IV337 - January/February 2002

Is war imminent?

9 February 2002, by Farooq Tariq

The spokespersons of the governments of both countries are speaking war language. The Friendship bus service and four times weekly train between Delhi and Lahore have been suspended by the Indian government. The Vajpai and Nawaz Sharif governments during 1998 initiated the bus service as a token gesture of newly found friendship after they both met at Lahore. The bus service was not even suspended during the 28 days Kargil war between India and Pakistan during June 1998.

This is in response to a terrorist attack on Indian parliament on December 13 by armed men in which 14 were killed. The Indian government claimed that this was an attempt by the Inter Services Intelligence (ISI) of Pakistan to wipe out the whole political leadership of India. The Indian parliament was in session when the attack took place. Failed in its ambitions to enter the parliament building, the attackers were intercepted outside the building by the Indian guards. Six of them were killed on the spot plus the five terrorists.

The Pakistan government and media in their usual demagogy tried to blame the Indian Intelligence service RAW that had engineered a plot against Pakistan. That, under the excuse of this attack, India will call on the international community to declare Pakistan as a state harbouring terrorism. The military spokesman of Pakistan warned India of dire consequences if Pakistan attacked militarily. India's government termed this attitude as non-serious. There were hysterical calls by the Indian mainstream media to take real actions against the Pakistani State.

The Pakistani newspapers have reported on December 23 that the Indian government is also calling for the scrapping of Indus Water Treaty and suspensions of over flight facilities to Pakistani civilian planes. The Indian home minister Advani has already spoken on crossing the border lines and the prime minister Vajpai has declared that all options are open to the Indian government. He spoke of taking the diplomatic efforts first and then discussed the possibilities of other options open to India. On the contrary general Musharaf, who was on a five days visit to China at this time, termed the Indian response as arrogant and knee-jerk.

The Indus Water Treaty of 1960 governs the distribution of water from the Indus River and its tributaries between India and Pakistan. If this treaty were scrapped, it would not only starve the Punjab and Sind Province of Pakistan but Pakistan as whole and Afghanistan. Both provinces are heavily dependent on canal irrigation systems coming out of these rivers. Because of the ongoing climate changes there has been a drought conditions for the last many years in arid areas of Punjab. The food requirements of Pakistan are mainly met out of the canal-irrigated areas of Punjab and Sind. The two provinces constitute over 80 percent of the total population of Pakistan.

Disaster

The governments of both India and Pakistan are on a road to disaster. It is likely that both governments will go further than economic and other sanctions against each other. These are the first steps on the road to a real war. Both countries have gone to war against each other several times in the past. The last limited war was in 1998. The mad politicians of India and military regime of Pakistan were on the same side with the international community during the Afghan American war. Now they both blame each other of harbouring terrorism via armed religious fundamentalists on the question of Kashmir.

They want to take the American road to score their points. War is the only solution, that is the conclusion these mad rulers are drawing after the events of last three months. The American war on Afghanistan has brought no peace or relief from the so-called terrorists. On the contrary, it has increased the danger to world peace. The world is closer to a nuclear war than ever before in history.

With the threat of a new war between India and Pakistan, all the claims of US imperialism have been proved false. They claimed that bombing Afghanistan and taking the power out of the hands of the Taliban would help to curb the menace of terrorism. The attack on the Indian parliament, the

killing of the brother of the Interior minister of Pakistan on December 22 at Karachi and the ongoing armed conflict in Palestine shows that terrorism will not stop by state sponsored terrorism.

The US may have won the war and may be very pleased by the Taliban departure from power but the dangers of terrorist attacks have not gone. In fact, it has promoted the philosophy of war and war politics. The departure of the Taliban is by no mean an end of religious fanaticism. According to one survey, published today by the Pakistani press, the Taliban still enjoy the support of 43 percent of the Pakistan population.

The other bitter reality is that none of the Taliban main leadership have been arrested or killed despite the rain of bombs on the main bases of the Taliban. It has emerged now that the Taliban left power with the full consent of the American supported Karazai on the promise that none of them will be arrested or killed. Karazai has so far lived unto his promise. The main reasons could be the ethnic conflict within Afghanistan and Hamid Karazai still wanted to use the support of the Pushtoon Taliban in case he has problems with the other Uzbak, Hazara and Tajik nationalist leaders.

The strategy of the Americans in Afghanistan could be compared with its strategy just after their victory in the Gulf War. US Imperialism helped the defeated Saddam to remain in power and helped him to curb the popular uprising of Shia Muslims. At the time, they wanted to stop another Iran. Now they have bowed down to the internal conflicts and contradictions. But this strategy has not helped to curb the religious fundamentalists. Despite the fact that the Pakistan military regime has helped the Americans in their war efforts they still hold the Kashmir policy as earlier. The religious fundamentalist groups are openly organizing their activities in Pakistan. None of the camps of the religious fundamentalists have been closed. They have not been banned from recruiting the unemployed youth from working class backgrounds. It is business as usual. But it cannot go on very long.

The military regime has to change its policy towards these so-called Mujahidin organizations that are eager to go for an all out war with the Indian Government. The Indian government social basis rests on Hindu Chauvinism. It needs such excuses to whip up the Hindi nationalism. Now it precisely does that.

It is not a war against terrorism. If that is the case, it should not indulge in gross violation of human rights in Kashmir. The Kashmiries want independence. The religious fundamentalists want to turn this national struggle into a religious struggle. Part of the ISI of Pakistan is helping these religious fundamentalists to achieve this goal.

Difficult

General Musharaf is particularly in a difficult position. He has publicly defended the Kashmir policy many times. He had to leave the much-publicized Agra Summit in August this year just for this very reason. The Indian Prime Minister Vajpai was not accepting the centrality of the Kashmir issue at the time. Vajpai offered to open the borders, more trade relations and other economic measures to bring the two countries closer to each other. But general Musharaf rejected all these offers and said point blank that until the Kashmir issue is not resolved, there will be no long lasting friendship.

The Indian ruling class under Vajpai would not accept any solution of Kashmir that will hurt their social basis. So they refused and the Agra Summit failed. Only a month later, after September 11, General Musharaf took a U turn about government policy to support the Taliban and decided to side with the Americans. It was a another contradiction by the Musharaf regime. On one side they were helping the Kashmir Mujahidin in their holy war against Indian occupation of Kashmir. On the other side, they were supporting the Americans against the Taliban.

Who has carried out the present attack on the Indian parliament? India says it is Muslim fundamentalists from Lashkar Tayaba (Holy Army) and Jaish Mohammed (Prophet Mohammed's Army). General Musharaf asks for the proof of that. It is just like the Taliban were asking the proof to hand Osama to Americans. After the war in Afghanistan, the morality of providing proofs of any incident has become irrelevant. It is more the interests and priorities of a certain country that guide their strategy and no need of any real proofs.

The Pakistan and Indian working class has to act and act decisively in the present situation. They have to act now. They have to reject the excuse of their rulers to go for war. There is no excuse to start a war. They have to say no to war, yes to peace. The need for a peace movement in the Indian subcontinent is far greater at present than any other time in the history. The real losers in the war between India and Pakistan will be the ordinary citizens of both countries. They have to pay the price of the war. The rich and the capitalists will make money out of war and the workers will pay not only dearly with cash but with their lives as well. They have no safe place or any money to leave the country.

The Indian and Pakistan economies are no more than $400 Dollars per capita. They both have almost one fifth of the world population. They both have more than 70 percent of the world poor. The economic impact of this war will be disastrous for both. Pakistan's economy is already on the verge of economic collapse despite all the claims of international help. The Afghan war has already ruined the Pakistan economy. A war between India and Pakistan will roll back the standard of livings of the masses to an unprecedented level.

The war between India and Pakistan has become a real possibility. It can only be avoided if General Musharaf take another U turn on his policy towards Kashmir. If he does not, he may lose power and his life as well. No ruler of Pakistan has voluntarily left power. The Indian ruling class is all out for war. It can start from border clashes but can quickly spread all over the borders. American Imperialism

may not be in favour of such a war. But the circumstances can be out of their control. They have created a mess by attacking Afghanistan. Every problem should be solved by waging a war, is the lesson America has taught.

A strong peace movement on both sides can have a decisive influence to change the war hysteria. Labour Party Pakistan will be in the forefront and will initiate this movement in Pakistan.

Vajpayee Must Respond Positively to Musharraf's Offer

9 February 2002, by Communist Party of India (Marxist-Leninist)

On its part, the government of India must stop whipping up war hysteria and Army officials must not be allowed to make provocative announcements to the media. War of any kind is not an affordable or acceptable option to the people of either India or Pakistan. Both countries must be prevented from going to war and pressurised to return to the negotiating table.

There is absolutely no need for any third party intervention, and least of all American intervention, in the bilateral affairs of India and Pakistan. We call upon the Vajpayee government to reverse its present policy of weakening diplomatic relations with Pakistan in the name of mounting a diplomatic offensive. India must restore direct and full-scale diplomatic ties with Pakistan and stop treating the US as the arbiter of Indo-Pak relations.

We appeal to the peace-loving people of both India and Pakistan to oppose the forthcoming visit of Colin Powell, the self-appointed American mediator, to our subcontinent. In India CPI(ML) will organise countrywide Powell-Go-Back demonstrations on January 18.

CPI(M-L) General Secretary Dipankar Bhattacharya, January 13

Power changes hands - not for the better

9 February 2002, by V Thirunavakkarasu

The election campaign itself took the form of a mini civil war with the two major coalitions, the Sri Lanka Freedom Party - led Peoples Alliance (PA) and the United National Party - led United National Front, responsible between them for well over 2,500 acts of violence in under a month and a half.

In the northern Jaffna District, the PA-backed Eelam Peoples Democratic Party (EPDP) launched a deadly attack on the Tamil National Alliance that groups four anti-PA Tamil parties, killing two people and seriously wounding several others.

This was the second parliamentary election in just 14 months. The earlier election in October 2000 returned the PA to power as a minority Government with the support of the Sri Lanka Muslim Congress (SLMC) while PA leader Chandrika Kumaratunga was returned to office in the Presidential election the year before. However rifts soon surfaced between the President and SLMC leader, Rauf Hakeem.

Muslim tensions

Tensions between the SLMC and the Government grew following its inaction over an anti-Muslim riot in the Central Provincial town of Mawanella. The communal violence was blamed on local strongman and Presidential confidante, Maheepala Herath, who was re-appointed to government after the 2000 election.

In July 2001 Rauf Hakeem was summarily sacked from the Cabinet and in return the SLMC withdrew support from the Government. Faced with the loss of power the Peoples Alliance stunned many of its own supporters by forging a controversial alliance with the left wing Sinhala nationalist Janatha Vimukthi Peramuna (Peoples Liberation Front) - now Sri Lanka's "third force" in politics.

However the probationary government that emerged only postponed the inevitable as leading PA parliamentarians crossed over to the opposition and once again the Government lost its majority. By October, Chandrika Kumaratunga had no option but to dissolve parliament or the humiliation of losing a no-confidence motion tabled by the Opposition.

When the Peoples Alliance went before the people it was judged to have failed miserably on two major issues: the economy and the war, and punished accordingly.

The greatest disappointment of the PA's seven years in power was its inability to end the bloody war that has raged in the Tamil-dominated North-East of the island since 1983, killing at least 64,000 people.

The cost to the economy and society has been enormous too - with over Rs. 450 billion (US$5 billion) pumped into this senseless, non-win war, of which Rs. 83 billion (US$900 million) was

spent in 2000 alone. This year Sri Lanka's debt service payments will exceed its estimated surplus revenue.

The United National Front, led by Ranil Wickremesinghe, a former Cabinet Minister and Prime Minister in past United National Party administrations has emerged with the single largest bloc of seats, 109 in the 225-member Parliament. This is still short of a majority but the UNF enjoys the support of the SLMC with its 5 seats and (at the moment) that of the Tamil National Alliance that won 15 seats.

Tamil votes

Over 100,000 Tamils living in the eastern Batticaloa and the northern Vanni districts controlled by the Liberation Tigers of Tamil Eelam (LTTE) were blatantly prevented by the Government from crossing into Government held areas and casting their vote.

The presumption was they would have supported the pro-LTTE Tamil National Alliance (TNA) and improved its electoral share. The TNA was cobbled together on the eve of the elections and is based on two parliamentary parties (Tamil United Liberation Front and All-Ceylon Tamil Congress) and two former armed organisations (Tamil Eelam Liberation Organisation and Eelam Peoples Revolutionary Liberation Front - Suresh faction).

Their campaign was based on the position that the LTTE is the sole representative of all Tamils and that the incoming Government should negotiate exclusively with the LTTE, after lifting the ban imposed on it.

The Peoples Alliance secured 77 seats, while the JVP obtained 16 seats (296,579 votes and 6 seats more than it did in 2000).

The JVP claimed during the election campaign that they would call the shots whichever party came into power, and that there should be no question of negotiations with the LTTE unless it gave up the demand for a separate state.

LTTE leader V. Prabhakaran, in his annual Heroes Day speech only days before the elections, stated that the time has come for the Sinhala constituency to choose between peace and war, adding that the LTTE would be prepared to negotiate "to co-exist happily in this beautiful island with self-determination and dignity".

While the LTTE did not take a stance on the elections, the Heroes Day message made clear its hostility to the PA, while it was commonly understood that it favoured a strong showing for the TNA so long as it toed the LTTE line.

Taking the cue the Tamil electorate within the North-East overwhelmingly supported the TNA, while Tamils in the rest of the island supported the United National Front, marginalizing the Left both within and outside the Peoples Alliance.

The New Left Front, which includes the Nava Sama Samaja Party (Sri Lankan section of the Fourth International) aimed for 100,000 votes and one seat. However it received only 45,900 votes, beating the Sinhala racist Sihala Urumaya outfit that won one parliamentary seat in the 2000 general elections.

Co-habitation

Under the present French-style constitution designed in l978 by the late President J. R. Jayawardena, the president enjoys wide executive powers, being Head of State, Head of Government and Head of the Cabinet.

Since the United National Party-dominated UNF coalition has been elected to power, the scenario is one of cohabitation, as was and is the case in France.

This is only the second such situation in Sri Lanka. In August 1994 when Chandrika Kumaratunga was elected Prime Minister in l994, the incumbent President UNP leader, D. B. Wijetunga. He was a lame-duck President, helpless as political power slipped from his hands into those of the Peoples Alliance. This period of co-habitation ended three months later when Kumaratunga won the Presidential election of that year.

The four questions that now arise are:

- Will the present co-habitation work harmoniously?
- Will the new Government stop the war, un-ban the LTTE and commence negotiations?
- Will the predominantly Tamil North-East Province, temporarily merged since 1987 remain so as is the aspiration of Tamils?
- Will constitutional arrangements be made for substantive autonomy to the North-East?

The hurdles ahead are too many to generate optimism. Firstly, Prime Minister Wickramasinghe is not disposed to lift the ban on the LTTE as demanded by the LTTE and the TNA and is supported in this by his archrival President Kumaratunga.

Secondly, Wickramasinghe has stuck firmly to the model of a unitary state that has proved to be futile in practice vis-à -vis the national question. When questioned recently as to why his party opposed the draft Constitution presented in parliament in August 2000 by President Chandrika, the UNP/UNF leader said that the regional council model proposed in that Bill would eventually lead to division of the country.

Once having assumed office as Prime Minister, Ranil Wickramasinghe floated the possibility of an all party Government of National Reconciliation (GNR) but has been rebuffed.

The JVP's position is that there is no Tamil National Question only a terrorist problem and that the LTTE should be militarily defeated. In other words it is for the continuation of the war and its present post-election campaign against negotiations with the LTTE confirms it.

JVP leader Somawansa Amarasinghe who took to the campaign trail after an eleven-year self-exile in Paris and London buttressed this chauvinist position. Addressing public meetings in Colombo, Amarasinghe breathed fire that the LTTE should be destroyed, assuring a supply of 50,000 JVP cadres to the Army. Another gem that escaped his lips was that they

would obtain UN permission to carry out a revolution in Sri Lanka. He has since returned to his exile.

During the election campaign both the PA and the JVP carried out openly venomous racist propaganda that the UNP/UNF was working hand in glove with the LTTE and would concede a separate State if elected. However the masses at large refused to be swayed by such a virulent campaign.

The Left has disappeared for the moment. But in the coming period it is quite possible for all left forces to come together to defend the rights of the people. Workers, peasants, minority communities will seek out a centre for refuge: a place for the oppressed and displaced. All our resources and efforts should be put together to build a strong united left front that could give hope and inspiration to all those who are prepared to fight.

A strategic discussion

9 February 2002, by Claudio Katz

What is the significance of this new coalition? What is different from the past and what are the similarities with comparable processes in other countries? What strategies are being discussed in the Argentine left for the building of a broad popular movement?

Constructing a political identity

Generally speaking the terms "left and right" can be vague, but they are essential for us to clarify the political picture. The terms allow one, in each historical context, to differentiate among the various currents which are in opposition to an oppressive regime. Democrats who first struggled against the monarchy were on the left, as were the socialists who first organized the workers' movement and the communists who spread the Russian revolution and who defended it later from the Stalinist tyranny. In reality, all those who battle against the misery of capitalism's injustices and who struggle to overcome this system of exploitation, can be considered on the left.

Today in Argentina, "the left" encompasses all those sectors of society radicalized by their resistance: the trade unions, the pickets who blockade the roads, the students and democrats, and the various parties that embody the tradition and programme of socialism, organizations such as the communist Partido Cominista (PC), the Trotskyist Movimiento Socialista de los Trabajadores (MST), Movimiento al Socialismo (MAS), Partido Obrero (PO), Partido de los Trabajadores Socialistas (OTS), Autonomia y Libertad (AL), from Maoism the Partido del Trabajo del Pueblo (PTP), and the various socialist currents of the Partido Socialista Argentino (PSA), as weall as even the humanist Partido Humanista (PH) whose inclusion may be controversial for some people.

The opportunity that is now present for the left to become more defined as a pole of attraction in the working class, as a real option, and derives primarily from the loss of authority, after having led the country into the worst social degradation in its history, of the three large parties of the ruling class, the Peronists, the Radicals and the Centre Left. The Argentine daily newspapers, for some time now, have noted this advance of the left, by identifying and naming the various fighting organizations and socialist groups. This new alternative pole is in the process of birth, but it may be aborted if the left does not solve the problem of its lack of roots in the working class, obstacles that their opponents have overcome over decades. It is imperative to speed up the process of left unity which has begun to take shape, as the possibility now exists for a great leap forward for the left in terms of its size and influence but which will not last indefinitely in the present conjuncture.

Minimum agreements

There are some comrades on the left who stress the "uselessness", the "impossibility" or even the "inconvenience" of this kind of convergence, but the majority have begun to address the discussion about a strategy that would give direction to co-ordinated action by the left. On November 16, agreement was reached by the left on three basic points in a joint declaration:

- the need for a political programme to confront the government with the slogans "Cavallo-De la Rua out! No to the IMF!";
- a proposal on economic expenditure by the government: "no payment of the debt";
- an orientation towards mass mobilization of the population: "support of all the struggles of working people".

The dissemination of popular slogans such as the demand for the repudiation of the debt will allow the left to extend its penetration into the mass movement.

The minimum agreement in the joint declaration by the left does not constitute a full response to the present crisis of course, but it does provide the basis upon which something can be built. Only the combination of united action by the left with the popular resistance will allow the left to define what is the adequate tactical response in the present political situation of the forthcoming elections, the constituent assembly and the recent phenomenon

of the development of direct forms of popular power. To determine if these agreements are options that correspond to the evolution of popular conscience, it is necessary to support the construction of a force that will be capable of leading the process for emancipation. Unity on the left allows an abstract and doctrinaire debate about the "road to socialism", to be transformed into an actual political experience. It creates the most favourable setting for explaining concepts as they arise naturally, on what can become the road towards the workers' government. It is totally useless to reiterate the need for this kind of outcome or to imagine how it could become more defined, if one is not effective in advancing the formation of the "front" that would make this process viable.

It is obvious that the construction of a united instrument on the left does not imply unanimity, or the dissolution of the existing parties. There must be an awareness of the great opportunity for common work in the present crisis, an awareness that can help overcome the normal differences that can develop at a later stage. It would be ingenuous to imagine that the "unity of the left" signifies that all of the participants will have a consensus of agreement about all their joint actions, the demonstration or the meetings, which will involve the united left. Such disagreements should not harm the unitary process, but what will frustrate it would be any attempt to resolve differences in an ultimatist way.

To bring together the left, the entire Argentine left, to create a new political identity, is at the present moment the initiative most favourable to the development of the socialist project. It will be useful to propagandise the term "left" in order to establish a convincing differentiation with the "progressiveness" of the centre left and Peronist "nationalism". One must struggle so that this social identity, the workers, the ethical struggles or intellectual critiques of capitalism, express a leap in anti-capitalist consciousness.

A revolutionary alliance

The present day growth of the left had its beginnings in the second half of the 1990s with the decline of Menemism, the general loss of prestige in Argentina of the government's neo-liberal ideology and the healing by the left of its injuries suffered with the collapse of the Soviet Union. The left has yet to reach the penetration of the mass movement that was achieved in the middle 1980s, especially by the old MAS, nor has it yet aroused the enthusiasm that prevailed during the years of the Nicaraguan Revolution and the birth of the Brazilian PT. But nevertheless, the present day advances by the left take place within the perspective of its generalized electoral growth throughout Latin America, especially under the popular positive influence generated by the direct action of the landless movement of Brazil, the rise and success of the Zapatista movement of Mexico along with the actions of the Colombian FARC.

Moreover, as shown by the spectacular return of Zamora, the skills developed by the left a decade ago have not been totally erased from popular memory. Looking at it in terms of understanding the experiences of the left and not just looking at its "failures", it is important to recognize this link of continuity with the 1980s and the present turn of the political tide, in order to draw a balance sheet of its achievements, which are principally of growth, although there have been difficulties, especially the cult of the media we have seen in the recent past. This criterion should also be even more pertinent to those who see the need to evaluate the outside processes but who omit their own limitations, or who take comfort from their own hypothetical reflections such as "if such a thing had not been done…something else would have occurred".

The uniqueness of the present day situation is the deepening gulf between the left and their historical adversaries: Peronism and the Centre left. Divergences in the left around the correct policy to develop towards these forces have been substantially reduced. No party on the left now proposes voting for the "fairness" programme, as happened in 1983 and in 1989, or proposes forming an alliance with the Frepaso, as happened in the 1990s. The disagreements that currently exist are about how to interpret the phenomena of large numbers of spoiled ballots in the recent elections and do not have nearly the significance of the insoluble differences of the earlier period.

A change in the axis of past disagreements

What has changed today from that earlier time is the axis of some of the strategic disagreements when what was primary for the left was the position that it had to adopt in opposition to the national bourgeoisie. Today the debate about the need or unsuitability of an alliance with native capitalists tends to lose its significance when we are faced with the evident political retreat of that social sector. No one on the left today now sees the present day privatised Union Industrila Argentina - which is quite adaptable to imperialism and promotes currency devaluation - as a potential ally similar to Gelbard in the 1970s. The justification for an Argentine national and capitalist project has remained explicitly and principally in the domain of the leadership of the Central de los Trabajadores Argentinos (CTA). Support for this view has been decreasing on the majority of the left, yet this problem endures as the background to numerous tactical controversies, such as who to call together for a meeting or an action, or what action to go to, but it now appears to be less of a point of discord on the left allowing a coalition such as IU to maintain its existence. Today it is possible to conceive of the construction of a more complete pole of attraction in the mass movement, which will have, at the same time, a sharper left wing profile.

Also giving a boost to this coalescing of a left front in Argentina are the

important changes that have been reported from the international left. Obviously, and unlike in the past, the situation faced by the Soviet Union or Mao's China does not now determine who is and who is not the ally of each of the respective left currents. In general, the left will converge spontaneously and naturally around actions such as defending the Cuban revolution and repudiating North American imperialism. Recently there have been some polemics among some leftists about this or that characterization of Osama Bin Laden, but this would have had a much more important significance for the left if the discussion had been linked to the progress of the political projects for building a unified socialist force in Argentina.

Compared to other countries, the present day Argentine left resembles the "far left" in some European countries, that is to say, there are similar alignments here in Argentina as in Europe which confront social democracy. There are similarities to the Rifondazione Comunista in Italy, with the Socialist Alliance in England, with the united LCR-Lutte Ouvriere bloc in France and with the Left Bloc of Portugal. The Argentine left has not yet crossed the threshold of organization nor made its mark as these alliances have done, but already it has established a political influence in the country comparable to Europe or perhaps superior. Unlike the Frente Amplio of Uruguay or the PT of Brazil, that are under a kind of hegemony of social democracy and where the left must tactically opt to fight for their views from either inside or outside these formations, in Argentina the conditions are ripe to build left unity with a revolutionary perspective.

Four options

The proposal for unity on the left is often challenged with some conjunctural arguments such as "now is not the time", "the people don't believe in parties", or through criticism of the leadership of the respective organizations that "they are not representative" or that "they are always fighting amongst themselves" or "they are only thinking of the media" or over questions which are really about the legitimacy of the viewpoint of the existing organizations such as "unity is made from below", "the structures are pyramids". These objections tend to be purely negative because they do not indicate what would be a superior option.

In the more constructive polemics, on the other hand, three possible, but different strategies for the unity of the left appear. The first option that has been traditionally posed is the need to construct a revolutionary party, a task that is posed in opposition to the idea of the united front. Ultimately this orientation is only favourable to the solitary development of a single organization and is explained under the banner of "movementism". Firstly, it is proclaimed that "the party is the only revolutionary organization" and secondly, that the mass movement is "horizontal and heterogeneous" and therefore does not need to converge with the "old parties". Building the party internally is contrasted to regroupment and mergers, as if these objectives were mutually exclusive.

In the best of the cases, this policy conceives unification of the left as a small detour in the task of building their own organizations, and ignore the fact that this kind of party construction tends to suffer strong deformations when it takes place outside of the collective learning that occurs when engaged in united front work. Rather than weakening the "formation of the party" or the "movement", the struggle for unification of the left permits a common understanding to develop - through the interchange of experiences - about what kind of organization can be effectively built in the current situation. The adoption of a sectarian course leads, instead, to a strong loss of feeling about reality, and is reflected by the group in the magnification of its own successes and the failure to recognize the success of others.

The second strategic option for unification of the left that is advocated by some people is to place all bets on the trade union structures, with an orientation toward achieving the eventual radicalisation of the CTA, with the hope that this would result eventually in the formation of a kind of Argentine version of the Brazilian PT. This viewpoint has a long history in Argentina and pins its hopes on the eventual rupture of the relations the leadership currents in the CTA have with the rising leaders of Peronism. Even though this possibility should always be kept open, it is evident that today this strategic option has much less support now than it had in the past. Moreover, those forces in the CTA remain more closely bound to Peronism, the ARI or the Social Polo, than to the left. Because of this, whatever political alternatives they would eventually build would not be oriented towards socialism, but towards some kind of project in support of national capitalism. However, understanding this reality does not mean we should be blind or indifferent when confronted with the huge political differences in orientation that exist nowadays among the various trade unions. The CTA is not like the Daer bureaucracy or the Moyano gang. But in order to have a special influence on the CTA the left needs to act as a separate force.

A third alternative proposed by some on the left is that there should be a structure directly embedded in those resistance movements that have developed in recent years, such as the blockades of the roads movement, the land settlement movement or the human rights organizations. Without a doubt in this country there are many social sectors that are very combative and who continually challenge the government through direct action methods. A good index of the vitality of each of the left currents is the degree of their involvement in these struggles. This is why it is so wrong to measure the strength of the various organizations by only observing their electoral successes. But neither should one idealize these social movements, imagining they are evolving in a totally separate world, isolated from political influences that prevail in the rest of society. The same problems of political construction are present here as are predominant in other areas of society. It would be especially dangerous to be deceived with the illusion of an underlying radicalisation, when in actual fact clear signs exist of a depoliticisation among some of these movements. The spoiling of ballots instead of voting for

the left, for example, is as negative in an impoverished region as it is in any other zone of the country, because if, in their anger, the social movements are not inclined towards the left they will tend to favour the resurgence of the Peronist tyrants.

Sectarian cannibalism decreasing

The strategy of unity on the left constitutes a more progressive and realistic option for the socialist struggle than any of those we have discussed. But this option will only prosper if it recognises the existing possibilities and at the same time reinforces the change in the cultural climate on the left that can now be seen in the current change in relations between the different left organizations. The sectarian cannibalism that characterized these relations in the past is decreasing, although it has not disappeared. Some groups have finally understood that their true enemies are the capitalists and not the comrades who are closer to them in ideas and daily sufferings. The language in the discussion among the left has become more respectful. Sadly this maturity does not extend to those on the left who still use an insulting pedagogic style to criticize, even though they do not use this kind of language when they address the population at large on television.

Overcoming the tradition of powerful political chiefs, which has its origins in the Argentine Creole tradition, constitutes a subject for study in itself that should, at some point, be revisited by the left, along with the elimination of the organizational rigidities which are justified with the idea that "differences are only discussed inside". This mode of functioning became customary on the left during long years of sectarian practice. But by holding open, democratic and civilized debates, the left can now create an attractive space for those who are looking for models of "the new human being", solidarity and comradeship, radically opposed to the submissiveness and ego-centric rivalry that is predominant in the bourgeois parties. Building unity represents, moreover, a permanent political struggle, full of gaps yet to be defined. It is also necessary to get used to the idea of evaluating these difficulties with a certain humility, always comparing what is being criticized by recognising what has been achieved by those who are making the criticism.

Some think that to gamble on the success of left unity reveals an excessive optimism on the part of those who propose it. But if this strategy is correct and is adapted to the current possibilities, a little enthusiasm and some quota of happiness would not be so bothersome. After so many years of hearing that "we are ruined", that "socialism is dead" and that "the 70s generations has disappeared", it is as well to remember that revolutionaries always were inveterate dreamers of triumph.

A popular rebellion

9 February 2002, by Eduardo Lucita

This action was not a thunderbolt that fell from a peaceful sky. A multiplicity of struggles, popular actions and activity rejecting the existing order, paved the way.

This last year has been the year with the greatest number of social conflicts of the decade. Not just by unemployed workers, or by the "pickets" blocking the roads with their mass actions for subsistence payments, or to compel government action to improve their quality of life, but also by the employed workers for the payment of unpaid salaries and in defence of jobs and working conditions.

The legislative elections of October 14, 2001, were another expression of this protest. In a country where voting is compulsory, some 6,500,000 people (26% of the electoral roll) abstained from participating in the election, that is to say they refused to exercise their right to vote. Spoiled and challenged votes were more than 3,800,000 (21.1%). The left, represented by multiple candidates, gained the hitherto unheard of number of 1,500,000 (6%) votes. Thus the big parties lost more than 6,500,000 votes.

The crisis of representation that has been fermenting for many years finally matured and the regime lost its legitimacy as a result.

Outside of the framework of the institutions of the state, a popular referendum took place from December 14 to 17, 2001 which was organized by the Central de los Trabajadores Argentinos (CTA) trade union federation and some social and political organizations, who joined together in a National Front Against Poverty (FreNaPo), to campaign for a new program for unemployment insurance for unemployed family heads. Almost 3,000,000 people voted and expressed support for the Front's new programme.

Faced with an overwhelming economic crisis, fed up and mistrustful of the political parties and the institutions of the "representative democracy", the population's consciousness matured and understood it must take the resolution of its problems into its own hands.

Social explosion

A combination of the following three elements was expressed in the social explosion of December 20-21, 2001. A government unable to face up to the

crisis, unable to continue with payments to service the illegitimate foreign debt, resorted to freezing bank deposits, along with partial confiscation of the workers' salaries. With the co-operation of the banking system, it concluded all this by cutting the chain of the payments system by making money - the general equivalent of goods - disappear from the market, practically paralysing all commercial and financial activities.

The social answer was not slow in coming. In the districts and regions that have exhibited the highest indices of unemployment and extreme poverty, thousands upon thousands of those who were excluded from production and consumption, surrounded the large supermarket chains, demanding food. Where they did not get it, they pushed back the fences surrounding the supermarkets and took the food for themselves. Large warehouse stores, that in their own way had been plundering the economy for decades, were also expropriated by the crowd. Actions of vandalism were carried out against small businesses, in a war of poor people against poor people that, one suspects, was incited by sectors of the more reactionary right.

The declaration of the state of emergency and a speech by the President of the Nation, as arrogant as it was devoid of content, precipitated a strong reaction in the federal capital of greater Buenos Aires. Banging their sauce pans angrily in the doors of their houses at first, then in the main thoroughfares and finally moving out onto the great avenues, a crowd of men and women, labourers, office workers, housewives, students, retirees, professionals and small business owners converged upon the most symbolic Mayo Square. In spite of the high price in human lives - and for that, those who were responsible must be judged and condemned - the citizenry thereby challenged a state that showed itself powerless to control a society on the move. First, in the early morning of the December 20-21 more than 40,000 people demanded the resignation of the minister of economics; then the resignation of the National President and finally they demanded that "they should all go away", clearly referring to the institutions of the state and those who form them.

In actions more symbolic than anything else, the headquarters of several banks, multi-national corporations, automatic cash machines, and the homes of several politicians, were on the receiving end of the anguish and fury of the crowd.

Because of the actions of these recent days, a clear limit has been established should there be any attempt to re-introduce the more extreme neo-liberal policies.

The downfall of the government was achieved by the self-initiated, direct action of the masses. The exploited, the oppressed, the excluded, acted to genuinely grasp hold of politics and recover their own power, their autonomy, when for decades it had been expropriated by the parties and institutions of the system. The results could not be more encouraging: it is the first time that the recall of leaders endorsed by the ballot box, has been seen in concrete practise.

The left actively participated in the mobilizations. Because of its small numbers or because it has not caught up with understanding the dialectic of non-delegation that is being built in real life, their participation was not decisive. The three workers' centrals, the CGT, the "rebel" CGT and the CTA, declared a formal stoppage, but did not call for a mobilization of their members and active participation in the mass actions, but simply put in an appearance and then quickly left. In the case of the CGT, it is the result of the compromises with the different factions of power in the state and in the case of the CTA, a combination of the absence of civic courage and political disorientation.

Movement

The movement of the masses in action thus advanced with the knowledge of what it does not want, of what it will not accept and what it rejects, but still without the knowledge of what it really wants, leaving a space once more which can be filled by one of the existing political variants who traditionally express the interests of the ruling classes.

However, in spite of these limitations and deficiencies, a new political situation has opened up in Argentina. Debates and discussions are now taking place in the mass movement about the new forms of political representation; new relations between the representatives and represented, setting the stage for the collective capacity of thinking, of deciding and doing things on their own account.

The future is therefore very rich and full of potential, but not lacking in difficulties. A lot will depend on the intervention of the more aware sectors of society, to strengthen the confidence of these main players by enriching the consciousness of their own leadership and its transforming potential.

Obscure clarity

9 February 2002, by Catherine Samary

The "democratic deficit" has been replaced by the "democratic challenge". Tony Blair fought successfully to have references to "harmonization" replaced by 'coordination". A "declaration" was agreed, but the essential issues have not been resolved.

When will the Union be enlarged and who will be involved? That was the first big issue dividing those who did not want to make any firm commitment, those who supported a "big bang" (everybody together) and

those who supported the proposals of the commission, to exclude Rumania and Bulgaria (the poorest of the candidate countries) for the time being. What does the "declaration" have to say about this? "The Union is about to expand to bring in more than ten new Member States, predominantly Central and Eastern European"... Such obscure clarity!

The EU, the declaration tells us, faces "twin challenges, one within and the other beyond its borders". The internal challenge is the institutional question: who decides what in this Union? A "convention" has been set up. For French commissioner Michel Barnier this represents 'real democratic progress" in that the EU governments will not be the only bodies represented; they will be joined by two people from each national parliament and 16 members of the European Parliament.

Nonetheless, at the end of the day the convention can only (after consulting the representatives (?) of "civil society") pass on the results of its labours to the governments. The latter will then, as with all preceding treaties, decide alone in the framework of the inter-governmental conference on the "future of Europe". And what the governments decide must be ratified. When a country does not ratify (like Ireland or Denmark), the vote is taken again until the right decision is made.

As for the challenge to the EU "from beyond its borders", all was going well, the declaration tells us, until September 11. The "anti-terrorist struggle" will undoubtedly lead to an acceleration of the construction of fortress Schengen. But when it comes to the "sovereign" rights of states to send troops, the EU's big powers prefer to have sole control - there will be no "EU force" in Afghanistan.

The other Europe on the march

9 February 2002, by Dominique Mezzi, Emile Jourdin, Robert Mirabel

This mobilization also sought to pursue the dynamic of trade union contestation of the European institutions initiated with the summits in Amsterdam, Porto and particularly Nice. A gamble which paid off massively with the Thursday demonstration called by the European Trade Union Confederation: more than 80,000 strong, the majority Belgian or French but also with the presence of Slovene, Slovak, Czech and Polish delegations.

The "anti-globalisation" demonstration called by the D14 collective on Friday December 14 involved NGOs like Attac, militants from the British Socialist Workers Party and/or Globalise Resistance, Belgium's Party of Labour (undoubtedly the youngest and most dynamic contingent), libertarian anarchists and a contingent from the Fourth International.

On Saturday December 15, a "street party" organized by the Bruxxel collective attracted around 3,000 people, hemmed in by a disproportionate security presence. Meanwhile, a "march for peace" organized at the initiative of the PTB gathered 2,000 people and an anarchist march called by a European libertarian coordination assembled 3,000 people.
The movements of opposition to capitalist globalisation are part of the opposition to neo-liberal Europe. Onwards to Seville.

Anti-capitalist left meets

9 February 2002, by European Anti-Capitalist Left

The participants in the conference were: the Red Green Alliance (RGA, Denmark), the Scottish Socialist Party (SSP), the Socialist Alliance (SA, England), the Socialist Workers Party and the Socialist Party (Britain), the Socialist Party (SP, Netherlands), La Gauche ("The Left", Luxembourg), the Ligue Communiste Révolutionnaire (LCR, Revolutionary Communist League, France), the Left Bloc (BdE, Portugal), Espacio Alternativo ("Left Space", Spain), Rifondazione Comunista ("Party of Communist Refoundation", Italy), Solidarité-S (Switzerland, Geneva), the ÖDP ("Party of Solidarity and Liberty", Turkey), with Plataforma de Izquierda ("Left Platform", Spain) attending as observer.

The Conference had on its agenda: the international political situation, the movement against the war and capitalist globalisation, the threats against democratic rights in the EU, solidarity with the peoples of Pakistan and Afghanistan, the drawing up of a political statement and preparation for the second World Social Forum in Porto Alegre, Brazil (January 2002).
The meeting decided to organise its fourth Conference in Madrid in June 2002 during Spain's presidency of the European Union and issued the following statement:

1. For the third time in ten years, imperialism is at war. After the unfinished war (for oil) against Iraq and the "humanitarian" intervention in the Balkans, the United States is bombarding Afghanistan, one of the poorest countries on earth, pretending in doing so to "eradicate terrorism

worldwide".

"Self-defence", "humanitarianism", "western civilisation", "the democratic model" or "crusade": all are used as excuses. They cannot hide their basic objective: to restore a strong authority on a region with abounding raw materials, wealth and opportunities for trade and investment. People are assassinated, whole populations terrorized, governments and movements subdued or eliminated without restraint.

We unambiguously condemn the September 11 attacks as an act of mass terror against the civilian population. The project of reactionary Islamic organizations like Al-Qaida is to establish a theocratic, totalitarian and oppressive society. They have used terrorist means to contest the control of foreign multinationals over the immense richness of the region. But they don't struggle for the liberation and welfare of their people. This condemnation must be accompanied by a denunciation of all racist and Islamophobic campaigns.

This new imperialist war is the direct result of the advent of global capitalism, with its deepening and shattering contradictions.

This brutal war will not lead to a lasting peace. On the contrary - from Afghanistan, again under the control of the warlords, to Palestine, where Israel's State terrorism has its hands free - this war can only lead to new wars. It is up to the Afghan people to decide its own destiny.

2. The European Union, which is itself a motor of globalisation, is in full complicity with the US government. After some initial hesitations, it is participating in the war with its own objectives as a secondary imperialist power: to appear close to the US, the only superpower in charge of the global "new" world order; to hold on its position inside the triad (US, Japan, Europe); to enlarge its zone of influence, supporting its multinationals in the conquest of new areas for trade and investment; to get its share of the final war-booty.

In this battle, the EU attempts to develop a more "humanitarian" and "peaceful" profile, and to take its own political-diplomatic initiatives. It tries to build on the unpopularity of the US and its war adventurism that threatens to extend the theatre of war to Iraq, Somalia, Syria, Lebanon and even Palestine and across the Ocean, to Colombia…. And on the fears of "wild" immigration from Eastern Europe. Finally, the EU tries to profit from the general feeling of insecurity to build popular support for its new "euro-militarist" policy. Without this, the EU will never manage to impose the "necessary sacrifices" upon the working class to pay for the "armed arm" of its dreams.

We oppose NATO as well as any European army. We are also against the rising militarism in the member-States.

3. The terrorist attack of September 11 and the imperialist war have given a big impetus to the state building policies of the EU. In spite of all its inner contradictions, there is a real danger that the EU will develop a supranational tool for reinforced cooperation in the service of the European bourgeoisies and the multinational companies.

First of all, cohesion between the big three member states of the EU is advancing. Germany has managed to break its biggest political taboo. For the first time since 1945 its army has been sent to fight on a foreign battlefield. It helps Germany to collaborate with France and Britain, without inhibitions, to build the European Rapid Deployment Force. With his renewed prestige as a "war leader", Blair is encouraged openly by foreign and British big capital to take Britain into the Monetary Union (euro, ECB etc.). If the launching of the euro in the European Continent is successful next January, the EU will reach a new stage.

At the same time, old obstacles are now being overcome: police coordination between the member States (Europol) with enlarged powers; creation of a common "border police"; a European judicial system (public prosecutor's office, "search and arrest warrant", harmonisation of penalties).

Here comes the Europe of repression! Never was the lie of a social Europe so flagrant!

4. Taking advantage of the war, the EU has launched the biggest attack on democratic rights and liberties since the Second World War.

Under the pretext of the terrorist threat, it aims at preventing any form of radical action by the popular and working classes, any social and political struggle to change the economic, social political structures of society, even if it is supported by a majority of the population! Indeed, "terrorist offences" will be all those "…intentionally committed by an individual or a group against one or more countries, their institutions or people, with the aim of intimidating them and seriously altering or destroying the political, economic, or social structures of those countries.". And one becomes a "terrorist group" being "…. more than two persons, acting in concert to commit the terrorist offences…" - i.e. any political party, trade union section, antiracist association, feminist group - and everyone of its members can be jailed from 2 to 20 years! The purpose is to discourage people from the onset to fight against the evils of this system, and to outlaw the organisations that defend the fundamental right of self-determination and contest the capitalist order. This "state of emergency" looms upon the labour and social movements and their struggles. A radical rightwing government will find in these laws a complete tool kit for repression that a left government might not dare to use.

Once more, war has created a splitting line: once more, social democracy (supported by the Greens in some countries) has done the dirty work, especially in the key countries of the EU: Blair, Schröder, Jospin!

5. The ruling classes, the financial-industrial capitalists understand clearly that their full scale offensive will meet with opposition and resistance.

One of the objectives of this global state of war is to stifle the movement against capitalist globalisation, to destroy its offensive spirit and prevent

its impact on the broader labour and social movement. But it didn't succeed in stopping the mobilisations: more than 100,000 workers, trade unionists and youth contested the EU Summit in Brussels.

The second World Social Forum in Porto Alegre will offer a mass platform for deepening the critique of capitalism and for launching on a world scale a new wave of struggles and mobilizations.

Without abandoning its own aims and organizational forms, the movement against globalization represents an important lever in support of the international anti war movement, as imperialism, headed by the American government, tries to impose a state of emergency worldwide.

In the tread of a recession that seems exceptionally severe, the capitalist classes have reinforced their anti social offensive since September, with massive lay-offs, attacks against the welfare system, new privatisations of the public services, more flexibility and stress on the work floor. It is without doubt a "second" war - social and economic - against the working class and its organisations. We want to contribute to build a powerful and united riposte in order to transform popular anger and discontent into a conscious struggle against the bosses and capitalism itself.

As part of the anti capitalist Left in Europe, we draw on this renewed capitalist offensive the conviction that capitalism is a catastrophe provoking wars, insecurity, egoism, misery and barbarism. If peace, security, solidarity, equality and happiness are to be won, we must prevent the harmful policies of Big Capital.

There is no other alternative than a socialist and democratic society, based on sustainable development, without exploitation of labour and oppression of women, a socialism from below, based on self-management!

Berlusconi causes concern

9 February 2002, by Galia Trépère

The populist leader of the reactionary Northern League, Umberto Bossi, minister for reforms and decentralization, had said: "I don't; give a damn for the euro and I think the people don't give a damn either."

Saying he was "saddened" by these declarations, Ruggiero appealed to Berlusconi. The latter not only did not support him but obliged him to resign, saying publicly that he alone was in charge of Italy's foreign policy and that Ruggiero was only a "technocrat".

Former World Trade Organization director Ruggiero was seen as the only really "europhile" minister in the Berlusconi government. He had the support of the big Italian employers, in particular Fiat boss Agnelli. Economy minister Tremonti. who has said that the single currency is "a machine organized by previous governments", is for his part supported by the small and medium employers.

Since the resignation, a number of European leaders are expressing concern at the evolution of the Berlusconi government's European policy. Since coming to power Berlusconi has adopted an attitude which is in sharp contrast to a previous era when Italy was considered as the model pupil of European construction: withdrawal from the Airbus A4O0M military transport plane programme, the threat to block the introduction of a European arrest warrant, demands about the location of future specialized EU agencies.

Since Ruggiero's resignation, Berlusconi has made lots of declarations saying he is favourable to Europe, while championing Italian national interests. Writing in Le Monde he said that: "It is then normal that the Italian government wishes to ensure that... our fundamental economic interests are taken into account in an adequate fashion in the great undertaking of the elaboration of a constitution for Europe, exactly as other European countries, like France, do''.

In the context of the single currency, each defends the interests of their own bourgeoisie, or fraction of the bourgeoisie, or their own political personnel. The crises on the horizon could present an opportunity for workers, inasmuch as they constitute a handicap for their adversaries.

Celebrating the life of Charlie van Gelderen

9 February 2002, by Philomena O'Malley

Many among those present spoke of their political and personal memories of Charlie and paid tribute both to his consistent and constantly enthusiastic political activism and to him as a warm and caring person.

Co-hosted by Charlie's family and the International Socialist Group, Charlie's organisation, it was an informal and convivial event, of the type that he would have enjoyed himself.

Alan Thornett, speaking for the ISG,

recalled Charlie's early life as a political activist in South Africa and how as a union full-timer in the 1930s, at a time when trade unions in there were segregated in practice though not yet in law, he fought for the union to involve both black and white workers and lost his full time position when those opposed to integration split, taking their financial resources with them.

He traced Charlie's life through his coming to Britain where he immediately became active in the Trotskyist movement and, following the rise of Hitler in Germany, the defeat of the Spanish Republic, the Moscow trials and under the clouds of impending world war, convinced of the need for the new International, as an alternative to the betrayals of Stalinism.

He participated in the decision to found a Fourth International, attending the founding conference of the International in Paris as an observer for the South Africa Trotskyists.

Conscripted into the British Army, Charlie arrived in Italy just after the fall of Mussolini when the Italian working class was very much on the offensive. He participated in enormous demonstrations, dominated by banners calling for the working class to take power for itself while Togliatti as leader of the Communist Party, reflecting Stalin's line for the Communist Parties in Western Europe, called on the workers to lay down their arms.

In Italy, Communists were called on to support the government led by a Field Marshal, whom the king had appointed to succeed Mussolini. It was in this context that Charlie participated in founding the Italian section of the Fourth International for which he held membership card number one.

But it was in Britain that Charlie spent the rest of his active political life although he of course remained very committed to the struggle in South Africa. Speaking on behalf of the United Secretariat of the Fourth International, Penelope Duggan recalled Charlie's participation in the small group of comrades responsible for the International's political work in southern Africa.

She underlined his important role in this work and how, when the situation changed in the beginning of the 1980s, he was able to reconsider the traditional positions of South African Trotskyism and turn his attention to the independent trade-union left and the new networks of the revolutionary socialist left. He was one of the few Trotskyists of the old generation who understood how to do this and how to put his experience at the service of the new networks and groups with which the International started to work from the 1980s.

The recent strikes against privatisation in South Africa, and militant trade union action elsewhere in the continent were examples he was holding up to others in the last years of his life.

She also pointed out that ever since the first split he had known, in South Africa, Charlie argued all his life that many in the movement were far too quick to divide organisations on tactical questions.

He used every platform he could to argue for the left to fight sectarianism.

One of those occasions had been the annual camp of European youth organisations in solidarity with the Fourth International in 1998 where he was invited to speak at a commemoration of the sixtieth anniversary of the founding of the Fourth International. "Sectarian splits have been a chronic ailment of our movement. Minorities (...) split off on the slightest pretext (...) to form tiny sects, impotent and without any future. How different to Trotsky who persisted in his adherence to the Third International until 1933 and the utter defeat of the German working class."

This preoccupation with the importance of unity on the radical left led Charlie to fully support the different initiatives which the forces of the Fourth International participate in different countries, such as the Left Bloc in Portugal, the Red Green Alliance in Denmark or, for him of course most importantly, the Socialist Alliance in Britain.

He was also convinced of the importance of mass youth movements as we see developing in the new global justice and anti-war movement and as such always delighted to meet the young comrades of the Fourth International as he did notably at the international youth camps in 1988 and 1998 speaking on the anniversaries of the founding of the FI.

A message from Andrea Peniche from Portugal who had spoken alongside him in 1998 showed how he had communicated his revolutionary enthusiasm to them:

"[Charlie] had a dream and during his whole life he fought for his dream. And we are here to say that his dream is also our dream. We are here to say that we will continue the struggle he started. The best tribute we can make to Charlie is to struggle for another world, a world without discrimination. A just world, a world of solidarity. A world of violet [for the struggle against women's oppression] and red [for the workers' struggle]. Thank you Charlie".

Alliance adopts constitution

9 February 2002, by Alan Thornett

The new constitution gives Socialist Alliance members full rights to determine policy, elect leadership bodies and select candidates to stand in elections.

It also enshrined rights of freedom of expression and dissent within the Alliance and the right to sell and distribute publications other than those of the Alliance.

It is a good framework for the next stage of the development of the SA. What marred the conference, however, was the carefully staged walk-out by the Socialist Party (SP - formerly the Militant Tendency) who had proposed a constitution which enshrined the scandalous principle that any six members within a constituency who formed themselves into a platform could veto any decision taken, including the selection of candidates.

A new constitution was badly needed because the existing one had been outgrown by the SA itself and no longer provided structures which best facilitated its development.

The political idea behind this was to be able to relate effectively to the break which is taking place from New Labour. Today this is not taking the form of organised blocks, but of an attrition of individuals. The SA needs to respond to this and make provision for these individual activists in its ranks. This involves showing them that they will have full rights and influence in an organisation which also contains existing far left organizations. The idea that they would come into local Alliances where minorities could veto majority decisions seems slightly unhinged.

There was not agreement amongst those proposing the successful constitution, on the longer term future of the SA, particularly the idea that the SA should have the perspective of becoming a new left party like the Scottish Socialist Party. The SWP strongly reject this idea, and it will be an ongoing debate with them. But there was agreement, including with the SWP, that the SA needed to have more of a party structure if it was to attract individual activists breaking from new Labour.

The SP strongly rejected this move towards a party structure, however. Despite their vigorous propagandising for a "new mass workers party" they wanted an alliance which was simply a loose arrangement between existing organisations. A new mass party was for some future undefined date - and would not be based on the SA. This is an irrational position, which seems to be based more on a sectarian response to the SWP than anything else.

The tactics of the Socialist Party during the conference were to demonise the SWP (as an organisation bent on total control of the SA) and to crassly misrepresent the constitution proposed by the SWP the ISG and others as highly centralised and exclusive. The SP was also able to capitalise on the fact that the SWP had not maintained the same level of involvement in the Alliance at local level in the post election period - although set against the involvement of the SP in most places this claim does not hold much water.

The sharpest issue behind the debate on the constitution was that of local democracy. In the general election last June the SP insisted on imposing their own candidates in selected constituencies, irrespective of the views of the majority of members of the local SA.

They also produced their own election material in the name of the SP, with their own logo, raised their own independent election fund and contributed nothing at all to the central funds of the SA.

Those who proposed the constitution which was adopted (indeed those who supported all other proposed constitutions others than that of the SP) were not prepared to have that situation repeated in future elections - particularly the imposition of local candidates. The right of the members of a local SA, at a properly constituted meeting, to take decisions, including the selection of a candidate when necessary, was crucial to democratic functioning.

Equally the SP were not prepared to accept local democracy of this sort. They insisted on the right of minorities to veto majorities at local level - something they have the cheek to call "consensus". This would leave them in a position to operate in future elections as they did in the general election. The SP's position was not argued honestly, however, but couched in terms of the danger of SWP domination of the SA. Of course there is a danger of domination by the SWP since it is so much bigger than all the other far left organisations - including the SP. The principal safeguard against the domination by the SWP, however, is political. At the end of the day there is no adequate technical way, consistent with basic democracy, of preventing an organisation with a numerical majority dominating if they decide to do so.

We have to develop a culture in the SA which makes such a domination impossible, or at least, makes those responsible pay a heavy political price. There is no organisational substitute for this. Any attempt to subvert the right of majority decision at local level is unacceptable.

Whilst the adoption of the new constitution is a crucial step forward for the SA, it does not resolve the problem of its future development. - which in the view of the ISG should be towards a party in England on the lines of the SSP in Scotland. One important way of keeping the SA moving forward, short of becoming a political party, is for the SA to have a well produced and regular publication which it can use to build itself - something which was called for in a resolution tabled by the ISG which was subsequently composited. This unfortunately was defeated. Of course the SA does need to further develop its politics and make them more coherent than is currently the case. But the production of such a publication is probably the most effective way of pushing this forward. At the same time it would have been the best answer possible to the walk out of the SP.

Overall it was a successful day which took a number of key decisions which are crucial to the further development of the SA at this stage. The decision of the SP to revert to the crudest sectarianism in the worst tradition of the British far left is not the responsibility of the SA and is not a political reflection on it. The job of the SA is to continue the process of reshaping the English left and challenging its sectarianism - which

has been its crucial contribution for the past few years.

New government supported by far right

9 February 2002, by Ãge Skovrind

In Aarhus, the second city, as well as several other cities across the country, government shifted to the Liberals. At national level, the Liberals established a government with the Conservatives, supported by the second biggest winner, the populist and anti-immigration Peoples' Party which succeeded in putting the "problem" of immigration and criminal immigrants on the agenda of all major parties.

Thus, political life is going to polarize significantly and break a tradition of governing with the support of small Centre parties. The upcoming government will be pure right. Times will be harder for the unemployed, poor people and - particularly - refugees and immigrants.

Environmental protection will be sacrificed in favour of corporate profits. Danish donations to international aid programs will be reduced. Profiting from a general economic upturn, unemployment has been reduced significantly during nine years of Social Democratic rule. Consequently, very important restrictions of the right to unemployment benefits have been passed in Parliament without serious mass-scale implications. With a new recession, this will change and make it impossible for the government to fulfil its welfare promises. The four key Liberal election promises were: 1) stricter sentences, particularly for rape and serious violence, 2) no tax increases, 3) more restrictions in immigration legislation and 4) an improved health system.

The election outcome was no surprise since all opinion polls since the end of 1998 pointed to a historical setback for Social Democracy. At that time the party - together with the bourgeois opposition - reduced the right to retirement pension at the age of 60. Early retirement now requires private saving over a period of 25 years, i.e. beginning at the age of 35. Sanctioned by the voters, Social Democracy dropped from 36% in the March 1998 elections to below 20% and has only slowly recovered since then, standing at 29% in the recent elections.

The victory of the right parties is not necessarily a turn to the right by the voters. During the election campaign, the Liberals as well as the Peoples' Party pretended to be the best defenders of the welfare system, particularly concerning the health sector and care for the elderly. The miserable situation in Social Democratic-controlled Copenhagen, where there have been some outstanding scandals, was exploited to the maximum. The bourgeois parties denied any intentions of cutting the welfare system but stressed the importance of "free choice", "personal freedom" and "human care".

For many voters, elections were a choice between the old - worn-out - Prime Minister Poul Nyrup Rasmussen and the new Anders Fogh Rasmussen. The "presidential race" between the two Rasmussens, the Liberal and the Social Democratic candidates, partly explains why the radical left in the Red Green Alliance went down from 5 to 4 seats (2.4% of the national vote). In Copenhagen, the stronghold of the Alliance, it went from 9.6% to 8.1% and lost two seats in the City council. It will, however, keep one of the seven City Mayors.

Two MPs were re-elected: Soeren Soendergaard, who is a member of the SAP, the Danish section of the Fourth International, and Keld Albrechtsen, spokesperson on European Union matters. The two new MPs are both women. Pernille Rosenkrantz-Theil is a 24-year-old student. Line Barfod is 37 years old and a lawyer. Two members of the SAP were elected to local councils.

The Alliance will now have to adjust its political orientation. It entered Parliament in 1994, five years after its formation. In some specific cases - including education, transport and environment - the Alliance was in a position to make parliamentary deals and had a real influence.

Now, the Red Green Alliance will be in a clear opposition. It will be marginalized in the parliamentary game and the public media. The priority will shift to campaigns on single issues and the Alliance's parliamentary strength will, more than ever, be used to give support and inspiration to extra parliamentary movements and actions.

Enhedslisten/Red-Green Alliance programme

9 February 2002, by Red-Green Alliance

– Advocating the right to a job and a life without stress. There are 800,000 people of working age in Denmark (total population is five million) who are unemployed, and they have less to live on than 11 years ago;
– Advocating welfare for all. It is not a law of nature that the richest third of the population owns three fourths of the wealth of the nation;
– Resources must be redistributed in a better way in order to secure the

means for more welfare. No to privatisation of welfare; we are in favour of a larger and improved public sector with more democratic influence than today;
- Advocating international solidarity - and opposing war and terror. The anti-terror package of the Danish government will undermine democracy by introducing arbitrariness and reducing legal protection;
- Advocating ecology - and opposing genetic manipulation and toxic chemicals. Ecology is necessary to provide us with healthy food, a clean environment, clean water, and a good life for animals. Tax money should be used to support ecological farming. Large-scale farming destroys the environment; subsidies keep it going and must be abolished;
- Improved and cheaper public transport; respect for all - for immigrants and refugees as well. We must continue to receive refugees and we should receive them well;
- Total support of the struggles of women. Cuts in the public sector lead to women losing their jobs and to do the work at home with no pay. We support extended maternity/paternity leave for women as well as men with full compensation of wages so that women and men can participate on an equal basis in their working life and in their children's lives;
- Active opposition to the EU. EU integration means increasing economic globalisation without democracy, increasing privatisation and conservative economic policies. Our alternative is an open and democratic Europe, and to strengthen global cooperation and to build international organizations which give priority to people and the environment as opposed to free market considerations;
- Exposing corporate power.

Making peace with America

9 February 2002, by Phil Hearse

Halliday - now Professor of International Relations at the London School of Economics - was until the end of the 1980s one of the foremost English language Marxist experts on the Middle East, and a long-time member of the New Left Review editorial board. His move away from the Left was signalled by his support for the US war on Iraq and his subsequent book Rethinking International Relations, in which he condemned attempts to seek a post-capitalist order, or indeed any attempt to rapidly improve the human condition.

His new book, despite some sensible and perceptive parts, eventually collapses into abject apology for modern capitalism in general and the United States in particular. In doing so, Halliday feels compelled to return time and again to criticising the Left - in other words his own former self.

Let's start with points of agreement. Halliday says a lot of sensible things about modern-day national questions. And, as a harsh critic of postmodernism, he insists on the necessity of human rights, reason, and indeed the values of the Enlightenment in general, against the forces of obscurantism and bigotry. The latter for Halliday reside particularly in Islamic and other religious fundamentalisms and, although he is much less detailed about this, right wing and racist forces in the West.

He strongly makes a distinction between Islam and Muslims in general, and the forces of fanatical "Islamism". In this context, Halliday rubbishes the theories of Samuel Huntingdon which seek to interpret the modern world in terms of a "clash of civilisations".

Stereotype

Having rejected what he calls Western "Islamophobia", he pounces on the "other stereotype" - hostility towards the United States and its foreign policy. The following passage gives a flavour:

"For all its faults, the USA is, to date, the most prosperous country in human history, the one to which many people, possibly half the world, would like to emigrate and work, whose vitality in many fields, from music to medicine, outstrips all others. It must be doing something right." (p. 49).

Or again: "It has in regard to many issues, gender and immigration among them, a record which puts much of Western Europe to shame. Much is made, especially in recent days, of American militarism and belligerency: this is, the discourse of cowboy culture aside, a myth. No other major country has a record as cautious and restrained as the USA: it had to be dragged into World War in 1941, as it was dragged into Bosnia in 1995. The USA fought these wars in the 1990s - in Kuwait in 1991, Bosnia 1995, Kosovo 1999 - all in response to aggression against Muslim peoples."

One is tempted to ask, well was it 'dragged' into Korea or Vietnam, Grenada or Panama, Guatemala or the Lebanon (twice), into bombing Libya or backing the contras in Nicaragua, or into the 60-odd other military interventions since World War 2?

Actually Halliday assesses US capitalism from the viewpoint of trying to add up the positive things and contrasting them with the negative factors, rather than trying to make an all-round assessment of its dynamics and world role.

His first list of negative things is instructive: "The USA is a country with a record, at home and abroad, that arouses criticism and indignation, in some cases rightly so: Vietnam, Nicaragua, the neglect of Palestinian rights, Cuba, the grotesque irresponsibility of its media and gun laws, the insidious role of religion and money in its public life, to name but some."

This off-the-cuff list of things which might be considered wrong with the US leaves out two that are surely more fundamental - the role of the US trans-national corporations and their exploitation of workers worldwide, and the horrendous criminal justice system - the vast American Gulag which imprisons over one million people, a majority of them people of colour, and imposes the death sentence (again mainly on people of colour). These are the 'negative' factors which go right to the heart of the system of production and social control.

Direct hit

One thing Halliday does score a direct hit on is the snobbish attitude of sections of the West European intelligentsia - left and right - towards North America. The idea, often found among French intellectuals, that the sum total of the achievements of Anglo-Saxon culture is the hamburger, is way off the mark.

But West European hostility to the US is multi-faceted. It is not wrong to reject large chunks of American culture, and even Halliday is forced to admit that the US produces more rubbish than any other nation on earth (and much of it with a distinct ideological purpose it might be said).

And even among right-wing liberal democrats in Europe, hostility to the US often includes an element of rejection of the social values of Anglo-Saxon capitalism - i.e. the lack of a welfare state and health provision, the 'flexibility' of labour and lack of holidays, and the "new" management techniques - outsourcing, downsizing, give-backs - which propelled the 1990s US boom.

About these things - the life experience of huge sections of the US working class - Halliday has nothing to say. Neither is there any hint that US prosperity might have something to do with the vast imperial tribute gathered by the corporations and the banks from the rest of the world. These things implicate two categories which Halliday has jettisoned in his new world view: the capitalist class and imperialism.

In his discussion of globalization Halliday takes issue with the idea that the nation state is rapidly declining in power. He does this by assessing the ideas of the late Susan Strange: "..her argument is that power is increasingly structural, not unit-based, i.e. not focused on states. She identifies four power structures in the contemporary world - security, production, finance and knowledge. Only the first, security, is to a decreasing extent, monopolised by states."

Point missed

Halliday then goes on to show that the state still has a strong role in the economy even in the US - particularly since September 11 - and in promoting research and development (pp183-6). He is quite right about this, but his discussion misses the point. The "power structures" - the military, the companies, the banks and other financial institutions, the public and private research centres - are not suspended in a vacuum counter-posed to the state. The state, and these four centres of power, are articulated together ("over-determined" in the Althusserian language which Halliday is very familiar with) by the existence of social classes, in particular by the existence of the capitalist class.

Post-war Marxism has had endless discussions about the "relative autonomy" of the state, i.e. its autonomy from social classes, and the bourgeoisie in particular. A brief glance at the USA today reveals that nowhere is the state less autonomous from the interests of the big corporations, the big banks and the capitalist class in general.

And this is intimately connected with the role of money in politics and the character of the media. But this is not discussed by Halliday because it contradicts the new world view he has adopted since ditching Marxism.

Towards the end of the book, Halliday appears to give ground to left wing critics of the US, somewhat in contradiction to his earlier statements. These passages reveal a lot about Halliday's implicit political programme. For example, "There are many aspects of US society that are, compared to Western Europe, pernicious - the absence of welfare programmes, the incidence of crime and drugs, the prevalence of fundamentalist religious bodies, to name but three...The USA, not least in the aftermath of the Gulf War, exhibits a strong vein of cultural and great power arrogance, but it is hardly for the British, the French, the Germans or even the Spaniards to claim superiority in that domain." (p168).

He even talks about a "series of illegal and imperialistic interventions by the US forces over the past decade" (p170), a somewhat different emphasis than the 'cautious and restrained' idea of US interventions earlier in the book. But, he argues, a balanced view has to incorporate other factors.

Facile

First, on many things Europeans are no better (true, but so what?). Second, the left, including the American left, is prone to facile conspiracy theories, failing to record the real divisions in official US politics, which can be exploited for progressive ends. Third, US culture is not nearly so vulgar as people make out. Fourth, Europeans are inconsistent, cleaving to the Atlanticist dinosaur NATO, which they should break with. And fifth, the experience of US sanctions against South Africa, and the records of the Clinton government, shows that a constructive engagement with the US foreign policy elite is possible.

To denounce them all as imperialists and enemies is infantile. Thus: "The need for a more measured political assessment of the USA is a matter of great urgency the world over, for two reasons."

The two reasons turn out to be one reason: the collapse of communism has left the US as the only world superpower, with unparalleled power and influence. Thus:

"If the Left is going to come up with a coherent and plausible assessment of the US, it has to recognise that the masses of the world want to go and live there. There is little point in telling the people of Albania, or China and Mexico that they are victims of

false consciousness. Secondly, the USA has today greater military and strategic power than at any time since World War II. It is easy to overstate this, but wrong to ignore it: the question posed for people inside the USA and those who have to deal with it from without is in what ways, small or large, that influence can be put to better rather than worse use, be this North-South economic relations, the field of human rights, in that of intervention or a new potentially non-hegemonic security system in Europe.

"Those in Europe, and the US, who have long sustained a critique of US society and US foreign policy would be well advised to break with their often too comfortable denunciations and take the opportunities which now present themselves. We may well miss the opportunity. The forces within the USA and outside which want to enhance the more oppressive and hierarchical character of the world will certainly not." (p173).

Dialogue

Fred Halliday evidently wrote his before the war on Afghanistan had begun, but I have to say at first blush it seems difficult to imagine how one would conduct a dialogue with Paul Wolfowitz, Richard Pearle and Donald Rumsfeld, but then I'm obviously just not getting the point. His conception of democrats and progressives pressuring the existing powers in the US through constructive dialogue is utopian through and through; insofar as leftists can bring pressure to bear it is through campaigning and mass movements of opposition, in the US itself and internationally, not by a polite dialogue.

Halliday wants to square the circle; he wants justice, freedom and human rights, but if he looks to the existing US power structure to get them he is doomed to perpetual disappointment.

Really fundamental questions lie beneath Halliday's view of the world, and they involve the role of existing states, social classes and social movements. Fred Halliday was always regarded by sections of the non-Stalinist left in Britain as having a rather "Sovietic" bent.

He fervently argued in defence of the Russians in Afghanistan (there is a picture in the book of him with Afghan government troops in 1980). His harsh criticisms of Soviet society in The Making of the Second Cold War have to be taken with his early 1980s articles in the Eurocommunist Marxism Today arguing that the Brezhnev era was one of substantial progress for the USSR domestically and internationally, something which in retrospect was quite false. In that period Halliday seemed to have a "realist" attitude to leftwing advance, which accorded central importance to the apparently continued vitality and progressive world role of the USSR and its allies.

Speculative

There is an explanation for this, although a little speculative. One of Fred Halliday's literary projects not mentioned in the long list at the front of the book, is his editorship of a collection of writings by Isaac Deutscher, Russia, China and the West; Halliday clearly saw himself as a pupil of Deutscher.

Deutscher of course was a militant anti-Stalinist, and we now know he wrote articles in the 1960s under a pseudonym for the theoretical magazine of the Socialist Labour League, at the time the main Trotskyist organisation in Britain - with whom he later broke over their use of violence.

Nothing justifies the ignorant abuse which Deutscher suffered from sectarians for having allegedly 'capitulated to Stalinism'. But it is true that in Deutscher's writings there is an ambiguous strand, and his last book The Unfinished Revolution (1967) espouses considerable confidence (hope?) for the self-reform of the Soviet system. This is also the import of the last chapter of his biography of Trotsky (see "Victory in Defeat", The Prophet Outcast, OUP). Certainly, different emphases on the Soviet question were found among people who regarded themselves as pupils of Deutscher. But for Halliday at least the main divide and conflict in the world was between two state systems, east and west, and not between two main classes worldwide, the capitalist class and the working class (this is explained at length in The Making of the Second Cold War and his 1982 essay The Sources of the New Cold War).

His break with Marxism, at any rate, occurred with the collapse of the Soviet Union. The collapse of this, for Halliday progressive, state power convinced him that communism and socialism were utopias, an idea re-expounded in this present book (pp181-2). This makes him broadly sympathetic to the ideas of Francis Fukuyama and leads him to the conclusion that "Liberal democracy and regulated markets do provide a broad context for benign development" (p192).

It's not a big surprise then that Halliday has turned to arguing for a dialogue with and an attempt to shift in progressive directions, the most powerful state power which does exist. In this process social movements and NGOs can play a role, but a small one. Class based and socialist movements are simply not discussed, nor is the significance of the post-Seattle global justice movement.

Bizarre

Paradoxically, indeed a little bizarrely, Halliday explains at great length the unequal and unjust situation between states and expresses the hope that "capitalism itself will learn from this". Any realistic assessment must conclude this hope is a forlorn one.

Halliday finishes on a deliberately provocative note: "Above all, reason and insistence on universal values will…be essential. The centre must hold." This is in part a reference to W. B. Yeats' poem ,quoted earlier in the book "Things fall apart. The centre cannot hold; mere anarchy is loosed upon the world." But when Halliday says "the centre", he means it. It is the political centre inhabited by post-Communist and post-social democratic parties, by progressive Democrats in the US, by Democrazia de la Sinistra (DS) in Italy, the Blairites in Britain, the SPD in Germany, by Halliday's boss at the London School of Economics Anthony Giddens and all

the proponents of the seemingly defunct "Third Way". Between all these there are many disagreements, but one focus of agreement: there is no alternative to capitalism, it can only be regulated and humanised. Forget your utopias and prepare to negotiate with those in power. For someone with the critical intelligence and depth of Marxist culture once possessed by Fred Halliday, this is a terrible collapse.

The EU and America's war

9 February 2002, by François Vercammen

The US has rapidly succeeded in drawing the European Union (EU) into "their" war. Bypassing the UN in a cavalier fashion, they have used NATO as the framework of reference and legitimation to overcome European reticence. A very free interpretation of the North Atlantic Alliance treaty has not only served to give a legal cover to the more hesitant or politically less stable governments, but has also brought about the final transformation of NATO into the military arm of global capitalism. Once the EU had rallied to the war, in the name of "NATO solidarity", Bush took on the exclusive conduct of military operations, sidelining NATO.

However, while Bush seems to benefit from a seamless political consensus in his own country, he has faced enormous political difficulty outside of it. [1]

A comparison can be made with the US war against Vietnam (1965-1973); while the US was fully capable of bombing the whole of Indochina back to the stone age this was politically impossible because of the international context of the epoch.

In the attack on Bin Laden, his networks and the Afghan regime that protected him, the political factor has been just as decisive as before. In comparison with the coalition against Iraq, the difficulty of assembling a "coalition against terrorism" has been much greater, both inside the imperialist camp and in the rest of the world, in particular the Arab world. It reveals the limits of US supremacy today in contrast to the political context of the war against Iraq.

Then, the US certainly had to manoeuvre but the only real problem was the neutralization of the "socialist camp", the USSR first and foremost, with a whole series of non-aligned Third World countries behind it. In the imperialist camp, Europe followed without fail. In 1990-91 US supremacy was total as the EU struggled to control its internal antagonisms in the face of pan-European upheavals.

The distance between 1991 and 2001 is considerable. Ten years have passed. Millions of men and women (and children) across the world have suffered the "New World Order" which supposedly meant "peace, stability and prosperity for all". The new political structure of capitalism generates a new war (the third in ten years!). Never has social inequality been so widespread and brutal.

The endemic fragmentation and volatility of this new capitalism also weakens the mechanisms of social and state control. The social-humanist prestige of the US in the world has rarely been so low, to the point where the question raised by several establishment newspapers has been: "why do they hate us so much?" Never for 50 years has the climate between the US and the EU been so overshadowed by the multiplication of economic, political and diplomatic frictions.

The EU in search of autonomy

With all its limits and internal tensions, the EU's development over the last five years constitutes a new element of the world situation. It leads objectively not to a contesting of US hegemony, but rather a certain repositioning in relation to the American superpower.

The involvement of the US government in a war impacts directly on Europe. Just as US imperialism, responsible for the stability of world capitalism, has to respond, the European dominant classes cannot shy away from commitment for an analogous reason: a war with an international character impels all the powers, small, medium and big, to flex their muscles.

However, in the higher spheres of the EU, this is not a welcome development. Their priorities - dealing with recession, the introduction of the euro (still held back by a "strong" dollar) and a difficult rationalization of community institutions - are not helped by this US initiative, which threatens to impact directly on all the complex and difficult mechanisms of its institutions and the contradictions between member states. Imperialist Europe only asks for one thing: political stability!

Yet it was rapidly drawn into the war under the open pressure of the USA. The EU has successfully attempted to adopt a common point of view between member countries, involving a certain political distancing in relation to the US. Even Blair, who developed the most enthusiastically warlike discourse of the whole imperialist camp, subscribed to this common EU political orientation: targeted attacks, limited in time with the objective of the elimination of Bin Laden and the Taliban government; a systematic humanitarian discourse; an "equitable" solution of the Palestinian question, which implies bringing Sharon to heel politically; a very visible diplomacy. In short: the EU's profile is that of a "peaceful" imperialism, humanitarian and democratic.

This autonomy - more spiritual than real, but aided by the vengeful and religious-fundamentalist tone of Bush -

reflects a consensus at the summit of the EU. The governments, and not the most insignificant ones (Germany for example) are under pressures from their societies. This attitude of autonomy also prepares openly for opposition by the EU to the extension of the war to Iraq and Syria that a sector of the US government had (and has still) in its sights. Suddenly, the dominant classes in Europe have allowed (at varying levels according to the countries) the expression of doubts in the mass media: televised documentaries, critical commentaries by news presenters, reporting of anti-war demonstrations. Public opinion in Europe was neither stifled nor heavily policed. An anti-American sub current could establish a permanent presence. US military strategy and its shortcomings on the ground have been debated by the political and journalistic specialists.

That raises another question: why have the dominant classes in Europe entered into the dynamic of the war? There is without doubt a series of reasons: first, because the US wanted it, but also and more substantially because from the moment when war becomes "inevitable" it is better to be "on side". The European dominant classes, in rivalry with the US, are situated on the same terrain and seek the same objectives: to affirm themselves in relation to the dominated countries of the periphery, to take their place inside the "triad" (USA, EU, Japan), to win diplomatic and geo-economic influence, to share the spoils (access to raw materials in particular).

The EU has committed all the more readily given the novelty of this war (compared to that against Iraq in 1991): the huge and complex difficulty faced by the US in creating a "political constellation" prior to the passage to military aggression in Afghanistan. The "coalition" was finally put in place, but never before had the US had to negotiate and bargain so much - including with their traditional vassals in the Arab world.

The divisions of the Union

The other noticeable political feature has been that of the divisions between EU countries. One by one, the European politicians rushed off to the US to solidarise with the American people and its government. Weeping with emotion, Blair witnessed Bush's speech to the US Congress. The "private" meetings between the heads of government of the big EU states in support of the military effort were worse, shamelessly bypassing the EU institutions: Chirac met with Blair and Schröder one hour before the Ghent summit. Each had their own military ambitions: Blair set himself up as a veritable "war leader", grandiloquent, arrogant, an activist on the terrain of the Middle East; Chirac, through prior arrangement the first to meet Bush, offered "his soldiers" to "fight and if necessary, die"; Berlusconi demanded that Italy could send its soldiers, and not medicines and nurses.

What does this apparent imbroglio mean for the state of the EU? First, that the EU governments now control the agenda and not the Commission. This is not the fault of government skulduggery, nor the incapacity of Prodi. It is because of the stage the EU is at: we have passed from the construction of the single market, where the Commission had the initiative, to the development of significant aspects of a "community" state apparatus (currency, army and so on). That directly concerns the relations of power between member states. The war currently underway will only underline and strengthen this tendency. From this starting point the "cacophony" becomes comprehensible.

Contrary to appearances, we are witnessing a homogenisation at the top of the EU and a strengthening of supra-nationality. However, as always in the EU, it is an uneven, contradictory, conflictual process and a source of potential crisis, because the national state apparatuses are confined within the constraining institutional framework that they have themselves set up to control disparities.

Imperialist Germany has taken a leap forward. Thanks to Social Democracy and the Greens, the dominant class is celebrating its victory: its army will finally beyond its frontiers (and this time in a real war, because in Kosovo it was there for humanitarian tasks).

It will undoubtedly recuperate Afghanistan which was its zone of influence from the 1920s onwards, all this with the perspective of occupying a seat in the UN Security Council like a real Great Power!

Blair has astutely and audaciously played the master card of his country's traditional ambiguous position between the EU and the USA. To such an extent that the world wonders whether Great Britain is the (US) Trojan horse in the EU or the future champion of a reformed EU. In practice, by projecting himself as a populist war chief (at Bush's side) Blair hopes to use the capital of popularity thus built up to win British approval of membership of European monetary union (euro, ECB and so on). A cultural revolution in his country, if he pulls it off!

France, a secondary capitalism whose weight is maintained by a "universal" political-cultural influence, is obliged to cling to the "Franco-German motor in the EU" to hold the initiative and its position at the head of the EU. Nonetheless, it will be increasingly caught between the simultaneous rise in British and German power. This is the objective basis for Chirac's current frenzy (together with the French presidential campaign, of course).

If Britain joins the euro, an unprecedented economic, political and military concentration would be created at the summit of the EU. That would be a sufficient condition to pass to a real supra-nationality, shared between the three big powers. Formalized or not, it would establish a more general and increasingly authoritarian hierarchy among the EU's member countries, which would rationalize the state apparatus of this imperialist Europe. Not only would it impose a summit and political leadership on the EU, it would also assist the entry of a series of peripheral countries ("the enlargement of the EU towards the East") in a subordinate position; because the current members of the

EU (and in particular the big countries) do not imagine for a single instant that these latter can co-lead the new Europe. The rule, adopted at Nice, of "strengthened cooperation" (groups of member-countries can conclude accords between themselves on certain themes so as to accelerate the construction of the EU) is thus a godsend: the EU will consolidate itself as a pyramid made up of a series of increasingly narrow and increasingly dense circles, from the base to the summit.

This also sheds light on the twisted dynamic at work inside the EU. Any event or important action always impacts on three levels: the EU's relations with the US; the relations between member-states; and the strictly "community" structure of the EU. The American war confirms it.

The internal war

Wars are a powerful factor in the development of states, especially the directly repressive apparatuses. This war in particular, being both interstate and internal, proves it.

In relation to the EU, it reveals big problems at the other levels beyond simple repression.

Thus, the management of monetary policy (the European Central Bank being charged with a single task, the control of inflation) has been shown to be totally inadequate in an agitated world, affected both by an international war and a recession which promises to be deep and long. Though you might not think so, the stability pact (with its monetarist rigor) is seriously in trouble from the point of view of the budget deficit. Interest rates are shifting and will continue to shift. All this without any safety net or institutional support. At a time when, in the US firstly, state economic intervention has resumed (although this is not to be confused with a policy of Keynesian reflation), the EU is totally powerless.

However, it is at the level of authority that the dominant classes of the EU have understood the enormous opportunity which has been presented to them.
First, on the European army, there is growing agreement between those countries participating in the war in Afghanistan to push forward on questions like military means and the establishment of a European military command. The problem remains increasing the budgets, harmonization of weaponry and the boosting of European industry (the European Aeronautical Defence and Space Company)

This question is a burning one, for yet another race has been entered into with the US - whereas the EU has for nearly five years been trying to facilitate the entry of the countries of eastern Europe into the EU, the US is accelerating steps to integrate them in NATO!

That raises several thorny problems, including that of the rapid intervention force to deal with crises at the periphery of the enlarged EU. There is also the question of links with Russia, on which, as always the three big powers of the EU have different positions.

But it is undoubtedly on the question of the "maintenance of internal order" that the ruling spheres are focused. The struggle against terrorism offers an excellent alibi. The obstacles which the EU meets relate to the autonomy jealously defended by the police and judiciary apparatuses of the national states: the intra-European extradition mandate, the extension of the rights and resources of Europol, the formation of a European public prosecutor's department.

The EU's "war against terrorism" is a "global and long term" war against the enemy within. That requires a definition of terrorism which goes beyond Bin Laden and co. so as to criminalize any action and organization which pursues a resolute (non-armed) struggle against a government and which seeks to change the fundamental bases of society, even through the activity of an overall majority. Bin Laden's bombs are a heaven sent gift. The Wall Street Journal could not hide its joy in headlining "Bye bye Seattle"!

The movement against capitalist globalisation has not disappeared; it has successfully reoriented itself towards an anti-war struggle. But it is undeniable that the broader circles are much more difficult to mobilize, and the offensive spirit has been muted in this new context. And, above all, the priorities of the movements are unquestionably changing. The true test of the authoritarian offensive by the EU state governments and the EU itself is the attempt to reduce, indeed stifle the struggles of labour in the name of the "war situation". Already layoffs have reached a ten-year record level. Which creates a great uncertainty. The recession, to the extent it deepens, could lead the bourgeoisies to inflict a new social defeat whose repercussions would also affect the beginning of the revival of the militant movements supported by the youth radicalisation, also in an initial stage.

The political balance has swung to the right at the institutional level in several countries. The common declaration made by Blair-Aznar as Spain took the reins of power in the EU for 6 months (to be followed by Denmark) will centralize this turn. The political polarisation will be reinforced. The key to resistance and progress lies in the social struggles.

Footnotes

[1] It's one thing to destroy a country along with its state and pulverize its society; it is another to re-establish, following such a military victory, the stability of conditions of exploitation for big international capital and the guaranteed domination of the other ruling classes of the planet. The use of military force comes up against political limits.

The ‘war on terror’ - a first balance sheet

9 February 2002, by Phil Hearse

Ideologically, the ‘war on terrorism’ is an increasingly open and blatant espousal of imperialism, leading to some observers (like the British professor Niall Ferguson) to say to the US it should come out and openly declare that only US domination - virtual US world government - can makes things work for capitalism. A more ‘multilateral’ version of this has been proclaimed by British premier Tony Blair, whose Labour Party conference speech in October espoused a new vision of the ’white man’s burden’, the duty of the West to rule and civilise the backward natives.

Any balance sheet of how far the US has succeeded in its objectives since September 11 must be extremely provisional. When the Bush-Cheney team declare that this will be a prolonged campaign, they mean it. The next year will provide important new tests of strength between the US and its political opponents which will make the picture clearer. But already certain trends are clear, namely:-

- America has - predictably - succeeded in its military objectives of destroying the Taliban regime and the Al Qaida network, although not - at the time of writing - in capturing or killing Osama Bin Laden.

- The relative ease of this victory, and the low US ’body count’, has strengthened the Pentagon ’hawks’ and weakened the more cautious camp around Colin Powell in the State Department. This makes new short-term attacks on other states much more likely, in turn making the building and extension of the world peace movement vital.

- The alliance which the US built around the attack on Afghanistan has largely held up, with spectacular results in relation to Russia, but it is now clear that this will probably not survive the extension of the campaign to an assault on Iraq, Yemen, Somalia or Sudan. The US understands this and basically doesn’t care.

- At the Doha World Trade Organisation Meeting in November the US succeeded in getting through its main agenda, the launching of a new round of talks about liberalising world trade, the first such talks since the end of the Uruguay round of the GATT talks in 1994. But substantial problems remain, particularly opposition in the US Congress.

- Any US attempt to diplomatically resist Ariel Sharon’s ploy of making Israel’s anti-Palestinian war part of the ’war on terrorism’ has now dropped out of sight; and the occasional Bush-Blair talk of a Palestinian state is clearly a cover for allowing the Israelis to do what they want.

- Numerous governments has responded enthusiastically to the US offer to add their domestic opponents to the list of terrorists who the ’international community’ is waging war against, including Turkey, India, the Philippines and Spain, but none more gratefully than Vladimir Putin, who has seen his genocide in Chechnya sanctified as part of the ’war on terrorism’. And the EU governments in particular have backed the attack on democratic rights, which has its most outrageous levels in the mass detentions without trial in the US, and the new anti-terrorism draft law in the UK, which is now however under serious threat in parliament.

- The evidence so far is that the global justice movement has not been decisively set back, and indeed its existence has contributed to the rapid building of a mass anti-war movement, the centre of which is Italy and Britain. However, for the moment, North America is the one possible exception to this assessment.

The war

The US unleashed the full range of its arsenal against Afghanistan, with predictably murderous results. Bombs used against the Taliban have been of equal destructive capacity to tactical nuclear weapons, although of course without the radioactive fallout. Thousands have been massacred as a result. Professor Marc Herold of the University of New Hampshire has calculated, by cross-referencing all the reports of civilian deaths, that 3,750 civilians have died under the US bombardment - already more than died on September 11. Thousands more fighters have died and it is clear that the US has given the green light to anti-Taliban forces to kill non-Afghan prisoners (mainly from Arab countries and Pakistan). US and British ’special forces’ have directed these massacres, most notoriously after the battles of Kunduz and Kandahar. In both cases about 400 fighters are known to have been slaughtered.

After the battle for Kandahar up to 100 prisoners died while being transported in sealed containers.

As in Iraq and Kosovo the US victory has been based on the massive use of airpower, with minimal commitment of US ground forces, and a consequently low ’body count’ of US dead, although it is probably several times more than the 10 or so reported in the press. Even if the total of US dead were 100, historically this is a minute level of casualties. This in turn has created a militarist euphoria in Washington, with immediate consequences for the ’war against terrorism’. [1]

Hawks in the ascendancy

This has sharply changed the balance of power between the ’hawks’ around Secretary of Defence Donald Rumsfeld, and his even more trigger-happy deputy Paul Wolfowitz, and the more cautious Secretary of State Colin Powell. Of course, the different positions of these two camps are only different tactical options; but it’s clear that the lead person now in White

House deliberations is Rumsfeld, and that Powell is marginalized - at least for the moment. [2] That means we can expect the conclusion of the war in Afghanistan to be followed more or less directly by attacks on other 'rogue states'. This is especially so since the US had made it clear that it is not interested in any post-war peace-keeping or 'nation-building' role which will be left to the UN and the British.

Whether or not Bush starts with Somalia, Yemen or Sudan, the prime target is of course Iraq. Probably the US will try to 'liberate' a major Iraqi city, or corner of the country, and proclaim an anti-Saddam government from there. This means that a major war with Iraq, with incalculable consequences in terms of casualties and material damage, is now virtually certain sometime in the next year or so. As the London Daily Mirror has reported at length, both the Iraqi military and the civilian population have been preparing for this war since soon after September 11.

However in a recent interview with the New York Times, deputy secretary of defence Paul Wolfowitz said that Iraq was not the next target for military action. The next phase, he said, would try to "cut off terrorist bases internationally" - and this meant in such places as Somalia, Yemen, Indonesia and the Philippines. According to the NY Times, "With no effective opposition movement inside Iraq, and much of Europe and the Arab world strongly opposed to military action, this is not the time for Washington to wage war against Saddam Hussein."

Immediate targets for US, or US-led, military action seem to revolve around the following:

– Sending 1,000 US combat troops to the Philippines to assist government forces against Islamic guerrillas in the southern islands. A deal with the Philippines government on this appears to have been done.

– Pushing forward Plan Colombia, in particular aiding the Pastrana government in dismantling the areas - the size of Switzerland - currently controlled by the rebel FARC. At the time of writing, a full-scale attack on the liberated zone, created in 1998, appears imminent. Government victory in this attack would unleash a bloody reign of death squad terror against the 90,000 inhabitants of the region

– Limited military action, by the US or proxy forces, against factions in Sudan, Somalia or Yemen. Already the Yemeni government, under US pressure, has launched a military strike against allegedly Al Quaeda controlled villages in the mountains.

One factor which is a 'wild card' in possible US military plans is the growing political scandal over the collapse of the energy giant Enron - the largest corporate collapse in history. Virtually the whole of the Bush team were recipients of large amounts of cash from Enron's corrupt management, and some are implicated in covering up the scale of Enron's debts - which eventually led to tens of thousands of employees losing their jobs, savings and pensions while the directors - warned in advance - secretly sold all their shares, making a fortune in the process. This scandal reaches all the way up to the White House, and demonstrates precisely the way American capitalism works. British writer Will Hutton commented on this, "American democracy is increasingly a fraud. Money buys influence, votes and office. Contemporary Washington makes Caligula's Rome look like a vicar's tea party." Some spectacular new military action would neatly divert domestic attention from Bush's role in these sordid events.

As we discuss below, this ongoing military intervention leading eventually to a war on Iraq imposes immense responsibilities on the anti-war movement. The pre-existing alliance in support of the Afghanistan war will collapse with the launch of a new war in the Gulf. Basically the US doesn't care. Rumsfeld has declared "the war must determine the alliance, not the alliance the war". In other words, we decide the war, and build a new alliance from there.

Afghanistan has taught them that they are in an immensely powerful position, and can get eventual de facto complicity with their war aims from the most important Arab countries - Egypt, Saudi Arabia and Jordan - even if Syria's al-Assad will make the predictable critical noises. The rulers of the three above-mentioned states are all clients of the United States, and the Saudi royal family is dependent on the formidable US military presence in that country to guarantee its very survival.

Of course US action in the Gulf will be opposed by the Arab 'street' - the popular masses. But again, the examples of Pakistan and Saudi Arabia during the Afghanistan war have taught the Bush administration that this opposition means little if it doesn't directly threaten the stability of the states concerned. Richard Pearle, a former member of the Reagan administrations, popularly known as the "Prince of Darkness", and very close to Rumsfeld and Wolfowitz, put it bluntly on BBC's Newsnight: "This is not a war about hearts and minds, this is a war to defend the US. We don't care about the Arab street".

More uncertain and serious will be the consequences of the extension of the war for the European 'allies'. It is an open secret that Tony Blair is doubtful about attacking Iraq, and probably the other major European states - particularly France - will be opposed. However, come the actual war, and Tony Blair will get into line. Already his foreign minister, Jack Straw, has 'warned' Saddam Hussein that he must re-admit 'weapons inspectors' or 'face the consequences', a clear sign of preparations for a change of line in London. And the other European leaders, again with the partial exception of the French, are probably too deeply compromised by their cowardly support for the 'war on terror' so far to frontally oppose the US over Iraq.

Trade wars

At the Doha (Qatar) World Trade Organisation meeting in November, the US got the main part of what it wanted - the opening of a new round of trade 'liberalisation' talks - even if it had to make some concessions to third world countries, mainly on the issue of the manufacture of a limited number

of cheap generic medicines, for example anti-retrovirals for combating AIDS.

However, despite the Bush administration getting its way at Doha, it has major problems with this issue in the US Congress. Bush wants to 'fast track' new free trade agreements, without detailed and lengthy discussion and approval by the House of Representatives. [3] The reason for this is Bush's ambition to have a new Free Trade Area of the Americas - NAFTA extended to the whole of Latin America - in place before he leaves office and certainly on the way to being implemented before the next presidential election. This may be a 'pet project' of Bush's, but it also represents a significant part of the US's economic-political strategy - absolute hegemony over the Americas, which is not of course counterposed to fighting for hegemony everywhere else.

The problem for Bush is that while NAFTA has been an overwhelming success for most US corporations involved in the maquiladora industries along the Mexican frontier, and large agribusiness corporations, it has hit some traditional industries, particularly textiles, steel and agriculture in Florida where jobs have been lost. Democrats (and some Republicans) in the House representing these areas have tried to resist the extension of free trade to the rest of Latin America by demanding that new agreements incorporate minimum labour and environmental standards; in this they are supported by an alliance which includes important trade union leaders and some environmental groups.

Naturally the Bush regime is against these minimum standards: in a first vote in the House on December 7, 2001 the administration won by just one vote, a sign of further close battles to come. Further battles with the Congressional Democrats are developing over the country's energy crisis, and the package of economic stimulus measures which Bush wants to help overcome the recession.

Russia and Star Wars

The speed with which Vladimir Putin aligned Russia with the 'war on terrorism' surprised many, and probably the United States itself. His stance is reflected in his decision to give the go-ahead to the stationing of US special forces in Uzbekistan, and his mild reaction to the widely forecast US decision to pull out of the 1972 Anti-Ballistic Missile Treaty [4] in preparation for the new 'Son of Star Wars' programme.

Putin would be an idiot to believe Bush's claim that the anti-missile proposals are not aimed at Russia (although correct to believe that the main target is China). But Putin's role in the 'alliance against terrorism' represents absolutely fundamental strategic choices for the Rusian leadership.

Putin has decided to go for an explicit relationship of neo-colonial dependency with the United States, a logical course for the mafia-bourgeois and comprador strata which he represents. Putin will be co-operative on numerous fronts understanding about missile defence, co-operative on helping to disrupt OPEC attempts to put up the world price of oil, non-disruptive about bringing the Baltic states in NATO and helpful in ensuring that Europeans don't monopolise Russia's exports of energy (although Russia will be the main supplier of natural gas to Western Europe in the coming years).

In return Putin gets three things. The US and Europeans will keep quiet about the continued genocidal state terrorism in Chechnya; Russia will be 'consulted' about major NATO decisions; and the Bush administration will try to help re-start the flow of inward investment, abruptly stopped when the rouble collapsed in 1997. Putin may feel that the stabilisation of the Russian economy since 1997, and the trend towards small economic growth, will aid this process. But the economic recession in the US and Europe will not.

Overall of course the US will gain much more than Russia. But from the point of view of a pro-capitalist government in Moscow, what more can it -and its super-rich and middle class supporters in the western cities - gain from trying to play a hard nationalist line?

Palestine

To ensure verbal support from Arab nations, in the immediate aftermath of September 11 the Bush regime, echoed by Tony Blair, made verbal gestures in the direction of the need for a Palestinian state. It seemed that Bush was embarrassed by Sharon's attempt to climb aboard the anti-terrorist bandwagon, and indeed British government spokespeople stressed the differences between the conflicts in Palestine and Afghanistan. Part of this stance was the rejection by Bush of Paul Wolfowitz's plan to attack Hizbullah camps in the Syrian-controlled Beq'aa valley in Lebanon.

Now the implicitly critical position in relation to Israel has gone completely, and Bush is content to talk about Hamas in the same breath as Osama Bin Laden, simply echoing Ariel Sharon.

Sharon's government is engaged in a plan to militarily, economically, politically and psychologically crush the Palestinians. The hundreds dead from military attacks and assassinations are just one part of an overall tightening of repression, which centrally involves repeated curfews; putting towns and villages under siege; demolishing Palestinian houses, businesses and political offices; arrests, beating and torture; closing off access to Israel thus preventing people going to work; shutting down roads between Palestinian areas, and creating a general atmosphere of fear and demoralisation.

The second-rate Bantustan plan of the Oslo agreement has been replaced by a "semi-autonomy together with occupation-by-consent" notion. The Palestinians, if they agree to keep quiet and give up the struggle, can administer tiny isolated fragments of land, but constantly supervised by the Israeli military. There is nil possibility of the young generation of

Palestinians ever accepting this, and every prospect of repression strengthening the grip of Hamas and other Islamist groups. On the horizon is the terrifying prospect of an all-out pogrom, to drive the Palestinians out of the West Bank forever.

War on civil liberties

In the United States basic civil liberties have been thrown in the dustbin. Between 600 and 1,000 people have been detained without trial, often without access to lawyers, frequently beaten and abused, for being terrorism 'suspects'. In this hysterical atmosphere there is now serious discussion in Congress and beyond about the reintroduction of torture as a legitimate means of getting information from suspects. The US will establish military tribunals, presided over by top generals, to try terrorist suspects, and these tribunals will have the power to impose the death sentence.

All resistance - previously strong from big business and the banks - to total FBI and CIA access to Internet communications and encryption keys has collapsed. The big Internet service providers have indicated they are already co-operating with the intelligence agencies to monitor internet traffic.

Not least of the assaults on civil liberties has been the fate of the Taliban prisoners held by the United States, some of whom have been sent off to the Guantanamo base in Cuba - manacled, hooded and some sedated - to face military tribunals which can kill them. Peter Beaumont, writing in the London Observer (January 13, 2002), commented: "The reality of what is happening to the prisoners of Afghanistan is a scandal of international proportions. Brutalised, often tortured, these are men who have been stripped of their most basic rights under international and US law…" Beaumont points out that if they are not prisoners of war, then they are criminals, and should have the right to normal trials under the criminal justice system. Beaumont argues, "In a few deft strokes, the administration of George Bush has dropped a 'daisycutter' not only on the Geneva Conventions, designed to protect the rights of prisoners of war, but also on America's own constitutional rights for defendants."

The EU countries have agreed a Europe-wide arrest warrant to target 'terrorism' and 'organised crime', despite the comic opposition of the Italian government who wanted financial crimes and corruption excluded!

Britain's new anti-terrorism law is implementing powers to prevent people travelling to other European countries to attend any political, sporting, social or other event which it deems dangerous to public security.

The one positive feature in this situation is the indication by European governments that they will refuse to extradite to the United States anyone who could face the death sentence there.

Global justice movement not defeated

An anti-war movement has been built in record time. In Italy giant mobilisations have taken place, with maybe 250,000 people on the march from Assisi to Perugia and over 100,000 people in Rome in November, dwarfing the simultaneous pro-war demonstration called by Berlusconi. In London, 75,000 demonstrated on November 18, including strong contingents from the trade unions and thousands of students; this latter demonstration was called by a coalition led by the far left and had the fingerprints of the main socialist organisations all over it, a symbol of the attempts by the extreme left to occupy the vacuum left by the collapse of the Labour left and the disappearance of the Communist Party.

These mobilisations show a lot of things. Tariq Ali, a leader of the anti-Vietnam war movement in the 1960s, said at the Socialist Alliance conference in London on December 1, "What we are seeing with the global justice movement and the building of the anti-war movement in record time is the knocking at the door of a new generation". The mass involvement of young people, in Genoa in July, in the 350,000-strong student demonstration in Madrid on December 1, 2002 and in the anti-war protests is an enormously positive feature of the present crisis.

In Italy, while the mobilisations are probably fed by mass opposition to the Berlusconi regime, they are also a tremendous vindication of the project of the Party of Communist Refoundation, which has been a key political factor in the mass demonstrations from Genoa onwards.

In Europe in general, but also in the United States, the anti-war feeling has been fostered by the left and left-liberal intelligentsia, which refuses to go away. In the English-speaking countries there has been an outpouring of anti-war writing; in Britain this has found an important echo in the mass circulation press. But in the United States, the mass media has been all but unanimous, a reflection of the much more difficult situation for the global justice and anti-war movement in North America. This was perhaps shown in the size of the demonstration outside the IMF-World Bank meeting in Ottawa - just 5,000 - although the appalling weather conditions that day makes it difficult to judge. However, major global justice demonstrations are being planned against the IMF-World Bank meeting in New York on February 21, 2002. This will be a major test of the ability of the anti-corporate globalisation forces to mobilise in the face of what is likely to be vociferous opposition from politicians, the media and the police.

One thing is certain. If the United States moves on to attack Iraq the anti-war movement will explode in size.

There are two other indicators that the global justice and other popular movements have not been collapsed by the aftermath of September 11; the December 1, 2002 demonstration of 350,000 students in Madrid, and the 80,000 trade unionists who demonstrated at the European summit

in Brussels on December 13, 2002.

But the popular movement is now going to have to answer some searching questions; most particularly, can a real mass anti-war movement be built to respond to continuing military intervention and an eventual attack on Iraq and break the pro-war consensus at an international level.

Footnotes

[1] Although the US government should pay heed to Naomi Klein's article 'Game Over', which two days after the September 11 attacks pointed out that the US casualties were not on the field of battle, but in the Twin Towers and the Pentagon.

[2] A detailed account of the infighting in the Bush administration can be found in 'Powell loses power over Pentagon', Julian Bolger, Guardian, December 11. www.guardianunlimited.co.uk - see archive.

[3] Bush will have no problem getting fast track through the Senate however. For information on this see www.washingtonpost.com.

[4] The ABM treaty didn't ban all anti-missile missiles, but allowed both the USA and USSR to have two such systems, one to protect its capital and the other to protect its main ICBM site.

2001, or the Great Cyclical Dowturn

9 February 2002, by Michel Husson

If, for the moment, we ignore the September 11 shockwave, and if we review the recent debates, we encounter two questions that underscore the profoundly ambivalent nature of the period. In the wake of the 1997-98 financial crises, the debate was polarized around the question of whether this was the long-awaited collapse or just a downturn. In the end, we had neither, but instead a rebound in growth, the "upturn" of 1997-2001, that gave rise to a new question: was this an exceptionally vigorous high-tech cycle or the beginning of a new long wave of expansion?

The suggested answers ranged far and wide, from catastrophism to critical support for the capitalist euphoria. The leading indicators of production illustrate the highly cyclical functioning of the European economies. They also confirm that the cyclical downturn preceded September 11, just as the recession of the early 1990s began prior to the Gulf War. This revelation justifies taking a step back to draw the lessons of the recent conjuncture, which serve to dispel a number of illusions.

End of the "New Economy"

The economic cycle has clearly entered a downturn in the United States, and the major characteristics of this downturn illustrate the limits of the "New Economy" paradigm. These limits are of two kinds. Some are classical and reflect the underlying contradictions of capitalism, in particular the tendency to over-accumulation of capital. Others result from the concrete forms of the "New Economy" and are not yet fully evident.

The expression "New Economy", used in relation to the United States, refers to a number of phenomena - among them, the stock market boom and the decline in inflation - but is based primarily on the acceleration of productivity increases linked to the new technologies. Such increases relax the constraints on the profitability of capital and are a precondition to higher and more stable growth. But they are not sufficient, as it is a known fact that there is no technological solution to the contradictions of capitalism.

Chart 1

The growth of the 1990s was, in fact, sustained in the United States by an investment boom, particularly between 1996 and 2001, that powered the productivity gains. Chart 1 illustrates this relationship between investment and productivity, and shows clearly that the recent productivity increases were obtained by dint of an unprecedented investment effort. This points the way to an objective answer to the question of whether it was a cycle or a new wave of growth. If it were a new growth phase, the increases in productivity would have to be maintained at a high level, with no let-up in the recent investment effort. But all the available data show that the situation has turned around: investment is falling and productivity is slowing. It seems possible, therefore, to put an end to the debate by saying that the "New Economy" was simply a "high tech" cycle. This observation in turn clarifies the nature of the recession in the United States, which has all the features of a classic crisis of overproduction. An examination of the comparative trends in the rate of profit and the rate of accumulation of capital suffices to demonstrate this. The rate of accumulation of capital steadily increased throughout the 1990s, only to decline during the year 2000. The rate of profit, while it kept pace with the accumulation of capital during the first two thirds of the decade, turned down much earlier, in mid-1997 (Chart 2). These observations

necessitate some statistical explanation, in so far as we no longer have any official data (which must be reconstituted) on the capital stock. But the downturn in profitability can be directly observed in business profits, which declined from $858 billion in the third quarter of 1997 to $761 billion in the second quarter of 2001.

Chart 2

The decline in the rate of profit results from two things in combination. First, the wage component is rising: private sector payrolls increased by 30% between 1997 and 2001, the GNP by 21.5%. A simultaneous increase in the organic composition of capital can be observed. The capital-output ratio accordingly increased by 17% in volume, but by 10% in value. In other words, the increase in capital and the decline in the rate of exploitation combined to bring about a fall in the rate of profit.

Since investment continued, meanwhile, it was only logical that over-accumulation would result, manifested in the development of excess capacity relative to the conditions of profitability. This surplus takes the form of a fall in the rate of utilization of production capacity: in August 2001, it was 76.2%, its lowest point since the 1982 recession. This drop particularly affected the high-technology industries, where capacity utilization dropped from 88% in 1995 to 63.4% in 2001. So it is the symbolic sectors of the "New Economy" that are most affected.

United States: the three major anomalies

Now that the classical contradictions have erupted into the open, the big question is how they will interrelate with the concrete contradictions resulting from the present configuration of the world economy, and with the consequences of the September 11 attacks. These concrete contradictions are expressed in the form of major economic imbalances involving stock markets, consumption and the external deficit.

Chart 3

The first major anomaly, the one that could exist between profits and stock market prices, is now fading thanks to a secular decline that at the very least suggests a "creeping crash" (chart 3). Here again, this movement must be interpreted as a call to order of the law of value. Shares represent, in effect, a claim on the surplus value that is created. In the medium term, the stock dividends and capital gains procured by these shares cannot indefinitely diverge from the actual profits they anticipate. One of the central affirmations of the "New Economy" was, on the contrary, to suggest that capital had freed itself from this law of value. Some people, Michel Aglietta for example, [1] developed theories about this "patrimonial capitalism" on behalf of which workers were asked to be modern and accept financial products in place of their salaries.

This phantasmagoria dissipated into thin air with the stock market collapse, and the ideology of capitalism has suffered a serious blow whatever the evolution of the market indexes in the months to come. It will be very difficult, for example, to create or extend pension funds in Europe, for one of the major arguments in their favour has just disappeared. How can workers be asked to index their wages to the stock market now? The recession has already provided this first worthy lesson throughout the world: pay cheques are preferable to financial risk.

The stock market correction began almost two years ago and thus has nothing to do with September 11. It operated in two stages. The year 2000 witnessed an interruption in the upward movement and the indexes marked time. The market analysts then devoted all their energy to explaining that this was a temporary stabilization that would soon be followed by a recovery. But the Coué method ("Every day in every way I am getting better and better") failed to function, and the decline continued throughout 2001. This retreat takes the form of an impressive loss of substance of the Nasdaq index, which fell from 5000 to 2000 during the year 2000 and subsequently fell to 1700, overall a two-thirds decline. The new technologies index thus joins the "traditional" stock exchange indexes, perfectly symbolizing the end of the "New Economy".

The second major anomaly has to do with private consumption. The United States is characterized by a completely exceptional situation; households have been devoting a growing portion of their incomes - now 100% - to consumption. This spending has been the main engine behind the much talked-about "new growth", but it is not sustainable. Some people consume a lot because they think the virtual capital gains achieved on stocks amount to some form of savings, while others go into debt in order to consume or to play the market. So the recent prosperity is based on a huge volume of private indebtedness. The downturn on Wall Street, which shows that these calculations had no foundation, should be expressed in a rise in the rate of savings (already a modest increase has been registered) and the ruin of some households, in short by a slower increase in consumption. The September 11 attacks, by accelerating the decline in euphoric expectations, should provide a further impulse in this direction. A catastrophic scenario is quite conceivable in which a wave of personal bankruptcies would lead to a drop in consumption and domestic demand.

The third and final major anomaly is expressed in a deficit in the current balance of foreign trade, which has now reached $450 billion a year, or 4.5% of the GNP. This means that savings from the rest of the world are being substituted for domestic savings to finance growth in the United States. Up to now this might have been considered relatively "sound", since the surplus capital from Europe and Japan was being used to finance the boom in the "New Economy". This influx of capital has been bolstered by the flight from the emerging markets

and is sustained by a strong dollar and high profitability. But now things are changing. Investment has turned around, and the new money is going into consumption, which cannot continue for very long when profits are falling and a decline in the dollar becomes plausible.

The September 11 shock has just shaken this three-fold order in a variety of ways. It may well precipitate a downturn in consumption but at the same time indicate a way out for the dominant imperialism. The period now opening up will be marked by a reversal of fiscal policy. The surplus has already disappeared, but the program of subsidies to the most affected industries and the expenditure (military or otherwise) connected with the retaliation program will amount to a Keynesian recovery program that may, at least for a while, substitute for bogged-down consumption by workers. Already, it is reported that $100 billion, or 1% of the GNP, has been earmarked. The need for external financing might then result in a deal between the United States and Europe based on the following arrangement: the United States will not try to balance its current account by resorting to an offensive lowering of the dollar (which would mean exporting its recession to Europe and Japan), in exchange for which the U.S. partners will undertake to guarantee the financing, now legitimised by the war against terrorism.

The road is a narrow one, obviously, and the imbalances appear to be so great that it is not hard to imagine a loss of control by the United States in a nightmare scenario where everything goes wrong at once: households stop spending and capital stops coming in. The adjustment is complicated, for it involves going along with the slowdown in domestic demand and even encouraging it by holding back any increase in wages, while at the same time jump-starting the economy through stimulating non-consumer goods industries. The success of the operation largely depends on the evolution of the political relationships between Europe and the United States and the United States' capacity to get the rest of the world to pay for its recovery.

The party's over in Europe

Things are certainly happening very quickly. Just 12 months ago, the European leaders were riding an upturn and singing the praises of Europe's success - this new world locomotive capable of taking back leadership from the United States. Today the same leaders are wondering how they can avoid implementing the disastrous European Stability Pact appended to the June 1997 Treaty of Amsterdam. For social liberalism, the party is over.

Yet everything had been going well. Not only was the Euro launched without incident on January 1, 1999, but its birth was attended by a surge of investment in a favourable environment. Between 1996 and 2000, seven million jobs were created and the official unemployment rates fell by 3.5 million. It is absolutely necessary to analyse the nature of this recovery, for it helps us understand the cyclical downturn. In a few words, this recovery can be described as non-"neo-liberal", in the sense that it was produced by a relaxation of the neo-liberal dogmas, not their stricter application. This relaxation was only partially a deliberate choice and is explained primarily by some external factors.

The first external factor was the de facto devaluation of the European currencies against the dollar in mid-1997. Europe gained in competitiveness, its exports surged and a new mini-cycle began. The surge in exports was matched in 1998 by an increase in consumer buying power resulting from the unexpected slowing of inflation, rather than any increases in nominal wages. Consumption immediately rose - bourgeois economists expounded on the "confidence" of households - followed by a new takeoff in investment. The resumption of activity created jobs that in turn bolstered consumer spending. On the fiscal side, the growth increased government revenues and lowered deficits, to everyone's surprise in most cases.

These chain reactions, which could be characterized as Keynesian, amounted to an empirical critique of the neo-liberal theology, a refutation of all its precepts. A strong currency was needed, we had been told, before we could have a single currency. In the name of this "law", a policy worthy of the structural adjustment plans was imposed on Europe, with the resulting loss of many jobs. But the great paradox is that the Euro proved, in the end, to be a weak currency. Without the life-saver offered by the 1997 rise in the dollar, the birth of the Euro would have encountered some serious problems.

The wage boost showed that an increase in salaries does not bring about any of the predicted disasters. Inflation remains low, and Europe is generally in a surplus position in relation to the rest of the world. While the share of wages in national income had been declining for more than 15 years, in accordance with neo-liberal recommendations, it was when it stabilized that the economy took off again, thanks to the regained dynamism of the domestic market.

A similar refutation occurred in public finance. The neo-liberal dogma postulated that the stabilization of public finance was a precondition to economic recovery, but it happened the other way around: it was the recovery that mechanically absorbed the deficit. The healthier economy we could observe during these years provides some indication of the time lost in pursuing the neo-liberal policies that brought austerity and unemployment.

Social-Liberalism up against the wall

The time has come to abandon the naive posture of a literal adherence to the neo-liberal discourse in the belief that the real purpose of this policy is to fight unemployment. In reality, the European Commission and its member governments are making no efforts to depart from the dogma. Instead of defining a standard for wage increases that guarantees some dynamism in wage claims, they have sought to return to their reference point, a wage freeze. But without this fuel, the

recovery could only run out of steam and suffer the slowdown imported from the USA.

Basically, what we have now is the scenario that was most plausible in 1998, a gradual slowing down of all the engines of the world economy. Contrary to the optimists' forecasts, the U.S. slowdown was almost immediately transmitted to Europe. Now we are seeing the brutal effects of increased globalisation reinforced by the fetters imposed on the expansion of domestic markets. The speed of this transmission is all the greater in that close to half of the world's trade is in capital goods, which faithfully reflect the sharp fluctuations in investment patterns.

Social Democracy, then in government in most European countries, had signed up to the Treaty of Amsterdam in 1997. Lionel Jospin, the French prime minister who had just taken office, placed some conditions on his signature, among them the priority assigned to employment and the establishment of an "economic government". This founding act of social liberalism accurately summarised his underlying gamble: to make the liberal-monetarist course chosen for European construction compatible with an economic policy relatively focused on job creation. The upturn may have given the impression that Jospin had won his bet, but it was all an illusion originating in a largely unexpected recovery. This life-saver helped to get the Euro going and to shove the unresolved contradictions and questions to the background. Now, with the economic slowdown, they have come back.

There is a growing perception that the strict application of the Stability Pact will mean a super-recession for the European economy, but there is no institution other than the Central Bank to guide and coordinate business cycle policy. In short, European construction is shaky, truncated and distorted in the interests of finance. In every country the dilemma is appearing: how can taxes be reduced while lowering the fiscal deficit below one per cent of the GDP? That's what the much talked-about Stability Pact prescribes, but everyone is beginning to understand that it is simply not feasible.

But the turn toward a less regressive policy is not guaranteed. To cite only one example, the European Commissioner responsible for employment and social affairs, Anna Diamantopoulou, stated recently: "EU labour markets are reforming, results have been positive so far, but government, business and unions must persist with the reform policies we have agreed on - regardless of any deterioration in the world business climate. Economic cool-off must not lead to policy cool-off. Our existing, long-term strategy is the only answer." [2] If we add to that the difficulty of changing policy in midstream, the absence of institutions capable of handling the necessary coordination of economic policies, and the limited conceptual horizon of the European Central Bank, we can only fear the worst - namely, some inadequate reactions to the cyclical downturn.

Challenge to an implacable globalisation

On October 1, 2001 the World Bank published an alarming document that revised downward the anticipated growth rates for developing countries to only 2.8% in 2001 (from 5.5% in 2000) and predicted only a slow rise to 3.5% in 2002. The Bank's president, James Wolfensohn, stated flatly: "We estimate that tens of thousands more children will die worldwide and some ten million more people are likely to be living below the poverty line of $1 a day because of the terrorist attacks." [3]

This ominous forecast, worthy of an "anti-globaliser", sheds some light on the real regression that capitalist globalisation represents, with its increased dependency. For many countries of the "South" and the "East", the economic situation is just a reflection that is a bit out of step in time with that of the imperialist countries. In other words, their capacity for autonomous development, based on the satisfaction of real needs, is virtually nil. The possibility of growth is completely subordinated to the fact that they occupy a "niche" in the world market. As for the countries dependent on raw materials prices, they will suffer a secular decline in their resources. Only the oil-producing countries can gain during the phases of price increases, but as a result their functioning is chaotic and unstable. Argentina [4] provides an extreme example of these imbalances, but what about the situation of Japan, which has been stagnating for ten years, and of all those countries oscillating between dependency and increasing marginality vis-à -vis the major powers?

This ominous situation is accompanied by a generalized questioning of capitalist globalisation. We have cited the extremely pessimistic views of the World Bank. We could add to it the astonishing feature coverage in the September 29 issue of The Economist. This ultra-neo-liberal magazine is not shy about its convictions, but its argument is extremely defensive. A good example is the title of one of the articles: "Anti-globalists see the 'Washington Consensus' as a conspiracy to enrich bankers. They are not entirely wrong."

This loss of legitimacy is not, in itself, a product of September 11 alone. The list of countries hard hit by periodic crises is a long one, with a revolving sequence of chaotic economies: Mexico, Argentina, Korea, Thailand, Russia, and Argentina again. It is becoming clear that few countries are actually gaining from globalization, and Europe's relative interlude is now coming to an end. The Euro will become the common currency, but all the advertising campaigns in the world will not convince the workers in these countries that they should expect anything positive from this. Germany, a model of monetary rigour, is crawling along and still absorbing the unification, its "victory over communism".

As for the United States, the Eldorado of the New Economy and even of the "New Age", the recession was evident before the attacks. Even the immediate response to the attacks takes the form of a self-criticism. Domestically, it is spontaneously Keynesian, almost Rooseveltian, and

puts paid to the goal of a budget surplus. Internationally, the United States is discovering, rather late, that excessive financial liberalization has eased the interpenetration between the real economy and the illegal economy. A few months earlier, the U.S. sabotaged the OECD meeting on this issue, and the current treasury secretary, Paul O'Neill, had warned against any restriction on the sovereignty of governments in the name of fighting money laundering and doubtful tax practices. [