restrictive action because of our balance of payments. Nobody analyses the macro dimension of Mississippi's external balance, or any other region of a large currency zone." This statement by Constancio is now

proven completely wrong by the facts: there are financing problems, these create an external vulnerability and Portugal is now un-der the IMF, ECB and EU custody.

2. However, the European governance has always refused a consistent European solution. On the contrary, it continues to ratify the Budgetary Treaty, which consists on an authoritarian response to the Euro crisis, by yielding the effective control over the national budgetary options to the ECB and European Commission and by prohibiting counter-cyclical public policies, given the permanent restriction over the core public deficit to levels never attained in Europe as a whole. This ratification had the Socialist Party (PS) support in Portugal and now has the German Social-democratic Party (PSD) and

Green Party support in Germany.

The Left Bloc voted against this treaty and believes it represents an attack against Europe. If Europe fails to revoke this treaty and substitute it by European cooperation mechanisms for employment, the Union is fated to further instability.

3. There is an immediate problem of financing the economy and an even bigger problem of imbalance in the Portuguese external budget (the Portuguese balance of payments deficit, in the 2010-2011 average, was 7% of its GDP). These two problems must be solved.

The first must be solved within the European scope, with financing from the ECB. The second must be solved putting together efforts to cancel the external balance deficit and,

consequently, the structural dependency of the Portuguese Economy. This demands budgetary and fiscal policies to promote investment and exportation and substitution of imports, in order to decrease the balance of payments deficit (for e.g., with the goal of reducing the GDP by 3.5%), as well as to cancel the debt to reduce its impact in the balance of payments (in this case, in at least another 3.5% of the GDP). This way, the need for financing would almost be reduced to zero, so that the Portuguese economy and the State would gain autonomy and power to decide.

4. To that effect, Left Bloc proposes a policy against the debt tyranny, summarizing its two main goals:

1) Portugal must reject the Memorandum signed with the IMF, ECB and EU and thus dismiss the conditions defined therein.

The Memorandum places the Portuguese economy at the mercy of speculation and leads to a degradation of the economical and social regimes, which diminish public services, quality of employment, social rights and democracy. The rejection of the Memorandum has become a question of human rights: the one and a half million unemployed people that we will have at the end of the first years of the IMF, ECB and EU rule (2011-2013), prior to the second bailout, will be outcasts of the society.

The Memorandum should also be rejected because the policies it enforces are not a plausible alternative for our country. The conditions imposed will deepen the debt as well as increase unemployment and precariousness, making it even harder to face the increasing debt pressure. Privatizations are but a farce, disguising the surrender of strategic control of public goods, namely to Chinese and Angolan companies. The financial markets law is destroying people's lives.

2) Portugal should restructure the debt and renegotiate the conditions and deadlines of the payment, cancelling debt in order to reduce it to 60% of its GDP.

In 2013, the public debt will be higher than 100% of the GDP; in order to have stability for Portuguese economy future it is mandatory to have the annulment of 70 billion Euros of debt. If this restructuring does not occur, the economy will be insolvent and the country will plummet to bankruptcy or lose its sovereignty. The creditors will receive nothing in case of bankruptcy and the economy will not be financed, escalating the depression that oppresses workers.

At the end of the current year, the public debt will be allocated as follows: 86 billion Euros will be retained by the IMF, ECB and EU (IMF 21 billion; ECB 25 billion; EU 40 billion), 83 billion Euros will be managed by investors under Portuguese law and 10 billion Euros will be managed by investors under English law, which is less favorable. These numbers show that the IMF, ECB and EU have retained an important part (presently almost half) of the debt, which was previously managed by finance investors and international banks.

A small part of this debt is held by workers and taxpayers both directly and indirectly, and it should be protected: less than 20 billion Euros are held by Portuguese people through Savings Certificates and Treasury Certificates and other workers pension funds also have further investments in this debt.

Therefore, the debt reduction should be directed thus:

a) Annulment of 50% of debt stock to the IMF, ECB and EU and the decrease of interests to 1%, as what is charged by the ECB to private banks.

In Greece's case, the IMF, ECB and EU accepted the reduction of 53% in the value of private investors debt, although they did not cut on debt stock (which means that the reduction did not reach 25% of the Greek debt, keeping an unacceptable pledge over the people). The reductions, both in Portugal as in Greece, should include the IMF, ECB and EU with similar conditions in the amounts.

b) Negotiating with the private investors, to swap the bonds they

retain for 30-year Treasury Bonds, at 50% of its current nominal value and with interest rates indexed to the future growth of the GDP, with a grace period until 2020.

c) Negotiating with the public Social Security Capitalization Fund and other pension funds, and with holders of Savings Certificates and Treasury Certificates, in order to assure nominal payment of their bonds but with an interest rate indexed to the GDP growth, plus a bonus to promote savings and national debt financing.

Consequently, the public debt will be significantly reduced, with losses imposed on the financial capital instead of reducing salaries and pensions. Restructuring the debt is crucial to the survival of the economy and it is entirely justified: throughout the last decades, the cost-effectiveness of the investment in the Portuguese debt has always been guaranteed by the sacrifices of the taxpayers. This must end so the economy can respond to the difficulties of unemployed people.

Portugal paid 635 billion Euros in debt repayment plus 45,5 billion in interests and charges, between 2002 and 2011. During this period, it had an average growth of 0.01%. Continuing to sacrifice employment and the lives of people is an option that must be rejected.

The choice lies between employment policies or debt tyranny.

5. There is yet another debt that has to be negotiated, which is the internal debt, more specifically, the prodigious public-private partnerships (PPP). The Left Bloc has always condemned these contracts and has always shown that they represent an enormous advantage for the creditor capital, they damage the taxpayers and the end users, favoring ineffectiveness and corruption. Currently, this point has been thoroughly proven. The Left Bloc was correct in stating that these contracts were pernicious.

These contracts should be renegotiated to terminate the advantages of bank consortiums and constructors, to reduce their interests to values similar to those due to the

ECB by private bank, terminating also the clauses that transfer risks (like lack of traffic) to the State. This is still a priority and a democratic demand.

The illegitimate debt must be unequivocally rejected.

Portugal does not have to pay what it does not owe. Debt that comes from unreasonable conditions of PPP, as well as ruinous interests sought by national and international finance, imposed contractual relations, submarine purchasing and other corruption acts, must therefore be repudiated.

6. Lastly, the Left Bloc proposes a national policy for credit control. Without this, no employment policy is successful nor any response to financial markets is viable. Although the national banks received more than 50 billion Euros in liquidity loans at 1% for 3 years, they have been reducing credit and thus the economy. If the economy's future depends on this bank's agendas, there will be no future.

A deviant cycle has thus been created, in which the ECB, which cannot lend

money to the EU countries, lends to the private banks at 1% interests, which in turn will apply their capital in Portuguese debt securities at 10% interests or in which the Portuguese state lends to banks so they can regain their capital endowment - which the private shareholders refuse to correct, in most cases - so that this banks profit over the public debt. In the end, it is always the taxpayer who pays.

This cycle must be terminated. Therefore, the Left Bloc proposes the inclusion of BPI and BCP in the public bank sector, of which the CGD is already a part. The state holds the majority of capital from these two banks, through the introduction of more than 5 billion Euros of so called "hybrid" capital, and the whole of CDG. If the taxpayers are financing this capital, then it is only fair to have the banks at the service of the economy and to direct their activities according to the economy and employment priorities.

This public bank service should organize its activities and brands in a way that promotes credit and protects the depositors. Furthermore, it should

also create, in parallel with the commercial banking activity, a public development bank to stimulate the economy and to finance strategic investment programs of employment creation and innovation.

7. The slippage in budgetary execution has clearly demonstrated the ineptitude and the loss caused by austerity and recession policies. The government that increased taxes is the same government that will increase taxes and sacrifices once more, to make up for the drop in fiscal revenues. The government that eliminated two subsidies is the same that will now continue to reduce salaries and pensions in order to pay for the increasing interests in this recession context. The increase of unemployment and debt is the clear result from these strategies. These policies are not a solution.

The Left is now asked to demand a courageous political program to break with the IMF, ECB and EU policies and with austerity, and to recover our economy against the debt tyranny. The Left Bloc undertakes the responsibility of promoting the public debate about the solutions in this sense.

Historic changes in the support of workers' parties in Denmark

15 July 2012, by **Thomas Eisler**

The tax reform

The tax reform initially proposed by the government looked like a clear invitation to the right. It came as part of its overall 2020 plan. During the last years the political agenda has been focused on how to ensure the balances on the state finances in the long run with the year 2020 as the target. This was an agenda put forward by the previous right wing government and backed by mainstream economics, the employers' organisations etc.

According to the main stream economics the main problems are public spending and the supply of labour. Accordingly cuts must be made, and initiatives must be taken to increase the supply of labour. This overall agenda has been accepted by the Social Democrats (SD) and the Socialist People's Party (SPP) leadership.

The main aim of the proposed tax reform was to give economic incentives to work. The main elements were:

- Raise the income threshold for a

higher tax rate

- lower the level of the yearly wage/price indexed increase in benefits for unemployed, retired etc.
- higher tax for the most indebted owners of real estate (interests above a certain limit gives a lower reduction in taxes)
- lower tax for people who are employed

Initially the Liberal party was not willing to take part in an agreement with the government. This was more a tactical choice to isolate the government than a political choice.

This opened the door for the Red Green Alliance (RGA). Negotiations took place between the RGA and the government. The government accepted not to make cuts in social benefits, and it made a number of other changes, demanded by the RGA, as well. An agreement was made between the RGA and the government, only waiting for the approval two days later by the National Committee of the RGA.

Then suddenly the Liberal Party approached the government, and after less than a day they published an official agreement on a tax reform law, also including the Conservative Party. In that agreement the cuts on benefits are maintained and any rise in taxes for owners of real estate is off the table.

This led to very strong reactions from the RGA parliamentary group: "We no longer support this government - We're in opposition", said Johanne Schmidt-Nielsen spokesperson from the parliamentarian group of the Red Green Alliance.

For the Socialist People's Party this was another contribution to their crisis. The higher taxes for owners of expensive real estate was the part which would only harm the very wealthy thus giving the reform a social profile.

The crisis of SD and SPP

The tax reform was but the latest contribution to an increased disappointment with the Social Democrats and Socialist People's Party. In the spring 2011 Social Democrats was at 29 % and Socialist People's Party at 15 %. Today they are at 17 and 5.5 %. In the same period the Red Green Alliance has increased support from 4 % to 12 % according to polls. During the same period the Liberal Party has been the big winner moving from 19 to 33 %.

Up until the elections to the parliament last year a new government seemed a sure thing. Discontent was growing with the conservative-liberal government and

their tight alliance with the populist right Danish Peoples Party. But nevertheless the alternative was quite contradictory. The SD/SPP campaigned on themes like: Choose public welfare rather than tax reliefs, a higher tax rate for the rich and more teachers in the primary schools. Their answer to the crisis was public investments rather than austerity measures.

But as they were criticised by the right for lack of "economic responsibility" their reaction was to conform to all the right wing criticism. Also on the question of conditions for immigrants and refugees they made concessions to the right.

As the picture of an alternative political direction became more and more blurred the support for these parties began to drop. The Red Green Alliance promised to fight to keep a new government as much to the left as possible.

After the election the SD/SPP made a government with the Social Liberal Party. Negotiating the governmental program with the social liberals the SD/SPP gave up even more of their left policies including the tax on the rich. Since then the government has been loyal the neoliberal political agenda.

Tactics of RGA

The RGA has followed a tactic to be open to any negotiations with the government. The tactic was chosen is to avoid that abstract radicalism would make it easy for the government to explain a course of doing politics with the right.

This has been successful in two ways. A number of minor reforms, improving the situation for some groups on social benefit, immigrants and refugees have been made, and a comprehensive reform law on energy politics has been passed with the votes of the RGA. At the same time the support for the RGA has steadily increased, even before the recent tax reform crisis of the SD/SPP.

The main discussion now will be how to deal with the national budget for

2013. The right wing has decided to use this opportunity to topple the government if they can.

This is contrary to situation during the last SD-lead government 1992-2001. In this period the RGA voted against the budget every year but one, when it abstained. To deal with this situation the RGA changed its tactics regarding the budget. Instead of seeing a vote for the budget as a general acceptance of the capitalist system as such, the budget is judged by the criteria: how does this budget change the allocation of resources compared to last year. Already in 2010 the National Conference of the RGA decided that it will vote for a national budget on some specified conditions. One of these conditions is that the budget does not "sum up a year of austerity policies with the right wing".

The RGA have now chosen to mobilise for a debate with people including trade-unions, movements etc. Based on this hearing and debate the RGA will specify a number of demands for the next budget. These demands must compensate for the wrongdoings of the government during the preceding year. Through this process the RGA want to mobilise pressure on SD and SPP to force them to change their current course.

One important element of this attempt to mobilise the working class behind demands to the government is the issue of unemployment benefits. The previous government shortened the period of unemployment benefits from 4 to 2 years and prolonged the period, you need to work to obtain the benefit rights, from 1½ to 1 year. Just after the elections the new government gave in to demands from the RGA and trade union forces and postponed the implementation of the new 2-year limit for half a year. But in January 2013 thousands of unemployed workers are to lose their benefits if there are no changes. Already some MP's of the SD and SPP want another postponement, but this is rejected by their governmental partner, The Social Liberal Party.

The position of SAP

SAP, the Danish section of the Fourth International, is one of the founding parties of the RGA. SAP members are actively building the RGA as militants, members of branch and national leadership, employees and MP's. Commenting on the tax reform agreement the political bureau of the SAP said:

"The government is pursuing a suicidal course moving further and further away from a common platform with the RGA - and at the same time undermining destroying its support from working people."

"The electorate of the SD/SPP is leaving the two parties in historic dimensions. The tax reform has highlighted the failure of the reformist leaders for a whole new generation of young militants and supporters of the left, exactly those that brought the government to power.

"This gives the RGA a new position in Danish politics. The party is now seen as the only real alternative to bourgeois neo-liberal politics. At the

same time this is dangerous, and it creates new opportunities.

"There is the obvious risk of disappointment and passivity. Those people that expected new politics from the new government have lost faith in the leaderships of the reformist parties. The same goes to some degree for the trade union leadership. The top echelons have uncritically accepted the tax reform - even if the reform is an attack on the rights and the income of many of its members.

"But the situation also creates the possibility of strengthening the fight for new politics. The main task of the RGA is to appeal to the disappointed and frustrated supporters of the SD/SPP - not to mock and denigrate their original hopes in the new government. Rather we must share their anger and give it a voice. The aim is to turn their disappointment into activity, mobilisation and demands to the government for a change course.

"One element of this is the political campaign to discuss which form of compensation will be needed to counter the negative effects of the tax reform. Another one is creating a broad trade union and militant

movement to save unemployed people from losing their unemployment benefit.

"Finally the RGA must make an increased effort to show that there is an alternative to the different versions of the neoliberal agenda of the other parties: the anticapitalist road."



Explanation of graph.

The starting point is the elections September 2011.

A: Social Democrats

B: Social Liberal

C: Conservatives

F: Socialist People's Party

K: Christian Democrats

I: Liberal Alliance

O: Danish Peoples Party

V: Liberal Party

Ã: Red Green Alliance

Why the Tea Party?

12 July 2012, by **Charlie Post**

Capitalist governments around the world were pumping billions into their economies to forestall an economic implosion and stimulate new investment. In February of 2009, a lead article in the mainstream U.S. magazine, Newsweek, went as far as to declare, "We are All Socialists Now!" [21] A Rasmussen poll in April 2009 found that only 53 percent of those asked preferred capitalism to "socialism" (government regulation of a capitalist economy), while 20% preferred socialism and a full 27 percent were unsure. [22]

Yet, it is a new, militantly "free

market" populist right that has channeled much of the popular anger sparked by the economic crisis in the United States and around the capitalist world. By the end of 2009, it was the "Tea Party" right that dominated the streets, mobilizing tens of thousands to oppose Obama's health care plan as "socialism" despite its massive subsidies to private health insurance companies. The left, the labor movement, and movements of people of color, women, and queer people were completely marginalized, while the new right fueled a Republican sweep of the 2010 Congressional

elections. In 2010, the "Tea Party" had its greatest impacts in Republican primaries and contested "swing" Congressional districts that Democrats had taken by relatively small margins in 2008. [23] The Republicans, with a substantial minority of "Tea Party" zealots committed to a new era of austerity and economic deregulation, won a majority in the House of Representatives and deprived the Democrats of their filibuster-proof super-majority in the Senate. As the 2012 Presidential campaign unfolds, candidates associated with the Tea Party - Ron Paul, Newt Gingrich and

Rick Santorum “scored upset primary victories against the Republican “establishment” candidate, Mitt Romney, and remain in the race in late March 2012.

Liberals and leftists have put forward a number of explanations for the rise of this militantly nativist, anti-labor, and libertarian populist right. Many have claimed that the 2010 election demonstrates the fundamental conservatism of the U.S. population. In some variants, the Obama program of change turned out to be “too radical” for most Americans, pushing them back into the arms of the Republican right. In other variants, the election of Obama was an anomaly, a temporary break to the left in a basically “center-right” country.

Has the United States Moved to the Right?

Exit poll data for the 2008 and 2010 elections does not support the claim that the U.S. population has moved to the right. The “seismic shift” in representation in the House in 2010 was the result of very small shifts in the participation of key groups in the electorate. [24] In 2008, the Democrats received a total of 54.2 percent of the popular vote, with nearly 62 percent of the electorate voting, and won 58 percent of the House of Representatives. In 2010, the Republicans won 53.8 percent of the popular vote, with only 40% of eligible voters participating, and won 55 percent of the House. An eight percent shift in an election where only 40 percent voted “a shift of approximately three percent of the total eligible voters” accounts for the Republicans’ victory.

The Republican victory in 2010 was not simply a result of the sharp fall in overall voter participation compared with 2008, but in a marked change in the social composition of the voting population. The Democrats retook the House in 2006 with only 40% of voters participating. However, who voted changed radically. In particular, several key Democratic constituencies “people of color,

youth and union members” turned out in much smaller numbers in 2010. In 2008, people of color (African-Americans, Latinos, Asians, and others) made up nearly 26 percent of the electorate. In 2010, only 22 percent of voters were people of color. We see an even sharper drop in the participation of young voters. Voters under the age of 45 made up nearly half the electorate (47 percent) in 2008, but only around one-third (34 percent) in 2010. Finally, the share of the electorate made up of union households dropped by nearly one-fifth between 2008 and 2010, from 21 percent to 17 percent. Put simply, a significant portion of those who voted for Obama and the Democrats in 2008, giving them substantial majorities in the House and Senate, did not vote in 2010. In other words, we saw a return to the patterns of voter participation in the United States since the late 1970s “an electorate that is disproportionately middle class professionals and managers, white, older, and suburban.

Additional evidence that US popular opinion has not shifted to the right are polls that show consistent support among potential voters for a non-interventionist foreign policy, expansion of social services, and increased regulation of capital. [25] Recent Gallup Polls [26] have found that majorities of people in the United States have consistently believed that wealth and income should be more evenly distributed since 1984. In the most recent polls, 57 percent of those polls believed that income should be more evenly distributed, and 47 percent believed that the government should raise taxes on the wealthy. Almost two thirds of those earning less than \$30,000 annually and slightly over half of those earning between \$30,000 and \$75,000 wanted higher taxes on the rich. In sum, it was the massive disaffection of working class, minority, and young people with both major U.S. political parties that allowed the electoral victory of the Republican right and a further rightward shift in the center of gravity of mainstream U.S. politics.

Is Capitalist Manipulation?

An alternative argument is that the capitalist class is behind the Tea Party right and its street mobilizations and electoral victories. Many point to the role of right-wing billionaires like the Koch brothers in financing the Republicans’ assault against collective bargaining rights in Wisconsin and across the midwestern United States. [27] It is clear that broad segments of capital in the United States support a resurgent and militant neoliberalism “demanding budgets balanced on the backs of working and poor people, social service austerity, and new attacks on public sector unions. There is also ample evidence that elements of the capitalist media “in particular the right-wing Fox News” has played a key role in creating and promoting the Tea Party. [28] However, there is little evidence that capitalists lead, finance, or direct the growing populist right.

Contributions to Congressional campaigns in 2010 do not show a marked capitalist preference for the Republicans or the right. In fact, the data indicates that capitalist donors had a slight preference for Democrats in 2010. [8] Of the total of \$1,331,535,623 contributed by individual capitalists and corporate Political Action Committees (PACs), \$640,651,184 (48 percent) went to Democratic Congressional candidates. Only \$616,930,199 (46 percent) was contributed to the Republicans. Corporate PAC contributions were evenly divided between Republicans and Democrats, while Democrats received 50 percent and Republicans 48 percent of individual capitalists’ donations in 2010. As of March 1, 2012, Obama has raised a total of \$137 million, while Romney, Gingrich, Paul, and Santorum have only received a combined total of \$130 million. [29] Put simply, the capitalist class in the U.S. continues to finance both Democrats and Republicans.

On practical policy issues, capital is quite willing to back the new populist right when its interests coincide, pushing for tax cuts on the wealthy,

cuts to social services, and further deregulation of capital. In the context of a bi-partisan neo-liberal consensus, the issues of immigration and a willingness to risk a possible Federal credit default distinguish the Tea Party right from the rest of the political establishment. The two most important capitalist financed and led policy planning groups—the Business Roundtable and the U.S. Chamber of Commerce—have been publicly distanced themselves from the new right on these questions.

The Chamber of Commerce, which represents a broad cross-section of

capitalists in the United States, welcomed Obama's 2010 budget proposal and "pledged to work with the administration, the new House majority, and Democratic legislators on the Chamber's priorities over the next year." [30] While supporting cuts to social services, including Social Security, Medicare, and Medicaid, the Chamber also wants to increase the Federal debt ceiling. In a message to members of the Chamber urging them to contact their Congressional representatives, Bruce Josten, the Chamber's Executive Vice President, Government Affairs, argued:

"And we are going to remind you again. If Congress fails to raise the debt ceiling, there will be real impacts, for every American. Interest rates will rise for everyone - which means higher rates for American consumers and the small businesses who drive our economy. Car loans, mortgages, and business and student loans will all be more expensive."

"Now, make no mistake; too much spending and the need for real entitlement reform has led to the debt crisis we're in today. But jeopardizing our country's credit rating and fiscal security by refusing to compromise isn't the answer." [