

International VIEWPOINT

International Viewpoint—magazine of the Fourth International

IV364 February 2005

IVORY COAST

A 'Civil War' that is French and Neo-Colonial

PHILIPPINES

A new Letter of Concern

Portugal: Left Bloc
Danish general election
Equatorial Guinea
World Social Forum
Europe
Review
Ivory Coast
Globalization

Venezuela
Portugal
CPP Assassination
Threats
Spanish state
Philippines
Syria

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International Viewpoint, the monthly English-language magazine of the Fourth International, is a window to radical alternatives world-wide, carrying reports, analysis and debates from all corners of the globe. Correspondents in over 50 countries report on popular struggles, and the debates that are shaping the left of tomorrow.

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PORTUGAL: LEFT BLOC

The meaning of our electoral success

FRANÇISCO LOUÇÃ ·

Rouge: What does the election result, with its overall Socialist victory and strong vote for the Bloc, mean?

Francisco Louçã: Over the last three years the rightwing coalition government imposed policies which led to a social crisis, the most visible effect of which is the biggest rise in unemployment in the whole EU. The country is socially very vulnerable, about 20% of the population lives under the poverty threshold and most unemployed receive no benefits. This result indicates that the vast majority of the population wanted to defeat a rightwing government with those policies.

What is the progress made by the Left Bloc?

In the last general election the Bloc got 2.9% of the vote, which showed a small rise in its influence after 5 years of existence. This time the Bloc got 6.6%, going from 150 000 to 364 000 votes. There are eight MPs elected, four men, four women and perhaps we'll get one more.

New Left Bloc MPs

We've got four in Lisbon [Ana Drago, Luis Fazenda, Francisco Louçã and Helena Pinto], two (Alda Macedo and João Lopes Teixeira) in Oporto, the second city and two [Mariana XXX and Fernando Rosas] in Setubal a historical working-class town near Lisbon. This good showing is repeated throughout the country and is particularly strong in the four major centres (Lisbon, Oporto, Cintra and Braga) where the Bloc has a better score than the

Portuguese Communist Party. The PCO has overall gone up by half a point and has a national score of 7.5%.

As for the social makeup of the Bloc's voters; it is particularly strong among youth - it is the third most popular party among young voters. Unlike previous elections it has had a working-class and popular vote throughout the country. This shows the impact of the Bloc's campaigns against the war and against the rightwing government's austerity policies.

What initiatives is the Bloc going to take in the coming weeks?

On election night we said we had two priorities:

- relaunch the proposals we put forward during the campaign against unemployment, against delocalisations, against fraudulent company bankruptcies, for the fight against corruption and for the abolition of bank secrecy, for a tax policy that is the basis for the redistribution of wealth and social justice;
- take an initiative on the question of abortion which is still illegal in Portugal, which leads to women being put on trial. Even though they are often acquitted, this shows a social vulnerability in relation to a repressive law. We are going to propose a referendum for people to vote on a draft abortion law and we will present it straightaway because the defeat of the right wing offers a favourable opportunity for such an initiative.

DANISH GENERAL ELECTION

Big progress for Red Green Alliance

THOMAS EISLER ·

RGA campaign

Though the election campaign was short - only three weeks - it was intense. The RGA had a very active campaign. From all branches the reports is that the level of activity and people active was higher than earlier campaigns. Four years of ultra-right government needs a clear alternative. This is neither offered by the Socialist Peoples Party nor the Social Democrats.

Logo of the Red Green Alliance

The RGA has developed the criticism of the government's policy along with our alternative. One of the main issues brought up in the debates was unemployment. While the Liberal party and the Social Democrats promised more employment without any concrete proposals, the RGA proposed more jobs in the public sector with the argument that it is almost without cost because benefits and other expenses can be used to create proper jobs. This would improve public services and reduce health problems due to work pressure.

The RGA also tried to put forward opposition to the Iraqi occupation and the proposed European Union constitution. On TV we were never able to put these issues on the agenda. But we succeeded in organising a demonstration together with the Socialist Peoples Party against the Iraqi occupation and for withdrawal of Danish troops just three days before the election. With 5000 in Copenhagen it was the biggest demonstration since the war formally ended and it was given some coverage in the newspapers.

The RGA was also backed by other parts of the left. The International Socialists made a campaign for

the RGA, using both RGA material and their own. The Maoist DKP/ML daily newspaper "Arbejderen" (the Worker) also carried positive coverage of the RGA during the elections. The old communist party, the DKP, was one of the founding organisation of the RGA; however they were divided between those active in the campaign and a sceptical wing who are more eager to make a joint communist party with DKP/ML and the KPId. The latter were the more Stalinist components of DKP who left the party in 1990.

Successful youth campaign

In Denmark we have experienced a radicalisation of the youth in recent years. We have seen the high school students as the most active movements against the right wing governments austerity policies. The RGA prepared a youth campaign together with Socialist Youth Front (SUF) a campaign aimed at the schools. It showed an improved cooperation between SUF and the RGA.

Red Green Alliance membership

The numbers are for October each year. In January 2005 membership was approximately 2,650. Almost 1000 has indicated they want to join the RGA since elections were announced on January 18 and 100 have already paid their dues to join.

Figures below give year, number of members and development.

1992	1,082	
1993	999	(-7,7%)
1994	1,093	(+9,4%)
1995	1,189	(+8,8%)
1996	1,282	(+7,8%)
1997	1,479	(+15,4%)
1998	2,023	(+36,8%)

1999 **1,968** (-2,7%)
 2000 **1,945** (-1,1%)
 2001 **1,992** (+2,4%)
 2002 **2,366** (+18,8%)
 2003 **2,321** (-1,9%)
 2004 **2,524** (+8,7%)

Red Green Alliance electoral results

Figures give the year, percentage and number of seats

1990 **1.7%** (0 seats)
 1994 **3.1%** (6 seats)
 1998 **2.7%** (5)
 2001 **2.4%** (4)
 2005 **3.4%** (6)

Interview with Jørgen Arbo-Bæhr

Jørgen Arbo-Bæhr

The RGA has a principle of rotation that doesn't allow MP's to run after seven years in parliament. Because of this Keld Albrechtsen and Søren Søndergaard, who had been MPs since 1994, were just able to run as candidates for the last time at the election in 2001. Søren Søndergaard is a member of SAP.

The New RGA MPs are Rune Lund, Per Clausen, Frank Aaen and - a surprise - Jørgen Arbo-Bæhr. The latter is a member of SAP and worked as secretary responsible for labour issues. Earlier he was a trade-union activist of the potters' union. Below is a brief interview I recently did with Jørgen

– What are the tasks after the election?

– We should make the difference clear between the rightwing government and its liberal policies and the leftwing. The RGA must show there is a leftwing alternative. This is very important because the other workers parties move to the right in their pursue of power. This is also important in an international perspective because the left is faced with the same liberal policy in other EU countries.

– What can be your personal contribution to the RGA parliamentary group?

– I can contribute to the strengthening of the RGA's profile regarding the trade unions. Our task is to make the trade-unions an active movement. The trade unions suffer from the political crisis of social democracy. Fortunately there is a left current in the trade-unions.

– How has the relationship between the RGA and the trade-unions developed in the recent years?

– More and more there is an understanding within the trade unions that the RGA is necessary. Even Social Democrats in the top-layers of trade-unions see this. There is a need for a party that puts pressure on Social Democracy from the left. It is also because the RGA addresses issues that Social Democracy ought to take up.

– Can you give examples?

– Well, there is the shutting down of the industry and moving workplaces to low-wage countries. There is the pressure on wages. Employers start to demand lowering of the wages with the threat that otherwise they close. Also the use of unemployed in work-schemes is used to put pressure on wages along with workers from eastern Europe.

– There will be a renewal of the Collective Bargaining Agreement for workers in the public sector this spring. Will that be an important issue?

– No, not really. In the short term there has been created some space for improvements in working conditions. The big issue is the big reform of local and regional governments. This will put a lot of pressure on public sector workers. We have put focus on ensuring wage and work conditions. The reform is designed to open up for major privatisation and outsourcing this creates a lot of insecurity for the workers.

EQUATORIAL GUINEA

Oil Rich Equatorial Guinea - Time For Another Coup?

NORMAN TRAUB ·

Simon Mann and fellow mercenaries in court

In Mann's trial in Zimbabwe prosecutors alleged that Equatorial Guinea's Spanish based opposition leader, Severo Moto, offered Mann and his fellow mercenaries \$1.8m and oil rights to overthrow President Obiang. Obiang who himself seized power from his uncle in a coup in 1979. Mann was arrested with 64 suspected South African mercenaries, who had flown from South Africa into Harare in March 04 in a Boeing 727. Mann admitted trying to order assault rifles, grenades and anti-tank rocket launchers from Zimbabwe Defence Industries. Mann was sentenced to 7 years imprisonment for attempting to possess dangerous weapons and the 64 suspected mercenaries to 16 months imprisonment for violating immigration laws.

DuToit's was tried together with 14 other mercenaries and several Equatorial Guineans in Malabo in August 04 and admitted giving logistical support to the coup attempt. However, in the closing days of the trial he withdrew his confession, claiming it was made under torture. A member of the group imprisoned with DuToit, a German, died in prison. Amnesty International suspected the death was due to torture.

Mark Thatcher

Sir Mark Thatcher, Lady Thatcher's son, was arrested in Cape Town in August 04 over accusations that he helped finance the attempted coup. Crause Steyl, a former crack mercenary pilot, who was convicted in Dec 04 of violating South Africa's foreign military assistance act for his role in the botched coup in Equatorial Guinea, will be a star witness in

Thatcher's trial. In his plea bargain deal, Steyl is reported to have given details of Sir Mark's as well as his own role in the plot.

He revealed that he was recruited by Simon Mann, who asked him to look into the acquisition of a helicopter to be used for the coup. He first met Sir Mark, together with Greg Wales, a British businessman at Lanseria Airport, north of Johannesburg in Dec.03. He was told on this occasion that Thatcher would finance the purchase of the helicopter. Later, Thatcher, who is a trained pilot, tested the helicopter. In the event, the helicopter was not used due to original plans for the coup being stalled. Steyl was supposed to fly Severo Moto to Equatorial Guinea from Spain to take Obiang's place after the coup.

The South African state prosecutor, Michael Donen in arguing that Sir Mark must answer questions about the alleged failed coup attempt said "There is therefore a trend, apparently in Equatorial Guinea and in central Africa where chequebook colonialists hire small groups of former South African Defence Force people and they buy themselves a small African country which has oil". Sir Mark is also charged with violating South Africa's anti-mercenary laws.

U.S. and Britain aware of the plot

Inside and outside the courts there have been repeated allegations about the involvement of the US, British and Spanish governments in the attempted coup against Equatorial Guinea. In September 04, Miguel Borico, the prime minister of Equatorial Guinea in the General Assembly of the UN charged that Spain was involved in plotting a coup against his government. Spain denied the charge.

As regards the US and Britain, Johann Smith, a former commander in South African Special Forces revealed that he had sent separate reports to two senior officers in British intelligence and to Michael Westphal, an adviser to Donald Rumsfeld, the US Defence Secretary, warning them of the impending coup attempt. Britain at first denied all prior knowledge of the coup attempt but Jack Straw, the British Foreign Minister was forced to admit later that he knew about it six weeks before it was supposed to take place. The Equatorial Guinea government complained that neither the US nor Britain had warned it of the coup attempt and it thanked South Africa for informing it of the plot.

Gulf of Guinea Oil vital for U.S.

Ten years after the discovery of vast quantities of oil and gas in its waters by ExxonMobil, tiny Equatorial Guinea now produces 440,000 barrels of oil daily, almost half the yield of Nigeria. Within five years it will probably become Africa's second biggest producer and one of the US's largest providers. According to the IMF, its income from oil and gas is about \$1bn a year based on 1992 oil prices and output. It is more likely that its income from oil is \$3bn.

Large quantities of oil have also been discovered in the waters off the tiny neighbouring island of Sao Tome e Principe, where over 20 oil companies have bid for the right to drill. The U.S. is negotiating with the government of this island to establish a strategic regional base there.

The African Oil Policy Group, a Washington lobbying group, reported to the House of Representatives African Subcommittee in 2002, "the Gulf of Guinea oil basin in West Africa, with greater western and southern Africa and its attendant market of 250 million people located astride key sea lanes of communication, [is] a vital interest in U.S. national security calculations".

The U.S. has used the "war on terrorism" to increase its military presence in Africa. General James Jones, commander of the US European com-

mand with responsibility for African operations, on the eve of President Bush's visit to Africa in June 03 stated that the US was trying to negotiate the long term use of a "family" of military bases across Africa. Augmenting these bases would be a strong U.S. Navy and Marine force operating in the Gulf of Guinea off the coast of West Africa "The carrier battle groups of the future may not spend six months in the Mediterranean sea," Jones said "but I'll bet they spend half the time going down the west coast of Africa".

In October 04 the U.S. European Command sponsored a three day Gulf of Guinea Maritime Security Conference, which was hosted by Admiral Gregory Johnson, Commander of U.S. Naval Forces Europe. Leaders of 17 navies from West Africa, Europe and the U.S. were present. High on the list of subjects discussed was the need to reduce maritime threats to economic development such as offshore oil production.

Wealthy few, majority poor

It is estimated that the giant U.S. oil companies Exxon Mobil, Marathon and others have invested more than \$3bn in Equatorial Guinea, a country with a population of about 500,000 people. According to a government source, the deal the oil companies struck is for the government to receive 15% of oil revenues. The average income is said to have grown to \$5000 a head from less than \$500, the economy is growing by 65%. A new motorway and a new airport have been built in Malabo, the capital city and the hospital has a new wing.

The social conditions of the majority of the people have not improved and in Malabo 30,000 people live in some of Africa's worst slums. Only a minority of the population have really benefited from the oil wealth. The president, his family and a small elite are very wealthy. In the course of an overall investigation of account transactions at Riggs, an old-line Washington bank, U.S. Senate investigators discovered large payments made by the oil companies to officials of Equatorial Guinea and their relatives. \$700million in accounts and certificates of

deposit for the Equatorial Guinea government, its officials and their relatives were held with the Riggs Bank. Using wire transfers some \$35 million was drained from an account that held oil revenues for the country's people and into offshore companies. Riggs was fined \$25million for a "wilful, systemic" violation of anti-money laundering laws.

The corrupt, repressive regime of President Obiang has survived frequent coup attempts. The failed coup attempt in March 04 is not likely to be the last to decide who takes over from Obiang. Until now it appears that his regime has served the interests of the multinational oil corporations. The failure of the U.S. and Britain to give Equatorial Guinea prior warning of the attempted coup begs the question as to whether the imperialists are now looking for an alternative to replace him.

Links between Pentagon and alleged plotter

Links have been discovered between a senior U.S. defence official and the British businessman, Greg Wales, who has been implicated in the coup attempt by the convicted mercenary pilot, Crause Steyl as well as by the Equatorial Guinea government. The former British Home Secretary, David Blunkett acceded to a request of the Equatorial Guinea government to authorise the police to investigate the role of Greg Wales in the attempted coup.

According to the Equatorial Guinea government, when the plot was in its early stages in November 03, Simon Mann paid Wales \$8000. The following January, Wales's firm, the Sherbourne Foundation was paid another \$35,000 by the coup plotters. A few days after the alleged first payment Wales went

to Washington to a conference organised by an influential group of U.S. "private military companies", the IPOA(International Peace Operations Association). There he met Theresa Whelan, a member of the Bush administration in charge of African affairs at the Pentagon. He had a further meeting with her a few months later. The Equatorial Guinea government accused the U.S. of backing the coup attempt, which the Pentagon denied, claiming it was Mr Wales who made all the approaches to them.

Ms. Whelan told the IPOA conference that the Pentagon was keen to see private military companies operating in Africa. She said "Contractors are here to stay in supporting U.S. national security objectives overseas". They were cheaper and saved the use of U.S. forces in peacekeeping and training. She added "The U.S. can be supportive in trying to ameliorate regional crises without necessarily having to put U.S. troops on the ground, which is often a very difficult political decision.....Sometimes we may not want to be very visible".

Ms Whelan merely confirmed the practice pursued by successive U.S. governments over many years. They secretly support or approve of private armies and mercenaries in many parts of the world, who serve their interests and disclaim all knowledge and responsibility for their actions when accusing fingers are pointed at them. Whatever the truth behind the bungled plot against the Equatorial Guinea government, U.S. military circles are sympathetic to the coup attempt. One of the officials present at the IPOA dinner said "Ethically you have to want to see Obiang removed.... It's a real indictment of the international community that they've failed to get rid of him".

New Successes, New Challenges

PIERRE ROUSSET ·

In going back to Porto Alegre after having migrated last year to Mumbai in India, the WSF could have lost its momentum. And indeed there were many who announced that it was running out of steam, or even that it was in decline. The question deserved to be asked, insofar as the international situation is bad and the policies applied in Brazil by the Lula government could have had a demobilizing effect.

However it very quickly became clear that there was a significant increase in the number of people registering for the WSF. The success of the Forum was thus foreseeable in November 2004, even though some people continued speculating about its failure right up until the opening day.

The particular success of the 5th WSF can be explained to a considerable extent by the Latin American context: the scale of neo-liberal attacks, coupled with the aggressive policy of intervention and of so-called "preventive" wars that Bush is so fond of, are creating profound instability and new phases or radicalisation, of politicisation. Demonstrating this politicisation, the debates over questions of orientation and strategy were particularly well attended. But the phenomenon is not just Latin American.

The process of social forums is spreading on an international scale. It resisted the ideological counter-shock of the attacks of September 11, 2001, as well as Berlusconi's repression at Genoa. It still expresses the offensive frame of mind that has characterised it since the beginning, in 2001, even though the bourgeoisie is still dealing severe blows against the workers' and peoples' movements.

Elements of continuity

Quite logically, the numerical scope of a social forum depends on the host country (in Europe, for example, it was smaller in London than in Florence or Paris). But since 2001, although not uniform, it is much more consistent than social or anti-war mobilizations; is even on the increase. That depends on at least one condition: that the range of organizations involved in its preparation is sufficiently representative and diversified. So the forums fill a specific function.

The conception of the forums flows from the characteristics of the present period. It provides for both defensive regroupment faced with the universal nature of neo-liberal, anti-democratic and militarist attacks and for the offensive expression of alternatives incarnated by new generations of fighters. It replies to an essential question: how to build links of solidarity and ensure convergences in struggle between very varied sectors of society (all of whom are hit by the ultimate "commodification" of the world), in a situation where in the industrialized countries the organized workers' movement no longer plays the centralizing role that it once did (there are still some exceptions, like the KCTU in South Korea). And where in the countries of the Third World, armed struggles (real or potential) are generally no longer the backbone of social resistance. The forums also provide a way of getting involved in politics at a time when the authority of political parties is being challenged.

The attraction of the social forums flows largely from that: they offer an indispensable space for coming together, a space that is both free and militant. Porto Alegre shows that this function remains essential today in Latin America. The resounding impact of Mumbai, last year, allowed the process to

grapple with Asian reality. In Europe the ESF is helping to define a common action programme on a specifically European level, which the unions on their own have been unable to do for the last forty years. The task is not simple, success is not guaranteed but it is highly significant that the question is being posed today in the framework provided by the forums.

Nothing is eternal, not even the social forums; but everything indicates that they remain extremely useful. In this sense, they have demonstrated over the last five years a high degree of continuity.

Evolutions

Continuity does not mean immobility. Mumbai represented a turning point in the history of the World Social Forum. The return to Porto Alegre benefited positively from it. The forum represented an opening on many levels. Physically: by leaving the campus of the Catholic University, by pitching its tents by the side of the lagoon, by getting closer to the centre of the city and to the local population. In terms of generations: by placing the Youth Camp at the very heart of the site and not on the far fringes (it accommodated 35,000 people, especially Brazilians, followed by Argentinians). In terms of practice: taking environmental questions fully into account in the way the site was conceived, using small producers for food supplies, using free software, the role of the Babel network of voluntary interpreters - all these are examples. Organizationally: the priority was given to self-organized initiatives.

A new "methodology" (to use the vocabulary of the Forum) was applied. The programme was worked out after very wide consultation of base organizations. Eleven "axes" or "terrains" were defined, so as to ensure the visibility of the major themes dealt with. All the movements were invited to check whether their initiatives could be regrouped, in order to reinforce dialogue and collaboration (the process known as "agglutination"). Every theme had to try to link reflection to proposals for actions

and campaigns, to make a closer link between debates and mobilizations.

This new, complex, methodology was implemented in a very short space of time. A little time will need to pass before we can judge its results. But it seems really to have enabled networks of militants to discuss different approaches and to define, over and above political differences, common campaigning grounds. It also created a new balance between the themes of debate within the Forum and the Assembly of Social Movements, which in Porto Alegre remained the place where a common calendar for action on an international scale was worked out.

Expansion and articulation

Never in the past have the same (neo-liberal and antidemocratic) policies been applied by the same institutions in such a universal way: from East to West and from South to North, we are all confronted with the same deregulations, privatizations and opening up of markets, with the same attacks on civil liberties. "Preventive" war and "anti-terrorist" ideology appear as the counterparts of capitalist globalization. As a result we really need to build a common international front of resistance and of alternatives. But there is a real danger of disarticulation between the process of the forums and mobilisations.

The specific, thematic campaigns are today occupying a more important place, after the big "general" mobilizations of past years: for the cancellation of Third World debt, against discrimination (see the publication by the World March of Women of a 31-point charter [1]) and against the war in Iraq, for example. That is in itself a good thing. But it also reinforces the need for common rallying points where all the fronts of struggle can converge.

In the coming two years, the role of the regional forums will probably be reinforced in relation to the world forum. Struggles tend to be rooted at the national or sub-continental level (the question of Venezuela in Latin America, the question of the

Constitution and of public services in Europe). In 2006, the World Social Forum will be "decentralised", inevitably taking on a more regional content than previously.

These evolutions are taking place in response to real developments and there is nothing negative about them as such; they are necessary. The problem is that the places where information and reflection are collectivised on an international level, where regional and thematic processes are articulated, are being weakened at the very moment when the movement as a whole is further diversifying. In its composition and its functioning, the international council of the WSF does not correspond to this need (it was not capable of concluding the very important discussion on the rhythm of the fo-

runs), even though its commissions can be more effective.

The organizing pole of the network of social movements has to be renewed, but how to do it is not at all obvious. The various so-called "intellectual" themes which are trying to make the link between developing fundamental analyses and bringing answers to the needs of militants have to co-operate more closely, but they are not yet doing so.

If we want to avoid the decentralisation of the movement leading to its disarticulation (and to a weakening of the capacity of collective resistance to liberal and military globalisation), new and concrete answers will also have to be found on this level.

EUROPE

Then there were 25

Brendan Young ·

It is likely that the EU Constitution will be ratified in all the new East European Member States and most of the 'old' EU-15 over the coming two years. But the socio-economic prospects for the new Members and across the EU are rather inauspicious. The entry conditions laid down by the EU for the new East European member states, to be followed by Bulgaria and Romania in 2007, have de-industrialised their economies. Official unemployment in southern Poland is 40%, with an overall rate of 20%. Imports are primarily consumer goods, with little import of capital goods; and exports are predominantly of labour-intensive goods. This indicates that the de-industrialisation of the 1990's has not changed. A similar pattern exists in Hungary and Slovakia, Slovenia and the Czech Republic having fared a little better. But the future is not the rosy one of a Polish or Hungarian 'Tiger', reflecting the recent Irish experience.

The EU bluntly stated in 2000 that levels of capital formation, productivity and GDP per person in the Central and Eastern European Countries (CEECs) would take decades to match those of Western Europe. That projection was based upon European patterns of production and accumulation of the 1990s: it did not account for the boom in the Chinese economy and its impact on the Eurozone economy. Globalized sub-contracting has had a sharp impact. Unemployment in Germany, the industrial motor of the Eurozone economy, is 10% in the 'west' and 20% in what was the 'east'. General Motors (GM) is planning to shed 9,500 German jobs in its Opel operations, though its 'eastern' plant is safe due to lower wage rates; the GM-

owned Saab plant in Sweden is under threat of closure; VW and Siemens have increased working hours for no extra pay; and both VW and Mercedes have set up car factories in China.

Sub-contracting component production to China, where wages are approximately 5% of British rates, has had the effect of turning part of the German economy to more of an 'assembly' than 'production' economy. This 'east-west' polarisation in Germany reflects the general failure to re-industrialise the CEECs after the collapse brought about by capitalist restoration. And this is despite massive financial transfers to Germany's 'eastern' Lander - €130 billion over 13 years, equivalent to approximately 5% of German GDP per annum.

Add to this the changed conditions on the farm, and the mix is heady. The present enlargement of the EU to twenty-five countries will double the area of agricultural land, and more than double the agricultural workforce in the EU. The number of Polish farmers is at present more than the total for France and Germany combined. [1] Agricultural unemployment, almost 40% in south-eastern Poland, [2] will be worsened by the Common Agricultural Policy, which favours large-scale farming over smaller units. EU estimates are that only 600,000 of the estimated 2 million Polish farms will survive full EU membership. A serious crisis for the rural population of Eastern Europe is on the cards. This will have significant knock-on effects, both on small farmers and on migration patterns, in Western Europe.

So the chickens are coming home to roost. Flowing from the EU and International Monetary Fund's neo-liberal policies, an enlarged Union including Bulgaria and Romania would have approximately 153 million - almost a third of a total population of approximately 485 million people - living in re-

gions with Gross Domestic Product (GDP) per head below 75% of the previous EU-15 average. [3]

Competition between poor and very poor

Neo-liberal enlargement has thus created competition for scarce EU resources between the poor regions of the EU-15 countries (where GDP per capita is below 75% of the EU average), [4] and the very poor of the CEECs, where average GDP per capita is approximately 50% of the EU-15 average (not to mention Bulgaria and Romania, where GDP per capita is approx 30% of EU-15 average). None of the core EU states is willing to increase its contributions to bail out the CEECs: Germany's Finance Minister Hans Eichel has argued that money going to the poor of Eastern Europe is money being taken away from poor regions of Germany; and that the transfer regime is holding back the German economy. [5]

And even if bigger financial transfers were made, 'East' Germany illustrates that of themselves these do not work. Controls on the movement and location of capital are an absolute necessity if regional disparity is to be addressed. EU Regional Policy, comprising small-scale subsidies and infrastructural development, is marginal. It was and is designed to placate political movements that reflect dissatisfaction with regional inequalities in the EU-15, and will have little impact in the enlarged EU. The indications are that the capital cities and western border regions of the CEECs will experience a growth of investment and employment. [6]

But in the context of globalised production systems, de-industrialisation and extensive regional impoverishment in Eastern Europe are likely to become structural features of the EU.

What has emerged from EU enlargement is the creation of a very large internal periphery with its own pattern of uneven development; and a pool of very cheap labour of about a quarter of the EU's working population. Combined with this we have stagnation in the German economy - the biggest in the EU - and increased competition from a booming low-cost Chinese economy.

A Race to the Bottom

The response to this from the European Commission, from governments and capitalist organisations has been calls for increased competitiveness and productivity, as well as cuts in social spending. These are encapsulated in the Lisbon Agenda, 'to make the EU the most competitive knowledge-based economy in the world', during the coming years. But for European workers, competition with an increasingly capitalized Chinese economy, where millions of peasants provide a vast pool of cheap labour, is a race to the bottom. [7] Likewise the calls for increased competitiveness will do little for impoverished regions other than drive down wages, since the tendency is for high value-added production to locate in core EU regions. [8]

The official leadership of the European labour movements have bought into this 'competitive approach' although there is some fraying at the edges. The most significant breach has been over the 'country of origin' principle in the Commission's Directive on Services in the Internal Market - the Bolkestein Directive. This would allow a privately-owned provider, based in a country where regulations allow low standards, to operate according to 'country of origin' regulations in other EU countries. It has been argued that the Bolkestein Directive will nullify existing laws which require a foreign employer to observe the pay and conditions of the country of employment. The dispute over 'outsourcing' of staff at Irish Ferries, where the company is using low-paid agency workers from Eastern Europe to replace unionised Irish staff, showed just how weak this protection already is: Bolkestein would wipe it out.

While not opposed to the whole Directive, the European TUC and other union organisations have declared their opposition to the 'country of origin' aspect of Bolkestein and in favour of retaining existing protection regimes. This 'national' defence against the use of cheap Eastern European labour to undermine 'western' wages and conditions is a

useless strategy in the face of the relative impoverishment of one third of the EU population and the emergence of a huge pool of cheap labour; and it abandons millions of people in the CEECs to the mercy of the market.

Does the EU Constitution provide the means to deal with impoverishment in the 'east' and attacks on wages, conditions and social provision in the 'west'? The Constitution contains some positive values and objectives: the broad statements of Parts I and II. But these are undermined and contradicted by the means, as detailed in Part III - the policies and functioning of the Union.

The Neo-liberal Agenda

In continuity with previous EU treaties, the Constitution commits the EU to economic liberalisation. It enshrines the 'free movement of persons, services, goods and capital', and 'an internal market where competition is free and undistorted'. This rules out public control of capital movement or economic planning. Public utilities, water, energy, transport, communications, and state firms are also subject to the EU's competition rules: they cannot be given priority, for social or environmental reasons, above the interests of private capital. The European Central Bank, which has no democratic accountability, has price stability as its objective, rather than employment or sustainability. It is this neo-liberal approach that created and has failed to correct the current polarization - rich west and poor east.

But the Constitution takes liberalisation a step further by providing a framework that makes it much easier for the Commission to liberalise trade in health, education, cultural and audio-visual services. The new Common Commercial Policy would end the unrestricted veto on international trade in these areas, in particular through the General Agreement on Trades and Services (GATS). The GATS agreements entail progressive elimination of regulations, so that a foreign company can compete to provide a service, with no preferences allowed for existing domestic providers. The provisions of

the Bolkestein Directive are very similar to the GATS rules, and would bring both deregulation and a single European market in services, enhancing the negotiating position of EU trade negotiators (led by Peter Mandelson) in the GATS talks.

Such trade leads to part or full privatisation and means that profitability becomes increasingly important in the provision, quality and access to these services. And the drive to liberalise applies also to trade with developing countries, as illustrated by the European Partnership Agreements currently being negotiated by the EU with the ex-colonies - the African-Caribbean-Pacific (ACP) countries. These agreements require the ACP countries to lift their restrictions on imports and service providers from the EU in return for limited access to EU markets - to the advantage of European companies and contributing to poverty in these countries.

So rather than alter the socio-economic trajectory of the EU, the Constitution will deepen it and enshrine it in constitutional law.

A Superstate?

As to structures and democracy, the Constitution would give the EU some more of the characteristics of a state. The EU is to have 'legal personality', enabling it to act internationally on behalf and instead of the Member States. There is to be an EU President and a Foreign Minister, with foreign policy being formulated by a Foreign Policy and Security Committee, supporting a diplomatic corps of 40,000. The Constitution explicitly states that EU law is superior to Member State law in those areas where the Constitution gives the EU the competence to do so. In the past this referred to broadly economic matters. But the Constitution ends the previous distinction between 'Community' areas, where EU law was supreme, and 'intergovernmental' areas, where national laws applied. In principle, all government policy can now come under EU law, with foreign policy, civil and criminal law immediately coming under EU influence.

Member States have lost the power of veto in 27 policy areas, in particular on liberalisation of trade in public services. The European Parliament has gained power of veto in a number of areas, but despite it being the only directly elected institution of the EU, it still cannot initiate legislation: only the Commission can do this. While the Charter of Fundamental Rights is incorporated into the Constitution, this can be overridden: the Council of Europe (25 heads of state) can limit these Rights by law, 'to meet general objectives recognized by the Union'.

ETUC leaders have lauded the Constitution for the supposed right to hold a Europe-wide strike. But this right to strike does not override the labour laws of the Member States, and is thus highly restricted, if not nullified, by them. And while the Charter gives legal standing to public services, such legal standing does not override relevant national legislation. So there is no provision requiring minimum levels of service or adequate funding to ensure universal access to high quality services. Under the Constitution, the European Commission and the Council of Ministers would gain powers in at least 25 new areas, Member States would lose powers, and there would be limited additions to public accountability via the European Parliament. These changes will undermine rather than enhance democracy in the EU. While the new powers gained by the EU, including military enhancement, advance the state-like characteristics of the EU, it remains a quasi-state. The EU does not have a police force; and none of the Member States is giving up its armed forces. All EU law, including tax-raising, is implemented by the state institutions of the Member States themselves, rather than an EU state as such.

There has been a passing-up of legislative and executive powers to supra-national bodies, but the European social formation remains nationally fragmented and the nation state remains essential in the maintenance of capitalist social power. The EU does not challenge this order. But although the class struggle begins at the national level and

against the 'nation' state, an internationalist strategy is vital for the workers' movement. Such a strategy must also include support for the right to self-determination, which is absent from the Constitution. Indeed the leader to the conservative Partido Popular in the Spanish state, Mariano Rajoy, has cited Article 1.1 of the EU Constitution - which refers to citizens and states as establishing the EU - as 'shutting the door on delusions of self-determination', in his denunciation of the Ibarretxe plan for Basque autonomy within the Spanish state.

Mirroring the Bush Doctrine

On military matters, the EU agreed a new Security Strategy in December 2003, which was followed by a European Council agreement specifying the 2010 Headline Goals. These expanded the security and military brief of the Amsterdam Treaty and included a commitment to engage in 'preventative' wars. This mirrors the Bush doctrine. The same Council confirmed the EU's links with NATO, confirming the EU-NATO permanent arrangements for crisis management. NATO military doctrine includes first-strike strategy, with a willingness to use nuclear weapons.

It is in this military framework that the Constitution would oblige Member States to show mutual solidarity and loyalty to the EU's Common Foreign and Security Policy; to make civilian and military facilities available to the EU; and to progressively improve military capabilities. It declares that EU defence policy 'will lead to a common defence when the European Council acting unanimously so decides'. Some States can also, 'establish permanent structured co-operation within the Union framework.....in accordance with the principle of a single set of forces', which amounts to an EU army. Nowhere is it mentioned that EU military activity overseas will require a UN mandate; or that nuclear disarmament is an EU objective. Indeed the Constitution commits the EU to continued support for nuclear power by incorporating the Euratom Treaty.

All of this is supposedly for 'peace-making'. But of course it will be a Pax Europeana, as against a Pax Americana. The likely theatre of EU military activity is Africa. European states want to stabilise African states that are sympathetic to the needs of European capital regarding strategic raw materials, cheap food production, markets for EU goods, and to control mass migration to Europe in the context of social crisis. [9] And the Spanish Socialist Party prime minister Zapatero revealed the aspirations of European leaders when he said last November that the EU will be one of the great military power-blocs of the world in 20 years' time.

In summary, the Constitution reduces democracy and accountability within the EU; it prioritises the market above the needs of working people and enshrines neo-liberalism as European economic policy; it advances the militarisation of the EU in strategic alliance with NATO; and it undermines social and environmentally sustainable development, at home and abroad.

Social Democrats as Grave-Diggers of the Welfare State

Good sense tells you that when you are in a hole, you should stop digging. But in the face of social storm-clouds gathering on the horizon, the social-democratic supporters of the EU Constitution are acting as the grave-diggers of the post-war social contract. The essentials of this were the ceding of control of production to capital, in exchange for basic social protection for the working class, education, health-care, unemployment protection, pensions - the welfare state. While pensions are under attack across Europe and there is pressure to replace welfare with workfare, education and health-care had been regarded as sacrosanct. But the Constitution would provide the framework for commercialisation of these services, deepening two-tier patterns of access and quality that already exist.

By embracing the EU Constitution, which entrenches in constitutional law the economic precepts that have given rise to the current socioeconomic circumstances, the official leadership of the labour movement is politically neutralised in the

face of the assault on wages, working conditions, and the social wage; nor has it any strategy to reverse the crisis faced by impoverished millions in the 'east' - and their impact in the 'west'.

NO to the EU Constitution

In the spirit of solidarity rather than mutual competition, we reject this Constitution and call for a NO vote in any referendum. We reject the de-humanising race to the bottom advocated by the EU and by governments across Europe. Where is the social rationality in lengthening the working week and working life when millions are without work? We need a trans-European strategy that puts social and environmental needs to the fore, irrespective of the protestations of big business. The commitment to liberalisation must be broken if regional and social polarisation are to be tackled. Public utilities, including transport, water, communications, energy and environmental services should be run as need-driven services, not profit-oriented commercial activities. Essential social services like health and education should have no commercial influences acting on them. A Constitution that allows trade in public utilities, and facilitates trade in health, education, cultural and audio-visual services should be opposed. Nor should we support a Constitution that maintains the current secrecy in the EU's international trade negotiations at the GATS and WTO.

There must be an end to the militarisation of the EU. The total military spending by EU Member States is approximately E200 billion per annum, about half of the US military budget: this should be diverted to socially useful projects. The history of the European imperial powers is one of plunder and exploitation, we can place no trust in them to extend their military remit under the cover of the EU. Similarly, there should be no support for nuclear power, no nuclear weapons, and no military alliance with NATO.

Giving the European Parliament - the only directly elected EU institution - full law-making powers would go some way to redressing the democratic

deficit at the heart of the EU. Under current circumstances, preservation of Member State vetos is the only means of political accountability: why elect a left-wing government that can be outvoted in the Council of Ministers. To enshrine in constitutional law a set of political institutions as anti-democratic as those of the EU is to acknowledge that the future trajectory of the EU will be anti-social and unpopular; and that decision-making bodies must be insulated from popular pressure. No supporter of democracy can tolerate this. No future left-wing government could abide by it.

The coming debate on the EU Constitution will see the nationalist right attempting to lead a NO campaign. If this is to be avoided, the Left will have to unite in a fight to take the leading role - using internationalist arguments and challenging the neo-liberal trajectory of this reactionary Constitution. Vote No in any EU Constitution referendum.

This article first appeared in Socialist Outlook, a marxist review produced by the ISG, British section of the FI.

REVIEW

Direct Democracy in Brazil

ALEX COWPER ·

For fifteen years or so, beginning in the late eighties in the southern city of Porto Alegre, there was a radical experiment in direct democracy which involved thousands of citizens in improving the conditions under which they lived. This experiment was called the Participatory Budget (PB).

The book begins with an interview with grassroots PB activists and brings together articles by the broadcaster and writer Iain Bruce, Raul Pont (ex-mayor of Porto Alegre), Joao Machado and other leading Brazilian leftists. In effect, it shows why Porto Alegre was the natural choice to host the World Social Forum and why it became a beacon for the anti-globalisation movement.

Together, the contributors give us one of the best pictures available of how the PB operated. Every year, over a period of months, people met in their neighbourhoods to decide the priorities for the allocation of resources in next year's municipal budget. In a series of mass meetings (involving upwards of 30,000 people every year by the early 2000s) these decisions were refined upon and co-ordinated. This process was later extended to the whole of the state of Rio Grande do Sul, involving one-third of a million people in 2002.

Was the PB a democratic figleaf, a way of securing the consent of the masses for their inadequate level of public services, a way to limit rather than expand horizons? Potentially, and in the case of some cities, administered by less radical forces, actually.

But this is what Jose, an activist, says: "More than just public works, [the PB] manages to discuss the big issues... The PB should be implemented across Brazil. I think this is a model that the WORLD

needs." At its best, the PB was Paulo Freire's revolutionary educational process in action.

But aren't the possibilities of making substantial changes to people's lives very limited at municipal level in a "Third World" country? In fact, the southern part of Brazil is the most developed part of the country, with a relatively high local tax base.

Admittedly, municipalities still only get 14 per cent of total national tax revenue. But in the first ten years of the PT administration in Porto Alegre local taxes went up by 196 per cent and became more progressive, targeting holders of real estate, for example.

Aided by popular scrutiny of the budget, the PT clamped down severely on corruption, releasing more money for other projects. The net result was the development of the best bus service in Brazil, 99.5 per cent of people enjoying access to fresh water, the most liberal laws on squatting in the country - and much more.

Iain is right to emphasise the central importance of Democracia Socialista (DS), the Brazilian section of the Fourth International, to the PB. In the late 70s, the FI, as he says, had discussed and elaborated a sophisticated approach to the role of democratic demands in the battle for power and during the construction of a socialist society which (I would argue) makes it unique among revolutionary currents.

The importance of these ideas for today's social movements and hence for revolutionaries has never been greater. People don't trust revolutionaries who play fast and loose with democratic structures. Nor will we ever make a revolution without winning the majority to our ideas through open argument and discussion. There are no short cuts.

In an underdeveloped country like Brazil, DS argued, the pursuit of democratic demands has an inescapably revolutionary dynamic, the logic of which leads to a rupture with the existing system.

But, leaving aside for a moment the problem of what happens when a left party achieves national power under conditions of a low level of struggle (as the PT did in 2003) could we have been more cautious about how this democratic discourse could be hijacked by social-democrats and by openly capitalist forces? As Assis Brazil points out in the book: "the reason the World Bank is in favour of the PB is that it likes the transparency that it provides".

The defeat of Raul Pont, the PTs candidate for mayor of Porto Alegre in the municipal elections of autumn 2004, after a campaign which was very close to the party's line nationally, constituted a symbolic endpoint to this whole experience. The Brazilian left will have to start again, but not from scratch.

Of course, the Lula government has not implemented the PB across Brazil, contrary to Jose's hopes. Except in Fortaleza, surviving PT local administrations are shifting sharply to the right. But this should not be allowed to obscure the achievement that the Participatory Budget represents, however short-lived it was.

The Porto Alegre Alternative: direct democracy in action

Iain Bruce, editor

IIRE/Pluto Press, Notebook for Study and Research No 35/36 (162 pp, €19.20, £12.99, \$23.50)

Brazilian socialists André Passos Cordeiro, Ubiratan de Souza, Pepe Vargas, Raul Pont and João Machado describe in *The Porto Alegre Alternative* how Porto Alegre's participatory budget

was born, how it works, how it developed in interaction with popular movements and spread with local Workers' Party (PT) victories, and how it has staked out new ground in promising a radically democratic alternative in the interests of the poor to top-down political and economic decision-making.

Iain Bruce is a British journalist and filmmaker who has made documentaries for Channel 4 and the BBC. His latest documentary touches on Porto Alegre and its connection with the wider global justice movement.

"Iain Bruce's impressive collection is the first book-length study available in English of Porto Alegre's participatory political project. Refreshingly unwilling to romanticise its subject matter, it takes a robustly multifaceted approach. A must for those seriously interested in global democracy from the grassroots up." - The Guardian

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IVORY COAST

A 'Civil War' that is French and Neo-Colonial

JEAN NANGA ·

Trampling on the accords of Linas-Marcoussis (January 2003) and Accra III (July 2004), Laurent Gbagbo launched on November 4 "Operation Dignity", an air and land offensive against the positions of the New Forces. In spite of the "unlimited war" promised by FN leader Guillaume Soro, this offensive didn't encounter any serious opposition in the first two days. But in the course of the operation the FANCI air force bombed a French military camp at Bouké, in the centre of the country and situated in the zone controlled by the New Forces. Stationed in the country (since September 2002) in the framework of "Operation Unicorn", the French Army also has a mandate from the United Nations Operation in Ivory Coast (ONUCI) as a "force of intervention."

Laurent Gbagbo hand-in-hand with Dominique de Villepin, French foreign minister

The bombardment left nine French soldiers and a US civilian dead and thirty injured. In an immediate reaction, the French army destroyed the aircraft that had carried out the attack, then, on orders from the French President, its air force destroyed the entire Ivory Coast air force. This disproportionate riposte sparked off a mobilisation of Gbagbo's supporters in Abidjan: there was anti-French and anti-opposition violence, and demonstrators headed for the permanent French base of the 43rd Battalion of Marine Infantry (BIMA), as well as for the airport and the Hotel d'Ivoire, which is occupied by the French army (it is situated about 500 yards from the presidential residence!).

A murderous confrontation ensued between the French Army, which opened fire, and demonstra-

tors led by the "Young Patriots", as the FANCI looked on. The official Ivorian balance sheet is of about 60 Ivorian dead and over a thousand wounded, victims of the French troops - a 'Franco-Ivorian war'.

"You don't get away with killing...French people"

At an emergency summit in Abuja (Nigeria), the heads of state of the African Union adopted a resolution condemning the violation of the ceasefire by the FANCI and the attack on the French military camp and entrusting South African president Thabo Mbeki - who was not present and had not even sent anyone to represent him - with the task of holding talks with the (Ivorian...) protagonists. On November 15 the UN Security Council adopted in its turn Resolution 1572, proposed by France, by which it "imposes an embargo on arms for the Ivory Coast and envisages freezing the financial assets and restricting travel abroad of any person threatening the process of peace and national reconciliation in this country."

French soldiers clash with government supporters
In France, a propaganda campaign was unleashed by the President himself, echoed massively in the media. [1] The Africa experts of the main French newspapers seized the occasion to recall that "Françafrique" didn't exist any more: all that had been dead and buried for a long time, according to them. [2] This claim was invalidated by the facts, which as everyone knows are stubborn things.

Gone was the air of superiority that had been manifested with regard to the US invasion of Iraq. Back came the reflexes of the imperialist ethos, of old colonial habits, of ontological superiority, "white" or French. These attitudes were expressed by the media as well as by the governing right and the opposition social democracy. And also by tough talk

from one of the vanguard sectors of colonialism, still nostalgic for the colonial epoch, the army of the French Republic: "You don't get away with killing French people." Should one get away with killing Africans?

There was no compassion for the families of the Ivorian civilians who were victims of the French army, and whose existence was scarcely admitted. The property and belongings looted from French families and companies in Abidjan got more attention than the Ivorian casualties of the army of the French Republic. An army that stooped, via its spokesperson (on the radio station RFI on 10 November 2004) to blaming these deaths on the FANCI, after its own Chief of the General Staff had proudly spoken of his troops who might have "wounded or killed a few people", while "showing very great calm and complete control of the violence."

This version was backed up by the Minister of Defence, who added that the crowd of Ivorians was "armed with Kalashnikovs and pistols" [3] "There were no doubt some casualties; we don't know exactly, because when things happen at night, it is extremely difficult to know what's going on." In the darkness of the night, with all these Blacks around, they nevertheless managed to make out "Kalashnikovs" and "pistols"..The French side could also speak proudly of its "soldiers in the service of peace", certain that we are living in an epoch where news is quickly rubbed off the slate; the French army had already fired without warning on unarmed Gbagboist demonstrators in November 2003 at M'Bahiakro, seriously wounding three of them.

The haughty arrogance shown at the highest level of the French state reeks of colonialism. For the French Minister of Defence, on the evening of November 6 "we were in an insurrectional situation"..in Ivory Coast. The insurgents being, need we remind you, the partisans of the Ivorian government! These are the remarks of someone who is nostalgic for the colonial epoch. French head of state Jacques Chirac struck the same note, ad-

ressing students in Marseilles in the good old tradition of colonial ethnology, in its Negrophile version: "The Africans are by nature joyful. They are enthusiastic. They smile. They clap. They are happy..." [4] .

"Ivorian" crisis? "Franco-Ivorian" crisis? "Françafrique" crisis, or crisis of French domination in Africa, as is implied in reactions like those of the Open Letter to Koffi Annan by Burkinabé intellectuals denouncing France, or the Open Letter of the Committee of Initiative of Senegalese Intellectuals to the French Ambassador to Senegal ("France is behaving like a third belligerent") and other Pan-Africanist reactions? [5]

The result of Linas-Marcoussis

What happened is one of the logical consequences of the solution to the Ivorian crisis initiated by the French state and underwritten by the African Union, then by the United Nations, at Linas-Marcoussis. These accords have become a dogma for national reconciliation, whereas they carried within them the germs of conflict. Allow me to remind readers that after the signature of what are called the Accords of National Reconciliation, I considered that they were opposed to the interests of the Ivorian people and said that they were likely to "make the Ivory Coast even more of a nightmare." [6] Because the purpose of the manoeuvre was obvious: on the pretext of opposing the consequences of the ideology of "Ivory", [7] (which is legitimate and necessary), these agreements were an instrument of pressure on the Gbagbo faction. The policy of restructuring dependence ("Refoundation" in the terminology of the Gbagboists) at the expense of the FranCafrique tradition had to be put a stop to.

Resolution 1464 (4 February 2004) of the UN Security Council contributed to the preparation of the present episode, by going along with Operation Unicorn and by subsequently subordinating the MINUCI and the ONUCI to it, logistically, instead of helping to set up a force of intervention that was not involved in Ivorian affairs. Forced as he was to

accept the French presence, Gbagbo took advantage of it to reorganise his army.

A truce is a classic occasion to rearm. After the non-respect of the 1961 Defence Agreement (see below) - which in the present case should have led the French army to back Gbagbo against the rebellion - the French arms dealers ended up by delivering the equipment ordered by the Ivorian army, fearing the consequences of the diversification of military alliances initiated by Gbagbo. France, not wanting to push the extremists within the Gbagbo faction to demand the dismantling of the base of the 43rd BIMA, and relying on the sympathy of certain officers of the FANCI, attempted reconciliation by several times dispatching the Minister of Defence, Michele Alliot-Marie, to Ivory Coast, even during the festive period at the end of 2003.

As a present for New Year 2004, Gbagbo even made her Commander of the Ivorian National Order. Gbagbo's realism, aimed at reducing the pressure on himself, led France to launch calls to order, relayed by the media, to the rebellion. But without any real pressure for the respect of the programme of disarmament-demobilisation-reinsertion. This led to a surprisingly symmetrical position, on the part of these bourgeois politicians, between the Ivorian Army and the rebellion, as far as disarmament was concerned. This change of attitude created friction between the New Forces and the French Army, with French soldiers being killed (at that time these deaths were described as "unfortunate mistakes").

Once the reorganisation of the FANCI had been completed, Gbagbo activated the return to a military solution. His first show of force was the criminal repression of an opposition demonstration in March 2003. The New Forces couldn't disarm, even in the event of the adoption of an amendment to article 35 of the Constitution to permit Alassane Ouattara and many other victims of "Ivoryity" to stand for election. So there was a double violation of the Accra III agreements: on the one hand, the Gbagbo camp evoked the idea of a referendum on the revision of the Constitution, on the other, there

was non-respect of the October 15 date for disarmament. [8]

Since the transformation of the New Forces into a political organisation hadn't taken place, they couldn't commit suicide and thus lose their principal instrument of "legitimacy." Furthermore, the control of the North and the Centre of the country pays dividends: apart from ministerial income and the hold-up of the Central Bank of West African States (BCEAO), [9] there are highly profitable illicit dealings in various mining raw materials, for example gold, [10] but also in agricultural produce... The offensive of the FANCI - which also led to Ivorian casualties and provoked fresh movements of population - shouldn't have surprised Western governments.

The United States have installed in Abidjan, in the neighbourhood of the presidential palace, the African staging post of the Echelon system of electronic eavesdropping. The *Canard Enchaîné* (10 November 2004) referred to the telephone call from Chirac to Gbagbo, in which he warned him about respecting French interests. Which could make you think that the attack on the camp was a self-fulfilling prophecy. In this case, Gbagbo neglected the warning, so inflated was he at the imminent success of the operation entitled "reconquest of territorial integrity", which was going to put him in a position of strength until the elections in November 2005.

On his part, by ordering reprisals, Chirac underestimated the patriotism that this demonstration of imperialist arrogance would provoke - reviving memories of the colonial repression at Dimbokro in 1950, [11] in a sub-region where part of the elite is more or less Pan-Africanist, even though both Burkinabé and Senegalese intellectuals are perfectly well aware of the "Ivoryity" policy conducted by Gbagbo.

Thus, in the Elysée palace, the Françafrique reflex won out over the ambiguous UN mandate of Operation Unicorn. The Elysée found its Oussama Ben Laden in the person of Laurent Gbagbo. With

the advantage over the White House that they knew exactly where to find Gbagbo: French tanks of the 43rd BIMA even managed to "take a wrong turning" and end up just outside his front door.

Is Françafrique dead?

The Report of the International Commission of Enquiry on the allegations of violations of human rights in Ivory Coast between 19 September and 15 October 2004, in spite of its origins in the UN and the Linas-Marcoussis accords, confirms, although it is carefully worded, what is at stake economically in the Ivorian crisis. We read for example:

"The Commission has received testimony concerning events that could justify a certain optimism about the economic future of Ivory Coast. This concerned in particular the discovery of oilfields whose reserves are close to those of Kuwait and that thus Ivory Coast could become the second biggest African oil producer, after Nigeria. On top of that it would appear, still according to this testimony, that the reserves are of the much sought after 'green' oil. Apart from oil, it seems, according to this testimony, that gas deposits have been discovered between San Pedro and Sassandra: the reserves are enough for a hundred years of exploitation. It seems that other resources also exist, such as gold and diamonds, not to mention the rare metals that are now used for building satellites." These are sources of neo-colonial capitalist barbarism.

The report doesn't mention it, but according to Annex II of the Defence Agreement signed between the governments of the French Republic, the Republic of Ivory Coast, the Republic of Dahomey and the Republic of Niger on 24 April 1961, France has priority in the acquisition of those "raw materials classified as strategic." In fact, according to article 2 of the agreement, "the French Republic regularly informs the Republic of Ivory Coast(...) of the policy that it intends to follow concerning strategic raw materials and products, taking into account the general needs of defence, the evolution of resources and the situation of the world market."

According to article 3, "the Republic of Ivory Coast (and the other two) inform the French Republic of the policy they intend to follow concerning strategic raw materials and products and the measures that they propose to take to implement this policy." And to conclude, article 5: "Concerning these same products, the Republic of Ivory Coast (and the two others) for defence needs, reserve them in priority for sale to the French Republic, after having satisfied the needs of internal consumption, and they will import what they need in priority from it." The reciprocity between the signatories, need we point out, is rendered false by the inequality of the actual relations of domination by the colonial power that had, in the case of these countries, organised "independence" a few months previously (in August 1960).

This privileged position of France is confirmed by the UN Commission: "The testimony we have assembled has also enabled us to see that the law of 1998 concerning rural property is linked to the dominant position that France and French interests occupy in Ivory Coast. According to these sources, the French own 45 per cent of the land and, curiously, the buildings of the Presidency of the Republic and of the Ivorian National assembly are subject to leases concluded with the French. French interests are said to control the sectors of water and electricity, which are worth 10 billion francs CFA per month."

Omnipresence of French capital

The report doesn't give details about this dominant position of French interests. But it is not superfluous to recall it, in these times when the injurious myth of the generous action of Western capital in Africa is being propagated. We find many of the leading players of the French capitalist class:

– Bolloré (leader in French maritime transport in 2003), principal operator of maritime transport along with Saga, SDV and Delmas, practically controls the port of Abidjan, the leading transit port in the West African region and the second container port in Africa, whose main container terminal at

Vridi was recently acquired by Bolloré in a scandalous fashion, according the other port operators, both French and Ivorian. It also controls the Ivorian-Burkinabé railway, Sitarail. Although it has recently withdrawn from the cocoa business, it has on the contrary maintained its leading position in tobacco and rubber...

- Bouygues (leader in construction and public works in France, also present as Vinci, the second company in public works in France) has been traditionally, since independence, number one in construction and public works (we also find Colas, third-ranking firm in road building in France). It also has, through privatisation and obtaining concessions, control of water distribution (Société des Eaux de Côte d'Ivoire), of production and distribution of electricity through the Compagnie Ivoirienne d'Electricité and the Compagnie Ivoirienne de Production d'Electricité. It has also been involved in the recent exploitation of Ivorian oil...

- Total (the biggest French oil company) holds a quarter of the shares of the Société Ivoirienne de Raffinage (SIR, no. 1 company in Ivory Coast) and owns 160 petrol stations.

- France Telecom (seventh in rank among companies in France and leader in the telecommunications sector) is the main shareholder of Côte d'Ivoire Telecom and of the Société Ivoirienne des Mobiles (it holds about 85 per cent of the capital), since concessions were granted in this sector, in the context of the privatisation of public enterprises.

- In the banking and insurance sector, there is the Société Générale (sixth bank in France - the Société Générale des Banques de Côte d'Ivoire has 55 branches) the CrÉdit Lyonnais, BNP-Paribas, AXA (the second largest company in France and leader of the insurance sector, which has been present in Ivory Coast since the colonial period).

- The most long-established of French companies is the Groupe Compagnie Francaise de l'Afrique de l'Ouest de Côte d'Ivoire (CFAO-CI, principal "Fran-Cafrican" company of the French colonial empire in

sub-Saharan Africa, the private-sector colonial equivalent of ELF), which operates in many sectors (cars, pharmaceuticals, new technologies... after having for a long time monopolised exports and the retail trade...) and whose profitability (not a single year of loss, from its creation in 1887 until 2003) led to it being recently taken over the Pinault-Printemps-La Redoute group. [12] It occupies the ninth rank among companies in Ivory Coast, after having ceding its interests the logging industry, in which it had been very much present for decades.

- Honour where honour is due. We couldn't conclude the list without mentioning the presence of the boss of French bosses, Baron Ernest-Antoine Seillères, through Technip (plant for the oil sector) and Bivac (which in May 2004 was attributed the scanner of the port of Abidjan).

This presence of French capital is a demonstration of the capitalist profitability of Ivory Coast. And although French direct investment is only 3.5 billion euros - the most profitable ex-state enterprises having often been acquired at knock-down prices - the annual profits from this investment are enormous. As former French senator Jean-Pierre Camoin (of the BollorÉ group and President of the Circle of Friendship and Support to Franco-Ivorian Renewal, created in February 2004) put it so well: "industrialists are not philanthropists. An enterprise only exists if it makes profits, if it progresses; otherwise it disappears."

[13]

Behind "Ivority"...what is at stake for the capitalists

It is paradoxical that in these times of spectacular denunciation of the way everything in the world I being turned into a commodity, the understanding of the crises that affect that part of humanity that is most victim of the neo-liberal steamroller has difficulty escaping from culturalism, from the underestimation of economic interests. The genocide of the Tutsis, coupled with the massacre of Hutu democrats in Rwanda in 1994, is regularly used (often in glossing over the massacre of Hutu democrats) to legitimise culturalism.

So, in the Ivorian crisis, "Ivoryity" is presented as the major cause, instead of understanding it as a reactionary response to the structural crisis of neo-colonialism (in the same way, for example, as the electoral results of the National Front in France are the expression of social insecurity). But the relationship between the development of neo-liberalism and the spread of xenophobia, chauvinism and other forms of exclusion, of hatred of those who are different, seems obvious. That in no way signifies the absence of precedents or of the relative autonomy of racist and xenophobic consciousness. In the case of "Ivoryity" the ingredients were produced by the colonial system, then by the ascendant phase of neo-colonialism, of indirect or reformed colonialism, of which Ivory Coast was really the "model."

The public demand for a distinction to be made between Ivorians and non-Ivorians was expressed in 1990, during the "democratic opening", on the eve of the first multiparty elections in so-called independent Ivory Coast, by presidential candidate Laurent Gbagbo, opponent of the autocrat Houphouët-Boigny. This "democratic opening" was a response to social and political protests against the effects of the structural crisis of neo-colonialism, characterised, among other things, by problems in public finances. The distinction between Ivorians and non-Ivorians was one possible way of increasing state income, by instituting residence permits for foreigners.

This measure was also advocated by Alassane Dramane Ouattara (who was then Houphouët-Boigny's Prime Minister), who also decided to introduce a forgery-proof national identity card. These measures were not specifically Ivorian. Alassane Ouattara, former Africa director of the IMF, travelled through sub-Saharan Africa during the 1980s to explain to states that were deeply in debt and subject to, or candidates for, Structural Adjustment programmes, that they had from then on to cut social spending and increase state income. The introduction (or the increase in the cost of) residence permits for African residents was also on the agenda in other countries than Ivory Coast, from

Nigeria to post-apartheid South Africa. It was entirely in harmony with the policies on this question that were being applied by the developed capitalist countries.

The attempt at a theorisation of "Ivoryity" by the organic intelligentsia of the Bédié faction, after the victory of Konan Bédié over Ouattara in the battle to succeed Houphouët-Boigny, was not only an operation aimed at legitimising the patrimonialist-capitalist hegemony of this faction of the Democratic Party of Ivory Coast (PDCI, the former Ivorian Democratic Rally, the state party of Houphouët-Boigny) but also a legitimisation of the Houphouëtist FranCafrican tradition, threatened by the orthodox and self-serving neo-liberalism of the former Africa director of the IMF.

His years as Prime Minister responsible for implementing the Structural Adjustment Programme (SAP) under the authority of Houphouët-Boigny - nevertheless safeguarding the sacrosanct interests of *Françafrique*, for example by curbing the ambitions of Cargill in the cocoa sector - were seen as a foretaste of neo-liberalisation if he ever became president. The alliance between Gbagbo and Ouattara against Bédié, in the form of the Republican Front that boycotted the 1995 presidential election (from which Ouattara had been excluded on the grounds that his nationality was questionable), was also based on the anti-Houphouëtist project of Gbagbo's Ivorian Popular Front (FPI).

The recourse to "Ivoryity" or the criticism of it, thus appear as fairly instrumental in the light of the tragic episodes of Guei - who carried out a coup d'état in 2000, supposedly to put an end to "Ivoryity" and ended up by adopting it in order to ban Ouattara from the presidential race - and of Gbagbo, and indeed of the rebellion. For the report of the UN Commission confirms the existence of mass graves in the zone controlled by the New Forces, evidence of inverted chauvinism.

This "Ivoryity" is in fact determined by the neo-liberal capitalist advantages that flow from control of the state machine. The first anti-Ouattara offensive,

conducted by Bédié before the death of Houphouët-Boigny, was the obstruction that he organised, as President of the National Assembly, to the privatisation of Côte d'Ivoire Telecom (CIT). Bouygues was ready to acquire CIT, after having inherited the Société des Eaux de Côte d'Ivoire by acquiring the SAUR at the start of privatisation in the middle of the 1980s, and having obtained in 1990 the concession for 15 years of Energie Electrique de Côte d'Ivoire, scandalously undervalued in a shady deal orchestrated by Alassane Ouattara. As befits a top civil servant of international finance, Ouattara is also an important businessman.

The acquisition by his friend Bouygues of CIT (finally conceded to France Telecom by Bédié when he became head of state) would have increased Bouygues's power in Ivory Coast: "In 1991, the dark continent represented a turnover of 7 billion francs, of which 2 billion came from Ivory Coast alone...If Europe with 7.7 billion francs is slightly ahead of Africa in the group's activities, America and Asia come far behind with respectively 3.4 and 2.1 billion francs." [14] It would also have been further to the advantage of Alassane Ouattara, who didn't just privatise for the benefit of others, according to the other barons of the PDCI-RDA, his rivals, who were threatened or dethroned from their rentier fiefs by privatisation that they had no control over.

What is considered as a Dutch auction of the public sector is also perceived by a well-conditioned public opinion as "an unpatriotic action." Which led people to question the nationality of the person responsible for it. As Prime Minister, Ouattara thus played the role of a scapegoat for the untouchable Houphouët-Boigny. Ouattara, who had on top of everything else studied and worked outside his country, who had sent in the army against the students, was in a similar situation to that of Kengo Wa Dondo, Mobutu's Prime Minister in Zaire, whose zeal in implementing structural adjustment resulted in people remembering his Polish and Tutsi origins. Nationalist conditioning led them to believe that a "genuine Zairean" wouldn't have done that...

For conservative *Françafrique*, Ouattara was the one who had helped US capital to penetrate the coffee and cocoa sectors. Houphouët-Boigny, Francophile, didn't want to do that, having only made an exception for Nestlé. And for good reason: apart from French-speaking solidarity, he had property, bank accounts and shares in Switzerland. The multinationals who were interested in Ivorian cocoa - Archer Daniel Midland (ADM) and Cargill - were the leading players in this sector on a world scale. It was impossible to shut them out in a period of structural adjustment organised by the institutions of Bretton Woods, in which the United States holds a veto. So the door was left ajar for them.

Thus, under Bédié, ADM found itself in a minority partnership with one of the major companies of the sector, SIFCOM, in which Bédié owned nearly 12 per cent of the shares. This co-shareholding was not free of some expectation of political backing on the part of Bédié, former Ivory Coast ambassador to the United States, before becoming Minister of the Economy and Finance, who was conscious of the relations with the United States of his rival for the presidential elections due in 2000.

Is it just a coincidence that Bédié, who while accentuating "Ivory" had created less unfavourable conditions for competition by ADM and Cargill, was overthrown in December 1999 by mutinous soldiers who had served in the United Nations Mission in the Central African Republic under the command of the French Army, and that they installed as head of state Guéi, the former Chief of the General Staff under Houphouët-Boigny, who subsequently showed himself to be very *Françafrique*?

Although the putsch had been fairly well received by the population for its denunciation of it, the Government of Transition wasn't able to settle the problem of "Ivory." Because the *ivoritarian* discourse covered capital accumulation by Bédié's "real Ivorians." The privatisation of state enterprises and the liberalisation of markets is a particular phase of accumulation and of the transformation of the upstart into a capitalist. Thus, in a rediscovered

national unity (without Bédié, exiled in France), the transition was in Ivory Coast the occasion to reorganise the process of privatisation and liberalisation of markets that the Bédié faction had plotted with those who presented themselves as "generous investors rushing to help an unprofitable Africa", the powerful corrupters who are hidden by the media, which only targets those who are corrupted. Given the composition of the transitional government, with as principal political forces the Republican Rally (RDR, Ouattara's party) and the Ivorian Popular Front (FPI, Gbagbo), the agreement on what to do with the deals that had been made could only be limited to suspending their application.

If the generous share accorded to French companies (Bouygues, France Telecom, Total...) in these deals wasn't to the taste of Mamadou Koulibaly, Minister of the Budget and later of Economy and Finance, who was also economic advisor to Gbagbo, [15] the other liberal (Ouattara) doesn't seem to have opposed the favourable deals prepared, for example, for his friend Bouygues by Bédié's team. In other words, the transition government had to "clean up" the running of public affairs that had been mishandled by the Bédié regime and leave to the winners of the future elections the re-launching of privatisation and liberalisation.

Guillaume Soro with other leaders of the New Forces

Since the two candidates provisionally allied - Ouattara and Gbagbo - basically shared the programme of the Bretton Woods institutions, the race for politico-economic power couldn't do without what discriminated against Ouattara - "Ivoryity." As General Guéi's ambitions had made him lose the support of certain former putschists, who were more or less linked to Ouattara, the battle of "Ivoryity" was now going to be conducted also by armed violence. It has happened more than once in history that a crisis of political legitimacy is accompanied by the loss of the monopoly of violence. Thus, "Ivoryity" also became paramilitary, each camp getting ready for the end of the transition.

The constitutional battle - to be born of an Ivorian father and/or mother - over eligibility, was concluded at the expense of Ouattara, excluded from the elections, although he had called for a "Yes" vote in the referendum on the Constitution, sure of his "Ivoryity", proved by his citizenship papers. The transition ended with the mass grave at Yopougon, in the name of "Ivoryity": Ouattara's supporters were assassinated by gendarmes backing Gbagbo, considered as victor after Guéi's attempted electoral putsch had been blocked by Gbagbo's supporters. This followed the repression of a demonstration by Ouattara's supporters, who had taken advantage of the situation to call for a re-run of the election in which they hadn't participated.

The operations of "reconciliation" undertaken by Gbagbo couldn't come to anything as long as they weren't accompanied by a willingness to redistribute equitably, for his opponents, the proceeds of privatisation, of the liberalisation of markets, of the landholding reform that penalised non-Ivorians in a country where agriculture is such a dominant part of production. The willingness to carry through the "refoundation", neo-liberal version of African nationalism, in a climate where the tissue of the nation was being torn apart, symbolised by the existence of partisan militias, mainly the government's one, could only encourage a rebellion.

When it did emerge, the rebellion crystallised the frustrations of a whole part of the population that was suffering from the exactions of the government's thugs and from the climate of social insecurity. If all the evidence points to the rebellion having been jointly organised by the Burkinabe regime, [16] which had become the military staging post of Françafrique in the region after the death of Houphouët-Boigny, the soil was fertile for it.

Concerning the mass graves discovered in the zone under the control of the New Forces, evidence gathered by the UN Commission on their relations with certain regimes in the sub-region including the Togolese tyrant Eyadema [17], it is pretty obvious that the form chosen to combat "Ivoryity" was motivated more by traditional interests than by a pas-

sion for democracy. This could be seen in its lack of originality: an attempted putsch, then an armed rebellion, supposed to lead the politico-military leader of the rebels to power according to the method tried and tested in Liberia (Charles Taylor), Congo-Brazzaville (Sassou Nguesso) and the Central African Republic (Bozizé).

The fact that there was a lot of anti-Burkinabé discrimination and that the financial remittances of Burkinabé immigrants in Ivory Coast were considerable (tens of billions of Francs CFA every year, which could dry up if they were expelled...) would no doubt not have been enough to motivate the destabilisation of the Ivory Coast, pillar of the West African economy and of the Franc CFA zone. For that there had to be more traditional reasons, or at least the approval of France.

Protection of France's "backyard" in Africa

The involvement, on humanitarian pretexts, of the French state in Ivory Coast doesn't depart from the principle of maintaining control over what it considers to be its "backyard" in sub-Saharan Africa. Its humanist fibre only becomes sensitive when there is a substantial challenge to France's interests as a neocolonial power, considered as historic and eternal, represented by its big business interests. Each time that a regime has tried to question or challenge the foundations of this domination, even if it didn't embody a revolutionary socialist alternative, it has in one way or another paid for it; and the people always paid more than the regime that was overthrown. "Independent Africa", marked by a succession of coups d'état, is a legacy of colonial policies, with its organised electoral frauds and overturning of majorities in the territorial assemblies through corruption, which already led in colonial times to so-called ethnic conflicts.

It is symbolic that the first murderous putschist of the CFA zone - the Togolese Etienne Eyadema - is still in power and also that he is backing the leader of the rebellion in Ivory Coast, Guillaume Soro. To refresh our memories, already in 1963 what occurred was a mutiny of soldiers, demobilised after

the Algerian war, against the Togolese president, Sylvanus Olympio. What was Olympio supposed to have done, what was held against him? He asked in 1958 for the independence of Togo, which was then under a Franco-UN mandate.

Then, once independence had been achieved in 1960, he sought to revise the contract for the exploitation of Togolese phosphate, which he considered as giving the lion's share to French capital; he undertook the diversification of Togo's economic partnerships with other Western states, including Germany, the former colonial power, which was also going to help him create a national currency, which meant leaving the Franc zone...

The mutiny in the course of which Olympio was assassinated took place, as it happened, a few days before Togo was due to officially leave the Franc zone. Sylvanus Olympio wasn't in the least bit inclined towards socialism, he was in fact a liberal, who had even subordinated "social justice" to the establishment of "macro-economic equilibrium", offering the Togolese soldiers of the colonial army in Algeria reintegration into civilian life rather than letting them swell the ranks of a non-productive Togolese army of about 300 soldiers.

Other putsches and attempted putsches - sometimes with the help of mercenaries, those "pirates of the Republic", were to follow. Including the one against Hamani Diori, a declared partisan of Francophonie (the community of French-speaking countries), co-signatory with Houphouët-Boigny of the Defence Agreement of April 1961, which provided in an annex for the provision in priority of strategic raw materials to France; in this instance Nigeran uranium, handled exclusively by the French company COGEMA, which Diori, much to the displeasure of General De Gaulle, wanted to make available to the other Western powers who were concerned by nuclear power, [18] so that Niger could benefit more from this - harmful - natural resource, at a time when Nigeran youth was forcefully expressing its demands. He had also put on the agenda the closure of the French military base in Niger. Marien Ngouabi (Congo-Brazzaville)

was assassinated in 1977, a few hours before a Franco-Congolese meeting in Paris to discuss the revision of the oil contract, also considered by the Congolese as according the lion's share to ELF. There was no more question of revising the contract for another ten years.

The list is long. As Mitterrand said, and we can agree with him, we're not talking about past practices: "In Africa the Gaullist way of operating remains exactly the same today. The personnel has changed, but the methods remain. The RPR at present controls all the operations of ELF in Africa. The RPR's men are also agents of the SDEC (intelligence services) (...) These kind of practices have continued into the present (...) Foccart is still going strong. Today he works for Chirac." [19]

Thus, without being in the least anti-capitalist, or even anti-imperialists - Gbagbo forgot his socialist convictions on the road of the "democratisation" of Africa - or sincere democrats, but rather an oligarchical pigsty of neo-liberal "nationalists", manipulators of ethnicity and Pentecostal businessmen with a direct line to their "born again" brothers and sisters of the American ruling class, the Ivorian "refounders" had the nerve to challenge certain eternal vested interests of French domination of the Franc zone. In so doing so they overestimated their legitimacy and their skill in manoeuvring. That France chose not to activate the Defence Agreement of April 1961, in spite of Gbagbo's request, can in no way be explained by some principle of non-interference in a crisis that is falsely portrayed as strictly Ivorian. The involvement of the BurkinabÉ regime couldn't have escaped French military surveillance of the region.

The Agreement couldn't be activated because in the French neocolonial conception, Gbagbo, who had chosen to maintain this neocolonial agreement, was guilty of having violated it. The rebellion as a prolongation of the aborted putsch was supposed to be a means of pressure on Gbagbo, and not an attempt to install an alternative government. France - "third belligerent, although belligerent in the shadows", according to the Initiative Committee of Senegalese

Intellectuals - even acted to block the rebellion's march on Abidjan. So, from Lomé to Linas-Marcoussis, it was a question of calling to order, through a government of "national reconciliation", the various politico-economic interests of the ex-colonial power and of the different factions of the "Ivorian political class", which is indistinguishable from Ivorian capital.

The Gbagboist neo-liberal "refoundation" was guilty of having reopened the dossiers of privatisations and concessions that had been suspended during the transition, of putting them out to tender "following the correct procedure." The consequence was the highly probable risk for certain French multinationals - those that had benefited from the favours of Houphouët-Boigny, Ouattara and Bédié - of not obtaining the renewal of juicy concessions that ran out under the Gbagbo regime. Of not being given favourable treatment to acquire the choice enterprises that were up for privatisation.

Of not benefiting from the most profitable public contracts, for which, contrary to the idea that if French companies withdrew they would be irreplaceable, there is competition from Chinese, South African, US and many other companies whose presence in the Ivorian market is not devoid of monopolist ambitions. [20] Since "in a period of recession, Africa can only survive in a monopoly situation". [21]

The case of ADM and Cargill in the cocoa sector has demonstrated the greater effectiveness of US multinationals when it comes to "free competition." From the end of the 1990s to the first years of the 2000 decade, they have progressed from being minority partners or second-rank companies to a position of leadership, absorbing along the way certain holdings of their former majority partners, who were driven to astronomic losses.

As the African Development Bank and the OECD write: "remarkable evolutions have occurred in terms of the destination of Ivorian products even within the European Union. For example, whereas France and the Netherlands represented respec-

tively 15.2 per cent and 9.8 per cent of Ivorian exports in 2000, the former only accounted for 13.9 per cent in 2001, as against 14.1 per cent for the Netherlands. This is explained by the fact that cocoa dominates Ivorian exports, cocoa whose processing is dominated by multinationals that have experienced profound changes in terms of the ownership of capital. These changes have taken place to the advantage of groups like Cargill, ADM, Callebaut, which have a tradition of transport in bulk, more advanced than in France, with the aim of gaining in efficiency and saving on costs linked to transport logistics.

Furthermore the ports that have the best logistics for receiving cocoa in bulk are Amsterdam and Hamburg, where important industrial subsidiaries belonging to these groups are situated" [22]. The breakthrough of US capital in this sector has for example driven Bolloré to shed its subsidiary, which was however one of the most important...

Secondary imperialism, divergent interests

The degree of sophistication of French attempts to recall President Gbagbo to order - a choice that is imposed on the Elysee by the relationship of forces on a world scale -, as well as the pressure of competition, has also laid bare the differences within French colonial capital. On the one hand to preserve their interests, and on the other hand faced with the weakening of French support for the rebellion, French bosses have created, along with Ivorian bosses who tend to be close to Gbagbo, the Circle of Friendship and Support to Franco-Ivorian Renewal (CARFI) chaired by UMP ex-senator Jean-Pierre Camoin (of the Bolloré group) which has among its benefactor members...Laurent Gbagbo.

The capitalist realism of the initiative has been expressed by the president of CARFI: "Everyone expected this economy to collapse, with a country cut in two, with transport hindered. In spite of that, Ivory Coast has proved that it could live on its own, without aid, pay its civil servants, keep electricity and water services functioning (...) We might ask why this situation got worse? I firmly believe that

past generations did an enormous amount of work, were able to build Ivory Coast; but at present, the young generation is there, with young people educated in the best schools and universities, who want to show what they can do. It is this young generation that interests us.

What does it want? It wants a partnership based on equality, a real partnership where there is no longer a protective France that comes to give lessons to Ivory Coast on how to develop its industries, to develop all its exports. On the other hand there is an adult Ivory Coast with educated elites who need France in order to be able also to develop their country, thanks to a partnership with a country with which it shares the language, the culture and for which, when all is said and done, it has a certain affection (...) What interests us is business. Whether it's M. Gbagbo or M. X doesn't interest us! What we want is for the candidate and later on the President to take account of our opinion." [23]

As if by chance, the end of 2003 and the first half of 2004 were marked, on top of the purchase of French weapons by Gbagbo, by French market acquisitions: Alcatel, Technip and Bivac (Baron E-A Seillères)...and especially the scandalous concession to Bolloré, for fifteen years, of the Container Terminal at Vridi, in the Autonomous Port of Abidjan, whose general manager, Marcel Gossio, is the vice-president of CARFI. This operation was publicly contested by Jean-Louis Billon, president of the Chamber of Commerce and Industry of Ivory Coast (a warehousing operator like Bolloré, a transporter of SIFCA cocoa, a joint shareholder with Bédié under the latter's presidency and a non-member of CARFI). Bolloré thus obtained a situation of quasi-monopoly over Africa's second port, after Durban in South Africa. Thus, "on Thursday 24 June last, Marc Rose, exploitation manager of the Company of Exploitation of the Container Terminal of Vridi (SETV) addressed a note to Jacques Remy of the SIVOM (one of Billon's companies) in which he wrote the following: 'We will no longer accept SIVOM containers at the terminal,

with the exception of cargoes that are to be loaded on to our own ships'. [24]

The World Bank didn't fail to criticise this infringement on free enterprise: "The procedure followed puts into question the efforts undertaken by the Bank and the other suppliers of funds to help Ivory Coast create an environment that is propitious to the development of the private sector, among other ways by guaranteeing loyal competition. The result is that the interests of the country have not been safeguarded and that the sharing of risks and profits between the country and the SETV is very inequitable, to the latter's advantage for a period of at least fifteen years". [25] So, in order to stabilise the "external" front, Gbagbo has resorted to the traditional procedures of *Françafrique*.

This scandalous concession, which resembled the electricity one accorded to Bouygues by Ouattara, was accompanied by a highly inequitable sharing-out of the managements of state enterprises, considered as one of the causes of the blockage of the Marcoussis Agreement. Among the points on the agenda of the meetings between Gbagbo and his opponents during this period there figured the equitable and concerted distribution of management posts, in other words of highly profitable positions. This was a privilege that Gbagbo didn't intend to give up, taking care to allocate the enterprises that were most profitable and most in contact with foreign operators - a possible source of economic-political plotting - to those closest to him.

Having thus constituted a lobby within *Françafrique*, Gbagbo felt able to unleash the bloody repression of the opposition demonstration on 25-26 March, 2004, after the departure from the government of the ministers who contested the new economic set-up. Disorientated by France's reaction, in the towns under the control of the New Forces, its supporters demonstrated their anger against French soldiers, shouting at them, in Korhogo for example: "You are calculators like Gbagbo, get out of our town!" [26] The violation of the ceasefire in November 2004 - of which the UN and the French authorities had been forewarned by

Gbagbo - fits well into this dynamic of reconciliation with sectors of French capital. Because the division of Ivory Coast is also a problem for the enterprises that have important activities (sugar cane, cotton...) in the Centre and the North and can't easily transport production towards the markets of the South.

The war climate is also favourable to the "disloyal competition" of merchandise fraudulently imported from neighbouring countries. So, for example, at the end of April, the very influential and discreet president of the Castel-BGI group, Pierre Castel, specialist in wine and breweries, asked the Ivorian president, Laurent Gbagbo, for a sharper struggle against the recurrent and massive frauds that had been identified in the sugar sector. Every year, according to M. Castel, the Ivorian branch of his group, the BGI-Solibra, and its different units lose 15 billion Francs CFA. [27]

But clearly it's a question of a reconciliation in one sector and not of Gbagbo aligning himself with French interests. And the attempted crushing of the rebellion by Gbagbo in November wasn't foreseen in the Elysée's agenda. Hence Chirac's brutal reaction and his decision to bomb Gbagbo's air force.

Oil and financial stakes

From France's point of view, there is something more important at stake than M. Castel's business affairs. That something is oil. In Ivory Coast, the French oil industry is lagging behind the US and Canada. From 2000 to 2003 oil production tripled and oil became the second most important export of Ivory Coast. Without Total, which has to be content with its 25 per cent share in the *Société Ivoirienne de Raffinage* - a company that is not sure of getting back the concession suspended in 1999-2000 for non-respect of procedure- and with its network of service stations. What's more, as time goes by the reserves are proving to be bigger than was announced at the start.

The Gbagbo regime doesn't seem ready to deviate from the Anglo-American (and very probably Asian

in the future) orientation it has adopted. In this way it avoids increasing France's hold on the economy and - in the light of historic precedents in the Gulf of Guinea- on Ivorian politics. The provision of the annex to the April 1961 Defence Agreement which we previously mentioned are not being respected. Elsewhere, where it was a question of revising the French monopoly over oil exploitation, there were putsches and thousands of dead, in a period of neo-liberal "democratisation." How could the "model" country of Françafrique be an exception to this "rule", consigned here by the Defence Agreement?

Multinational participation in the capital of Total doesn't change anything in this respect. That is proved by the French position on Iraq as well as by the present state of Franco-Angolan relations, among other things. Isn't it also because of oil interests that the annulment of the judicial procedure known as the "disappeared of the Beach" was decided by the Court of Appeal in Paris on 22 November 2004, concerning the disappearance of about three hundred young Congolese who had been entrusted to the Congolese authorities; "an unprecedented decision", according to Patrick Baudouin, lawyer for the International Federation of the Rights of Man.

An affair in the course of which the so-called "separation of powers" characteristic of the "state of law" was violated by the weekend night-time hearing, at around 1 a.m. on 4 April 2004, in order to release and send back to the Congo the director general of the Congolese police who had been apprehended during a private visit to the Paris region. The consequence was the transfer to another court of the examining magistrate of Meaux, who has incarcerated him. These practices in the land of Montesquieu, worthy of a 'banana republic', will only surprise those who don't want to know anything about the reciprocal corrupt practices between Françafrique political leaders in the mother country and in the African territories. The association coup d'état/war-oil/minerals is more rational than the association coup d'état/war-cocoa.

In the name of the liberal "refoundation" Gbagbo's supporters, such as Mamadou Koulibaly, don't intend to perpetuate dependence on the former colonial power through the African Financial Community and its "Franc CFA zone." The devaluation of the Franc CFA announced by France in 1994 before the heads of state of the CFA zone had been convoked, was experienced as a humiliating reminder of the artificial nature of "independence" and of "national sovereignty." A national, regional or continental currency is for many African economists a project to be implemented.

The capitalist economic performances of Ivory Coast, more important than those of other African countries that have a national currency, would make it possible. In 2003 Ivory Coast produced in fact 38.5 per cent of the GDP and 45 per cent of the monetary mass of the eight countries of the sub-region Economic and Monetary Union of West Africa (UEMOA) of the African Financial Community. Hence the recent appeal by Gbagbo to his peers who were supporting the rebellion: without Ivory Coast there is no UEMOA. Which he had already unkindly demonstrated by retarding his contribution in 2003, thus blocking the Central Bank of the States of West Africa (BVEAO, of which Ouattara was Governor, the post being reserved for the Ivory Coast).

This economic-monetary importance of Ivory Coast is also why this project of "sovereignty" cannot be accepted by the monetary controlling power, which has maintained, in spite of the introduction of the euro, the guarantee of the Franc CFA by the French exchequer. This monetary protection ensures control of the economies of the zone and guarantees the profits of French capitals by ensuring unlimited convertibility, fixed parity with the euro and especially freedom to transfer funds. The mechanism of control is ensured by the centralisation of exchange reserves. "It appears at two levels, since the states centralise their exchange reserves in each of the two big central banks while in exchange for the unlimited convertibility guaranteed by France, the African central banks are obliged to deposit at least

65 per cent of their exchange reserves with the French exchequer, in the operating account opened in the name of each of them." [28]

This is an instrument of domination that France doesn't intend to give up. So, the project piloted by Nigeria, of a regional currency for the whole of West Africa programmed in 1992 for 1994, couldn't be put into practice. The two regional central banks have subsequently not been receptive to the arguments of the anti-Zone Franc CFA current that were expressed during the symposium on the Franc CFA organised by the principal non-governmental pan-African institution, the Council for the Development of Research in Social Sciences in Africa, in Dakar in 1998.

One of the organisers was none other than the present number 2 of the Ivorian state, Mamadou Koulibaly, who as an economic monetarist is sticking to his guns on the question. That Gbagbo, like Olympio in his time, had made preparations to leave the Franc Zone wouldn't be surprising, given the development of relations with Angola, one of the rare African states whose national currency (the kwanza) is linked to the dollar. Thus, this accident of the calendar was also remarked by the Initiative Committee of Intellectuals of Senegal: "We have difficulty in believing that only a week after the Abidjan International Conference for the Reform of the Franc Zone, the French Army opened fire on the visible symbols of the sovereignty of Ivory Coast in a way that was violent and barbarous, hateful and bloody."

Barbarism or ...?

The language of arms, in an atmosphere of ethnic and religious conflict, certainly relative, of divisions in a period when revolutionary hope still has difficulty in recovering from decades of fraudulent socialism, makes the situation of the partisans of an anti-capitalist answer to this crisis of neocolonialism and of the radical organisations of the social movement more difficult. Thus, the Ivorian revolutionary organisations, who are also victims of Gbagbo's militias, haven't failed to point out the

real nature of this conflict, Franco-Ivorian from the beginning, in which as usual, the people is the grass on which the elephants fight for their oligarchic interests.

Unfortunately, the fate of the Ivorian people, like that of the West African, Lebanese, Syrian and French immigrants depends on the co-managers of the established order, on the international level, on those who co-organised Linas-Marcoussis and Accra: from Chirac to Mbeki via Eyadema, from the UN to the African Union via the CEDEAO and Francophonie.

The civil peace that could be restored isn't going to put an end to the economic-social violence of neo-liberalisation (implicitly written into the Marcoussis Agreement by the participation of the Bretton Woods institutions in the surveillance of this agreement), on which there is no real opposition between the defenders of "Ivory" and their supposedly anti-Ivory associates - who voted the very "Ivoritarian" landholding code and showed themselves to be just as good at digging mass graves. In this country where the state has been so indebted since the time of the father of neo-colonial dependence the risk of the de-schooling of children - especially girls - is increasing, as are child labour, prostitution, unemployment... In short, social insecurity, the breeding-ground of chauvinism and of the violence of the lumpen-proletariat... So, civil peace, over and above the elections, which are a choice between two evils - keep Gbagbo or replace him by one of his many neo-liberal rivals - should be taken advantage of to build the unity of the struggles of the exploited and oppressed of Ivory Coast, over and above ethnic, regional, religious or gender differences.

Economic powerhouse of the region, the Ivory Coast could also become one of the poles for building a regional anti-capitalist dynamic, helped by the presence in more than one case of the same multinationals in neighbouring countries (including the "English-speaking" ones, Ghana, Liberia, Nigeria...), by the existence of regional neocolonial organisations against which a dynamic of regional

solidarity of exploited and oppressed peoples will have to be built. From the region to the continent,	from the continent to the intercontinental level, all together against the criminal capitalist order.
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GLOBALIZATION

World Capitalism in a Phase of Permanent Instability

MICHEL HUSSON ·

The countries of the South have partly recovered from the consequences of financial crises, but remain subject to the uncertain outlook of the world economy.

An untypical upturn in the US

Contrary to the hopes that it had raised, the "new economy" pushed down the rate of profit in the US from 1997 onwards. Figure 1 illustrates the main reason for this; the new technologies undoubtedly brought productivity gains but these were insufficient to offset a spectacular growth in the rate of accumulation.

The "new economy" has then been very costly in terms of investment and in spite of a fall in the relative price of this investment, this has finally weighed on the organic composition of capital. This point is fundamental, because it puts an end to illusions about capitalism's ability to free itself from its fundamental laws. The new technologies are not a magic instrument that would allow capital accumulation free from the fear of crises.

Figure 1. Profit and accumulation - Rate of profit: profit as % of capital (scale on left) Rate of accumulation: investment as % of capital (scale on right)

The recession that followed, from 2001 onwards, had then a dual function. First, it allowed a restoration of the profitability of capital through very tight management of employment. One can speak of a 'jobless recovery' to the extent that the latter provided an opportunity to accumulate potential productivity gains. But neither were the more classic means of re-establishment of the rate of surplus value neglected, such as increased working time and wage restraint, made easier by the weak demand in the labour market, which always makes it harder for workers to resist.

Michel Husson

This period was also used to bring the rate of accumulation more into line with that of profitability. It is striking to see how the two curves have come together after having considerably diverged.

This adjustment was carried out without a deep and lasting slowdown of the economy, because of the economic policy pursued by Bush after September 11. This has three main aspects, all of which help to boost economic activity.

The first was a kind of "military Keynesianism" involving increased military expenditure. The second aspect was a spectacular tax cut to stimulate the consumption of the rich. Finally, interest rates were pushed low so as to support the internal market, particularly in the area of property. The dynamism of internal consumption was thus maintained and the impact of the recession was limited. These policies have however generated a whole series of contradictions, which represent the flip side of its advantages. These are the main ones:

- 1) tax cuts, combined with military expenditure have turned the budget surplus into a significant deficit;
- 2) support for household demand through the lowering of interest rates has carried household indebtedness to unprecedented levels and led to an incipient "bubble" on the mortgage market;
- 3) income inequalities have again deepened, to the point of caricature;
- 4) the trade deficit with the rest of the world has continued to deepen and now represents more than 5% of US GDP, or more than 1% of world GDP.

In this context, the scenario of a brutal adjustment threatening the US economy becomes more plausible. It will happen if capital from the rest of the

world refuses to finance the US trade deficit or, what amounts to virtually the same thing, if the central banks of the other countries no longer accept holding growing reserves in dollars and sell them, bringing the dollar's exchange rate even lower.

It would then be necessary for the US to raise interest rates to reassure foreign capital and/or rein in the growth of the internal market to ensure the financing that foreign capital is no longer providing. This could then lead to a stock market and mortgage implosion and a serious social crisis not only for wage earners, but also those social layers whose wealth and incomes depend on the value of their financial assets.

It is not catastrophist to envisage such a scenario, and there is practically consensus that current deficit policies are unviable. To give only one example, the last OECD report devotes a whole chapter to the reduction of the US trade deficit, which seeks to calculate its impact on the world economy in figures. [1] The important thing is not making prophecies, but identifying the two essential factors on which the trajectory of the US economy in the years to come depends, namely its articulation with the other zones of the world economy and its capacity to make productivity gains.

The question of productivity

This absolutely decisive question is at the centre of the debate on the health of the US economy, and Alan Greenspan, the president of the Federal Reserve, misses no opportunity to refer to it. The debate can get quite technical but it relates to a central analytical question in contemporary capitalism, the impact of the "new economy". The point of departure is the more rapid progress of productivity - in other words the relationship between production and employment - registered in the US from the mid-1990s onwards.

This acceleration followed previously mediocre US economic performance, clearly inferior to what were recorded in Europe. It justified the hopes

placed in the "new economy" and gave meaning to the stock market explosion. According to this line of analysis, the dizzying growth of share prices only anticipated the profits to come, thanks to the productivity boosted by the introduction of new technologies. Capital was then correct in flowing to the US, even if this had as its counterpart a deepening of the trade deficit.

There are then two opposed theses, that of the "high tech" cycle and that of "new growth". For the former, productivity gains were only the transitional product of the investment boom in the new technologies. Productivity would revert to its previous tendency after investment returned to lower levels. For supporters of the new growth thesis, technological change would on the contrary have a lasting impact in terms of productivity gains.

The recent facts seem to bear out the latter thesis, as productivity has continued to accelerate in spite of a fallback in the rate of investment (figure 2). Moreover, these productivity gains can be seen in all sectors, rather than being confined to the most technologically advanced sectors, undermining one of the main arguments of the "skeptics".

Figure 2. Productivity and investment -
Productivity: rate of growth of Gross Domestic Product (GDP) per head (scale on left) - Rate of investment: investment as % of GDP (scale on right)

The debate is not however settled, because exits from recession in the US are traditionally accompanied by significant peaks of productivity. For sure, this phase of upturn is particularly atypical since it involves very little job creation. The significant drop in company profits has led to a very rigorous policy of restructuring and intensification of work.

It could be argued that they are thus reaping the benefits of the new technologies, but it would be very hazardous to say that this development can continue at the same rhythm.

Observation of the facts is itself obscured by parasitic phenomena like the lengthening of working hours, the extension of undeclared work or of mul-

tiple employment, not to mention the haziness of statistical data.

Here we need to look at a discussion which is somewhat technical, but has a close relationship with the analysis of the "new economy". The latter is reflected in a leap forward in investment, particularly in computer equipment. But does this amount to accumulation of capital or productive consumption? Statistical conventions are not the same in the US and most European countries. In the US, a computer is counted as capital, while in Europe it is intermediate consumption.

The US statistics have then a tendency to overestimate GDP (and thus productivity) in comparison to European statistics, [2] since they include depreciation of capital. GDP grows more quickly than net domestic product (NDP) which deducts this depreciation. In Marxist terms, calculating "in gross" amounts to (wrongly) including constant capital consumed in the definition of the new value created.

If we correct this bias, as well as the effect of work time, we see that the gap between the US and Europe is reduced. Julian Callow, an economist at Crédit Suisse First Boston, has made some calculations over the period 1996-2001. They show that hourly productivity increased by 1.8% a year in the US as against 1.4% in Europe. Such a difference can be easily explained by the more rapid growth of the US.

The complex overlapping of the world economy

The question of the US trade deficit is closely linked to this analysis of productivity gains, inasmuch as these latter are the objective basis of higher profitability, capable of reproducing the attractiveness of the US. We can then imagine two counterposed scenarios. The first is the prolongation of the current situation, where more rapid productivity gains and higher profitability would continue to attract the capital necessary for financing the US trade deficit.

This configuration is however hard to sustain, as it would involve the maintenance of a differential in growth between the US and Europe-Japan, in other words a growing disequilibrium of the world economy. This would have as its first consequence growing social tension in Europe or Japan. Moreover, the trade deficit is not only the indicator of US supremacy imposed on the rest of the world.

It is also, in the final instance, indicative of the fragile competitiveness of the US economy, confronted with growing competition on the world market. The paradox is that the mediocre growth imposed on Europe and Japan would have as its counterpart the reconstitution of their competitiveness, on the basis of wage restraint rather than productivity.

The real supremacy of the US economy is moreover to a great degree an illusion. Will Hutton [3] argues that outside of the military-industrial complex, "there is scarcely a high-tech sector where US companies can claim systematic leadership over their European competitors." The US is outdistanced in technology, inventiveness or innovation in sectors going "from cars to aerospace, industrial gases to cell phones".

The increasing power of China is another subject of concern that dominates economic debate in the US. It now accounts for nearly half of the US trade deficit, and this share can only grow. Between 1970 and 2002, Chinese exports increased by a multiple of 140, and their competitiveness is ensured by the anchoring of the yuan to the dollar, and this parity is one of the targets the US government is taking aim at, all the more so in that Chinese competition is beginning to affect US high technology sectors. There is a lot of discussion about relocation and de-industrialization, even if the loss of manufacturing jobs is essentially explained by productivity gains and restructuring.

In other words, the US does not dominate because of the intrinsic performance of its economy, but thanks to its ability to "arrange" the accumulation of capital on the world scale which depends in the

last analysis on relations of force of a political nature. This hegemonic assertion is not without limits, so it is necessary to envisage a second scenario where competitiveness and the trade balance would be steadied by a fall in the value of the dollar in relation to the other currencies, notably the euro.

The imperial fall of the dollar

This scenario has moreover, largely been embarked upon, and it is expressed notably by the pressure exerted on China for the revaluation of the yuan. The downward movement of the dollar has already led to a considerable devaluation in relation to the euro (of the order of 40% in relation to its highest point of a little more than three years ago). If we go back in time, the dollar's rate of exchange to the euro (or the European currencies before that) has gone through significant fluctuations.

In order to better appreciate this, we should take account of the respective inflation in Europe and in the USA. In this way we can calculate a real rate of exchange, and compare it to the effective rate of exchange to locate the phases of "under valuation" and "overvaluation" of the dollar in relation to the euro (or a basket of the equivalent currencies before its creation). These appreciations obviously depend on the choice of period of reference, which is here 1986 (figure 3).

We can distinguish several phases, from 1971 onwards, when the dollar became freed from its linkage to gold. It then fell in relation to the other currencies up until the financial crash of 1979, marked by a very strong increase in US interest rates, which sent it upwards again.

Over the next five years, the real exchange rate of the dollar returned to virtually its level of 1971. But this appreciation of the dollar had some inconveniences, and the US decided to put an end to it, imposing on their European and Japanese partners the Plaza Agreement of 1985, which made the dollar fall sharply and restored the lost competitiveness of US products.

The fall continued for a decade, then the dollar started to rise again from 1996-97 until the recession of 2000. This date opened the phase that we are still in, marked by a continuous fall of the dollar and symmetric rise in value of the euro. Today the real rate of exchange of the dollar is at its lowest point ever for at least 50 years.

Figure 3. The real value of the dollar in relation to the euro - Effective rate of exchange related to the real rate of exchange (corrected for inflation). The index was 100 in 1986.

The breadth of these fluctuations goes beyond strictly economic determinants. They can be interpreted as the result of a contradiction in the mechanisms of US domination. As the dominant financial and monetary power, the US needs a strong dollar, but at the same time it needs a weak dollar as an economic and trading power. The successive highs and lows of the dollar can then be explained by the relative priority accorded to these two ways of affirming American supremacy.

The highs correspond to their desire to restore their supremacy over the world economy when this latter seems threatened on the financial plane, while the lows allow the reestablishment of their competitiveness and consolidation of the positions they have won. Each high period relates however to particular economic conjunctures. The 1980-1985 phase corresponds to the neoliberal turn designed to correct a world economy in crisis through financial discipline, while the 1996-2000 phase corresponds to the rise of the "new economy" and the gathering in of capital scalded by financial crises in the emergent countries.

Figure 4. Differential in growth USA/EU and rate of exchange €/ \$

The growing integration of the world economy has as a consequence a sharpened relationship between European growth and the rate of exchange of the euro to the dollar. This is a key variable which does only affect bilateral exchanges between the US and Europe but also contributes to the determination of their respective performances on third markets overall. A fall in the dollar in relation to the euro

makes US products more competitive, not only on the European market but on the world market as a whole.

That is why the last decade shows a close correlation (which did not exist before) between the differential of growth Europe/United States and the rate of exchange of the euro in relation to the dollar. When this latter falls, the gap between the growth in Europe and in the US increases to the benefit of the latter (figure 4).

The US has thus deflected the slowing up of growth towards Euroland which, after the years of upturn (1997-2000), has again plunged into a mediocre conjuncture. This movement of exchange rates is combined with the disastrous economic policies being pursued in Europe. Enthusiasm for the "European Employment Strategy" has dissipated, and the Stability Pact has proved impractical.

The insistence on increasingly tough policies of wage restraint (under the pretext of competitiveness) has succeeded in stifling the internal market, while tax cuts targeted at the rich have not durably boosted consumption. Weak investment means insufficient productivity gains, in spite of a systematic policy of restructuring of European firms.

This contrast between the economic situation in the US and in Europe underlines the weak integration of European capitalism. Each EU country is positioned differently in relation to this overall configuration, and we are witnessing the beginning of a divergence of their trajectories. Some (notably the United Kingdom and the small countries) are doing better than the countries of the European "heart" (France, Germany and Italy), and this phenomenon is a supplementary obstacle to the coordination of their economic policies.

There is also a growing gap between national economies and the leading world companies, notably in the area of accumulation of capital. The big companies are to a certain extent indifferent to the sluggishness of the European market, because they also invest and sell on other markets. Their interests tend then to be increasingly dissociated from

the relative health of the European economy, and this explains how they can escape the contradictions of European economic policy. The latter might seem suicidal, inasmuch as it stifles demand by blocking wages, but the world market provides a way out.

The price of oil

2004 saw a significant rise in oil prices. They had fluctuated around \$30 a barrel throughout 2003, but then rose to \$50 before falling back to around \$40. This should however be put in perspective. Oil prices have gone up steeply on two occasions, in 1973-74 then in 1979; the price per barrel rose about 18-fold. In the 1980s prices fell back continually to around \$20. Then prices rose again from 1999 onwards, with the price per barrel doubling to regain the heights attained at the beginning of the 1980s.

Figure 5. Price of barrel in dollars

But this evolution of oil prices needs to be corrected for inflation, since all other prices have also increased. So we need to convert past rates into 2004 dollars to compare over time. Then we get a different picture. The real price of oil is only now returning to the level reached between the two oil crises of 1973 and 1979 (figure 5).

Another corrective should be added concerning the EU in the recent period. EU countries pay for oil in dollars, in such a way that the fall of the dollar in relation to the euro compensates in part for the rise of oil prices calculated in dollars. So the increase is relatively low and for Europe the price per barrel has been virtually the same since 2000, the date of the last significant increase (figure 6). The ritual invocation of oil prices to explain the downward revisions of growth perspectives should then be placed in context.

The global effect of higher oil prices is relatively reduced in the short and medium term. The basic long-term question, that of an increasing scarcity of resources, weighs like a sword of Damocles on the world economy but at a more distant horizon. In

the here and now, the rise in oil prices is rather a weapon that will be used to obtain a reevaluation of the yuan, which would reduce the bill for China, a big oil importer, while improving the competitiveness of US products.

Figure 6. Price per barrel in 2004 prices

The boomerang effect of globalization

Skepticism as to the benefits of globalization is gripping the highest spheres of the dominant economy. Paul Samuelson, Nobel prizewinner and theorist of the mutual enrichment of nations through international trade, has just published an article expressing his doubts. His basis is the tendency of the US share in world production to fall. It was close to 50% immediately after World War II and today is between 20 and 25%. Be it said in passing, neoliberal theory in no way guarantees the maintenance of the relative weight of the US economy.

It seems the theory has become less interesting from the time when its implementation no longer led to what was its practical objective. Samuelson's concern is that technical progress in China now affects the sectors where the US currently has the clearest comparative advantages. That says a lot about the absurdity of the theory, which does not take into account this kind of technological catching-up, and is closely linked to the interests of the dominant power. Certainly, Samuelson's article led to energetic protests from the free trade doctrinaires, like Jagdish Bhagwati (author of a paean to globalization - *In Defense of Globalization*, Oxford University Press, 2004) but it is revealing of a growing awareness of globalization's blowback on the US economy.

All this comes down to saying that the current configuration of the world economy is accompanied by a deepening of the contradictions linked to the process of capitalist globalization. The "Empire" is in reality profoundly divided, and we can see here the modern expression of the law of combined and unequal development.

There is a double line of fracture inside the zones of this world economy: between the US and the other dominant economies, around the fall in value of the dollar; and between the dominant economies and the "emergent countries". The latter threaten the overall stability of the world economy by winning market shares and by increasing the price of raw materials, in particular oil.

Capitalism is today freed from its "fetters". The circulation of capital is virtually free, and social entitlements have already been greatly eroded throughout the world. From this viewpoint, the hold of finance should not be understood as a form of parasitism that will prevent capitalism from functioning properly. On the contrary, it amounts to an instrument allowing the gradual establishment of a world market, where wage earners are directly placed in competition and subjected to the demands of profitability which are opposed to the satisfaction of unprofitable social needs.

Thanks to finance, contemporary capitalism comes closer to a "pure" functioning in this sense that it is progressively freeing itself from anything that could surround or regulate it. This movement cannot reform itself and implies a regressive redistribution of wealth.

That is why constructions which seek to separate the wheat from the chaff - for example "good" productive capitalism from "bad" finance capitalism - or to imagine a capitalism which is both hyper-competitive and more egalitarian, smack of a reformist utopia which does not correspond to the reality of modern capitalism.

The paradox of globalization can then be stated thus: the more capitalism succeeds in modeling the world economy to its convenience, the more tensions grow. World capitalism is today installed in a phase of lasting instability. And the fundamental question is whether this instability will be resolved according to the axis of inter-capitalist conflicts or of social confrontations.

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VENEZUELA

"To lead our people to full social and economic liberation through a complete revolution"

PASCUAL SERRANO ·

Pascual Serrano, who took part in this meeting with Venezuelan president Hugo Chavez, published this report on the web site of Rebellion, November 26, 2004.

– How do you see the next meeting of the presidents of the countries of South America?

We have been very critical of the process of Latin American integration, which has often been a process of disintegration. It was Simon Bolivar who most forcefully expressed the geopolitical idea of a league of Latin American nations. When the first Summit of the Americas was held, ten years ago, in Miami, Clinton said that it was the coming true of Bolivar's dream - but no, in fact it was Monroe's dream, the dream of control of the countries of Latin America by the United States, that he was trying to implement.

Initiatives such as Mercosur are in reality only commercial affairs, that's not genuine integration. Until the coming to power of Lula two years ago, we felt very alone with our project of integration.

The Empire had always tried to avoid what is taking shape now: Lula, Kirchner, the fall of the neo-liberal government in Bolivia and today Tabaré in Uruguay... Even if the President of Paraguay maintains a neo-liberal discourse. The Ayacucho Summit will enable us to take a step forward, because the unity of the bloc of Latin American nations is slowly advancing.

– You have denounced the way the media treat your government and the situation in Venezuela and beyond. How do you see the situation now?

It has been terrible. As Galeano would have said, "never have so many fooled so many people". They carried out a coup d'état against me, they kidnapped me and took me by plane to an island and nobody told the truth about it. They all announced that I had signed my resignation, which was a lie, because they would have had to shoot me first.

But before the cock had crowed twice the people and the troops loyal to the Constitution succeeded in restoring the legitimate government and the constitutional order. Then a newspaper in Spain had a headline "The people overthrew Chavez and the army restored him to power." Then we had to deal with the sabotage of our public oil company, PDVSA, the heart of the Venezuelan economy. Then there was the referendum, where we won 60 per cent of popular support.

It has just been shown that the opposition resorts to terrorism, with the murder of the judge who was investigating the coup d'état. Now, the media are tending to do their job again. Criticism is welcome. We haven't closed any of the media in spite of their insults and their verbal personal attacks against me. We think that in Spain there is also an evolution in the way news from Venezuela is handled.

– What international ally supports your policies in Venezuela?

When we arrived in OPEC this country wasn't worth a barrel of oil. Until then Venezuela was the US's Fifth Column in OPEC. We met with all the countries and we re-launched the organisation. When we were suffering from the bosses' lockout that paralysed our economy, we were able to appreciate the solidarity from Brazil, which sent us oil, from Cuba, which supplied us with food and sugar, and from Colombia, which allowed us to use the

ports of Santa Marta and Cartagena. Russia also sent us oil and Algeria and other OPEC countries placed technicians at our disposal.

After the failure of the coup d'état and my re-confirmation as President of Venezuela, the United States wanted to use the Inter-American Democratic Charter against me - a full-scale attack, claiming that it was I who had carried out a coup against Carmona. The countries of the Caribbean - small in size but big in dignity - and many Latin Americans stood up to the United States.

It is true that the Soviet Union no longer exists, but there are many friends in the world.

– Your system claims to be advancing towards a participatory democracy. But in the last regional elections the turnout was frankly weak, how do you explain it?

The level of abstention in the recent elections for mayors and governors reached 51 per cent. In the elections during the 1980s the level of abstention in the municipal elections was 90 per cent and in the elections for governors, 60 per cent. The level of abstention in the recall referendum (in August) was only 35 per cent, an unprecedented level in Venezuela.

You have to take account of the fact that in the last local elections the opposition had called on voters not to take part. Thanks to this we won twenty out of twenty-two states.

Although the turnout is very important, you can't measure participatory democracy by the number of electors on polling day. It's the participation of citizens in the many and varied daily tasks that enables us to measure it: health, land committees, volunteer armies for literacy, Bolivarian circles, study groups on water use, neighbourhood committees that define needs and the uses the budget is put to...

Democracy is measured on a day-to-day basis, not on election day. If we want to put an end to poverty, let's give power to the poor. That's why we have taken initiatives, such as the micro-bank, to give

loans to those who are organising in the poor neighbourhoods.

– Looked at from Europe, Venezuelan society seems very polarised. Do you envisage an initiative to calm relations between your government and the opposition?

What is happening in Venezuela is also happening, from a mathematical point of view, in the whole world. Bush-Kerry in the United States, Zapatero-Rajoy in Spain, Lula-Serra in Brazil. In 1998 we got around 56 per cent of the vote, the opposition about 40 per cent. In 2000, with the new Constitution, we got 58 per cent of the vote.

Four years later we got the support of 59 per cent of those who voted. In 1998 and 1999 there was no social violence, there was absolute peace. However we dealt with conflict-laden questions, like abortion or homosexual rights, etc. In 2000 there weren't any tensions either.

But when we reached the year 2001 and infringed on the economic privileges of the oligarchy, a conspiracy exploded, the media began to say that yes, Chavez was a fascist, or a communist who wanted to turn Venezuela into another Cuba.

The situation was so tense that that people were capable of banging pots and pans on family outings to a theatre or a restaurant, to the point where they were forced to leave. On television officers in uniform called for an insurrection, they paid soldiers to launch all sorts of accusations against me, they went so far as to pay a pilot to say that he had transported drugs in his plane, or arms for the Colombian guerrillas...Those were the methods we had to overcome in Venezuela in order to accept and normalise political differences, like in any other country.

– In my opinion, Cuba is an ineffective dictatorship. Shouldn't you support a transition in Cuba? What can Venezuela do so that aid to Cuba transforms it into a democracy?

We are very respectful towards Cuba. We provide the same aid to it as we provide to, for example, the

Dominican Republic. We have never envisaged that this aid could be conditional. Friends are friends. We respect Cuba and we have our own criteria. No one can reply to your question better than Fidel Castro.

But I will never say that what is happening in Cuba can be compared to a dictatorship. I don't possess any such certainty. Why here in Europe don't people ask the Arabs why they don't elect their presidents? In Cuba there is no illiteracy, but in countries that consider themselves democratic there is 40 per cent of illiteracy.

This subject is very delicate for me, because of my respect for Cuba and for its revolution. In my country we have Cuban doctors who work in the poor neighbourhoods. They have left their families in Havana and spend up to two years helping the Venezuelans.

Without any doubt the model of integration and co-operation that we are trying between Cuba and Venezuela is an example that we are giving to many Latin American countries. But I think that a Cuban could give a more precise answer to this question.

– How are policies of wealth redistribution applied in Venezuela? How does the state corruption that exists in the Venezuelan administration affect the Bolivarian Revolution and how do the social movements take part in the fight against corruption?

Every economic transformation must have a social effect. We have taken some steps in the course of the last five years. The recovery of the public oil company PDVSA, which was in the hands of a de-nationalised technocracy, cost us a lot.

When I was a young lieutenant I was ordered to search for and arrest guerrillas like Ali Rodriguez and Guillermo Garcia Ponce, who are both with me today, one as a minister and the other as director of a periodical. I realised that they were right, both concerning their struggle and their demands.

The recovery of PDVSA was a titanic undertaking. One of the managers of this company has ended up as adviser to the President of the United States, which shows who he was working for all along. They were going to privatise everything, they had already privatised the brain of the oil company, that is, the whole of the computer control system was in the hands of a mixed company whose directors were all members of the CIA.

They were a state within the state, who couldn't be held accountable for an audit or control, neither by the government nor by the Congress nor by the Revenue Court. They began investments in the whole world that never brought a single cent to Venezuela. After the failed coup d'état and the bosses' oil strike we were able to legally dismiss 17,000 managers for abandoning their posts for two months and taking a holiday.

But the PDVSA still today owns petrol pumps and refineries in the United States which have never brought us a cent and on which we have to sell petrol at reduced prices. And we can't put a stop to this situation because we would lose in the American courts. So, I'm financing Bush. But they accuse me of financing Fidel Castro, whereas we are giving money to the President of the United States and not to Fidel.

At least we have recovered the Venezuelan part of PDVSA and we have been able to devote 1.7 billion dollars of the PDVSA budget to the fight against poverty.

Next year we will again be able to use 2 billion dollars from this budget for social purposes. In contrast, when they were in charge of the oil company they didn't pay taxes because they declared fictional expenses. They even went so far as to organise explorations for oil in places where they knew perfectly well they wouldn't find any, for the sole purpose of justifying the tax deductions.

Tax collection is another problem. In Venezuela no one paid taxes. Now we are automating Customs, because smuggling, for example, was rife.

But beyond all that, we want to go beyond neo-liberalism to bring about a state that is social, democratic and just.

– In Spain it is difficult to understand the big role that soldiers play in your government and your administration. Can you explain it?

Some people think that my government is a military government, but that's not the case. In fact the armed forces participate in our process. Our arrival coincided with the "Caracazo" (popular revolt in February 1989) in the course of which thousands of Venezuelans died, repressed for demanding more social justice. They called me a putschist, but what we did in 1992 was a civil-military rebellion.

My present minister, Ali Rodriguez, a civilian, was the waiting for arms and we had planned a rising to lead the country towards a constituent period. Venezuela was then under the control of a corrupt political class. We were imprisoned after asking that there shouldn't be a single shot fired, to avoid bloodshed.

There were at that time more than forty murders in Caracas every weekend, but during the twelve hours of our rebellion there were only 17 dead - deaths that greatly distress me. When we came out of prison, we built a party and we stood in the elections. And we won, we are winning and we will win again.

You also have to take into account the social origins of Venezuelan officers. They come from the poor social classes, they are children of peasants, that's why they understand the need to get involved in a project to fight against poverty.

Appendix 1: Chavez, Trotsky and the Permanent Revolution

In his closing speech at the First Meeting of National and International Intellectuals in Defence of Humanity, December 5 in Caracas, President Hugo Chavez spoke about Trotsky and his Permanent Revolution. He said in particular: "I am

in the course of reading a book someone gave me, Permanent Revolution, a formidable book, by Trotsky".

Venezuelan National Radio gave the following information about this speech: "He also exhorted the need to take up again the study of socialist ideas, of socialism's original theses, to revise the mistakes, to reorient ourselves in order to take the right direction, so as to avoid the extermination of the human race, of the planet Earth, of all life."

In commenting on this task, he said that in Moscow he had bought Trotsky's book *The Permanent Revolution*, in which the Bolshevik revolutionary explains that the problems of each country don't have national solutions, but that these problems include other peoples, a thesis that he said he entirely shared. In harmony with this supreme objective, he recalled that this Monday there will take place in this city the Bolivarian Congress of Peoples, which includes for the moment only the Latin American and Caribbean regions, but which should in his opinion be extended to the whole world. 'This other summit will complete the one we are concluding here', Chavez underlined".

NOTE: If Chavez obtained Permanent Revolution in Moscow, it seems more likely that he was given it than that he bought it.

Appendix 2: Chavez - "The fatherland is Latin-Caribbean America"

During the Second Bolivarian Congress of Peoples on December 6, Hugo Chavez Frias addressed the delegates of more than twenty countries of Latin America and the world. Prensa Presidencial reported his speech as follows: "This century is for us the century of truth, in this century we will have a fatherland and this fatherland is Latin-Caribbean America.

It is time to think about it and to create it, this is taking place today and not tomorrow, let's not waste time, let's take advantage of time. We are called upon to invent it, to freely create it, to defini-

tively liberate it for the good of our peoples. (...) 'The United States of North America, said Bolivar, seem to have as their destiny to infest America with suffering in the name of liberty, that's why we must take up again more strongly the ideas of the Libertador', added the country's First Citizen.

He pointed out that the day after tomorrow in Cusco (Peru) presidents from different parts of the world will sign a declaration to "form a South American community of nations, which is a good signal, but in no way sufficient, because it is limited to a rapprochement between the Andean Community of nations and Mercosur, starting from a mercantilist vision".

He explained that it is a limitation because the integration of peoples is not an economic problem but a political, historical and social one rather than being mercantilist, and he underlined that it was politics that must open up the road so that the people may choose the directions to go in and subsequently enable the economy to play its fundamental role".

Appendix 3: Chavez - "We must leave the capitalist model behind us"

Extracts from President Chavez's speech in La Guaira, Vargas State, October 28, 2004, at the end of the municipal and regional (state) election campaign, which took place on 31 October.

"The only way, the only real way - we have to accept it and understand it better every day - to lead our people to its full social and economic liberation is through a complete revolution, an integral revolution, a revolution which must deal with the economy, that is to say a revolution which in addition to being political, must also be social, must be profoundly economic.

I will say once and for all, we must leave behind us the capitalist model that has been installed in Venezuela for such a long time, because in the framework of the capitalist model, of the capitalist economic model, there is no solution to society's

most serious problems, grinding poverty and social exclusion(...)

We are going to govern over the next two years with a better level of coordination, with great efficiency and especially in order to effect a great leap forward in political transformation, in social transformation and especially - and I say this because the economy is a determining factor - economic transformation.

The capitalist model, we have said, we will leave it behind, so what will be our model, some will ask? There is here an economic model, it is contained in its broad outlines in the Constitution, a model of social economy, of popular economy, a diversified productive economy, a humanist economy because it must serve to give our people, as Bolivar said, the greatest possible happiness to everyone in equal measure and not to a privileged minority against an excluded majority. So it's in this direction that we must speed up our progress, and we will have to fight hard against the structures of the capitalist system".

Appendix 4: Chavez quotes Trotsky on revolution and counter-revolution

As I said to Khatami: "Look, Khatami, the imperialist aggression made us lose, we lost part of two years, 2002, 2003, because there we put off many projects, yet we are also gaining many things, we are gaining moral strength in the face of the world, we are demonstrating that here what is on the march is a real and genuine democracy, we are withstanding, as Trotsky said, the whip of the counter-revolution; but Trotsky said: 'Every revolution needs the whip of the counter-revolution; the whip strengthens it, provided it survives it'. We have not only survived the whips of the counter-revolutionary aggressions, but we have come out of it strengthened, as I say to all our friends in the world, in one way or another".

(Extract from the annual message of Hugo Chavez Frias, President of the Bolivarian Republic of Venezuela, from the Legislative Palace, January 14, 2005).

PORTUGAL

Socialist Party Set for Election Comeback?

ANTONIO LOUÇÃ ·

Announced to the country the last day of November, the decision taken by the President of the Republic to dissolve Parliament put an end to four months of populist and erratic government by the right wing PSD-PP alliance. [1]

Symbol of the Portuguese Left Bloc

From the working class to various sectors of industry and banking, the country more than celebrated President Jorge Sampaio's decision, which his electors had been expecting from him since July, the only thing he was reproached with being that it had come so late.

The degradation of economic and social indicators, the lack of confidence in the government of Santana Lopes, which was beginning to affect conservative sectors, in particular in the world of industry and finance, as well as the untimely resignation of a minister three days after his nomination, were the decisive factors in the president's decision.

After Durao Barroso's abandonment of the government, the opinion of all the left parties was finally taken into account and the early elections offered the chance for a new political cycle in our country.

The flight of Barroso and the attempted coronation of Santana Lopes

In the European elections last June the right-wing alliance experienced the worst electoral defeat in its history. Addressing the country on election night, Durao Barroso announced that he "would draw the consequences of it". But in fact, a few days later, he changed his name to José Manuel Barroso and announced that he was a candidate for the post of President of the European Commission, designating as his successor Pedro Santana Lopes, vice-president of his party and Mayor of Lisbon.

The argument of the "prestige" of the responsibility to which he had been appointed by the Council of Europe was used ad nauseam, in an attempt to wipe out from the collective memory two and a half years of a government that had worsened unemployment, provoked the degradation of the quality of life of a big majority of the population and had no scruples about favouring the big economic and financial groups.

The result that came from the ballot box in June was obviously more than just a judgement on the different projects and conceptions of Europe: it was a condemnation of the government because of its domestic policies, its participation in the Iraq War, its choice of playing the role of Bush's lackey during the war summit held in the Azores [2] and the demagoguery of its discourse on cutting back and controlling public spending at the same time as privatisation was advancing in sectors like health and energy.

This argument about the prestige that the country would gain by having a Portuguese at the head of the European Commission influenced the SP and a large part of the press and of opinion formers, putting into the background the question of the succession to the government of the Republic.

The two weeks between the announcement of the dissolution of the Barroso government and the President's decision to accept the nomination of his chosen successor were days of acute anxiety and indignant protests. Those were the days that saw the Belem gardens, in front of the presidential palace, filled with demonstrators demanding that the president call elections. The joyful and creative atmosphere of these demonstrations, the first called by SMS, will be long remembered.

Sampaio's decision to appoint Santana Lopes's government led to the resignation of the general secretary of the SP, his friend and political companion in arms [3], provoking a congress and the election of a new leader of the party. Ferro Rodrigues, the leader who had faced up to the strongest attacks against his party on the occasion of a judicial process, still in course, concerning sexual abuse of children and a paedophile network, who had always stood up to the governing majority party and who had just won a resounding victory in the European elections, couldn't go on after Sampaio's decision.

His resignation opened the way to the return of previous SP leader Ferro ('General') Guterres, a mixture of social-democratic conformity and technocracy who is today fighting for power without the slightest significant project for a change in the policies conducted over recent years by the Right.

Between absolute majority and change

Leading in all the opinion polls, the SP is getting ready to start governing the country again, and is gambling on winning an absolute majority in the elections on February 20, 2005. The disaster of the Right is so profound and obvious that the Socialists don't need to do much to win. But the real question is: how are they going to govern if they don't win an absolute majority? What policy of alliances, what parliamentary majority will they be able to have?

The Right has lost no time in accusing the SP of wanting to govern with the Left Bloc. The bourgeois press quotes anonymous SP sources favourable to an agreement with the Bloc and categorically opposed to any agreement with the Communist Party. In a campaign that is being conducted in the political centre, where the SP is aiming at the conservative electorate, this impossible hypothesis is the Right's argument and the SP's nightmare. The party is denying, through the official voice of its leadership, the rumours from anonymous sources, but it isn't succeeding in silencing the chorus of these false rumours.

On the Bloc's side, all the clarifications concerning this scenario are being marginalised, absorbed in the tumult of a manipulative campaign organised by the Right.

Everything indicates that the SP campaign will bring the clarification necessary, because of its content and the proposals it will put forward. And first of all because of the author of the Socialist Party programme: former European Commissioner Antonio Vitorino, from whom we can only expect a programme of continuity of austerity budgetary policies and their social consequences for the country.

Secondly, because as the political debate clearly shows, the SP will seek its absolute majority by trying to turn the generalised indignation against the government of the right-wing alliance into votes, all the while fighting it for space and for the electorate with propositions that continue anti-social policies and the destruction of public services. In this respect the declaration by SP general secretary José Socrates is blindingly clear, affirming his intention to keep "what was good" in the policies of the Right, in several domains:

- Health: the previous Socialist government of Guterres introduced the formula of privatising public hospitals by privatising the management of two new hospitals. The Barroso government privatised 32 more. The Socialist leadership has already indicated that it intends to go further and apply this model of private management to the country's thousands of health centres. And this at a time when the problems of functioning of these models of privatisation are starting to become quite obvious to the general public.

- Obsession with the budget deficit: like the Right, the SP prefers to continue to look for extraordinary recipes via the sale of state assets in order to make up the deficit, rather than renegotiating the Growth and Stability Pact in the European institutions and admitting that this pact represents a model that limits the possibility of social policies and justifies the destruction of vital public services.

– Unemployment: half a million unemployed, with an increase of 400 new unemployed every day, that's the balance sheet of the right-wing government. But this reality isn't making the SP promise to go back on the whole of Barroso government's labour legislation. The end of collective bargaining agreements and the extreme insecurity of labour relations are the hallmark of the Right in the field of labour relations: the SP and José Socrates, its general secretary, seem to be taking over the inheritance.

– Incineration of dangerous industrial waste: as Minister of the Environment in the previous Socialist government, José Socrates launched a project of co-incineration in cement works. This excellent piece of business for the bosses of the cement industry was then challenged on all sides for environmental reasons and also by the populations most directly concerned. Today, the SP isn't saying clearly what its policy will be on this question.

– Iraq and NATO: In spite of the promise to withdraws from Iraq the soldiers of the National Republican Guard (GNR), the SP hastened to make it clear that an agreement with the Bloc would only be possible if Portugal's membership of the Atlantic Alliance was not questioned. For the Bloc, that is quite clearly an unacceptable condition.

Decline and schizophrenia of the PCP

While maintaining considerable influence in working-class areas and in the unions, the Communist Party is an organisation in difficulty. First of all because of its internal debates, which are invariably settled by means of expulsions.

Secondly, by the contradiction between its official propaganda, avowedly Marxist-Leninist, and its desire to be seen as a possible government partner for the SP. Its new leader, Jeronimo de Sousa, has already announced that the party has excellent cadres available for such a role.

But the growing sectarianism of the road followed by this leadership is isolating it from the world and transforming the PCP into a party whose electoral

decline is becoming accentuated, without proposals for the crisis the country is going through and without any dynamic that might bring a hope for change [4]. The participation of leaders of Renovação Comunista - a small organisation of the most recent dissident cadres of the CP - on the Bloc's lists, confirms us as the main enemies of the Stalinist leadership. But at rank and file level there are many points of convergence, we are involved in the same struggles and the question of influence in the social movement is a permanent battleground between the Bloc and the PCP.

Abortion: the national shame

In 1988, with more than 60 per cent of abstentions, the Right won a narrow victory in the referendum on the modification of the law on abortion [5] For the Left, the defeat was so significant that in 2000, on the night of their first election victories, the Bloc's MPs committed themselves to do everything possible to change the law in the direction of making abortion on demand possible up until the twelfth week of pregnancy.

This was also the first point of the post-electoral agreement of the PSD-PP alliance which has governed us for the last two and a half years. The PP, a party of the radical Right, managed to impose the law of silence thanks to its government agreement with the PSD. This silence became all the more difficult as the injustice of the law became obvious, with a succession of legal verdicts and humiliations against poor women who had had to resort to abortion. Each verdict made more evident the hypocrisy of a system that considers women who abort as criminals.

The obvious changes in Portuguese society show that there exists on this question a new social majority that doesn't agree with judging these women. But the question was blocked by the parliamentary majority and at the end of 2003 the Bloc launched an enormous campaign of signatures to demand new referendum.

More than 120,000 signatures obtained in the streets, with huge popular support, allowed us to put the question back at the centre of the political scene and in spite of the failure in Parliament, abortion has not ceased to be a permanent and decisive theme in the country, to divide the Right itself, and to force the new Socialist leadership to commit itself.

There was a comic episode around this question last spring, when the organisation Women on Waves arrived in Portugal with its clinic-ship. Paulo Portas, Minister of Defence and leader of the PP, in violation of all the laws of the community, sent out the Navy to stop the ship from anchoring. For many weeks, the ship belonging to the Dutch NGO was kept under surveillance on the high seas by warships. On land a noisy discussion broke out over abortions and over the government's authoritarianism and led to it becoming clear that the country was being held hostage by a small party of the Radical right that was sharing power in the government.

Another issue that did the Right a lot of damage was the question of the control of the means of communication, in particular when a private TV channel carried out a purge, removing a very popular political commentator. This person was none other than Barroso's predecessor as leader of the PSD, a man of the organic Right, but who on several occasions criticised the government's policies. Santana Lopes's government couldn't put up with these criticisms and used the state's capacity for blackmail on the question of the privatisation of the telecommunication network, for which the TV channel was a candidate, to force it to get rid of the offending commentator.

This affair and others on a smaller scale highlighted the strategy of manipulation and control of information by a government which had not been legitimised by an election and which was ready to do anything to stay in power.

For the Left, the question that is posed, more than the scale of the defeat of the right, is: what will the

next government be? Will it be a government of an absolute majority for the SP, with a bit of social rhetoric, but which will fundamentally continue liberal policies? Or will there on the contrary be a left majority capable of forcing a minority Socialist government to give clear commitments for the changes the country needs?

APPENDIX: Ten priorities for the first hundred days

From the electoral programme of the Left Bloc, ten measures have been extracted, which could be immediately applied and could open the way to a profound change. They represent clear priorities, concrete and capable of mobilising, which rely on social forces to impose a new cycle of policies.

1. Create jobs and reduce job insecurity -

Repeal of the Labour Pact (a whole series of measures against collective bargaining agreements, extending limited-term contracts, adopted by the right-wing government), re-establishment of collective bargaining agreements and reduction from six years to one year of the period for limited-term contracts. An emergency plan for jobs, with investment in the creation of jobs for the long-term unemployed and for young people.

2. An end to the prosecution of women who abort -

An immediate change in the law, to put an end to the criminalisation of women and authorise abortion in the framework of the National Health Service during the first twelve weeks of pregnancy, at the demand of the women concerned.

3. Restore the National Health Service -

Bring privatised hospitals into the public administrative sector, creation of a Central Health Administration with powers to coordinate and plan the whole public sector.

4. Fight corruption and tax fraud -

Abolish banking secrecy in order to be able to confirm tax declarations, under the control of a specialised unit, with rigorous guarantees of professional secrecy.

5. Regularisation of immigrants without papers who have made an application to have them - Immediate regularisation of the nearly 70,000 immigrants who have already applied for residents' permits.

6. Withdraw the GNR from Iraq - Withdrawal of all Portuguese military forces and ending of all political or military collaboration in the occupation of Iraq.

7. Change education - Suspend the Ninth Year exams, which it is impossible to organise correctly, reconsider the model of competitive examinations for attributing teaching posts and increase full-time staff in schools.

8. Improve food safety - Imposition of a national moratorium on cultivation of

Genetically Modified Organisms, introduce compulsory labelling and information for consumers.

9. Revise the Growth and Stability Pact - Argue, on the level of the European Union, for a revision of the restrictive conditions of the pact, stop including public investment in the calculation of deficits.

10. Stop the abuse of detention on remand and facilitate access to justice - Modification of the Code of Penal Procedure to limit the use of remand to particularly serious and dangerous crimes, carrying sentences of more than five years; encouragement of alternative measures. Reduction of costs to facilitate access to justice.

PORTUGAL

The alternative left strategy in Portugal elections

FRANÇISCO LOUÇÃ ·

– Is the Bloc ready to participate in an SP government?

Francisco Louçã: The Bloc is not a candidate for government. The Bloc is presenting a political alternative and that's what it has to be faithful to. It isn't standing in order to play the game of sharing out ministerial portfolios. And it will take the responsibilities that are given to it by the strength of the votes it receives.

It would be completely irresponsible, if we weren't elected to govern, to accept posts in a government. Besides, we don't know exactly what is the government programme of the Socialist Party and from the little that we do know, it's in contradiction with ours. That's why we respect our engagements to our electors and we'll fight to build social and political majorities in support of our programme.

– Does that make a parliamentary agreement impossible?

On August 31 2004 Francisco Louca was one of three parliamentary deputies who tried to get the abortion facility ship Borndiep into Portuguese waters, but was stopped by the navy. Read story at the Women on Waves site

FL: A permanent agreement, certainly. We will look for one-off agreements in order to find the necessary majorities on the causes that we defend. And if these majorities enable us to get closer to what we defend, if that means an improvement in the political, social and moral situation of the country, we will always be ready.

On the causes that are important in our eyes we won't at all stick to an attitude of "all or nothing". And that's not new. It's what we did under the pre-

vious Socialist Government. Look at what happened with the measures to change the policy on drug addiction. Look at the tax reform, which Guterres ended up by throwing in the dustbin.

– The Bloc is proposing ten measures for a hundred days. Is at a platform of demands in order to be able to support an SP government?

FL: No. It's what we consider as a minimum programme, an emergency programme, applicable by any decent government. It's the demonstration that the Bloc wants to intervene on concrete questions, independently of the change in the relationship of forces on the left. We say this: it is possible to change the law on abortion without waiting. It is possible to go forward with a programme to fight against unemployment in the short term. It is indispensable to change the rules of allocating teaching posts. For that it is not even necessary to change the Portuguese political scene, nor to go forward with major reforms. It's enough to have political courage.

– But isn't it already a retreat, which leaves out fundamental programmatic measures like the 35-hour week?

FL: the fundamental axes of the Bloc's proposals are explained in its electoral programme, which includes the 35-hour week. Most of these measures require a full legislature, a profound change in the Portuguese political and social scene or a big investment of money, will and social mobilisations. What we are proposing in the measures for the first hundred days is something else: it's a starting point, which clearly indicates in what direction we are preparing to go.

Appeal to Defend Threatened Filipino Activists

Statement of Concern in the WSF 2005, on the threat of violence in the resolution of political differences

The last few years have seen a very large number of diverse groups and organisations coming together in spite of their differences to confront neo-liberal globalisation. However, we are deeply concerned that there are still some groups in the world today that attempt to deal with political differences using physical attacks and death threats.

Lidy Nacpil

A recent example of this is the situation which has emerged in the Philippines where a number of individual intellectuals, activists (Walden Bello and Lidy Nacpil) and organisations engaged in various forms of struggle against militarism and globalized capitalism have been listed by the international department of the Communist Party of the Philippines (CPP) as 'counter-revolutionary' and as 'agents of imperialism'. Some individuals named on this list have already been assassinated and, based on past experiences, this list constitutes a credible threat of assassination.

CPP leader Jose Maria Sison

Therefore, those of us gathered here in the World Social Forum in Porto Alegre, Brazil and others in the world, inspired by the pluralism and inclusiveness of this global process, believe that when the security of activists is at stake we cannot act as if the problem is a local one. In our efforts to consistently build an international movement for fundamental transformation we strongly reiterate that the resolving of political differences must be done through the struggle of ideas and democratic dialogue and not through the politics of individual assassination.

We call on everyone within the global justice movements to re-assert this principle and express solidarity with all those who are victims of such threats.

Adnane Ben Youssef, CCIPPP, France

Alejandro Bendaña, Centro de Estudios Internacionales, Nicaragua

Alessandra Mecozzi, FIOM, Italy

Alex Callinicos, York University, UK

Ali Fayyad, Centre for Research and Documentation, Lebanon

Allianca Social Continentale (ASC)

Alvaro Porticas, Socialist Party, Uruguay

Alvin Anthony, Jubilee South Africa

Amit Sengupta, Delhi Science Forum, India

Andrés Thomas Conteris, Nonviolence International, USA

Anibal Quijano, sociologist, Peru

Anna Maria R. Nemenzo, Freedom from Debt Coalition, Philippines

Anna Marize, ICARIA, Spain

Annick Coupe, Solidaire, France

Antonio Martin, ATTAC, Brasil

Dr. A. Sivanandan, Race & Class, UK

Bertil Kinkunnen, Social Democratic Party of Sweden

Brid Brennan, TNI, Netherlands

Campagna Continentale contra a ALCA

Catherine Coumans, MiningWatch, Canada

Chico Whittaker, Brasil

Chris Nineham, Stop the War Coalition, UK	John M. Miller, War Resisters League, USA
Christian Schroeppel, ATTAC, Germany	Jose Correa, Brasil
Christophe Aguiton, European March against Unemployment	Josu Egireun, ESK, Basque Country
CUT, Brasil	Kamal Chenoy, Jawarhalal Nehru University, India
Dave Batker, Asia Pacific Environmental Exchange, US	Klaus Hartmann, World Union of Freethinkers, Germany
Dave Webb, Leeds Metropolitan University, UK	Laura Gonzalez de Txabarri, ELA, Basque Country
Diana Palmo, Alliance for Democracy, US	Leo Gabriel, Suedwind, Austria
Dominique Caouette, University of Montreal, Canada	Leo Panitch, Socialist Register, Canada
Dot Keet, AIDC, South Africa	Lim Soei Liong, TAPOL, Indonesia Human Rights Campaign
Einar Olafsson, Campaign Against Military Bases, Iceland	Liz Fekete, Race & Class, UK
Elisabeth Gauthier, Espaces Marx, France	Louis Weber, Federation Synicale Unitaire, France
Ernst Van Weizaker, MP, Germany	Loring Wirbel, Citizens for Peace in Space, USA
Franc Branco, Right Livelihood Award Foundation	Luciano Muhlbauer, SinCobas, Italy
Francis Wurtz, MEP & GUE/NGL Group	Marcha Mundial des Mulheres
Francois Houtart, CETRI, Belgium	Marco Berlinguer, Transform! and Parti Rifondazione Comunista, Italy
Georges Menahem, ATTAC, France	Marcus Arruda, Global Workshop on Solidarity Socioeconomy, Brasil
Hillary Wainwright, Red Pepper, UK	Mark Rand, USA
Isabel de la Torre, Earth Economics, US	Matthias Reichl, Center for Encounters and Active Non-Violence, Austria
Jack Dalton, POAC, USA	Maud Barlow, Council of Canadians
James Cockcroft, USA	Medea Benjamin, Global Exchange, United States
Jonathan Neale, Globalise Resistance, UK	Moema Miranda, IBASE
Jan Nederveen Pieterse, University of Illinois, USA	Mubarak Awad, Non Violence International, Palestine/US
Joao Pedro Stedile, Movimiento Sem Terra, Brazil	M.P. Giyose, Jubilee South Africa
Jean Luc Rous, Political Director, Greenpeace International	Nahla Chahal, CCIPPP, France
Jean Pierre Dubois, Federation internationale des droits des hommes (FIDH)	Nancy S. Lovejoy, USA
Jeremy Corbin, M.P., UK	Naomi Klein, Canada
John Cavanagh, Institute of Policy Studies, USA	

Niclas Hallstrom, Dag Hammarskjold Foundation, Sweden	Tewoo Tangela, Rosa Luxemburg Foundation, SA
Njoki Njoroge Njehu, 50 years is enough, USA	Theo Roncken, Acción Andina, Bolivia
No Nukes North, US	Theresa Wolfwood, Barnard-Boecker Centre Foundation, Canada
Ole von Ulexhill, Right Livelihood Award Foundation	Tobias Plüger, MEP, Information Office Militarization, Germany
Paola Manduca, World March of Women, Italy	Toufik Ben Abdullah, ENDA, Senegal
Patrice Barrat, Bridge Initiative, France	Vinod Raina, Jubilee South
Peiro Bernotti, COBAS, Italy	Vittorio Agnoletto, Deputy European Parliament
Peter Damo, Romanian Social Forum, Romania	Wilbert van der Zeijden, Transnational Institute, Netherlands
Peter Rosset, CECCAM, Mexico	Workers' Democracy, Thailand
Petros Constantinou, Campaign Genoa 2001, Greece	Yoko Akimoto, ATTAC Japan
Pierre Galand, senator, Belgium	<i>To sign the statement please contact Wilbert van der Zeijden: wilbert@tni.org</i>
Pierre Khalfa, ATTAC France	
Pierre Rousset, Europe Solidaire Sans Frontières, France	Second International Meeting of Radical Parties Solidarity Declaration concerning the Philippines Porto Alegre, 31st of January 2005
Pouria Amirshahi, 4D, France	Some 12 years back, the Communist Party of the Philippines began to condemn to death and assassinate member cadres of other progressive and revolutionary organizations. The situation continues to worsen today.
Prabir Purkayastha, Delhi Science Forum, India	Walden Bello
Qamar Agha, Coalition For Nuclear Disarmament And Peace, India	All the Left movements find themselves threatened, except for those which the CPP itself is leading. It is especially the case with the different Filipino organizations that participate in our international Network of Radical Parties.
Rabia Abdel Karim, Senegal/Algeria	Likewise, persons active in the anti-war movement and with whom we oppose capitalist globalization, like Walden Bello and Lidy Nacpil, have been named and denounced as "counter-revolutionaries".
Robin Broad, American University, USA	We cannot accept the use of violence, including armed violence, within the workers and people's movements. We strongly affirm our full and deepest solidarity with the progressive and revolution-
Rogate Mishane, Tanzania	
Roger Burbach, CENSA, USA	
Salim Vally, Anti-war Coalition, South Africa	
Sandeep Pandey, India	
Sophie Zafari, Federation Syndicale Unitaire, France	
Soren Ambrose, 50 years is enough, USA	
Sungur Savran, Turkey	
Susan George, ATTAC, France	
Tariq Ali, UK	

ary organizations in the Philippines threatened by the CPP.

We call for the broadest expression of this solidarity on the international level, for the Communist Party of the Philippines to put a final end to this policy of threats and assassinations.

(Editor's note: To read more about the background of this issue, see the articles: *In Solidarity with the*

Filipino left, May 2003; *After Kintanar, the killings continue. The post-1992 CPP assassination policy in the Philippines'*, July 2003; *The post-1992 Communist Party of the Philippines and its policy of "death condemnations"*, October 2003; and *A new Letter of Concern*, January 2005.

**The post-1992 CPP...
After Kintanar...**

SPANISH STATE

The United Left...Divided

JAIME PASTOR ·

Even though the official political document received 60.6 per cent of votes, with 26.6 against and 12.9 per cent abstaining, the support obtained by the alternative document (27.8 for, 55.4 against and 16.9 per cent abstaining) defended by 21 members of the Federal Political Council (belonging to the Left Platform, the Critical Current of Andalusia and Espacio Alternativo) showed that a fairly strong left opposition existed.

The discussion on the nature of the new political cycle, on the strategy and tactics to adopt in relation to the new government and on the type of political education was at the centre of the debates in most of the federations, and that allowed our document (whose title was "Theses for an IU that is anti-capitalist, alternative, federalist, democratic and pluralist") to win majority support in several of them.

But the division was most clearly shown after the results obtained by the three lists who stood for election of half of the members of the Federal Political Council (the other half is to be elected by the different federations of IU in the course of January 2005).

The list headed by the outgoing General Coordinator, Gaspar Llamazares, got 49.52 per cent of the votes and 54 members; the list headed by Enrique Santiago (ex-leader of the Communist Youth, supported by a section of youth but also by the leadership of the PCE and leaders of the majority sector in Andalusia, 38.1 per cent and 42 members; and finally, the one headed by Sebastian Martin Recio (mayor, elected with an absolute majority, of the town of Carmona near Seville) 12.38 per cent and 14 members. This last list was made

up of members of the Critical Current of Andalusia, the Unitary Workers' Collective (CUT, linked to an agricultural workers union with a real presence in Andalusia) of Espacio Alternativo and of part of the Left Platform.

Even though these two last two lists had disagreements with each other, they came together in criticising the leadership methods of the Llamazares team and in demanding the formation of a pluralist leadership, especially so after the results of this assembly).

But faced with the possibility of a convergence of these two lists for the election of the General Coordinator, the Llamazares sector got the assembly to adopt, by a slim majority, an amendment stipulating that the General Coordinators of the federations had the right to take part in the first round of this election (the second round will take place on January 22 in the presence of the other half of the members elected by the federations).

The decision to apply this amendment immediately (since the Llamazares sector had a majority among the Coordinators) gave rise to a tense debate, which led to Enrique Santiago putting off presenting his candidature to the January session, and finally Llamazares was re-elected. But the lack of legitimacy of this "solution" had a pretty negative effect, not only on many militants but on the social and electoral milieu of IU.

It remains to be seen if, with either Llamazares or Santiago as General Coordinator, we will be able to establish a leadership that, while respecting the resolutions adopted in this assembly and the proportion obtained by each list, will not reproduce a dynamic of confrontation and will be able to help recompose the whole organisation, and above all regain credibility for it in order to conquer, along

with the social movement, an alternative and autonomous space to the left of the PSOE.

We also have to mention the adoption by the assembly of an amendment defended by Espacio Alternativo which obliges leadership bodies to hold an internal referendum each time there is a question of an electoral or governmental alliance with other political forces.

That is quite important, given that at present we are starting to see the development of more and more critical positions in relation to participation in governments like that of the PNV in the Basque country, or the presence of allies of Iniciativa per Catalunya in the Socialist Party government in that Autonomous Community.

A very uncertain future

If the diagnosis on the present state of IU is easy to make - a very deep crisis of common political project and identity, and especially a tendency towards the disappearance of internal political life, replaced by the life of different sectors and political "families" - the therapy to treat the wounds, which have deepened over the last period, is hard to find.

The Llamazares sector has a relatively clear idea of its project - to be a political force that complements the PSOE in government and to build a party that gives priority to institutional and media activity.

In the sector that Enrique Santiago represents there are potential differences over how to understand the autonomy that IU has to have in relation to the PSOE (the discourse on the "party of struggle and of government" continues to be dominant), on relations with the social movement and on the model of political organisation to be developed (renewal or not of leaderships, role of the PCE in relation to IU...)

As far as the list that Espacio Alternativo took part in is concerned, the differences are rather with the CUT, which tends to deny the changes that have taken place in the political situation after the defeat of the Popular Party (PP) of Aznar and the arrival in

government of the PSOE, even though there is a strong convergence on the necessity to link the social question and the national question in a radical anti-capitalist and democratic perspective.

The most important problem lies precisely in the fact that there is not yet a new cycle of political and social struggles (apart from the case of the civil shipyards of the Izar public company, which are threatened with being privatised under the pressure of the European Commission, and the permanent debate on the national question; the Basque conflict, the reform of the Catalan statute and the recognition of the plurinational reality of the Spanish state).

The Right and the Catholic Church practise a tactic of confrontation that facilitates the control of the forces of the Left by the Zapatero government. During the debates on the budgets for 2005, the Zapatero government was hailed by the employers for its continuity with the economic and social policy of the last period and for its adaptation to the criteria of the EU's Stability Pact. The left forces, on the contrary, shone by their silence.

The campaign for a "No" vote in the February 20 referendum on the European Constitution could enable IU to rediscover an internal unity and appear as proposing an alternative discourse and propositions to those of the PSOE.

But neither its internal situation, nor the little interest shown by its present leadership in organising this campaign give much hope of that happening.

To that we have to add the boycott by the majority of the media and the refusal of the governing party to debate with the supporters of the "No" vote. Among these are Esquerra Republicana, Eusko Alkartasuna, le Bloque Nacionalista Galego, Batasuna and rank and file sectors of the bourgeois nationalist forces in Catalonia and the Basque Country, as well as the CGT (a union of anarcho-sindicalist origin), the Basque unions ELA and LAB, the critical sector of the Workers' Commissions (CCOO), Ecologistas en Accion (the

most important ecologist organisation), Attac and others.

Jaime Pastor, member of Espacio Alternativo, was re-elected as a member of the Federal Political Council of IU at the Eighth Federal Assembly.

PHILIPPINES

A new Letter of Concern

PIERRE ROUSSET ·

Pierre Rousset

This issue has to be taken very seriously. For more than ten years now, the Communist Party of the Philippines (CPP) has 'sentenced' to death and actually assassinated cadres from other revolutionary and progressive Filipino organizations. In January 2003, this policy took a sharp turn to the worst, prompting me to circulate a first "Letter of Concern". [2] The situation aggravated continuously in 2004, with an increasing number of legal political activists and mass movement organizers killed or threatened.

In the December 7, 2004 issue of its central publication, Ang Bayan, the CPP published a 'diagram' of Filipino 'counterrevolutionary groups' and their supposed international links. [3] In another situation, or in another country, we could dismiss such a publication as a usual expression of ultra-sectarianism with limited implications. Unfortunately, this is not the case here. It announces a new stage in the CPP's policy of threats and assassinations.

WHAT IS THE MEANING OF ANG BAYAN'S DIAGRAM?

The CPP 'revolutionary versus counterrevolutionary' framework

First characteristic of the diagram: It includes ALL the Filipino progressive political groups not belonging to the so-called pro-CPP 'reaffirm bloc'. [4] Many of these organizations were labeled in such a way in CPP statements before, but it is the first time that each and all of non-CPP aligned political groupings of the Filipino Left are together listed as class enemies; some of them were never officially named before. The full list of these political groups is given at the end of this letter.

Second characteristic of the diagram: It systematically links each of the Filipino organizations to international counterparts, either Social Democrats or Trotskyists. A number of these links are true, but others are fabricated or oversimplified. For example, the MLPP never sent members to the Amsterdam International Institute for Research and Education (IIRE), while many of the other Filipino groups did; and the RMP-P is not linked to the SWP-USA (which is no longer, since a long time, the US section of the FI). It is also a gross oversimplification to reduce Akbayan's international relations to the Socialist International. The CPP is too well informed for these to be genuine mistakes. Its aim is to picture a global, coherent 'plot' bringing together Filipino and international 'counterrevolutionaries'.

Third characteristic of the diagram: It adds names of individuals to the names of organizations. Since its 1992 crisis, the CPP has labeled 'counterrevolutionary' or 'criminal' an ever-increasing number of activists and leaders of progressive organizations in statements, interviews and articles. But it is the first time that fifteen names are given in one shot, attached to most of the Filipino Left groupings and including people like Walden Bello and Lidy Nacpil, very well-known internationally for their progressive engagement in the anti-war, anti-capitalist globalization, anti-debt campaigns. Even if less known internationally, other named individuals are no less significant in the Filipino context. The full list of concerned persons is given at the end of this letter.

There are two ominous implications to the publication of Ang Bayan's diagram.

1. The completion of the CPP's 'revolutionary versus counterrevolutionary framework' in the Philippines

The ideological background of the CPP policy of threats and assassinations against other Left organizations is the 'revolutionary/ counter-revolutionary framework'. According to such a framework, the CPP and the forces it leads (in the 'reaffirm' bloc) is the sole revolutionary current while the others are necessarily counter-revolutionary.

The 'rev./counterrev.' framework was first applied to groups which were expelled and/or split from the CPP in 1992 (called the 'rejects', see footnote 4). It was later applied to another 'expulsion/forced split' which originated in Central Luzon and gave birth to the MLPP. The upper line of Ang Bayan's diagram starts with the regional or national CPP bodies then affected. The list of these is given at the end of this letter; it shows the scope of the 1992 crisis.

For many years, the targets of the policy of death sentences and actual assassinations were former cadres of the CPP, members of underground revolutionary organizations. In January 2003, the killing of Romulo Kintanar, former head of the CPP's New People's Army (NPA), meant that well-known personalities, 'above ground', could be hit right in Manila. 'Nobody's safe anymore' was the message. Cadres of legal mass movements, for example from peasant movements in the Bondoc Peninsula, were also targeted in 2003 and 2004. It was true as well for officers of Akbayan ('Citizens Action Party'), a legal, broad Left party built by an alliance of political currents.

What is new in Ang Bayan's diagram is that organizations not coming from the CPP are now also officially named. This is especially the case for various components of Akbayan, like Bisig (where Christian Socialists played an important role in its creation), Pandayan (coming from the left of the Social Democrats) and left 'SocDems'. The names of individual leaders of these currents, of non-CPP origin, are not yet given. But the warning is clear: if the organization is mentioned among the 'counter-revolutionary groups', their leaders will also be named in good time - if they do not behave.

The 'revolutionary versus counterrevolutionary framework' is now all-encompassing. The whole Filipino Left is concerned, and not only its divided communist wing.

2. Reaching the international level

Already in the past, foreign organizations or individuals could easily be labeled 'counterrevolutionary' by the International Department of the CPP. Moreover, since 1992, the crisis of the CPP had a direct international impact within the progressive movements, notably because its mass organizations were affected, while they were often playing a significant role abroad; for example, look at the gravity for Via Campesina of the Philippine Peasant Movement (KMP) implosion. Nevertheless, for a long time, the CPP focused its attacks against other groups within the Filipino political scene. The assassination of Romulo Kintanar was to bring a strong message to the nation ('Nobody's safe anymore'), but was supposed to be a 'non-event' internationally. The CPP seemed genuinely surprised that it actually was considered a major event abroad too, and that it had important international repercussions.

Things have been changing, as we have begun to see at the occasion of the Mumbai January 2004 World Social Forum. Jose Maria Sison, chair of the CPP, is now heading as well the International League of People's Struggles (ILPS). What the Ang Bayan's diagram means is that the 'revolutionary versus counterrevolutionary framework' is going to be applied more and more systematically at the international level, against other political currents but also within the mass movements. Ultra-sectarianism is being exported worldwide. This can have very destructive consequences. I'll come back on this question later.

WHO IS AT RISK?

Originating in 1992, the CPP policy of threats and assassinations has become full-fledged, nation-scale in 2003. According to the CPP, only 'criminals' (and never ideological opponents) are submit-

ted to 'revolutionary justice' and 'people's courts', through a formal legal system. In reality, there are no independent people's courts. Decisions to charge, to sentence and to implement the sentence are taken by CPP leadership organs. To call someone an ideological opponent, a counterrevolutionary, an agent, a class enemy or a criminal is only a matter of convenience for the CPP. There is no space here to dwell on this question, but I can refer to two papers I wrote in 2003, analyzing the CPP's policy of assassinations; the second one being an answer to the response given by the CPP-led National Democratic Front (NDF) to the first one. [5]

In a polemical article written against Walden Bello, Jose Maria Sison pretends that "there is absolutely nothing in the diagram (published by Ang Bayan) to prove or indicate that any of those on the list will be killed by any one or any organization". [6] Really?

Targets. Two in the list are already dead. Popoy Lagman (from Manila-Rizal); the NPA is often suspected but the CPP denies any responsibility. Arturo Tabara (Visayas); the CPP-NPA does claim responsibility for this assassination.

Several others, mentioned in Ang Bayan's diagram, are listed in the Order of Battle of the NPA and are actually being hunted down. They could be killed any time. This is the case for Ric Reyes, current Chair of Akbayan. Sison de facto confirmed it. After having accused Reyes of being a 'criminal', he adds: "I do not know the precise status of the cases against Reyes". Being chairman of the CPP, Sison of course 'knows' what is Reyes' 'status': not to deny that he is in the Order of Battle of the NPA amounts to confirmation. Local officers of Akbayan have been killed in 2003-2004.

In Central Mindanao, Ike de los Reyes is being looked for by NPA operatives; one of his companions was assassinated and there were other attempts. This is also the case for Tito dela Cruz and Caridad Pascual in Central Luzon, where many deaths have been reported. In Manila-Rizal, it may

be the case (or could become the case) for Nilo dela Cruz.

Most of the Left activists who are in the CPP-NPA Order of Battle are not named in the Ang Bayan's diagram. Those who are named are not necessarily in it (yet). But several of those named have been assassinated or are presently targeted. It means that to be listed in Ang Bayan's diagram is indeed a very serious matter.

Policy. Why is someone named at a given time, and not others? To answer this question, one has to understand that we are not confronting a succession of individual 'criminal cases', but a policy in the fullest meaning of the word. Death condemnations of leaders of dissenting blocs began more than a decade ago. Step by step, since 2003, the CPP is widening its policy of threats and assassinations. The decision to name for the first time a 'counterrevolutionary' or a 'criminal' in CPP statements is always politically motivated. It can be a warning addressed to the individual named ('behave or else!'). The main aim may be to tell others how much the threat is expanding to new quarters. Or it can be a way to lay the political ground for actual assassination.

Why was someone as Walden Bello listed in Ang Bayan's diagram? The question deserves to be addressed — it was out of the routine. We can guess that it was a way to show *urbi et orbi* that, really, no one can feel safe and protected, even by notoriety. Naming Walden (and Lidy Nacpil) confirms also that one of the aims of the 'diagram' is to lay the political ground to the implementation of the 'counterrevolutionary versus revolutionary framework' at the international level (and may be a way to explain to the CPP-led activists why they have lost so much influence in the world networks: it can only be the result of a plot, and a plot needs plotters).

Walden issued, together with Etta Rosales, a strong statement in response to the publication of Ang Bayan's 'diagram'. [7] In the public polemics that followed, Jose Maria Sison and Fidel Agcaoili (one

of the highest-ranking leaders of the CPP stationed in Europe), tried to dismiss the very idea that anyone, especially Walden, could be threatened by the simple publication of a diagram! According to them, this diagram of counterrevolutionary organizations was nothing more than a matter-of-fact description of the political scene, and only ideological confrontation was the agenda.

But in the very same statements, Sison and Agcaoili give us all the reasons to worry: Walden Bello is accused to be an 'agent', 'highly paid' by 'imperialist funding agencies'. Together with other 'ringleaders of Akbayan', he is branded as one of the 'special anti-communist agents of the United States and the local Filipino reactionaries'. Their goal would be nothing less than 'the destruction of the CPP and the entire revolutionary movement of the people'. Walden Bello and Etta Rosales 'are obviously engaged in a spin or psywar operation. This is orchestrated with similar operations of the military propaganda mill'. Such accusations do not lay the ground for ideological debates, but for 'people's court', 'revolutionary justice' and summary execution. [8]

As Ronald Llamas and Risa Hontiveros-Baraquel, from Akbayan, put it, "Sison skewered himself on his own contradictions. On one hand, he claimed that there was a distinction between 'counterrevolutionaries in words' and 'counterrevolutionaries in deeds', implying that Bello and Rosales were the former and thus did not have to fear physical extermination. On the other hand, Sison threatened to launch a CPP probe of alleged criminal activities of Bello and Rosales, a move that would set the stage for their elimination on 'criminal grounds'." [9]

WHY ARE WE CONCERNED?

The CPP leadership would like us to believe that only two or three 'criminals' have been killed while 'resisting arrest' (a ludicrous assertion!). The picture is much darker, as we have seen.

Many of us, abroad, have been actively engaged in solidarity activities with the CPP-led anti-dictatorial struggles in the 1970s and 1980s. The CPP at that

time indeed deserved to be supported, while it paid a very high price for its revolutionary engagement. But things have changed, unfortunately for the worst. Today's CPP has little to do with what it was twenty years ago, and we have to respond to present realities.

1. An elementary duty of solidarity

We have, first of all, an elementary duty of solidarity toward the Filipino progressive and revolutionary movements.

The pluralist character of the Filipino Left, progressive movements and people's organizations bloomed in the 1980s and 1990s. It is precisely what the present CPP leadership cannot accept. Its ultimate aim is to impose its own control over the overall movement. It is not an exaggeration to say, that to reach this goal, the CPP leadership deploys a policy of terror over the independent Left, backed by its military might, unmatched by any other group from the revolutionary underground. Activists from Left parties, mass organizations, grassroots movements and NGOs tagged 'counter-revolutionary' can all fear to be targeted, one day or another.

As Lidy Nacpil puts it: "Several former leaders accused of being counterrevolutionaries and agents of the state have been killed by the CPP while others are harassed and pursued. But former colleagues are not the only targets – organizers and activists from people's organizations and movements not within the sphere of influence of the CPP are also being threatened and attacked. Many of us who have given our youth and much of the best years of our lives in advancing the national democratic struggle, many of us whose loved ones have died for that struggle, and those of us who dare follow a different path toward revolutionary change witness what the CPP leadership is doing with a mixture of deep sadness, frustration and anger. They are squandering whatever gains and successes have been achieved in all these decades of struggles." The CPP accusations and actions "have caused loss

of lives and danger to individuals, as well as terrible harm to the socialist cause." [10]

The consequences of the present CPP course can be extremely harmful for people's struggles. People live in fear. In the Bondoc Peninsula, for example, in recent years, cadres of peasant organizations have been killed and hunted down both by the landlord's goons and by the NPA. [11] A journalist reports: "A 30-year-old farmer from the Bondoc Peninsula in Quezon province has been in hiding for a year now for fear that communist-led New People's Army rebels might liquidate him and his family. Dioscoro Tejino, his wife and four young children, the youngest of which is two years old, have been living mostly in Metro Manila with the support of non-governmental organizations." [12] In an interview, CPP spokesman Gregorio 'Roger' Rosal, has confirmed the fear of Dioscoro Tejino: "Yes, that's true. The NPA Maria Theresa de Leon Command in Bondoc Peninsula area will really kill him once there is an opportunity." [13] In the above-quoted article, Sison called this peasant movement a 'gang', showing once more his own responsibility in the current CPP policies.

Activists of the 1970s, veterans of the anti-dictatorship struggles who were usually members of the CPP at that time, and who are now members of the 'First Quarter Storm Foundation' have expressed their alarm: "Reports reaching us indicate that around thirty people (30) have been felled by their comrades or ex-comrades' bullets since four years ago. (!) All these are the consequences of the great splits which rocked the Communist Party of the Philippines-New People's Army-National Democratic Front (CPP-NPA-NDF) beginning in 1992. In these killings, there is no doubt that the initiative has come from the section of the movement (known by the nickname Reaffirm group or RAs) which ultimately took over the franchise and retained the name of the CPP-NPA-NDF after the splits. (!) This year, what extremely alarms us is the fact that what has increased is not only the numbers of those killed but also the likelihood that more will be killed. (!) All of us in the FQS commu-

nity know that once a CPP comrade or ex-comrade is tagged as counterrevolutionary, he or she is deemed a traitor and should thus be meted the penalty of death. That he or she may not be executed at all can be attributed more to certain circumstances like the inability of the Party to case the person, or that other priorities may have taken over, or that the political fall-out of executing such a person maybe such as to offset the supposed gains from killing the person." [14]

Faced with this situation, we have the moral and political responsibility to express our solidarity with Filipino progressive movements.

2. Direct international implications

It is absolutely normal that political, strategic and programmatic differences are expressed and debated within the world anti-war and anti-capitalist globalization movements. It is also perfectly normal that different organizations, in different countries, approach in a different way the social forum processes. No one, among us, disputes the right and necessity of political confrontations. But we are faced with two opposite evolutions within the radical wing of the overall movement.

On one hand, most of the progressive, radical and revolutionary organizations accept in a more consistent way than in the past the pluralist character of the Left and of the people's movements. On the other hand, some parties, as the CPP, are evolving in the opposite direction. In itself, such an evolution is already quite damaging for the people's struggles. But what makes it terribly destructive is the use of violence, including military violence, within the progressive movement. An essential principle and political limit is then breached. That is precisely the question we are confronted with in the Philippines.

We can already feel the consequences of the implementation of the 'counterrevolutionary versus revolutionary' framework at the international level. A lot of efforts have been deployed to open a space where organizations and movements participating either in the WSF or in Mumbai Resistance 2004

(or in neither of the two) could meet. Unfortunately, to no effect. One of the main reasons for this failure was the role that the CPP-led forces played in the Mumbai-2004 process. Things are going to get worse now that Sison is heading the International League of People's Struggle (ILPS) and built it on the foundation of the 'counterrevolutionary versus revolutionary framework'.

We better act politically now. If not, the 'ultra-violence' of the Filipino situation could well be 'exported' to other countries.

WHAT SHOULD WE AIM AT?

The aim is not to ask the CPP to change its program; it is to uphold one basic principle on which we should all agree: no assassination of labor, of people's movements and of Left parties activists, cadres, can be tolerated. Military capacity must not be turned against the components of a plural progressive Left.

These were already the conclusions of my previous papers:

- Assassinations have to stop. The CPP leadership must officially and publicly announce that all 'death sentences' pronounced against its former members and other Left activists are forever lifted. That it will no more use threats and physical violence against other progressive organizations.
- All those representing, associated to or identified with the CPP must clearly condemn the killings and call on the CPP to radically change its policy. The matter is too serious to allow ambiguity.
- This need for clarity on one of the most essential principles concerns, first of all, the organizations belonging to the 'Reaffirm bloc' in the Philippines. They often protest when they are identified with the CPP. They have here a good occasion to show their independence!

1. Bayan Muna and the parliamentary field

The need for clarity on such a matter was precisely the question that the European United Left / Nordic Green Left (EUL/NGL) Group in the

European Parliament addressed to Bayan Muna after the assassination of Romulo Kintanar in January 2003 (Bayan Muna was then the only electoral party belonging to the 'Reaffirm bloc').

The EUL/NGL had links with Bayan Muna as well as with other Filipino Left parties with a parliamentary representation: at that time Akbayan and Anak Mindanao (Amin) (now the Workers Party, PM, also won one seat in the Congress). The EUL/NGL had been very actively campaigning for the CPP not to be put by the European Union on the 'terrorist list'. Kintanar's assassination jeopardized this campaign.

The EUL/NGL president sent a letter to Bayan Muna and Satur Ocampo to ask their stand on the issue of the CPP assassinations, making it very clear that the group could not keep relations with any organization which would not condemn such acts. Satur Ocampo refused to condemn the killings; in fact, his answer amounted to justification. Relations between the EUL/NGL and Bayan Muna were actually cut off. [15]

In 2004, five new electoral parties, belonging to the 'Reaffirm bloc', were added to Bayan Muna, including Anak ng Bayan, Gabriela (women), Anakpawis or Migrante. The same question is then addressed to all of them: do they condemn the killings?

2. Should we not speak out?

The Asian Student Association (ASA) issued a violent statement against Focus on the Global South's call. Focus should not have "dropped names of organizations" associated to the CPP "and appealed for their sense of decency": In doing so, Focus was putting their members at risk, they argued. [16]

The principal argument of ASA would have been more convincing if the signatories had begun by condemning the CPP for doing precisely so; and much more. It is the CPP which first 'dropped names' of both organizations and individuals. It is the CPP which first endangered members of other organizations, to the point of killing them. In ASA's statement, the victims become the culprits.

As it was already mentioned, the CPP's death condemnations and assassinations began in 1992-1993. For many years, right or wrong, we restrained from bringing out the issue in public in the hope that reason would come back to the CPP leadership. This hope was dashed with the killing of Kintanar: Ten years after the splits, the CPP policy of assassination was escalating instead of fading away. It is now more than time to speak out.

The CPP cannot criminalize other groups, 'drop' names, threaten and kill activists! and ask us to stay put, mouths shut, for them and their friends not to be 'endangered'!

More than any others, organizations and leaders from the 'Reaffirm bloc' are in a position to apply moral and political suasion on the CPP for it to stop the killings. They are and have to be put in front of their responsibilities, even if it means to 'drop names'. The lives of many activists and the future of the Filipino Left is at stake.

3. Bayan and Ibon

Bayan is the 'reaffirm' bloc of sectoral organizations. Ibon Foundation is especially known for its socio-economic studies of the Philippines. Together, they are used to play, in the international movement, the game of 'bad cop' (Bayan), 'good cop' (Ibon). For example, Bayan mobilizes outside, often explicitly against the social forums, while Ibon works from within the process — but to the same aims as Bayan.

Members of Ibon's board can be independent and critical of the CPP, but have little to say about (and possibly little knowledge of) the actual policy followed by the Foundation. Ibon is a trump card for the CPP. Isn't Antonio 'Tony' Tujan one of the highest-ranking CPP cadres engaged in the international scene (he used to sit in the Central Committee, notably to represent the National Urban Commission)? Any illusion concerning Ibon's independence from the CPP should now be dispelled with the publication of its statement in answer to Focus on the Global South. [17]

There is not one word of criticism of the CPP assassination policy in Ibon's statement. Not one word! Again, the victim becomes culprit. "By this appeal, Focus has effectively toed the US-RP line of communist witch-hunting that is happening in the current military campaign, and which has served to attack legitimate institutions and people's organizations." Ibon even plays the tune of the CPP's policy of threats: "For his security, we urge Walden Bello and Focus to desist from being used by the Tabara and Lopez factions". Against all evidences, Ibon is mouthing the words of the CPP: "a public clarification has already been made by Jose Ma. Sison that no such hit-list exists or be inferred from the CPP's Ang Bayan article".

I do not intend to review here the positions of all the organizations belonging to the 'reaffirm bloc'. But they should be pressured to take a clear stand against the use of violence within the people's movement.

WHAT IS AT STAKE?

What is at stake? The security and the lives of many activists, who are going to be forced into exile or killed if nothing is done. The future of the whole Filipino Left, which remains quite rich and active in spite of past and present odds. The dynamics of the international movements we are engaged in, laying new foundations for radical change. The very legitimacy of our fight: how to give a second breath to socialist alternatives if we prove unable to defend our most basic principles?

In more than one way, the solidarity with the Filipino progressive and revolutionary movements threatened by the CPP is a death or life question.

List of the Filipino organizations and trends included in Ang Bayan 'diagram' of 'counterrevolutionary groups':

Akbayan, Bisig, Alab Katipunan, Alex Boncayano Brigade (ABB) 'bloc', Solidarity of Filipino Workers (BMP), the 'old' Communist Party of the Philippines (PKP), Cordillera People's Liberation Army (CPLA), Institute for Popular Democracy

(IPD), Marxist-Leninist Party of the Philippines (MLPP/RHB), Padayon, Pandayan, Popular Democrats (PopDems), Proletarian Democratic Party (PPD), Revolutionary Communist Group (RGK), Revolutionary Workers Party-Mindanao (RPM-M), Revolutionary Workers Party-Philippines (RPM-P/RPA-ABB), Sanlakas, Siglaya, SocDems, Socialist Party of Labour (SPP), Workers Party of the Philippines (PMP and later PMP 'merger').

List of the 15 Filipino activists named in Ang Bayan 'diagram' of 'counterrevolutionary groups':

Walden Bello, Sonny Melencio, Boy Morales, Caridad Pascual, Nilo dela Cruz, Tito dela Cruz, Popoy Lagman, Manjette Lopez, Caridad Pascual, Ike de los Reyes, Ric Reyes, Etta Rosales, Lidy Nacpil, Gani Serrano, Arturo Tabara. In other documents, many more names of 'counterrevolutionar-

ies' are given, including some fairly well known outside the Philippines as Nathan Quimpo and Joel Rocamora.

List of the regional and national CPP bodies affected by the 1992 and 1997 crisis, as mentioned in Ang Bayan 'diagram':

In 1992: National United Front Commission (NUFC), International Department-Home Bureau (ID-HB), Peasant Secretariat, Manila-Rizal-Regional Political Committee (MR-RPC) (it's the region of the Capital), Visayas Commission (Vis-Com) (the Visayas is the groups of islands in the middle of the Filipino archipelago), Central Mindanao Regional Political Committee (CMR) (Mindanao is the main island in the South of the archipelago). In 1997: Peasant Secretariat, Central Luzon Regional Political Committee (Central Luzon is to the North of Manila).

SYRIA

Fighting for Marxism in Syria

CHRIS DEN HOND

Upon his release from prison in 1997, he threw himself into the construction of a global justice movement in Syria. After some successful Social Forums, the Syrian authorities banned them. Today, Monif continues political activity in a tense situation. IV spoke to him in his small apartment in Damascus.

How did you become a revolutionary activist?

After secondary school, I joined the army like many young people of my generation, shaken by the defeat of the Arab armies by the Israeli Zionist army. But I was thrown out of the army in 1973, for Marxism. The army was dominated by the Ba'athists. I worked for a year and a half in Halep, in a motorcycle workshop, and then in the chemical engineering industry.

In 1974, I helped initiate a Marxist workers' circle. After Syria's defeat, many youth like me left the Stalinist Communist Party and organized outside of it. They were motivated by the situation in Palestine and the Palestinian resistance. Many began to work with Habash's Popular Front for the Liberation of Palestine (PFLP) and with Hawatmeh's Democratic Front for the Liberation of Palestine (DFLP). The Marxist currents had a great resonance among Syrian youth.

In 1976, this rise of the left led to the birth of the CAP. Seven months later, I was already working underground at the request of the party to carry out political tasks. At the end of the 1970s, we began to be recognized as a Trotskyist group inside the CAP. We found ourselves to the left of the CAP, which was itself positioned to the left of the CP. In 1978 I was elected to the political bureau of the CAP. At the party's 1981 congress the theses of our

Trotskyist group obtained 25% of the vote, which considerably increased our weight. I was arrested two days after the congress. I was released from prison in 1997.

Why did you not join the governmental front with the Baath Party and the CP?

Syrian army maintains tight grip

The coming to power of the Ba'ath in 1968 was a surprise for Syrians. The Ba'ath was first built among the peasantry. As the bourgeoisie was incapable of resolving the social, health or education questions the Baath was able to build a very broad popular base. That was how it came to power, in alliance with the Nasserites.

Then they politically liquidated the Nasserites to govern alone. The Ba'ath is a party that contains currents going from left to far right. After the seizure of power the Ba'ath carried out a programme of social policy with agrarian reform. In 1970 Hafez Al-Assad came to power through a coup inside the Baath. His policy was openly orientated towards the bourgeoisie.

Having won the popular masses, he was able to allow himself to work with a whole series of parties, like the official CP, the Nasserites and the religious currents. Assad was able to domesticate all the political currents, right and left. He did not integrate them into the Ba'ath, but to the politics of the Baath.

When the governmental Front was established in 1970 with the Ba'ath, the other parties in the front had no independence inside it. Even in the Constitution, it is written that the Ba'ath is the sole party in power.

All the other parties integrated in the governmental front lost any capacity for political activity.

Certainly, the CAP's entering the governmental front was impossible given the latter's pro-capitalist policy. The Ba'ath had tried in the 1970s to integrate us in the governmental front, organizing a congress of national unity.

But the CAP refused because of the internal policy of the government and the intervention of the Syrian army in Lebanon in 1976.

Between 1970 and 1976 we witnessed the emergence of a new bourgeoisie constituted by the cadres of the state. They profited from their position as an elite allied to the weakened old bourgeoisie. The classic bourgeoisie was weakened in the 1960s by the radical policies of the Ba'ath. We could not then join this governmental front with the Ba'ath and the CP without endorsing their pro-capitalist and authoritarian policy.

Moreover, the confrontation between the regime and the Islamists began at the end of the 1970s and we refused to ally ourselves with Assad against the Islamists. At the time that would have been suicide. We could support neither a corrupt and dictatorial regime, nor a religious, reactionary and sanguinary movement.

The country lost a lot in the confrontation between the regime and the Islamists. First because it ended in bloodbaths, as at Hama in 1982 with 25,000 deaths from bombardment, but also because dialogue became virtually impossible. The regime was afraid. And this ended in a massacre. There were other massacres for which the Islamists were responsible.

In this period, the CAP was distinguished by its dynamism and the number of youth in the party who were prepared to sacrifice themselves. Two thousand of them were arrested in 1978. This was not a small number for the time. Six months after the creation of the CAP in 1977, there was a first wave of repression. Many CAP cadres were imprisoned because of their political activism. The regime thought that it had finished off the CAP, but some weeks later the activities resumed, leading to a new

wave of repression, a new cycle of actions and so on.

That greatly embittered the regime. Repression hit the CAP more than any other organization because after the repression of the Islamists, we were alone in maintaining a permanent activity, with newspapers, assemblies and meetings.

In 1988 repression hit broad layers of the party, not just the leadership. There remained only a small group outside the prisons. The CAP members were distinguished by an activism inside the prisons, even if we were moved from one prison to another. That continued until 1990, until the collapse of the Eastern bloc.

After long years of prison and the transformations in the Eastern bloc, there were many changes inside the party. Many activists renounced their Marxist ideas and became pro-capitalists. Some even began to consider imperialism as a factor of development for humanity. In the party there was disarray. The regime offered us a bargain, promising to free us if we no longer carried out political activity.

This was offered to me after six years. I refused. Five years later there was a new attempt, but I refused again. Since it could not make us accept these conditions for being freed, the regime finally tried us - we were neither charged nor tried up until then - before the state Supreme Court which condemned us to very long sentences, as long as 20 years.

In 1991, the first war against Iraq revealed the depth of the divergences among militants. It was the deathblow for the CAP. Syria grew close to the United States. Since the 1980s, enormous changes have taken place, everywhere on a planetary scale, except in Syria and in the Arab region.

Three factors can explain it:

1. the internal confrontations, particularly that with the Islamists;
2. the fear that Israel represents for the countries of the region which creates a rallying of the people around the policy of their leaders;

3. the role of Europe and the US who have more interest in the stability of the region whatever the price for the peoples. The main reason is oil and the necessity for Europe and the USA to control it.

The break up of the Eastern bloc did not stop Europe and the US from supporting the existing regimes, even if they were not totally faithful to them, like Syria and Iraq. A US specialist has said that 60 years of dictatorship is worth more than a year of instability. These factors have prevented the region from democratizing itself, despite the small openings of recent years. For example, the Syrian prisons contained thousands of prisoners in the 1980s. Today there are a little less than a thousand.

What space is there for the left today in Syria? Is there a democratic opening with the new president?

In 2000, Hafez Al-Assad was in the 30th year of his reign. During all this time, he had kept Syria under a grip of steel. But after the Cold War, Syria entered a phase of regression. After the Madrid agreement, the US reduced their pressure on it, as they hoped for a normalization of Syrian-Israeli relations.

They also pushed neoliberal policies with projects that were realized through the destruction of the public sector, and privatization. That has greatly impoverished the peasants and workers and enriched the bourgeoisie, thanks to corruption and privatization. The political and sociological landscape of Syria has changed. Moral values have also changed.

The year 2000 was one of the worst. The political organizations had no space to act. The cadres were in prison. The parties who made up the governmental front had lost all credibility and the Ba'ath party itself had greatly shrunk. The regime had fallen into the hands of a small military and security elite. The situation with the new president Bashar Al-Assad is radically different. There are some spaces today in Syria that we can use, but of course they are marginalized and barely tolerated.

There is no state of law, there is no legal protection. Our work is public, but every time the security forces arrest us, question us, imprison us, we have no recourse. Several of our young activists have been arrested. One of them is still in prison and will be brought before the Supreme Security Court.

The worst thing is that the dictatorship has instilled a fear of all political activity. It is hard to explain that when you decide to fight for basic civil rights you have to accept being arrested. Political parties aren't authorized and neither are associations. As long as Syrians live under the yoke of fear and repression, they cannot be active in the movement.

You are active in the global justice movement in Syria. Is this a new space in which to carry out political activity?

When Hafez Al-Assad died and his son came to power, the situation was fairly unstable. But after only a few months, the regime controlled everything once again. Some changes appeared, for example the will to put an end to this sort of civil war between the regime and the Islamist extremists.

The first sign of this détente was the "Damascus spring". All kinds of forums sprang up. Some were sponsored by the regime but there were also of forums on human rights, and we succeeded in setting up a forum on the global justice movement. Some left activists, including Trotskyists like me and young militants, succeeded in developing an alternative discourse. Our global justice forum held 16 sessions.

After the first sessions, the security services demanded we suspend our activities. Of course we refused. We continued to discuss for four months with the authorities. During this time, the regime ensured that there was no other room available for our meetings. We were obliged to stop. Our forum was not only about global justice. It had three goals: to build an organization that fights against capitalist globalization, to build a new left in Syria and to struggle for a democratic transformation.

With a small group, we began to edit a bulletin, carried out non-authorized actions against the Iraq war and in support of the Intifada in Palestine, fought for the liberation of prisoners and the elaboration of an anti-neoliberal programme. We set up an internet site and our movement evolved in a very satisfying manner. Our activity is beginning to be seen in the street and many youth and women have joined us. We wish to associate ourselves with the movement for global justice and build an Arab network.

Today, Syria and Iran are in imperialism's line of fire. Is it difficult in these conditions to criticize the Syrian regime?

The question today is not whether the Syrian regime is weakening or not in the face of imperialism, but knowing what is good for Syria, if Syria is

capable of resisting imperialism. The current Syrian regime is incapable by its nature of resisting US imperialism, exactly as Saddam's regime was incapable.

On the contrary, the regime is even our greatest weakness in the anti-imperialist struggle. The absence of democratic liberties weakens terribly our capacity to respond. Thus when we criticize the regime, we work to build a stronger Syria. Today, without radical political change, all the potential of Syrian society is paralyzed in the face of imperialism. But so long as the people have not overcome their fear, we cannot build a real anti-imperialist resistance.

** The interview was carried out in August 2004 in Damascus by Latifa, Mireille Court, and Chris Den Hond.*