# INTERNATIONAL Viewpoint

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## Pakistan

# Defending despotic decisions is problematic

## Farooq Tariq

The Pakistan People's Party leadership has a problem on its hands. There are not many ways to defend the governor of Punjab's 25 February 2009 ruling, which imposed a twomonth suspension of the Punjab Assembly. While talking to Kamran Khan on channel Geo, Mian Raza Rabbani most respected and moderate leader of the PPP and chairman of the Senate—indicated it was necessary to stop the "prevailing state of anarchy."



Farooq Tariq

What was the immediate "prevailing" anarchy? A few hundred angry Pakistan Muslim League Nawaz (PMLN) activists protested in cities throughout the country. They were opposing the Supreme Court's decision to bar the Nawaz brothers from participating in general elections. The three-member bench had upheld the decision of Lahore High Court. All these judges in these courts had taken the oath of the Provisional Constitutional Order (PCO) on 3 November 2007, when General Musharaf announced the state of emergency. Ever since, the lawyer's movement has demanded their removal.

On a small scale the situation was not unlike the upheaval that occurred following Benazir Bhutto's murder on 27 December 2007. Yet in this case no property was burnt; there was no looting of banks or burning of railways as was the case then. Clearly the situation could have been easily resolved by the police.

However the PPP leadership was just waiting for an opportunity to remove the PMLN Punjab government. The governor, a PPP member, had previously made threatening public statements to that effect.

The decision to remove the Punjab government is the combined effort of the PCO judges and the PPP leadership and is a dress rehearsal for dealing with the proposed Long March of Lawyers, set for 12-16 March 2009. They are preparing to deal with the lawyers' movement by using an iron first that will lead to a new round of arrests, detentions, and torture against those who challenge the remnants of the Musharaf dictatorship.

The current situation is a reminder of what existed following Musharaf's imposition of emergency. On 7 November, over 800 lawyers were arrested in Lahore alone. Then, in a bid to foil the challenge posed by the lawyers' movement, over 10,000 political activists were sent to jail. Even Benazir Bhutto was arrested.

## The Charges Against Sharif

The Supreme Court judges have now declared Mian Nawaz Sharif ineligible for contesting elections based on a court sentence imposed under Musharaf's dictatorial rule. They also ruled that Mian Shahbaz Shari was likewise ineligible. Thus he loses his Punjab assembly seat and chief minister ship. His provincial government had to fall as well.

The judgment of the Supreme Court against Mian Nawaz Sharif is based on an allegation by General Musharaf, who accused him of hijacking the plane bringing Musharaf back from Sri Lanka on 12 October 1999. At the time Prime Minister Nawaz Sharif attempted to remove General Musharaf from his command; Musharaf opted to take over instead of accepting the order. It is now clear from all the evidence presented by several eye witnesses that Musharaf had already planned a military coup in coordination with other generals. But during the Musharaf period the courts sentenced Mian Nawaz Sharif for this alleged hijacking.

Then the PPP leadership covered up the Supreme Court unjustified decision by announcing it is "a court decision that we must respect." PPP hawkish leaders like Fozia Wahab and Qasim Zia presented these views on several news channels and in the newspapers. Several commentators sarcastically reminded them that the PPP had always opposed the Supreme Court's split decision which resulted in Zulfiqar Ali Bhutto's hanging. During the Zia military dictatorship. on 4 April 1979, Benazir Bhutto's father was hanged on false murder charges.

What should have been the normal procedure if the chief minister of Punjab was disqualified? A session of the assembly should have been called to elect a new leader who enjoys the majority. But despite all their effort, the PPP leaders were unable to obtain a majority. They tried their best but they could not succeed; they feared that another PMLN member would become the leader of the house and eligible to form the next government. Thus, possibly another unfriendly PMLN government is in the making.

### Lurching Toward Dictatorial Methods

The announcement of the Long March and Dharna (sit in) until the demand for the restoration of the independent judiciary is recognized has baffled, puzzled and confused the PPP government. Looking for ways to handle this situation, the PPP finally opted for dictatorial measures. It seems that the PPP government has removed General Musharaf only to adopt his dictatorial trends. A dictator is gone but not his policies. Thus the party has thrown away most of the glorious democratic traditions won through the heroic struggle of political activists, including the PPP, in fighting against military dictatorships.

Today the PPP under President Zardari cannot be viewed as party of liberal democrats. Rather it is party ruled by a feudal and capitalist elite supported by the most reactionary political trends. Yet like with General Musharaf, they have earned the hate of the masses.

The Labour Party Pakistan, which will be in the forefront of the lawyers' Long March as it has in the past, has condemned this dictatorial measure. Although the LPP does not have much in common with the capitalist politics of Main Nawaz Sharif's PMLN, the LPP sees its opposition as taking a principled democratic stand. Events erupt one after another so taking a principled position is the only way forward. The LPP had no illusions that any section of the ruling class can solve the basic problems facing the working class of Pakistan.

The only way forward is to strengthen an alternative workingclass politics based on socialist ideas, not the politics of the rich. There has to be a very flexible but firm ideological socialist base to analyze the complex politics in Pakistan and other under developed countries. This is not a straight road; there will be many twist and turns.

Farooq Tariq is the general secretary of Labour Party Pakistan.

## Fourth International

# The crisis over determines all of world politics

Taking the measure of the crisis (2)

## François Sabado

Report given at the meeting of the International Committee of the Fourth International in February 2009. This report is situated within the framework of and in continuity with the report submitted at the Executive Bureau meeting in November 2008, which was published in International Viewpoint, issue 406, November 2008, under the title "Taking the measure of the crisis".

We will not repeat here a whole series of explanations of the mechanisms of the crisis, but insist rather on a series of questions which are posed by it.

# 1. The most recent developments confirm the depth and the duration of the crisis and especially its systemic character.

It is not a short cycle crisis. The financial crisis is coinciding with and aggravating a general crisis of overproduction. The paralysis of credit is gradually reducing economic activity. The crisis has spread to the whole world. Its scale is comparable with that of 1929, but unlike in 1929, the crisis is total. The capitalist mode of production has been extended to the entire world economy. Capitalist globalisation has constituted a world market in commodities, imposed a movement of generalized "re-commoditisation" and created the conditions of a world labour market.

This crisis thus has an overall character. It has several components: economic crisis, banking and financial crisis, food crisis, energy crisis, climatic crisis. The World Social Forum (WSF) in Belem, in January 2009, was actually the clearest expression of this combination of economic crisis and ecological crisis. Some people wanted to limit Belem to re-centring on ecological questions; in fact it was the economic crisis in all its dimensions which marked this Forum.

The capitalist classes and all the "experts" are worried. They do not have an alternative model. They are discussing various scenarios but none of the experts can see a way out of the crisis. They envisage "soft" recoveries at the end of 2010 or perhaps a Japanese-style crisis: a deflation lasting almost 10 years, but nobody dares to predict a way out of the current crisis. Unlike in 1929, governments and public authorities have intervened to contain it. In a series of countries the social protection systems act as shock absorbers... but until when?

Well of course, it is not the end of capitalism because, as long as there are no alternatives, i.e. until anti-capitalist 4

solutions can be imposed, there is no "situation without a way out" for the system. It can always create new room for manoeuvre. Capitalism can live and survive with its crises, its convulsions, its regressions. So there is no place for catastrophism, but at present we see clearly that the system has reached its limits, that the social, economic and ecological costs of the crisis of capitalism put on the agenda the question of a way out of this system: for some it is a question of reform, of going beyond capitalism; for anticapitalists it is necessary to break sharply from capitalism, to overthrow it.

It is an historical turning point: there will be a 'before' and an 'after' this crisis.

## 2. We are thus in a deep and long crisis.

\* The banking and financial crisis continues: the "toxic" products are poisoning the system.

There is talk of "dustbin banks "or "bad banks" to eliminate all the "toxic" financial products, but since they do not really understand their extent they cannot decide at what price to buy back this or that product. Consequently, governments either retreat, as in the United States, or are afraid to put in motion mechanisms which will reveal even more the vast scale of non-solvable credits. Tax havens continue to function. The opacity of the financial markets prevents the development of new mechanisms of control. The banks are lending less and less. The loans, aid and financing of states cannot be guaranteed, because the situation of the banks remains dubious. Even government loans are proving difficult to negotiate. There was an alert in Germany last December. States are bankrupt, like Iceland. The situation is critical in Greece, Hungary, Pakistan, Spain, and Lithuania. New bank bankruptcies can drag the system even further down. Public finances cannot be stretched indefinitely, short of printing more money. In that case we would be entering a new phase of the crisis.... Strauss Kahn intervened on behalf of the IMF to ask for even more massive state aid to the banks in order to re-launch the supply of credit, expressing regret that financing by governments was not up to the scale of the crisis. So there are limits to the solvency of states and to the explosion of debt. At this stage only the United States, thanks to the role of the dollar as a world currency, has the means to continue its policy of indebtedness...

\* The crisis of overproduction - which already existed in certain sectors prior to the banking and financial crisis – has become generalised.

The world economy is in recession. The forecasts for the growth of the world economy are around 0.5%. They are negative for the United States and the countries of the European Union. We are witnessing a drop in industrial production: down by 9 per cent in the United States, by 9.8 per cent in Japan. Thousands of companies are closing down or laying off workers. Gradually, every sector is being affected. There is 7.2 per cent unemployment in the United States, i.e. 11 million unemployed. According to a report by

Christina Romer and Jared Bernstein (economic advisers to Obama), 3 to 4 million more jobs could be destroyed in the next few months. General Motors and Chrysler still need tens of billion dollars in order not to go under. The forecasts concerning unemployment are impressive: more than 30 to 50 million unemployed for the OECD countries. It is a real tidal wave. The suppressions of jobs and the rise in unemployment will continue and increase, at least during 2009 and 2010. We can have the highest unemployment rates since the 1930s.

## \* The crisis is worldwide.

The hypothesis of a decoupling between the crisis of the developed capitalist countries and the situation of the emergent countries, in particular China, has not been confirmed. Chinese growth has fallen by between 7 and 11 per cent. Exports fell by 2.2 per cent in November and 2.8 per cent in December, according to the figures of the Chinese Customs. Imports have contracted by 21.3 per cent. Thousands of companies have closed in the province of Shanghai and hundreds of thousands of Chinese, above all the millions of migrant workers, find themselves unemployed. Admittedly the 7 per cent growth rate proves the strength of the Chinese economy. The crisis will even confirm the tendencies to a change in the centre of gravity of the world economy towards the countries classified as emergent, but this economy is still dominated by the United States and Europe. What is more, this crisis will lead the Chinese regime to give priority to the development of an internal market, which will also very much depend on political and social struggles, including within the Chinese Communist Party... But will the Chinese economy be capable of being, in this crisis, a locomotive to restart the world economy, an alternative locomotive to the developed capitalist countries? Nothing indicates that for the moment. All the more so as countries like Russia and India are starting to be sucked into the recession.

## 3. The neo-liberal "model" has suffered a historical defeat.

The Washington consensus has exploded. The ruling classes and the neo-liberal and social-liberal governments have suffered a political and ideological defeat. There was a neo-liberal coherence: privatization, flexibility, deregulation. Today this coherence has been dislocated. But they have not yet suffered a social defeat. Far from engaging in a change of policy or of direction, their policy consists of "holding on", making the workers and the people pay for the crisis, and combining the neo-liberal framework with a series of devices or measures "to hold on", hoping... that the crisis will end and that they can get back down to business! Furthermore, the capitalists are using the crisis to restructure companies, to move forward with processes of concentration-fusion of companies, to continue holding wages down...

So there are changes, new discourses, safeguarding measures and partial economic stimuli, but they do not call

into question the general line. I would like to deal, from this point of view, with three questions.

## 3.1. Is there a Keynesian turn?

There can be injections of doses of Keynesianism, an ersatz Keynesianism, into neoliberal policies, but there is no neo-Keynesian turn. There is, incontestably, a new interventionism of the state in the economy, the rescue of the banks, policies of industrial and financial concentrations and restructurations. This is a change compared to the whole ultra-liberal discourse - less and less state - of Reagan and Thatcher. But, we should not forget that it was the state that deregulated, the state that privatised, the state that destroyed social conquests. We should not confuse speeches and reality: the state never disappeared. And today the intervention of the state is to save the system, and in no way to rebuild "the social state". The state does not intervene for the defence of the popular classes.

As Paul Krugman, winner of the Nobel Prize for economics and inspirer of the left of the Democratic Party, says on his blog: "Let's be clear about it, it is quite simply lemon socialism: socialize the losses and privatise the profits". The discussion on Keynesianism only has meaning if it takes into account all the socio-economic and political aspects of the question. It is not a discussion about this or that economic measure.

From this point of view there is no question of having a "romantic" vision of Keynesianism, but if we take as a point of reference the policies applied in the middle and at the end of the 1930s in the United States, and in Europe in the postwar period, we are far from that.

The choice of Keynesian policies was not a choice of socioeconomic construction after an ideological debate within the ruling classes. It was imposed by relationships of forces, a rise in workers' struggles in the United States which made necessary a turn in public policies and policy on wages. But the implementation of Keynesian policies was carried out, above all, on the basis of the arms economy, of the war and of a relationship of forces linked to exceptional social and political movements which imposed the "social compromises" of the post-war period. It was the destruction caused by the war which necessitated post-war reconstruction and created the conditions for economic revival.

So, these were events of exceptional scope.

However what is striking is the imbalance between the depth of the crisis, the various discourses on the need to "re-found capitalism" and acts. There have been symbolic decisions – such as the ceiling that has been put on the revenues of some leading figures in the United States and the presence of representatives of the British government on the boards of management of British banks -, but there has been no shutting down of tax havens, no new financial norms or effective control of credit in order to stimulate economic activity. Measures which were technically and financially possible have not been taken. Witness, for example, the declarations of Valery Giscard d'Estaing (in Le Monde of January 12, 2009) on the fact that governments and international institutions have not yet established new financial norms, new auditing procedures, new regulations (concerning, for example, "short selling", the practice of selling financial products that you do not own).

But more substantially, what must be underlined is that all the stimulus programmes are regarded as insufficient. There are differences: the French plan does not exceed 1.5 to 2 per cent of GDP. The \$787 billion Obama plan represents more than 5 per cent of GDP, which is more significant. But we have to look at this plan in relation to the depth of the American crisis. According to Obama's economic advisers, Christina Romer and Jared Bernstein, this plan would only limit unemployment to between 7 and 7.5 per cent at the end of 2010 - a little more than the current unemployment rate instead of the 8.8 per cent that is envisaged if there was no plan. What is more, under the pressure of the Republicans, public expenditure was reduced by \$91 billion and tax cuts increased by \$64 billion.

The plans and decisions of the US government take into account new public expenditure on education, social security, certain big public works, but if we add the \$2,000 billion for the banks, the tax cuts for the rich, aid to investment in companies - but under what control? - and the limits of measures aimed at stimulating demand, we are not about to find a way out of the crisis.

In these circumstances, according to Paul Krugman, the stimulus programme can only make up half of the lost potential for growth. Compared to the growth that could be expected in terms of the available production capacity and the labour force, there will be only half of the possible growth, which has already brought Obama sharp criticism from the left of the Democratic Party.

The article by Thadeus Pato [which we will be publishing] on the relationship between the current policies and those of Keynes explains that at the end of the 1960s, a German social democratic minister had developed a Keynesian stimulus programme. This plan amounted to 40 billion deutschemarks for public investment. Today that would be equivalent to 400 billion euros. However the German government has only invested 50 to 80 billion euros.

In the United States and in Europe they are again talking about "nationalization" of banks. We cannot theoretically exclude "bourgeois nationalizations" of banks. In other words, "temporary and partial" nationalizations to save the capitalist banking system, but we should not misunderstand the meaning of state intervention. In reality, there have only been interventions by the state and massive aid in order to save the banking system, with more or less state control over the banks in question. In Great Britain, representatives of the government sit on the boards of management of banks. When governments or experts have envisaged "nationalization" it has only been considered as temporary and partial. In short, it is once again a case of socializing losses to save the system and to create the conditions for in due course re-privatising and re-launching the race for profits. Moreover, none of the governments has called into question the privatizations carried over the last few years. The attacks on the public services, the cuts in the number of civil servants are confirmed. There again, we are far from the economic and political relations which prevailed at the time of the nationalizations and the establishment of public services in the post-war period.

We are in the first phases of the crisis. Its deepening can upset all the bourgeois policies. Economic and political rationality "can push towards more economic stimuli, wage and social concessions, more green growth". There can be substantial changes in the policies of the ruling classes, depending on the social and political relationships of forces, but capitalism is not a rational system, it is the competition between individual capitals which have their own interests, between states which also have their own interests, between states which also have their interests... and all that can lead to new tensions and new confrontations. In any case, what prevails today are the social and political interests of the ruling classes, who are seeking by all means to preserve their profits.

## 3.2. Another question: can "green capitalism" re-start the machine?

Can we have a capitalism which tackles environmental problems and at the same time opens new fields of accumulation and new outlets? There is on this subject a whole discourse around certain of Obama's proposals (see Michel Husson's article "Is green capitalism possible?" in the January 2009 issue of ContreTemps).

A green capitalism is theoretically possible. As the resolution on climate change, submitted for discussion at the next congress of the International, indicates, "In the abstract a capitalism based on renewable energy sources seems conceivable, since the technical potential for renewable is equivalent to eight to ten times the worldwide consumption of energy. In practice, the transition towards this green capitalism, starting from really existing capitalism, 80 per cent based on fossil sources, is completely incompatible with the requirements of the rescue of the climate. It is impossible to re-launch present-day capitalism takes into account only the quantitative indicator of reduction in emissions, whereas the piloting of a transition requires many qualitative indicators." And there is a problem there.

There will be introduction of new technologies, eco-taxes, changes in the fields of transport and housing. But to talk of "green Fordism" or "a green way out of the crisis" is not to understand the limits of capitalism to deal with ecological and environmental problems.

a) There is first of all a problem of "timing". The crisis is there, immediate. The fall in demand, the contraction of credit, the budgetary problems limit the expenditure on new energy. The answers, even in terms of "green capitalism" are medium- and long-term ones. The crisis requires immediate, even urgent answers.

b) They need to have sufficient profitability. The cost of new technologies or eco-taxes poses problems of profitability. That is too expensive for a series of sectors. And it is not sure that in the sectors with strong green investment, the productivity gains are sufficiently high and durable.

c) What is necessary is not only considerable growth but also outlets. However, keeping wages down limits the outlets for this green growth...

d) An "ecological" reorganization of the world economy requires coordination, international norms, choices and orientations in the medium and long term. These choices are contradictory with the laws of competition and the market, which are based on as much profit as possible and as much of it as possible in the short term.

e) Lastly, such choices, combining a durable Keynesian turn and massive ecological growth, can result only from choices that are exogenous to the actual dynamics of the economic situation, from socio-political choices related to great upheavals... Without these choices, we will have a situation alternating between deepening of the crisis and partial, limited recoveries.

f) More substantially a logic satisfying social needs, corresponding to new modes of production and consumption, cannot coexist with a logic of capitalist profitability dominated by the competition of individual capitals. We need international planning and coordination in order to reorganize the world economy. This is the basis of an ecosocialist alternative.

## 3.3. Is a protectionist turn on the agenda?

The crisis automatically sharpens competition, and is even capable of transforming it into economic war. World trade and exchanges tend to contract. Declarations by the American administration on the need "to buy American", of the Spanish government "to buy Spanish" are an indication. The criticisms by the European Union and the Czech presidency of the 6.7 billion euros of aid by the French government to its car industry also reflect this inclination. Internal contradictions within the European Union prevented the setting-up of a coordinated European plan. Economic management in Europe has become, with the crisis, more national than it was before; the stability pact has been put on one side. The opposition between Germany, Great Britain and France, related to the specific positions of the economies of these countries in the international division of labour and on the world market, explain these contradictions.

So we will have pressures, impulses, "protectionist" inclinations which, in emergencies, will push the leaders of each country to preserve their positions, in particular through political initiatives that are reactionary, nationalist, even xenophobic, but the choice of the leaders of this world to pursue an orientation which defends their class interests implies, precisely to preserve their positions in a globalized world, continuing their integration into the world economy and into international institutions.

Moreover, historical experience pushes the dominant classes to curb their protectionist impulses. But the deepening of the crisis can lead, from this point of view, to modifications. And that can cause swings in the popular classes where nationalist, reactionary, far-right ideas can re-appear. The reactions of certain sectors, fortunately a minority, of the British labour movement taking up the reactionary slogans of "British jobs for British workers" are an indication of this. The night "rounds" authorized by the Berlusconi government and organized by the Italian Right against immigrants, in particular Romanians, also testify to the rise of racist, xenophobic and far-right ideas.

The workers' movement must in any case protect itself from all these "protectionist" or nationalist policies. Any policy of penalization of the people of the South, in particular through various customs and tax policies, must be rejected. It is also necessary to reject any competition between workers of this or that country. Solidarity around common demands on the international level is one of the decisive questions in the face of the crisis.

# 4. The victory of Obama constitutes one of the demonstrations of this world turn.

We have already said that it is the conjunction of the choice of the American ruling class "to change face" to pull things together again, in an economic situation where the position of the United States has deteriorated considerably, and of the massive rejection by the American people of the eight years of the Bush administration. It is indeed important to note the weakening of America's position in the world in order to understand the coming to power of Obama.

Because Obama will be the man who will defend the interests of American imperialism in a new world situation, all the more so as the immensity of the US market and its military force still give him serious advantages.

On the economic level, the United States depends on its creditors - Japanese, Chinese, various sovereign funds - who finance its debt. But these creditors depend in their turn on the United States and on the value on the dollar. In fact, we could have expected the dollar to fall after the United States was hit by the crisis. However the dollar is holding up! First of all because it is backed up by a state, unlike the euro, then by the mass effect - the enormous and continuing power of the United States. Lastly, the dollar holds up because if it crumbled, the Chinese, Japanese and the various other funds would be penalized. Of the \$2,300 billion

that make up the Chinese reserves, \$1,700 billion are invested in the USA! Everyone is holding everyone else up... and so it is the dollar (and with it US capitalism), in spite of the tensions with the Chinese yuan and the euro, which remains the world reference currency.

On the military level, Obama has limited room for manoeuvre, but make no mistake; he remains the man of the American politico-military apparatus: on the Israel-Palestine conflict, he continues to support all the Israeli governments. He is redefining the strategic priorities of US imperialism by giving priority to Afghanistan, where the American command will send new troops (more than 17,000 soldiers) and is exhorting its allies to send some! In Iraq, ha has decided on a calendar for withdrawal of troops provided the situation allows it. On a more general level, the United States retains politico-military heaemony, but must renegotiate it, rediscuss it with its allies. We are no longer in 1990-92, nor even in 2001-2004, after September 11, 2001. The Obama administration will have a more co-operative policy with the European Union and with countries like Brazil in Latin America. But it will require a counterpart from the Latin-Americans: to take their distance from or break with the Chávez has already been progressive regimes. characterized as an "obstacle" to the establishment of good relations between the United States and the other countries of South America. Obama has confirmed American policy with respect to Cuba. Moreover, the declarations of Castro denounce illusions in the new American president.

All the more so as there are plenty of illusions. You could feel it in certain sectors of the WSF in Belem, who went so far as to pose the question: Why not Obama at the WSF? Fortunately, these declarations were very isolated. While taking of account of the "new positions" of the current administration compared to those of Bush, we should make no mistake about who Obama is and what interests he defends.

## 5. The crisis overdetermines all of world politics.

It will provoke changes, perhaps upheavals in the situation of the Left and the workers' movement.

The policy of social democracy remains in its social-liberal framework. Its leaders have in general supported the rescue plans for the banks, while considering them insufficient and asking for counterparts. It is these forces which use references to Keynesian policies, especially when they are in opposition, in order to integrate them into policies which remain within the neoliberal framework. Nevertheless, confronted with popular reactions, oppositions and resistances in the face of the crisis, they can straddle the movement and adopt more left positions. But when it is a question of a fundamental position, as on Europe, they confirm their general orientations. It is less interesting to discuss the left leaderships than to discuss the state of the relationships of forces and the first popular reactions faced with the crisis. The first reactions indicate that the peoples

and the workers are not ready to remain passive. The first big world demonstration against the crisis was the Belem WSF. Beyond the diversity of responses, the 130,000 participants expressed the need to refuse the capitalist crisis. They gave new energy to the global justice movement. Rediscovering the "Brazilian" roots of the WSF made it possible to start again. Because the Belem Forum also confirmed, in spite of the policies of the Lula government, the strength of the social movements that exist in Brazil, the trade union movement, the MST (Movement of landless peasants) and thousands of other associations, such as for example those of the Indian populations. It is also within this framework that the experiences of partial ruptures with imperialism of Chávez, Morales and Correa stimulate the resistance of the people in Latin America. From this point of view, in spite of the enormous pressure of US imperialism, the experience of Lula who in his turn wants to align these countries with Brazil, and the right-wing forces in Venezuela and Bolivia, the victories of the "yes" vote in the referendums in Bolivia and Venezuela represent decisive points of support in Latin America. The social conquests (health, education, reduction of poverty) and policies (against the domination of the United States) are undeniable. If these regimes had been defeated we can imagine the changes in the relationships of forces in these countries and in Latin America, the pressures on Cuba, etc. Now they are faced with a major problem: the attitude to adopt towards the crisis, whereas the present social conquests are insufficient. This really does represent a test, especially if the room for manoeuvre based on oil decreases in Venezuela. Either these countries will not resist the effects of the crisis, or on the basis of the crisis and under the pressure of the social movements, these governments will take measures affecting the structure of the economy, the distribution of wealth and the structure of property. It is now that the content of the rupture will be confirmed, deepened or not.

There is no automatic link between economic crisis and social and political radicalisation of the workers.

There is no mechanical relationship between economic crisis and class struggle. There is on the contrary polarization to the left and to the right, reactionary pressures that can or will develop, but, on the other hand, the workers and their organizations are not approaching the crisis without having relationships of forces and acquired positions, without radical forces existing, here and there. There is already social resistance in some countries and in some sectors.

On a more general level, how can we fail to make the connection between the success of Belem and these resistances in Latin America, and the explosion of Greek youth, the events in the French West Indies, the 2 million demonstrators on January 29 in Paris. We have to follow the curve of the demonstrations and strikes in each country. But, in spite of the defeats of the 1980s and 1990s, the conquests that have been won and the political, organisational and institutional positions that the workers' movement has maintained, as well as the emergence of new generations

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ready fight, represent so many points of support for resistance.

It is this double movement: the social-liberal evolution of the traditional Left and social resistances, which gives new space for the anti-capitalist Left.

Lastly, in the international conjuncture, the Middle East and the Palestinian question constitute a key question. The movement of sympathy with the resistance of the people of Gaza gives has given fresh energy to the solidarity campaigns with the Palestinian people.

# 6. The crisis of capitalism, its depth, its duration, put on the agenda an anti-capitalist action programme.

What was previously in the realm of propaganda, of general explanations, can become agitation. The defenders of the liberal order are completely destabilized. The coherence of the neoliberal discourse has exploded in mid-air. The incantations about making capitalism more moral, about refounding it, are completely lacking in credibility. They are rather an expression of the panic that has gripped the capitalist leaders. Our answers take on a new significance, a new relevance which must establish the link between immediate demands and the objectives of a social transformation which will lead to a change of system, an anticapitalist, ecosocialist transitional plan for the socialism of the 21st century.

"We should save the people, not the bankers!"

"It is not up to the peoples and the workers to pay for the crisis, it's up to the capitalists!"

Faced with lay-offs, with redundancies, with a drop in purchasing power, with the destruction of public services, with environmental pollution, we need a social and ecological emergency plan. Refusal of lay-offs, of technical and partial redundancies, reduction of working time and sharing out of work between all workers, regular and precarious, with the unemployed, for a guaranteed job with decent wages, an increase in wages to stimulate demand, defence and reorganization of public services to serve the population, big public works centred on the priority to ecological considerations (energy saving, renewable energies, the fight against pollution, public transport, social housing, job creation in socially useful ecological activities). The specific demands of women against imposed part-time work, against precarious work and for new public services, in particular concerning young children, must also occupy their full place in the situation of social emergency.

In this battle, we have an "enormous" argument. Over the last few decades, in the name of competition, of competitiveness and of the fight against budget deficits and debt, those in power dug their heels in and refused every substantial demand... And overnight, tens of billions were made available to the banks!!! The funds granted to the banks must be used to finance priority social demands. Around these demands, we propose the broadest unity of action.

This emergency social plan must also be combined with the defence of democratic rights and liberties, in particular the defence of the rights of immigrants and undocumented workers.

Beyond that there begins the strategic debate over answers to the crisis. From this point of view the debates at the WSF in Belem were a good illustration.

A first option, neo-Keynesian, is centred on new regulations: closing down tax havens, new financial norms, taxation of financial transactions. The discussions in the commission on the financial crisis which was held in Belem, aimed "to put finance at the service of the citizens" but without calling into question the ownership of the banks and the big companies, or else at advocating a mixed system, with private banks and a public banking pole. We already know that mixed systems in a capitalist regime lead to the domination of the private sector. These proposals are accompanied by an approach which accords a central role to state and international institutions. The social movements are there only to exert pressure on the UN or on such and such a meeting of the G20, which for the occasion would be extended to certain countries of the South and would become the G23.

A second option takes up partial demands (taxes, the fight against tax havens) but links them to challenging the capitalist system. Firstly by a radical policy of redistribution of wealth, taking massively from profits to give to wages, employment, social security, public services.

But the crisis raises another question: who controls, who decides, who owns? This is the question of ownership. The bankruptcy of the banks or big companies is not only the result of financial excesses or of fraud; it is the consequence of a system dominated by the search for profit at any cost for a small minority of privileged people. We have to have a change of logic. It is necessary, for example, to take power away from the owners of the banks. The banks must be nationalized under the control of the workers and the consumers. The companies that go bankrupt must be put under public control and run by the workers. But we can go further, around the concept of "common property", one of the demands of the global justice movement. The crisis widens the concept of "common property". "Common property" is not only water, land, health, education. It is necessary to extend it, to widen the use of this concept to cover all the sectors of the economy that are necessary for social needs. That implies, as was stressed in many discussions at the WSF (in particular in interventions of Francois Houtart, a liberation theologist) putting at the centre of things use value and not exchange value. And, if the economy is considered as common property, then the question of public and social appropriation of the key sectors of the economy, democracy and control is posed. From this point of view, the declaration of the assembly of the social movements, which supports objectives like the nationalization of the banks, without compensation and under workers' control, the reduction of working time without reduction of wages, the development of forms of social property, constitutes a point of support for our intervention.

So those are a series of arguments, updated in order to present an anti-capitalist way out of the crisis. That has a double consequence on the strategic level:

a) To put at the centre of things mobilization, the social relationship of forces for the satisfaction of demands. The changes made necessary by the depth of the crisis are such that they require social and political upheavals of an exceptional scale. These relationships of forces can be expressed on the institutional level. Partial reforms can be obtained. But the behaviour of the ruling classes, who fiercely defend their interests, confirms that to even obtain partial reforms, we need and will continue to need large-scale social mobilizations.

b) The application of an anti-capitalist programme requires an anti-capitalist government, based on the mobilization and the self-organization of the popular classes, which undertakes a process of rupture with the system. This objective must be prepared by partial experiences of popular control and management, by confrontations with the capitalist state. The fight for such anti-capitalist governments is incompatible with support for or participation in parliamentary coalitions or governments which manage the capitalist crisis, as social democracy and the centre left do today.

► François Sabado is a member of the Executive Bureau of the Fourth International and of the National Leadership of the Revolutionary Communist League (LCR, French section of the Fourth International).

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Fourth International 16th World Congress

## Role and Tasks of the Fourth International

Draft Resolution from the International Committee

Fourth International

The preparation of the next World Congress is underway in a context marked by an unprecedented combination of a global economic crisis and a worldwide ecological crisis. This is a major turning point. This dual crisis shows the failure of the capitalist system and puts on the agenda the reorganisation and reconstruction of an anti-capitalist workers' movement.

1. The social and economic attacks and neoliberal counter reforms against the popular classes are going to increase. There will be more wars and conflicts. Ecological catastrophes will hit millions of people. A new historical period is on the horizon. New relationships of forces between imperialist powers on world economy and politics are taking shape, with the emergence of new capitalist forces like China, Russia, India and Brazil. The combination of the weakening of US hegemony and the sharpening of intercapitalist competition between Europe, Russia, Asia and the USA also has geo-strategic effects in new political and military configurations, with an increased role for Nato, and new international tensions. In recent years, American imperialism has compensated for its economic weakening by redeploying its military hegemony in the four corners of the world. The social and economic contradictions have led even in the USA to the discredit of the Republican team around G.W. Bush. The election of Obama is a response to this discrediting as an alternative solution for US imperialism, even if his election also responds to a desire for change on the part of a section of US society which will be disappointed but is real.

In conclusion, the crisis makes obvious the failure of neoliberal ideology, incapable of offering a solution. All the contradictions inherent to this social system are going to explode without social democracy and the centre left being able to offer an adequate response. Even neo-Keynesian measures, which have not been adopted anyway, would not be enough to resolve the crisis.

2. Social fightbacks are continuing to rise on a world scale but in a very unequal fashion and remain on the defensive. The global justice movement lost its dynamic that it had had up to 2004. The Belem WSF shows, nevertheless, the need and the possibility for international convergences, but in a framework where struggles are more fragmented and dispersed.

▶ In certain European countries – France, Greece, Germany, Poland, Italy –social struggles have a central impact on the political scene, but these struggles are not sufficient to block or turn around the underlying trends in the capitalist offensive and the effects of the crisis. They have not succeeded in overcoming the process of division and fragmentation of workers. These struggles remain defensive. They have not yet found an expression in terms of anti-capitalist consciousness. In this framework, in the absence of an anticapitalist left reactionary, even xenophobic and racist alternatives and trends can get stronger.

▶ In the Middle East, peoples are continuing to resist Western and Israeli occupation and aggression, in Palestine, in Iraq and in Lebanon. The murderous aggression waged by the Zionist government in Gaza, two years after that in Lebanon, has not been able to defeat the resistance. Although Hamas and Hezbollah are now the main political references in this resistance, there are sectors situating their action in a context of social as well as national liberation.

▶ Latin America remains the continent with the most socially explosive situations, although these have been unequal and limited in countries such as Argentina and Brazil. This is where there have been experiences of partial breaking with imperialism, in particular in Venezuela, Bolivia and Ecuador and Paraguay.

▶ In a series of emerging capitalist countries or those resulting from capitalist restoration, – China, India, Russia or the former eastern bloc – the whirlwind of globalisation is tending to proletarianise hundreds of millions of human beings. But this new social power, which can play a key role in the coming years, has not yet formed mass independent organizations – trade unions, associations, and political organisations capable of facing the challenge of this global reorganisation.

> The pillaging of resources in Africa to the benefit of big capitalist multinationals is increasing with the complicity of the existing governments. The continued growth of GDP in recent years in sub-Saharan Africa does not benefit the population, only social inequality in increasing. Faces with the deterioration in living conditions, there have been major struggles, such as the general strikes in Guinea, the demonstrations in Togo, the general strike in the public sector in South Africa. The food crisis at the end of 2008 sparked many demonstrations. However, the absence of a political alternative is a heavy obstacle to the success of these struggles, such as in Guinea or in the Cameroons. They are either diverted to wards bourgeois political formations as in Madagascar or they lose themselves in religious dead-ends as in Nigeria or Congo (DRC) or worse in etnic or racist ones like in Kenya or South Africa.

The building of democratic peoples' and workers' organisations' remains an absolute necessity for the success of struggles.

▶ The combined long-term effects of the disintegration of the Soviet bloc and financial globalisations continue to be felt in Asia : centres of hot wars (Afghanistan, Sri Lank, Mindanao island in the Philippines), zones of international confrontation (Korea, Pakistan, India), challenge to previous geopolitical balance of forces (South East Asia, China, Japan), reduction of democratic spaces that had been previously won (Thailand, Philippines, Indonesia...).

These imbalances are today sharpened by the financial economic and food crisis, which pushes towards more and more regional coordination and a greater convergence of social fightback movements existing in different fields: anti-war and anti-nuclear, against the debt and for food sovereignty, i defence of social and ecological rghts...

3. The dynamic of capitalist globalisation and the current crisis have also changed the framework of evolution and development of the traditional left. Reformist bureaucracies have seen their leeway considerably reduced. From reformism without reforms to reformism with counter-reforms, social democracy and equivalent forces in a series of dominated or developing countries are experiencing an evolution towards social-liberalism; that is these forces are directly underwriting neo-liberal or neo-conservative policies. All the forces politically or institutionally linked to socialliberalism or to the centre left, to varying degrees, are being dragged into these qualitative changes in the workers' movement and are incapable of formulating a plan for getting out of the crisis. What is more, we are seeing policies, such as that of the Lula government in Brazil, which are making the ecological crisis worse.

The traditional communist parties are continuing their long decline. They try to break this decline by grabbing onto the coat tails of the leading forces in the liberal left and the institutional apparatuses or falling back on their nostalgic and self-affirming positions. While there are sectors or currents who wish to build the social movements with anticapitalist forces, such as Synaspismos in Greece, they are doomed to have contradictions and divisions because of their reformist nature. The combination of social resistances and this evolution of the apparatuses of the traditional left open a new space for the radical left. This puts on the agenda the reorganisation and rebuilding of the workers' movement on a new basis, that of anti-capitalism and eco-socialism.

4. We want to get involved in this reorganisation to create a new left that is capable of meeting the challenge of this century and rebuilding the workers' movement, its structures, its class consciousness, its independence from the bourgeoisies at the political and cultural level.

• An anti-capitalist, internationalist, ecologist and feminist left;

• A left that is clearly alternative to social democracy and its governments

a left which fights for a socialist of the 21st century, selfmanaged and democratic and which has a coherent programme for getting there;

• a left that is conscious that for this goal it has to break with capitalism and its logic and thus that is cannot govern with what it wants to break from;

• a pluralistic left rooted in the social movements and the workplaces which integrates the combativity of the workers, the struggles for women's and LGBT liberation and emancipation and ecologist struggles;

• a non-institutional left which bases its strategy on the selforganisation of the proletariat and the oppressed on the principle that emancipations of the workers is the task of the workers themselves;

• a left which integrates new social sectors, new themes such as those expressed by the World Social Forum in Belem, and above all the new generations because you cannot make new things with old material;

• an internationalist and anti-imperialist left which fights against domination and war and which lays out the framework for a mass democratic international;

• a left able to link the precious heritage of critical and revolutionary Marxism with developments of feminism, ecosocialism and the indigenous movements of Latin America.

• an independent and class-struggle left which fights for the broadest united action against the crisis and for the rights, the gains and the aspirations of the workers and all the oppressed.

5. This is the aspiration in which the problems of building the Fourth International and new anti-capitalist parties and new international currents are posed. We expressed it in our own way, from 1992 onwards, so in the last two world congresses, with the triptych "New period, new programme, new party", developed in documents of the International. We confirm the essential of our choices at the last World Congress in 2003 concerning the building of broad anticapitalist parties. The Fourth International is confronted. in an overall way, with a new phase. Revolutionary Marxist militants, nuclei, currents and organizations must pose the problem of the construction of anti-capitalist, revolutionary political formations, with the perspective of establishing a new independent political representation of the working class. That is true on the level of each country scale and at an international level. On the basis of the experience of the class struggle, the development of the global justice movement, defensive struggles and anti-war mobilizations over the last ten years, and in particular the lessons drawn from the evolution of the Brazilian PT and of Communist Refoundation in Italy and from the debates of the French anti-liberal left, revolutionary Marxists have engaged in recent years in the building of the PSOL in Brazil, of Sinistra Critica in Italy, of the new anti-capitalist party in France, Respect in England. In this perspective we have continued to build the experiences of the Bloco de Esquerda in Portugal and the Red Green Alliance in Denmark. The common goal, via different paths, is that of broad anti-capitalist parties. It is not a question of taking up the old formulas of regroupment or revolutionary currents alone. The ambition is to bring together forces beyond simply revolutionary ones. These can be a support in the process of brining forces together as long as they are clearly for building anti-capitalist parties. Although there is no model, since each process of coming together takes account of national specificities and relationships of forces, our goal must thus be to seek to build

broad anti-capitalist political forces, independent of social democracy and the centre left, formations which reject any policy of participation or support to class-collaborationist governments, today government with social-democracy and the centre left. It is on the basis of such a perspective that we must be oriented. What we know of the experiences of differentiation and reorganization in Africa and Asia point in the same direction. It is through this process that we can make new advances. It is this question which must form the framework of the next congress of the FI.

6. This is the framework in which we must approach the question of the relationship between the building of the Fourth International and a policy of anti-capitalist coming together at the national, continental and international levels. We must discuss how to strengthen and transform the Fourth International in order to make it an effective tool in the perspective of a new international grouping. This is what we already started to do, with limited results, it has to be admitted, within the framework of the conferences of the anticapitalist left and other international conferences. On the international level, we took part, on this political basis, in conferences and initiatives of international many convergence and coming together: the constitution of the European Anti-capitalist Left (EACL), with the Portuguese Left Bloc, the Danish Red-Green Alliance and the Scottish Socialist Party. We worked with organizations like the English SWP. Other parties - even left reformists of who had at one time or another a political evolution "to the left", like Communist Refoundation in Italy, tor Synaspismos, also took part in these conferences. We also held international revolutionary of and anti-capitalist conferences organizations, on the occasion of the World Social Forums at Mumbai in India and Porto Alegre in Brazil. On this level, we created bonds of solidarity with the Brazilian PSOL in its break with Lula's PT. We have supported the efforts of our Italian comrades to build an anti-capitalist alternative to the policies of Communist Refoundation in Italy. These few elements show the type of orientation that we want to implement. The different conferences this year such as those in Paris or Belem show the necessity and the possibility of joint action and discussion by a large number of organizations and currents of the anti-capitalist left in Europe. It is now necessary to continue a policy of open meetings and conferences on topics of strategic and programmatic thinking and joint action through campaigns and initiatives of international mobilization.

7. The Fourth International and its sections have played and still play a vital road in defending, promoting and implementing a programme of demands that are both immediate and transitional towards socialism; a united-front policy that aims for mass mobilization of workers and their organizations; a policy of working-class unity and independence against any type of strategic alliance with the national bourgeoisie; opposition to any participation in governments in the advanced-capitalist countries that merely manage the State and the capitalist economy having abandoned all internationalism.

The Fourth International has played and still plays a functional role to keep alive the history of the revolutionary Marxist current, "to understand the world", to confront the analyses and the experiences of revolutionary militants, currents and organizations and to bring together organizations, currents and militants who share the same

strategic vision and the same choice of broad convergences on revolutionary bases. The existence of an international framework that makes it possible "to think about politics" is an indispensable asset for the intervention of revolutionaries. Consistent internationalism must pose the question of an international framework. But for historical reasons that it has itself analyzed, the Fourth International does not have the legitimacy to represent in and of itself the new mass International that we need. So when it is a question of taking a step forward in the bringing together of anti-capitalist forces, these new organizations, in particular in Europe and Latin America, cannot relate to and join this or that current identified with the Fourth International, and this is true whatever the reference point - the various Morenoites, the Lambertists, the SWP or other variants of Trotskyism. Let us note, nevertheless, a major difference between the FI and all these tendencies, over and above political positions, and which is the credit of the International is that it is based on a democratic coordination of sections and militants, whereas the other international tendencies are "international-factions" or coordinations based on "party-factions" which do not respect rules of democratic functioning, in particular the right of tendency. The historical limits of these international "Trotskyist" currents ", like other ex-Maoist or ex-Communist currents, prevent us today from advancing in the crystallization of new international convergences. As for the calls of Chavez or others for new Internationals, they are not situated on the same terrain. They obviously pose fundamental political problems, but also those of relations between states and organizations.

In the present relationship of forces, the policy for advancing towards a mass International must rather take the road of open and periodic conferences on central political questions - activity, specific themes or discussions - which make possible the convergence and the emergence of anticapitalist and revolutionary poles. In the new anti-capitalist parties which may be formed in the years to come, and which express the current stage of combativeness, experience and consciousness of the sectors that are the most committed to the search for an anti-capitalist alternative, the question of a new International is and will be posed. We act and we will continue to act so that it is not posed in terms of ideological or historical choices, which are likely to lead to divisions and splits. It must be posed on a double level, on the one hand real political convergence on tasks of international intervention, on the other pluralism of the new formations, which must bring together currents of various origins: Trotskyists of different kinds, libertarians, revolutionary syndicalists, revolutionary nationalists, left reformists. So in general, when there have been concrete steps towards new parties, we have proposed that the new broad anti-capitalist party functions with the right of tendency or currents, and that the supporters of the Fourth International in these new parties organize themselves in ways to be decided, according to the specific situation of each party. Our Portuguese comrades in the Left Bloc, our Danish comrades in the Red-Green Alliance, our Brazilian comrades in the PSOL, are organized, in particular forms, as a Fourth International current or in class struggle currents with other political tendencies.

8. In this movement we are confronted with desynchronizations between the building of parties on a national level and the construction of new international groupings. There can be, in the present situation or in the next years, new anti-capitalist parties in a series of countries,

but the emergence of a new international force, and all the more so, of a new International, is not, at this stage, foreseeable. A new International will only be the result of a prolonged period of joint action and common understanding of events and tasks for overthrowing capitalism. While we affirm a policy of international convergence, this confirms the particular responsibilities of the FI, and thus the need for its reinforcement. We can and we seek to represent an organizational framework that is attractive and, democratic, for revolutionary organizations which share the same political projects as ours. It is in this dynamic that the Filipino comrades are situated, the Pakistani comrades and the Russian comrades are situated, and that can be the case tomorrow of, for example, the Polish or Malian comrades.

9. We have, in fact, a particular role that is recognized by a series of political currents. We may be the only ones who can make political forces of various origins converge. This is for example, what in Latin America the Venezuelans comrades of left currents of the Bolivarian process say to us. It is also the case in Europe, in the framework of the relations of the EACL and of other currents. So, the next world congress must be an important step for the meeting of all these forces. This Congress will be a congress of the FI and there will be no organisational growing over at this stage. But we want the FI to play the role of a "facilitator" of convergences in the perspective of new international groupings.

10. As a result, in order to strengthen ourselves and play this role all the bodies of the IV must be reinforced: regular meetings, international committees, travel, exchanges between the sections. It is necessary to reinforce the activity that the International has deployed over the last few years: the regular functioning of the leading bodies of the FI – the Bureau, the meetings of the European BPs. The meetings of the International committee (IC), which have been held every year, representing about 30 organizations, must ensure the organizational continuity of our international current.

The Youth Camp, which has been held every year with around 500 comrades, must have a central place for the youth work of our European sections.

The educational institute has taken on a fresh impetus. We now have to ensure that the schools and seminars are held, and ensure the equilibrium of its management and its organization. The FI must also open up its meetings and its institute. The Institute occupies a central place, not only to educate the cadres of the sections, but also to contribute to the exchanges between currents and to various international experiences. The seminar on climate change open to a series of international experts is a good example. Like other meetings it indicates the necessity and the possibility that we are a crucible for programmatic elaboration on essential questions that antic-capitalist and revolutionary currents are tackling. The meetings of women, youth and trade-unionists must also be open to others, and transformed in this perspective. To sum up, in the coming period, and on an orientation aimed at building a new international force or a new International, the FI, as an international framework, represents an essential asset for revolutionary Marxists.

► The Fourth International - an international organisation struggling for the socialist revolution - is composed of sections, of militants who accept and apply its principles and programme. Organised in separate national sections, they are united in a single worldwide organisation acting together on the main political questions, and discussing freely while respecting the rules of democracy.

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## France

## An alternative on the left

#### Josep María Antentas

The panorama of the French left has been shaken up by the birth of the New Anti-capitalist Party (NPA) impelled by the Revolutionary Communist League (LCR) whose candidate in the last presidential elections in 2007, Olivier Besancenot, emerged as the main option to the left of the Socialist Party (PS) with 4.1% of the votes.



Josep María Antentas

Besancenot has become one of the most popular figures on the French left and the main visible face of the opposition to Sarkozy, in a context where the PS does not represent a real alternative to the policy of the government, in spite of its purely cosmetic turn to the left. His popularity is no fad and according to a study by the Fondation Jean-Jaurès, it has consolidated over three processes: the campaign against the European Constitution in 2005, the mobilization against the First Job Contract (CPE) in 2006 and the presidential elections in 2007.

With the creation of the NPA, which already has more than 9,000 members, an attempt is being made to translate Besancenot's social and electoral support into an activist force. The foundation of the new party is the culmination of years of effort by the LCR to advance towards the construction of a new instrument of struggle adapted to the present historical period.

The impact of the NPA shows that, for the first time in a long while, there is in France a current of popular sympathy for the radical left outside the traditional political apparatuses that goes beyond the usual more organized and combative social sectors. A space, albeit contradictory, unstable and with limitations, for a new anti-capitalist alternative has been opened up.

It involves two elements.

First, the renaissance of popular struggles against neoliberal globalization, from the strikes of November-December 1995 against the "Juppé Plan" for social security reform to the recent mobilizations against Sarkozy.

Second, the erosion of the big parties of the left and their shift to the right. The PS has been adapting for a long time to the interests of big capital and has woven strong ties with business sectors. The Communist Party and the Greens have become subordinate forces, disconnected from the social struggles, absolutely institutionalized and have borne responsibility for policies opposed to the interests of their own social and ideological base. The balance sheet of the already distant plural left of Jospin is there as a reminder.

The project of the new party is, as Besancenot puts it, "to bring about the emergence, from what already exists at the social level, of a political reference point that is not captured by the machinery of government and that is not dominated by the PS." The NPA locates the fight against neoliberalism within a perspective of a break with capitalism, and has environmentalism, feminism and internationalism as constituent elements of its program. Its "anti-capitalism" is not simply a negative reflex. It involves the formulation of alternative proposals for the construction of another society and a "social emergency plan" to resolve the crisis, with measures like the nationalization of the banking system, the prohibition of tax havens, a general wage increase of 300 euros and the defence of public services.

The challenges of the new party are huge. It will have to pass the test of practice and prove itself an effective instrument. For Besancenot "to only resist is not enough, a political instrument is lacking, and today the NPA is the best one than we have". Now it faces decisive weeks and months in the struggle against the anti-social plans of Sarkozy and to obtain victories it must initiate a new cycle of a favourable accumulation of forces in the popular sectors.

The foundation of the NPA has generated a great sense of expectancy and curiosity on the international anti-capitalist left. Three factors explain this: the important role played by France in the ascent of the resistance to globalization from the mid 1990s, the credibility of the LCR which has for a long time been one of the emblematic radical formations in Europe, and the political conjuncture of the moment marked by the impact of the global systemic crisis.

This makes international collaboration among anti-capitalists committed to another agenda opposed to the logic of capital, attempts to make the masses pay the cost of the crisis, and the rhetoric of the "refoundation of capitalism" of Sarkozy and company more imperative than other. On the scale of the European Union the challenge is to reinforce the "Europeanization" of struggles and resistance, to formulate a true continental strategy, and to crystallize an anti-capitalist pole which is not subordinate to social liberalism. There is no doubt that the NPA can give an important impulse to this task.

The NPA is not a model to copy or to export mechanically, but a reference point and a powerful stimulus in the search for a way in each country to raise an anti-capitalist alternative. Behind the project of the NPA lies a very simple idea; to construct, in the words of Daniel Bensaïd, one of its key intellectuals, "a new party, as faithful to the interests of the dominated and the dispossessed as the right is to the possessors and the dominators, and that makes no excuses for being anti-capitalist and wanting to change the world".

\* This article was first published in Publico 27/03/09.

Josep María Antentas is a member of the editorial board of the magazine Viento Sur, and a professor of sociology at the Autonomous University of Barcelona.

## World Social Forum

## A New Start with the 2009 **WSF**

## An interview by Pauline Imbach

## Éric Toussaint

The Belém declaration is different. It includes a fundamental diagnosis of the crisis of the capitalist system and a clear position as to how to move out of it. Its title and subtitle sum up this new approach: We won't pay for the crisis! The rich have to pay for it! Anti-imperialist, anti-capitalist, feminist, environmentalist and socialist alternatives are necessary!



Éric Toussaint

Some talked about a new start for the movement for another globalization with the World Social Forum in Belém. Do you think this is the case?

Since the World Social Forum (WSF) went through difficult moments in 2006, 2007, and 2008, we can really call this 9th edition a new start. It was a huge success in various respects.

First it drew a considerable participation, with 133,000, possibly 140,000, registered participants. This is remarkable and makes the Belém WSF one of the most popular. It is comparable to Mumbai's in January 2004 or to the one organized in Porto Alegre in 2005. Indeed we have to keep in mind that Belém is off the beaten track compared with major Brazilian cities such as São Paulo, Rio de Janeiro, Belo Horizonte, or Porto Alegre but also for a number of South American countries. Belém is difficult to get to: air fares are expensive and it takes three days by bus from Sao Paulo, five from Porto Alegre, and six from Buenos Aires, Montevideo or Asunción. Mumbai was much more accessible for Indians and Porto Alegre for Brazilians, Argentinians, Uruguayans, and Paraguayans.

Moreover a large majority of participants were under 30. All those young people massively attended the various events.

Another element that contributed to the Forum being a success is the visible and active presence of indigenous peoples, mainly from the Amazon and the Andes.

What is also indicative of a new start is that most participants were keen to find in-depth explanations for the various aspects of the current crisis and to draw their own conclusions, while eager to act and implement alternatives.

This is an obvious change compared with the Nairobi WSF in 2007, where the movement seemed to be running out of steam and unable to raise fundamental questions.

This turns this Forum into the first major international mobilization against the crisis of capitalism that started in 2007.

This new start for the WSF and the alter-globalization movement is in stark contrast with the World Economic Forum (WEF) in Davos mourning capitalism. President Lula, who had in former years spent one day at the WSF before flying to the WEF, decided that this time he would only be seen at the WSF and would not go to Davos. This is most significant since it illustrates the depth of the crisis. Lula understood that his social liberal management, which already leads to a lot of questioning from the grassroots, would be even more negatively perceived if he went to Davos. To clip the wings of any criticism on his left he chose to stay in Brazil. Similarly no other Latin American left-wing or centreleft president went to the Swiss ski resort, though several of them were invited. The economic Forum was a sorry spectacle since no significant representative of the Obama administration had bothered to go. Only Vladimir Poutine, the Chinese Prime minister (which says a lot!), and Angela Merckel were there to discuss the survival of capitalism. Nicolas Sarkozy himself had decided against going to Davos. If Lula had gone, or if Obama had sent a high-ranking official Sarkozy would surely have been there!

We must also emphasize the media bias. One of the world's leading financial dailies, the *Financial Times*, did not print one line about the WSF in Belém while it devoted two special issues to Davos and had over ten pages coverage in its regular issue. By contrast a number of newspapers, TV and radio channels had sent special correspondents (there were about 3,000 journalists) who reported on the event. Some rightly stress the 'reawakening' or 'second wind' of the alterglobalization movement. All the daily papers in the State of Para ran five to eight pages about the Forum every day. The international TV channel *AlJazira* largely covered the event and gave CADTM delegates the opportunity to speak (see the English video at

http://www.cadtm.org/spip.php?article4012).

#### What were the major concerns at the WSF?

There were three main issues.

**First** the crisis of capitalism in its various dimensions, namely financial, economic, climate, energy, food, migration and 'governance', i.e. the obvious legitimacy crisis of the G8, the IMF, the World Bank, and the WTO. The lack of legitimacy of alternative solutions such as the G20 was also central.

**Second,** the crimes of the Israeli army against the Palestinian people. The Palestinian issue, though Belém lies over 12,000 km away from Palestine, was very much with us. From day one, with the opening march, a 20 meter long Palestinian flag was unfolded and carried by young people of ENLACE, a far-left current in the Brazilian PSOL party. Several people carried tokens of solidarity with the Palestinian struggle. Though participants had come with different concerns, they insisted on showing their solidarity with the Palestinian people. With this specific situation it was all the wars of aggression that were targeted, such as the war on Iraq or on Afghanistan. All agreed on the demand for withdrawal by the army of occupation.

A third priority issue was the struggle of indigenous peoples in Amazonia and the Andes. The Forum's first day of work was entirely dedicated to the Amazonian area (an area that extends beyond Brazil and includes part of Ecuador, Bolivia, Venezuela, Peru, and Colombia - not forgetting Guyana, French Guiana and Surinam). The indigenous peoples issue covered the relationship with nature and the part they play in preserving it, as well as the assertion of their cultural identity and the way they are affected by capitalist globalization. Indigenous people have a lot to teach other peoples, especially with respect to their approach to the world (this has already been partly integrated in the new Constitutions voted in Ecuador in 2008 and in Bolivia in 2009). We could only be impressed by the contribution of delegates of indigenous peoples to the Forum's discussions and proposals. They played a major part. They gave the Forum its particular touch as they focused discussions on the issue of Amazonia and the Andes, and so placed the challenge of climate change at the core of socialist and environmental considerations.

Next to these three central issues we discussed a number of significant questions. For instance, thanks to the dynamic of the World March of Women the feminist approach was more visible than in former editions.

Another essential theme: understanding the predatory role played by transnational corporations not only in the North but also in the South. Since we were in Belém, many actions were directed against the Brazilian corporations such as Petrobras or Vale (mining industry). It was essential for Brazilians, who made up some 90 % of the participants, to become aware of their own responsibility as citizens in bringing an end to the nefarious action of corporations located in their country on a continental if not global scale.

# What is the significance of the declaration by the Assembly of Social Movements?

This declaration has something radically new about it. We have to remember that from the first Forum in January 2001 there has always been an Assembly of Social Movements. Preparations for it go on from the first day of the Forum and the Assembly meets on the last day. At the end of the meeting a declaration is voted on. It has been drafted by delegates from a whole range of social movements. Up to now these declarations were merely a list of major issues as perceived by social movements and a list of upcoming events. Social movements and various campaigns their presented major moments for mobilization. The Belém declaration is different. It includes a fundamental diagnosis of the crisis of the capitalist system and a clear position as to how to move out of it. Its title and subtitle sum up this new approach: We won't pay for the crisis! The rich have to pay for it! Anti-imperialist, anti-capitalist, feminist, environmentalist and socialist alternatives are necessary!

So this declaration is an agenda for alternatives. To be more specific, it indicates that if we consider the interest of the

Moreover the declaration conveys immediate demands: *We* must contribute to the largest possible popular mobilization to enforce a number of urgent measures such as nationalizing the banking sector without compensation and with full social monitoring; reducing working time without any wage cuts; taking measures to ensure food and energy sovereignty; stopping wars, withdrawing occupation troops and dismantling military foreign bases; acknowledging the peoples' sovereignty and autonomy and ensuring their right to self-determination; guaranteeing rights to land, territory, work, education and health for all; democratizing access to means of communication and knowledge . [2]

Finally this text proposes a global calendar, with special focus on the week of global action from 28 March to 4 April 2009. This includes our refusal to pay for the current crisis, our opposition to the G20 meeting in London on 2 April 2009, solidarity with the Palestinian people on 30 March 2009, opposition to the commemoration of NATO's 60th anniversary and our demand for its dissolution. This must indeed be a week of global action since we agreed both on the dates and on the major themes. Moreover the calendar includes the recurring dates for mobilisation: Women's Day on the 8 March, Peasants' Day on the 17 April, Indigenous Peoples' Day on 12 October (the day that Columbus landed on what Europeans were to call the Americas in 1492). Finally this calendar of events also includes major mobilizations on the occasion of the G8 meeting on Madgalena Island in Sardegna in early July 2009, the UN Copenhagen summit on climate change in December 2009 and the global week of action against the debt and International Financial Institutions from 8 to 15 October 2009.

The groups that were most actively involved in the drafting of the declaration of social movements were CADTM, which put forward a proposal for collective drafting, the World March of Women (WMW), Via Campesina (particularly its Brazilian branch the Movimento sin Terra), the Organización continental latinoamericana y caribeña de estudiantes (OCLAE), delegates from European, African, and Asian social movements, and delegates from indigenous associations in Amazonia and the Andes.

Usually, during forums, the conclusions of the Assembly of Social Movements (ASM) are made public on the last day. This year, since the last day was dedicated to thematic assemblies and the Assembly of Assemblies, on which more below, the Assembly of Social Movements took place on 30 January, two days before the end of the Forum. On hearing the conclusions of ASM, Joao Pedro Stedile, from MST, said such a declaration was evidence of the ASM's maturity in that it defines a clear agenda. In this Forum the ASM still played a stirring part since it defined issues in radical terms and reinforced a dynamic that had been present all through the Forum, namely a search for global and radical explanations and solutions.

If we read the declarations that most of the 11 thematic assemblies adopted on 1 February morning, we notice that the crisis is repeatedly analyzed as a crisis of capitalism. It is particularly striking when we read the declaration of indigenous peoples, that of the anti-war movements, or that adopted by the assembly of women. *We are not interested in palliative answers based on market logic in response to these crises; this can only lead to a perpetuation of the same system. We need to advance in the construction of alternatives [. . . so as to confront] the capitalist and patriarchal system that oppresses and exploits us.* [3]

The declaration of indigenous peoples uses similar terms to those found in the ASM declaration to formulate demands for an antiracist, antipatriarchal and socialist alternative that would respect the earth mother. The crisis of the capitalist, eurocentric, patriarchal and racist development model is complete and opens onto the biggest social and environmental crisis in the history of humankind. The financial, economic and energy crisis contributes to structural unemployment, social exclusion, racist violence, machism, and religious fanaticism. So many deep and simultaneous crises spell out a genuine crisis in Western civilisation, the crisis of the 'capitalist development and modernity' that jeopardizes all forms of life. Yet even in such a quandary some still dream of improving this model and will not recognize that the present crisis is a product of capitalism itself, on eurocentrism with its model of a State for one nationality, of cultural homogeneity, of Western positive law, and of commodification of life. [4]

While some social movements or campaigns (particularly European ones) are still hesitant if not reluctant to mention socialist alternatives, the assembly of indigenous peoples is quite explicit about it. And it has to be stressed that the two texts were drafted by different people at different venues of the Forum, even though the ASM declaration was discussed in a general assembly of delegates of all represented movements, including of course those of indigenous peoples (who were massively present at the ASM).

In the drafting committee we had debated how we could indicate the contribution of indigenous organizations to the struggle against capitalist globalization. A first draft mentioned the indigenous movements '*reappearing*' over the past 15 years, which I hardly found satisfactory. And as soon as the text was read in the general assembly, several delegates of indigenous movements demanded that the text be changed and mention a '*new encounter*' between indigenous and social movements over the past years. The indigenous peoples rightly observed that they had not waited for other social movements to find out about them before starting their own struggle. They have been resisting capitalism and various forms of domination imposed on them for five centuries. The assembly considered they were right and the text was changed accordingly.

## What can be said about the presence of political parties and certain governments at the WSF?

The participation of political parties is a new development, since political parties were not much in evidence at the previous Forums in Brazil and Africa. They were not much in evidence either at the WSF in Mumbai, India in January 2004 or at certain regional or continental Forums, in particular those in Karachi, Caracas, or Athens in 2006.

First of all, it should be said that the left-wing Brazilian parties (the PT, PSOL and PSTU) were particularly present in the Forum program itself but that their participation varied in nature. For the PT, it was more a matter of Lula's government and administration being present (several ministers attended) than of PT participation as such. On the other hand, the PSOL and PSTU, both of them opposition parties, were active in supporting the interests of trade unions they are close to, especially ConLutas and Inter Syndical.

The presence of political parties within the Forum precincts seems to me vital, since the Forum should be a platform for debate between political parties, social movements, citizen organizations and grass roots movements. It would be perfectly logical if, at each edition of the Social Forum, the political parties linked to the Forum process were present. It is time to end the "ghetto-ization" of the social movements, NGOs and citizen movements, as if they were incapable of debating, let alone actively collaborating, with political organizations that are willing to fight against capitalist globalization.

Note that for the first time, four presidents were there together: Evo Morales (Bolivia), Rafael Correa (Ecuador), Fernando Lugo (Paraguay) and Hugo Chavez (Venezuela). They represent the aspirations of the global justice movement in general and Latin-American social movements in particular. We should recall that in 2005 there were two meetings of Latin-American presidents during the WSF - the first attended by Hugo Chavez, and later, a second by president Lula. In addition, on the occasion of the 2006 polycentric forum in Caracas, Hugo Chavez took part in another big public meeting.

What was new at Belém was that for the first time, four presidents were addressed by social movements. It is very important that social movements confront presidents with a number of realities and try to get them to commit to measures for implementing an alternative model and regional integration in Latin America – an integration that is genuinely favourable to the people, respectful of nature and not subordinated to the interests of capitalist transnational corporations. It should also be emphasized that the four presidents had been invited by social movements,

specifically on the initiative of the MST (Landless Rural Workers' Movement), La Via Campesina and the WMW (World March of Women), all of which had decided to exclude Lula, given the content of his anti-social policy (the local press made much of this exclusion).

Lula's political stance is close to the liberal social model of Gordon Brown in England, or of Zapatero in Spain. It mainly favours the big capitalist Brazilian companies established throughout Latin America, the powerful Brazilian agribusiness sector, the private banking system, and the big transnational corporations located in Brazil. It is a policy that promotes exports as fundamental to development, in particular the sugar cane industry with a view to producing ethanol, and transgenic soy exports. In ecological terms, however, the consequences for the last five years have been catastrophic. Since 2003, Lula's policies have engendered deforestation in Amazonia over an area equal to that of Venezuela.

During the WSF, the Lula government's aim was to regain some legitimacy with a left-wing sector and with politically committed young people opposed to Lula's neo-liberal policies. While the message of the Lula government was geared to be anti-neoliberal, the participants themselves were a move ahead, placing responsibility for the global crisis squarely on the capitalist system.

1,000 social movement delegates were present at this meeting attended by four presidents. Many more WSF participants would have liked to be there but it was necessary to proceed by delegation. The session began with a political address by Camille Chalmers, secretary general of PAPDA (Platform to Advocate Alternative Development) in Haiti, who is a member of Jubilee South, CADTM and COMPAS (a Caribbean alliance of social movements). He stressed the positive nature of the audit initiative of the Correa government in Ecuador and the partial suspension of commercial debt repayments. He then addressed Hugo Chavez and Evo Morales on setting up debt audits in their respective countries and reminded them that they had undertaken to do this after the Alba meeting, in the presence of Rafael Correa, at the end of November 2008 in Caracas. Before the presidents took the floor, two feminists also spoke: Magdalena Leon of REMTE and Nalu Faria of the WMW [5].

The first president to speak was Rafael Correa. His arrival at the Forum had been a subject of controversy. The day before he came, the Confederation of Indian Nationalities of Ecuador (CONAIE) sent a message to the WSF asking that Correa be declared *persona non grata* in view of his policy regarding foreign investment in the country's extractive industries, which directly affect the indigenous populations. In response to this radical challenge, in his speech Rafael Correa adopted a very left-leaning discourse on 21st century socialism. While his speech might be seen as altogether positive, placed in its context it appears to be a way of regaining a legitimacy that has been damaged by the type of capitalist, productivist, national model he is installing in his

country. In addition, he made no mention of the debt issue, whereas in his introduction Camille Chalmers had stressed the positive nature of the debt audit and Ecuador's partial suspension of repayments since November 2008.

Fernando Lugo then made a speech in which he stressed that it is absolutely vital for Brazil to acknowledge that the application of the Itaipu treaty is causing a terrible and unfair debt burden for Paraguay. The binational company Itaipu has a total debt of US\$ 20 billion, half of this sum to be repaid by Paraguay and the other half by Brazil. Almost 95% of these debts are owed to Brazilian companies. Lugo explained that he expected Brazil to adopt a friendly and honourable stance by acknowledging the one-sided nature of this treaty. The Paraguayan authorities and people want the debt held against them to be radically reduced. They want to be able to increase the price of the electricity they supply to Brazil and sell electricity to other countries in the region, so as to increase the State's revenues and thus be in a position to start the social reforms for which Lugo was elected in April 2008.

Lugo also intends to set up a commission for an international audit of the Itaipu treaty. He has decided that negotiations with Lula on the Itaipu treaty will be public, though the Lula government wants them to be confidential and on a diplomatic basis.

Evo Morales was the next to speak. His speech was interesting in that he positioned himself as being part of the social movements. He affirmed that none of the presidents here today would be president if there had not been profound social struggles and if social movements had not frequently overthrown presidents favouring neo-liberal policies. He told the social movements they should not hesitate to summon the presidents regularly so that they would be obliged to make reports. Evo Morales alluded to the situation of his country after the adoption by referendum of the new constitution on 27 January 2009 (that is, on the first day of the WSF), which is a major step forward for Bolivia. Finally, he explained the entirely counter-revolutionary role of the Bolivian catholic hierarchy: playing on the WSF slogan, he exclaimed "another Church is possible". In this way he was addressing his colleague Fernando Lugo, a former Catholic bishop and liberation theologist, and, in the audience, François Houtart who is also a liberation theologist, working for the Church of the poor.

Chavez, in his turn, insisted on the anti-capitalist and socialist option and added a feminist dimension by declaring that he had become a firm feminist.

After these speeches, João Pedro Stedile, president of MST, gave a closing address that was very exemplary in manner. Instead of congratulating the presidents, he said that the time they had lost and the fact that they had proven unable, in the face of the crisis, to adopt measures for the benefit of the people, were regrettable. In this way he was criticizing all the Latin-American presidents who met in Salvador de Bahia in December. Addressing the four presidents before him, he

declared that in the absence of a joint response from all the presidents, the social movements expect the four left-wing presidents to take fundamental, stuctural measures without delay to respond to the capitalist crisis. In addition, he suggested they did not wait to be summoned by the social movements, but to regularly invite those movements to come to them and then listen to what they have to say.

This meeting was an important event within the WSF, and a step forward in the dialogue between social movements and governments. This type of exchange could only happen in Latin America, in the sense that several left-wing governments have emerged from radical social struggles linked to the WSF dynamic: before being elected president in April 2008, Fernando Lugo had attended the WSF of Porto Alegre in 2005 as a Paraguayan delegate, travelling there by bus from Asunción.

At the end of this day, president Lula called another meeting at another venue in Belém – more a presentation of his politics than anything else. He invited H. Chavez, R. Correa, E. Morales and F. Lugo, all of whom also spoke. This meeting took place in a very different context. There was no question of dialogue with social movements or of listening to eventual criticism of his policies or those of the other presidents.

# Can we note a switch to the left among some Latin American governments? Is there any progress in terms of regional integration?

We cannot really say the four governments invited to the WSF are moving to the left. In Venezuela, a series of positive measures have been taken in 2008 in term of nationalizations, such as the nationalization of the big steel company Sidor after an extended social conflict, or the nationalization of the Bank of Venezuela which belonged to one of the two largest Spanish private banking groups. It is quite hard to assess Lugo's work since he has only been in office since August 2008, i.e. for less than six months. To be able to form an opinion, it is necessary to leave him more time. Nevertheless, what can be said is that, in view of the crisis that begins to directly affect the Latin American economies and populations, the four governments have not managed to implement a concerted alternative policy.

A source of inspiration should be the proposals drawn from the conference that was convened by the Venezuelan authorities in October 2008, "*Responses from the South to the global economic crisis*". This conference resulted in a declaration [6] which included a series of very concrete proposals that, unfortunately, have not been followed by decisions up to now. As far as integration is concerned, it must be noted that the Bank of the South, which has officially existed since December 2007, has not yet started business. It is clearly in a stalemate. After these very important critical observations, some positive elements deserve to be highlighted. First, in December 2008 Salvador do Bahia hosted a meeting of all Latin American presidents which marked Cuba's return to the common Latin American scene. On this occasion, the Mexican president Felipe Calderon (right wing government) and Raul Castro (from Cuba) met without the US government being invited to this summit. And yet, since the 1959 Cuban revolution, the US had managed to diplomatically isolate Cuba to such an extent that the main meetings on the continental scale were those of the Organization of American States (OAS), which consists of the states of North and Latin America, excepting Cuba. Now Latin American states, including right wing governments, are forming a coalition without Washington, so as to resolve by themselves some regional problems, such as the conflict that broke out on 1 March 2008 after the Colombian army intervened on Ecuadorian territory. It is positive.

The other positive element regarding the integration process is the continuing enlargement of the ALBA (Bolivarian Alternative for the Americas). At the beginning, it included Cuba, Venezuela and Bolivia. In 2008, it extended to include Honduras and the island of Dominica. For some months we have noted Ecuador's cautious rapprochement.

### What went on about the debt issue?

Several talks dealt with the debt topic. The most attended one gathered some 500 people and was about debt auditing in Latin America and the Brazilian Congress setting up a Parliamentary Investigation Commission. The CADTM and Jubilee South were the most represented networks in the WSF. Latindadd, Eurodad and Afrodad were also present. As mentioned in the final declaration of the debt campaigns, a new international crisis of the public debt is in the making. [7]

# Was there anything new about the organization of the Forum?

Yes. The Assembly of Assemblies, which followed the selfmanaged thematic assemblies, is an important innovation. From the first, WSF social movements have established the tradition of a final unifying assembly, convened alongside the official programme of the Forum. For several years, a series of constituent parts of the Forum have been asking for the Forum itself to actively and consciously promote convergences among participating organizations, so as to bring forth common alternatives, common actions and proposals. There was some resistance within the International Council (IC), but this year is a turning point and marks an advance for the WSF with the convening of the Assembly of Assemblies.

On the first day (27 January) the Forum started with a big opening march in the streets. On the second day all activities focused on the Amazon region, which highlighted the contribution of indigenous peoples. This pan-Amazon day was followed by two days in which all topics could be dealt with in self-managed activities. And finally, on the morning of the last day (1 February), self-managed thematic assemblies were held, followed in the afternoon by an Assembly of Assemblies where the conclusions of each thematic assembly were presented as well as the final declaration of the Assembly of Social Movements – ASM – (which took place on 30 January). It was obviously an extremely positive choice.

This being said, it has to be qualified: the IC and the local organizing committee did not put enough energy in coordinating the self-managed activities of the third and fourth days. This resulted in too much dispersion since almost 2,000 activities were organized. In the 4 to 6 months before the Forum a group of volonteers and permanent staff should have been in touch with all the organizations registering activities so as to group and merge them. It would have avoided many duplications. In this respect the CADTM [8] made a special effort since all its activities were co-organized with others. The CADTM did not organize any activity on its own. As far as responses to the crisis are concerned, the CADTM was involved in two initiatives that gathered tens of different organizations [9]. Similarly activities on the debt issue were held with Jubilee South, Latindadd, and national campaigns active on the issue, especially in Brazil

Another weak point: the Assembly of Assemblies was held in unfavourable material conditions. It was held outdoors, without any translation system. Participants could not ask questions to people reading the conclusions reached by the various thematic assemblies. For the next editions an indoor venue and a translation system will be needed to make a real exchange on the conclusions possible.

# Compared with the edition held in Nairobi in January 2007, was the Forum more accessible to the more oppressed people? Did the local population actively take part in the Forum?

The Forum was very well attended by people of the region. About 100,000 people from the state of Para, the capital of which is Belem, were present. The entry fee for Brazilians amounted to 30 reals, that is 10 euros, the price of 8 to 10 meals in a popular canteen. It was thus a high price to pay for the sector of the population that devotes 80 per cent of its income to mere survival. The entrance fee should have been even lower so as to prompt larger participation.

Another questionable aspect, for which the organizing committee is not responsible, but which is the result of the federal government's and the state of Para's policies, is the discrimination against the poorest neighbourhoods of the city. 200 antiriot police were stationed in the two poorest neighbourhoods and the authorities imposed the *Ley Seca*, a law that prohibits selling alcohol in the evening. It is thus an obvious discriminatory policy against the "dangerous classes", to use a 19th century expression. In the rest of the

city, the police presence was very discreet and alcohol could be sold at any time of the day and night. It must also be said that people living in flimsy houses around the university where the Forum took place were evicted right before the Forum so as to "clean up" the place. During the International Council, the CADTM raised the question of the entrance fee with the organizing committee and criticized the State authorities' attitude regarding poor populations. The members of the organizing committee said they were deeply concerned by this kind of policies too.

To conclude, the WSF should be fully open to the local populations without any financial barrier. The organization of a Forum should not be accompanied by security measures in which the police target the lower classes, while these ought to be the central actors of change in a process like the WSF and alterglobalism.

# What are the developments within the International Council (IC)?

A positive evolution has been noted within the IC around this WSF. On the one hand, before the Forum, given the strategic choice of convening an Assembly of Assemblies, and on the other hand, after the WSF, during the two-day IC meeting. The Forum's success resulted in the dispassionate climate of IC debates and proposals. The meeting included a strategic discussion introduced by a document presented by Gus Massiah. [10] Without any vote being held on the subject, the IC was visibly willing to make the action plans succeed, and especially the global week of action that was agreed on during the ASM. Whereas in past editions some constituent parts, including some founding members of the Forum, were opposed to organizing large demonstrations as part of the Forum, especially the ones organized against the war in 2003 and 2004, on this occasion, they approved the agenda of actions. It is clear that the global crisis of capitalism has changed things. Everyone is now faced with the need to act.

This raises several questions: does it reflect the IC's response capacity, which was slumbering and reluctant to push for action? Will the change observed after the Belém Forum be lasting or temporary? It is important for the organizations that can actively spur the IC in the good direction to assume their responsibilities. In this regard, the CADTM firmly intends to assume its responsibilities together with other organizations willing to improve the IC's functioning, so that the IC contributes to facing the challenges of the global capitalist crisis.

Moreover, a proposal that must be supported was launched during the IC, i.e. holding a meeting in Gaza in 2010, with attendant public activities designed for hundreds of participants. This project has to be made reality in the first half of 2010 to support the Palestinian people's struggle.

Does the social movements' action plan stand a chance to succeed?

For the ASM's call to be successful all the organizations that participated in the Forum or support this call must organize it all, so that in their respective country or region, this call results in mobilization. There are other events we have to participate in. Surely some current or recent struggles (in Greece, in France, in Guadaloupe and Martinique ...) can help this agenda to succeed. Workers and unions affected by the large layoff plans in entire economic sectors must get involved.

Eric Toussaint is President of the Committee for the Cancellation of the Third World Debt (CADTM).

## NOTES

[1] See http://www.cadtm.org/spip.php?article4087

[2] See http://www.cadtm.org/spip.php?article4087

[3] See http://www.cadtm.org/spip.php?article4104

4] Original text in Spanish:

http://www.cadtm.org/spip.php?article4133

[5] Read: Ignacio Ramonet, La vraie gauche et les mouvements sociaux.

http://www.cadtm.org/spip.php?article4102

[6] See the full declaration

http://www.cadtm.org/spip.php?article3802

[7] See the final declaration of the debt campaigns which was read by Camille Chalmers (member of CADTM and Jubilee South) during the Assembly of Assemblies http://www.cadtm.org/spip.php?article4128

[8] The CADTM delegation to the WSF was composed of nearly thirty delegates from 14 countries (Argentina, Belgium, Benin, Brazil, Democratic Republic of the Congo, Ecuador, France, Haiti, India, Ivory Coast, Japan, Marocco, Pakistan, Togo. The delegates from Colombia, Venezuela and Tunisia were not able to arrive in Belem).

[9] One of these initiatives led to the declaration "Let's put finance in its place!"

http://www.cadtm.org/spip.php?article4120

[<u>10</u>] See the complete document, entitled "The dangers and opportunities of the global crisis"

http://www.cadtm.org/spip.php?article4099

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## Social Forum

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## Palestine

# Urgently reinforce the solidarity movement

# Resolution from the International Committee on the Israeli offensive against Gaza

## Fourth International

The recent offensive conducted by the Israeli army against the Gaza Strip is set in the continuity of the Zionist politics of destruction of the Palestinian resistance. The dramatic balance sheet of three weeks of intensive bombing (more than 1300 deaths and more than 5000 wounded) shows the violence of the Israeli army, who used devastating weapons and are guilty of many war crimes.



# Viva Palestina convoy supported by British socialists entering Gaza

The offensive, planned long ahead, was not intended to "stop the rocket firings" or "impose respect of the cease fire". The rocket firings caused fewer than 20 victims in 10 years while the cease fire signed between Israel and Hamas in June 2008 was never respected by Israel, who maintained the blockade against Gaza and killed Hamas militants last November. In these conditions, the Palestinians have the right to defend themselves and to resist the occupation, including by armed force.

Israel's objectives are, once more, to show the Palestinian population and the resistance movements that Israel is the only master of the game: the only "peace" possible will be the one imposed on the conditions fixed by the Zionist State, which means denial of the Palestinians' national rights, and anyone who tries to oppose to this logic will be subjected unlimited repression by the Israeli army.

Recent events confirm it: the Zionist state will not tolerate Palestinians unless they renounce their national rights and accept living in isolated parts of Palestine or in refugee camps outside. Israel only wants to negotiate with Palestinian representatives if they are prepared to surrender to "peace" conditions that do not contradict Zionist objectives and interests.

The imperialist countries, first of all the European Union, have openly or implicitly supported Israel. The United States,

in the transition period between two administrations, didn't put any pressure on the Israeli army to stop its offensive. The Arab League States, divided and for the most part submissive to imperialism, were unable to adopt a common position whilst Egypt again played its role as a partner of Israel and of the imperialist powers.

There where nevertheless many reactions condemning Israel and supporting the Palestinian people. All over the world, demonstrations rallied tens and even hundreds of thousands of people. Some states, such as Venezuela and Bolivia, expelled the Israeli ambassador. Everywhere, even at the General Assembly of the United Nations, appeals for a boycott and sanctions against Israel were put forward.

The Fourth International reaffirms its unconditional support of the Palestinian people and the struggle for its rights: the right to self-determination without any external interference; the right of return for the refugees or compensation for those who demand it; equal rights for the Palestinians of 1948. Furthermore, we reaffirm the necessity of the emancipation of the Arab peoples, of the dismantling of the Zionist state, which represents a racist and colonialist project at the service of imperialism, in favour of a political solution in which all the peoples of Palestine (Palestinian and Israeli Jewish) can live together in full equality of rights.

In order to achieve this objective, we must urgently reinforce the solidarity movement with the Palestinian people, concentrating on five central and unifying demands on which everyone agrees also within the Palestinian national movement: unconditional, immediate and total retreat by the Israeli army from the territories occupied since 1967, including East Jerusalem; the dismantling of all colonies built since 1967; destruction of the separation wall; liberation of the 11 000 political prisoners held by Israel; immediate and unconditional lifting of the blockade of Gaza.

We should also be especially concerned for the demands by the Palestinians from 1948; they demand full equal rights and free access to land and water. The recent Israeli elections and the high score obtained by Lieberman, an open advocate of the expulsion of the Palestinians from 1948, constitute a major risk for this population, to which the solidarity movement has the duty to respond. We must also support the Israelis who are fighting against the occupation, war and Zionist policies in general.

Finally, its seems essential for us to step up the Boycott-Divestment-Sanction (BDS) campaign, initiated in 2003 by more than 170 NGOs, associations and Palestinian parties. The demand for BDS provides the opportunity to develop the solidarity movement with the aim to denounce the complicity of the governments and the major capitalist groups. The recent and coming successes of the BDS campaign can play a part in weakening the Zionist State and create the conditions to strengthen the Palestinian and anti-imperialist camp. In this struggle, it is necessary to combat, at the same time, all racist, anti-Semitic and islamophobic tendencies. (23rd February 2009)

► The Fourth International - an international organisation struggling for the socialist revolution - is composed of sections, of militants who accept and apply its principles and programme. Organised in separate national sections, they are united in a single worldwide organisation acting together on the main political questions, and discussing freely while respecting the rules of democracy.

## Other recent articles:

### Palestine

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## Sri Lanka

# Support NSSP candidates' campaign for peace

## Vickramabahu Karunarathne

I am contesting Colombo district in the forthcoming provincial council elections. V Thirunavukkarasu, Chamil Jayaneththi, Dharmasiri Lankapeli, N. Jenagen, Mohamed Faizal, and Saranapala Silva will also contest with me in the same list.



Vickramabahu Karunarathne

This election will be very important as the very idea of devolution is condemned by powerful sections of the government and of the opposition. Nava Sama Samaja Party and the Left Front have consistently stood for the right of self determination of nationalities and for autonomy, as key points in formulating a political solution. Not only national minorities but also cast, creed and religious minorities will immensely benefit by provincial councils with more power. Hence, facing death threats we stood against chauvinism and religious sectarianism to defend these fundamentals, human rights and media freedom. Our struggle needs election gains too. 10,000 votes can secure a seat for the Left Front and the assets that come with a win in the PC elections will go a long way to build up our campaign.

My victory will be a victory for the above political position and my defeat will be a defeat for peace, a voluntary unity and power sharing.

You can do two things to help me:

1. Contribute to my election fund using the Commercial Bank account given bellow or otherwise sending to my address given there.

2. Persuade voters in the Colombo district to vote for us: LEFT FRONT--- TABLE.

www.nssp.info tp 0777237241 contributions: NAVA SAMA SAMAJA PARTY, 17BARRACKS LANE, COLOMBO 2

A/C NO: 8004893301, COMMERCIAL BANK OF CEYLON LIMITED

Vickramabahu Karunarathne ('Bahu')is the general secretary of the Nava Saja Samana Party (NSSP - New Socialist Party), the Sri Lanka section of the Fourth International.

#### Other recent articles:

### Sri Lanka

Withdraw case against NSSP leader Chamil Jayaneththi -January 2009 Italy must free Tamil human rights campaigners - July 2008 Leftists worldwide call to defend Tamil Cause - March 2008 NSSP appeals for international solidarity - March 2008 On the Tamil National Question - March 2007

## Palestine solidarity

## A public stoning in Germany

Raymond Deane



Hermann Dierkes

Hermann Dierkes is a respected politician with an honorable record of campaigning for social and political justice in the German Rhineland city of Duisburg. He represented his party Die Linke (The Left Party) on Duisburg City Council, campaigning tirelessly on anti-racist and anti-fascist issues. Most recently, he was his party's candidate for the post of Lord Mayor.

On 18 February 2009 Dierkes addressed a public meeting on the question of Palestine. To the question of how to take action against the injustice being suffered by Palestinians, he responded that the recent World Social Forum in Belem, Brazil had proposed an arms embargo, sanctions and the boycott of Israeli exports. He added: "We should no longer accept that in the name of the Holocaust and with the support of the government of the Federal Republic [of Germany] such grave violations of human rights can be perpetrated and tolerated ... Everyone can help strengthen pressure for a different politics, for example by boycotting Israeli products."

A few days later, Dierkes gave an interview to the Westdeutsche Allgemeine Zeitung (WAZ), a conservative paper based in the nearby city of Essen. He explained the demands of the World Social Forum, and requested that the published interview should stress that this had nothing to do with anti-Semitism — a qualification that invariably needs to be made in Germany, except when there is suspicion of Islamophobia. Predictably, his precautions were in vain; scenting a political coup, the reporter published his article without including the qualification.

All hell broke loose. In the 25 February edition of Bild — Germany's best-selling and most obnoxious daily paper — Dieter Graumann, Vice-President of the Central Jewish Council, accused him of "pure anti-Semitism." WAZ editorialist Achim Beer decried Dierke's "careless Nazi utterances," comparing his words to "a mass execution at the edge of a Ukrainian forest." Hendrik Wuest, General Secretary of the CDU (the Christian Democratic Party), warned that "the Nazi propaganda" emanating from Die Linke is "intolerable." Michael Groschek — General Secretary of the local branch of the Social Democratic Party, which shares power nationally with the CDU — played electoral politics with the claim that "[a]nyone playing electoral politics with such anti-Israeli utterances sets himself outside the rules of the democratic game."

Worse still, Dierke's own party failed to stand by him unambiguously. Press spokesperson Alrun Nuesslein opined that if Israel is criticized because "the population in the Gaza Strip is collectively punished by the ... closure of border crossings, it is equally impossible for us to punish the Israeli population" by means of a boycott of Israeli goods, particularly "in the context of German history," a mantra with which Germans routinely absolve themselves of their historic responsibility towards the Palestinians.

Other voices within the party took a more strident tone. Petra Pau, Vice President of the Bundestag (German Parliament), said Dierke's words "awake unspeakable associations and employ dubious cliches." Left Party politicians in Dierke's own area condemned his "anti-Jewish endeavors" (Guenter Will) and "anti-Semitic utterances" (Anna Lena Orlowski).

Events took their predestined course, and on 26 February Dierkes resigned his position within Die Linke and withdrew his mayoral candidacy. In an open letter to his party colleagues, pointing out that he had been the victim of "a public stoning" and of a campaign that was "a terrible mixture of the gravest insults and defamation, Islamophobic hatred, hatred of immigrants, and murder threats," he maintained that "[t]he victims of the Shoah and the heroes of the Warsaw Jewish rising would turn away with horror [could they see] with what malice and toward what ends they are being instrumentalized in order to justify ... the undemocratic and murderous politics of the Israeli government."

A quick perusal of the German blogosphere throws up countless repetitions of the phrase "kauft nicht beim Juden!" — "don't buy from the Jew!" — a slogan from the Nazi era that no longer serves to defame Jews but rather those who seek justice for the Palestinians. However, Jews aren't entirely immune from this weapon: in the respected weekly Die Zeit (15 January 2009) a certain Thomas Assheuer turned it against the Canadian Jewish author Naomi Klein after the British Guardian published her call for boycott, divestment and sanctions (BDS) against Israel. Given that Klein had carefully specified that BDS should be aimed at Israeli institutions and not individuals, this piece of defamation was particularly crass.

It appears that freedom of speech, supposedly one of the proudest acquisitions of post-Fascist Germany, is readily suppressed when exercised to advocate positive action against the racist, politicidal institutions and actions of the Zionist state. Indeed so brutal and venomous was the response to Hermann Dierke's remarks. and so instantaneous and unanimous the recourse, however ironic, to Nazi sloganeering, that it is difficult not to be reminded of the rhetoric promulgated by Julius Streicher's vile paper Der Stuermer between 1923 and 1945 and not to feel that the same atavistic sources that once disgorged Jew-hatred are now being tapped in this virulent and unceasing campaign against the advocacy of Palestinian rights. The Palestinians, after all, stand in the way of the establishment of a racial Jewish state between the Mediterranean and the Jordan river, an eventuality that the German establishment deludedly sees as somehow shriving its own past crimes.

It has to be said that ordinary German people are, by and large, as unimpressed by philosemitic hysteria as they are by anti-Semitism. It remains to be seen how those people who have repeatedly voted for Hermann Dierkes because they see him as an honest and reliable politician — something as rare in Germany as elsewhere — will react to being robbed of their representative by such a campaign of hatred and defamation on behalf of a quasi-fascist state.

Finally, it will be interesting to see if this debacle induces Die Linke to reconsider whether it is more appropriate to adopt a principled position on Israel than to continue playing to the gallery of rightist pressure-groups that have taken upon themselves the task of perpetuating unconditional German support for Israel. It is hard to feel optimistic about this.

## Reprinted from The Electronic Intifada, 6 March 2009

Raymond Deane is an Irish composer and activist (www.raymonddeane.com).

## Other recent articles:

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## Morocco

# Solidarity with progressive activists fighting repression

## Fourth International

The Fourth International demands an immediate end to repression, the release of all detainees and a halt to all legal pursuit.

The Fourth International at its International Committee meeting in February 2009 expresses its solidarity with:

1. The activists imprisoned following the popular uprising at Sidi Ifni (summer 2008) whose trial is underway in Agadir;

2. The trade-unionists of the agricultural sector (Chtouka) who were imprisoned because of Article 288 of the Penal Code which criminalises strikes;

3. The students imprisoned in Marrakesh and those on trial in Agadir after the strugles against the neo-liberal reforms of the university;

4. The activists of the movement of young unemployed graduates who are repressed daily in the strets of the captial and other cities;

5. The Sahraoui activists (supporters of the Polisario Front) who suffer ferocious repression.

▶ The Fourth International - an international organisation struggling for the socialist revolution - is composed of sections, of militants who accept and apply its principles and programme. Organised in separate national sections, they are united in a single worldwide organisation acting together on the main political questions, and discussing freely while respecting the rules of democracy.

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## Pakistan

# Long March to Victory

## Farooq Sulehria

Long March, identified globally with Mao, initiated last week in Pakistan transformed country's political landscape in a matter of five days. Unlike Mao's adventurous escapade amid wildernesses, the Long March spearheaded by Pakistan's legal fraternity was a mass urban uprising that finally forced the late Bhutto's ruling Pakistan Peoples Party (PPP) to reinstate Chief Justice Iftikhar Chaudhry, deposed by former military ruler General Pervez Musharraf on 3 November 2007.

It all began on March 9, back in 2007, when General Pervez Musharraf 'suspended' Chief Justice Iftikhar Chaudhry on concocted charges. In fact, Iftikhar Chaudhry was summoned to Army House and was asked to resign. Certain radical decisions by Iftikhar Chaudhry had indeed annoyed the military junta ruling the country since 1999. Pakistan's pliant judiciary has always served the all-powerful military rulers since 1958, when first military rule was imposed. All the four military rulers, on assuming power (in 1958, 1969, 1977 and 1999) were legitimised by country's Supreme Court. Corrupt and docile, Pakistan's judiciary had no credibility left. All of a sudden, Iftikhar Chaudhry, appointed as Chief Justice in 2005, surprised the whole country when he suspended privatisation of Pakistan Steel Mills (PSM) on the plea of PSM workers' union. It did not merely embarrass the government but jeopardised the whole privatisation process too. He further surprised when he took suo motto actions on a government-sponsored real estate project. The 'New Murre' housing project was an environmental catastrophe. Despite protests by the civil society and environmental groups, the military government refused to budge since many top politicians and some generals had a stake in this real-estate venture. Iftikhar Chaudhry ordered to shelve this project. He started earning respect for his 'judicial activism'. He took suo motto actions on human rights, women rights cases besides offering relief to trade unions in some cases.

However, he became intolerable for military rulers when he publicly stated that General Musharraf could not continue both as president and army chief beyond 2007. Musharraf had plans to get another five-year mandate through Supreme Court as his predecessors had done and he himself did on assuming power.

Another sensitive issue was disappeared activists from Baluchistan province. A civil war has caught hold of Baluchistan since 1999. Hundreds of nationalist activists, including journalists and poets, have disappeared. When Human Rights Commission of Pakistan moved the Supreme Court against these disappearances, Iftikhar Chaudhry accepted the plea. The military regime was trying to hush up 26 grave human rights violations (shootings, torture, and kidnappings) in Baluchistan committed by men-in-khakis to crush the Baloch insurgency. 'Enough is enough', thought Musharraf and summoned Iftikhar to Army House. Iftikhar Chaudhry 's resignation was demanded. To Musharraf's shock, Iftikhar Chaudhry refused to resign despite threats. An angry Musharraf suspended him. Iftikhar Chaudhry had surprised Pakistan and embarrassed Musharraf yet again.

More surprises (and embarrassments for Musharraf) were to follow. The lawyers fraternity, demanding lftikhar's reinstatement, stood up in protest across Pakistan. As they took to streets on March 16, the regime resorted to violence. Demonstrations were brutally baton-charged and teargassed while widely-watched TV channel Geo was attacked by state police for covering live the police violence. Violence did not work. Instead, a number of political parties now joined the demonstrations across the ideological divide: religious right to far left. As the demonstrations grew, the movement picked up a broader agenda. Now demand was not merely the reinstatement of Iftikhar Chaudhry but the restoration of democracy. The Bar Councils (advocates' associations), that have always been in the forefront of democratic movement, from across the country started inviting Iftikhar Chaudhry for an address. Activists in their thousands welcomed him as he travelled to Peshawar, capital of Frontier province. This was the first show that established Iftikhar's mass popularity.

But on 4 May 2007, Pakistan was witnessing a glimpse of revolution if not the revolution itself. The rallying point was of course Iftikhar Chaudhry. As he headed towards Lahore from capital Islamabad, millions lined 250 km-long-highway all the way to catch a glimpse of Iftikhar Chaudhry. An otherwise four-hour journey took 24 hours. Such a spontaneous mass mobilisation was unprecedented since 1968-days. A judge as a resistance symbol scared US-sponsored military regime. Khakis resorted to age-old response: thug violence was employed as Iftikhar Chaudhry arrived Karachi on May 12. Thirty-seven fell to bullets, 300 were shot injured and scores were brutally beaten up by ethno-fascist MQMactivists patronised by military regime. MQM is a Karachibased party, was an ally of General Musharraf, now a PPPcoalition partner.

The Karachi massacre did not scare the ordinary Pakistanis who again turned up in their hundred thousands every time lftikhar Chaudhry stepped out of Islamabad. Analysts began mentioning the year-68 when a mass movement humbled country's first military dictator, General Ayub Khan.

However, unlike US-sponsored Velvet/Purple/Cider revolutions, Pakistani judicial Intifada was indigenous, spontaneous and above all directed against a US-sponsored military dictator.

As General Musharraf handed Pakistan's military bases over to US forces in the wake of 9/11, he was showered upon military and economic aid. A regime that received US aid worth \$9.1 million in three years (1999-2001), was granted \$ 4.2 billion in next three years (an increase by 45,000 %). To assist Bush in his 'war on terror', Musharraf deployed 80,000 troops on Afghan border. But his pro-US policies were extremely unpopular domestically. As reward for his support, Washington not merely blessed him with financial grants but also over looked his election fraud (meantime shedding tears for Zimbabwe), violations of human rights in Baluchistan and curbs on media. However, it was not merely Musharraf's proimperialist policies but the grind of daily life that drove ordinary Pakistanis to streets. During his seven- year-rule, privatisation had rendered half a million jobless while prices had shot 100-200 % up. Lavish US aid had benefited either military elite or pro-military politicians. Life for ordinary folks became even miserable. Hence, the chief justice was mere a pretext, causes for the movement were much deeper.

Musharraf was forced to restore Iftikhar Musharraf on 20 July,2007. Meantime, Musharraf's presidential term had expired. He got himself 're-elected' through unconstitutional means with the connivance of the late Benazir Bhutto whose PPP was second largest party in the than parliament. In return for Benazir Bhutto's support, Musharraf granted her and her husband, Asif Zardari, an amnesty under a presidential order called National Reconciliation Ordinance (NRO). Both were facing corruption cases. Also, Asif Zardari was released from jail while Benazir was allowed to return.

Musharraf's re-election, though approved by his friends at White House, was illegal and unconstitutional. It was challenged in the court. Fearing that Supreme Court, headed by restored Iftikhar Chaudhry, might go against him, Musharraf declared Emergency on 3 November 2007. Besides suspending Iftikhar Chaudhry, eight more Supreme Court judges were removed. It led to protest-resignations by 60 Supreme Court and High Court judges besides angry demonstration across the country. Even Pakistani diaspora, from Australia to North America, staged demonstrations.

A month ahead of Emergency, Benazir Bhutto, after having struck a deal with Musharraf, returned from exile. The deal was brokered by the USA. The US plan was to assign Benazir Bhutto the slot of prime ministership so that she could mobilise support for an otherwise unpopular 'war on terror' while Musharraf was supposed to conduct the military operation against 'terrorists' even ruthlessly.

Benazir Bhutto was murdered on 27 December, 2007 leading to a five-day general strike in Pakistan. Musharraf would have been lynched had Condoleeza Rice not given a call to widower Bhutto, ordering him to co-operate with Musharraf and participate in the general elections that Musharraf was forced to hold in view of the growing democracy movement.

The outcome of the general elections held on February 18, 2008 was nothing less than a ballot-box coup against a military dictator. The pro-Musharraf PML-Q badly lost. A fourparty coalition, headed by Benazir Bhutto's PPP formed the government in the wake of elections. The new government was threatened by Bush-administration time and again to keep co-operating with Musharraf as he was still the US guy in Pakistan. The PPP, having given up its traditions of resistance since long, slavishly obeyed the US commands. But it annoyed the masses who wanted the chief Justice Iftikhar Chaudhry back at the helm of Supreme Court while Musharraf out of presidency.

The lawyers decided to take to streets yet again. In June 2008, they started a Long March to Islamabad and millions joined them from Karachi to Islamabad. Almost half-a-million Long Marchers reached in front of federal parliament building. But the advocates' leadership wavered and did not stage the sit-in.

The demand was restoration of Iftikhar Chaudhry as well as resignation by General Musharraf.

Musharraf in a nationally televised speech on 18 August 2008 announced to step down. In his place, Asif Zardari got himself elected. The president in Pakistan is elected by federal parliament and four provincial assemblies. The widower Bhutto was now occupying Presidency while PPP was ruling two of the four provinces, Sindh and Baluchistan In other two, Punjab and Frontier, PPP was part of the ruling coalition. Having secured all seats of power, President Zardari backed down from his promise to restore the impeached judges. He feared that fiercely independent Iftikhar Chaudhry, on his reinstatement, might put him in trouble since Iftikhar when he was temporarily restored by Musharraf , had accepted a plea against NRO granting Zardari an impunity from corruption cases.

The PPP's coalition partner, Nawaz Sharif's Muslim League, quit the coalition in protest as it was the party that had contested election on the promise of restoring the deposed judges.

Meantime, highly unpopular economic policies by the new the PPP-led government made the PPP lose popularity at a lightning speed.

The first Long March benefited only Asif Zardari, masses felt heated. It led to amass disillusionment, at least temporarily. However, the 12,00,000-strong advocates' community did not give up. It kept the flame alive. Since PPP was mere a democratic continuation of Musharraf's domestic and foreign policies, it started losing popularity on the right and left. The lawyers movement began picking steam yet again and to mark the second anniversary of Iftikhar Chaudhry's removal, they announced another Long March on Islamabad and a sitin 'until Iftikhar Chaudhry's restoration'.

To be kicked off in port city of Karachi, south of Pakistan, the Long March was supposed to culminate in an indefinite mass sit-in----scheduled for March 16---- in front of federal parliament building at Islamabad, north of Pakistan.

The PPP government attempted in vain to suppress Long March using anti-democratic measures akin to those employed by General Musharraf during his last months in power. The PPP-government invoked draconian section 144, dating back to the British colonial regime, to impose a nationwide ban on demonstrations and processions.

On March 11, a day ahead of planned Long March, police arrested thousands of activists and lawyers. Baton-wielding police attacked Long Marchers in Karachi and arrested scores more as they gathered to begin their march. All the highways leading to Islamabad were sealed while major town were fortified in a bid to stop Long Marchers from proceeding to Islamabad.

The government's information minister Sherry Rehman resigned after the government attempted to block transmissions of the private TV channels broadcasting the Long March live. Even some police officers tendered their resignation rather than continue to repress the popular movement.

The mass resistance triumphed after a massive showdown in the streets of Lahore on March 16. Home-town of Nawaz Sharif, a former prime minister heading his own faction of right-wing Muslim League, Lahore is country's second largest town and capital of Punjab province. Nawaz Sharif's Muslim League was ruling Punjab until February 25. The provincial government was headed by Nawaz Sharif's younger brother, Shahbaz Sharif.

Fearing that Punjab government, being sympathetic to advocates movement, might lend the Long Marchers a helping hand, President Zardari through Supreme Court---packed with his loyal judges---- got Nawaz Sharif and Shahbaz Sharif disqualified. On the pretext that Shahbaz was disqualified to head Punjab government, he was dislodged as chief minister of Punjab. Instead of treading the constitutional path of allowing the Punjab Assembly to elect new chief minister, President Zardari imposed direct federal rule in Punjab. He had hoped to buy off few dozen parliamentarians in Punjab Assembly and form a PPP government. It did not happen. Still, owing to direct federal rule, he could call the shots in Punjab. He had hoped to foil Long March, that had to pass through Punjab to reach Islamabad, by unleashing a rein of terror.

His repressive measures did produce results in Sindh. However, when Long Marchers reached Lahore, a rebellious city of about eight millions dashed all Zardari's hopes. The residents of Lahore fought day-long pitched battles on March 15. Matters climaxed as Nawaz Sharif defied a detention order confining him to his residence in Lahore, and headed a motorcade towards the city centre where thousands of charged up activists had already converged.

As the momentum gathered the police escaped while protesters removed the buses blocking the roads. By the evening of March 15, a mass of Long Marchers, led by Nawaz Sharif and advocates' leaders, was heading for Islamabad. The mass rebellion in Lahore propelled a high-level meeting at presidency. Asif Zardari was joined by Prime Minister Yusuf Raza Gilani and military boss, General Ishfaq Kiani. The US Secretary of State, Hillary Clinton and her British counterpart, David Milliband were also busy calling Asif Zardari and Nawaz Sharif. In the wee hours of March 16, Prime Minister Gilani was addressing the nation on television. He announce to restore Iftikhar Chaudhry as Chief Justice.

He also announced that his government would file a review petition in the Supreme Court against the disqualification from elected office of Nawaz Sharif and his younger brother Shahbaz Sharif.

Gilani's televised speech led to celebrations in city streets across Pakistan. Lawyers and activists were seen dancing to drum beats and distributing sweets as Nawaz Sharif and advocates' leadership called off the Long March. A two-yearlong mass movement had won an unprecedented victory.

▶ Farooq Sulehria is a prominent radical journalist and a leading member of Labour Party Pakistan. He is the author of the LPP's booklet, 'Rise of Political Islam', and translator into Urdu of 'Clash of Fundamentalisms' by Tariq Ali.

## The capitalist crisis

## How the left should respond

## <u>Alan Thornett</u>

Two and a half decades of casino capitalism - speculation, deregulation and privatisation, under Regan and Thatcher, followed up by Tony Blair and Gordon Brown - created a speculative bubble. With the collapse of the US sub-prime mortgage market where the most reckless lending regimes were located, this turned into a credit and banking crisis The global financial structure had reached the verge of meltdown.

Unstable economic conditions brought about by the end of the post-war boom in the mid 1970s created the context of the present crisis. They produced a number of regional breakdowns over the last 15 years including the Mexican crisis of 1994, the Asian crisis of 1997, the Russian crisis of 1998 and the Argentine crisis of 2002. The current crisis, however, is qualitatively different and far more globally significant than any of these. This time it started in the capitalist heartlands of the USA and in Europe.

The way the banking failure coincides with other major global developments makes this crisis especially severe and difficult to resolve.

Firstly there is the impact of emerging countries such as India and in particular China since the full restoration of capitalism. The explosive growth of China, with its vast labour force working under repressive conditions, has been sucking in raw materials from across the globe, especially oil and steel. This has contributed to a generalised rise in commodity prices, hitting the living standards of the poor.

Secondly the decrease in easily extractable oil reserves (peak oil) alters the basic arithmetic for oil-based economies. While the crisis itself has brought the price of oil and gas down the upward pressure exerted by peak oil will remain long term. Times like the 1990s where the price of oil fluctuated between \$10 and \$20 a barrel will not return. Even under current conditions the policy of OPEC is to cut production in order to push the price back to around \$70 a barrel.

Thirdly the dangerous ecological situation and global warming ultimately represent a crisis of much greater significance than that of the economy. Global warming is expanding the deserts, melting the icecaps, drying up rivers, and destroying water reserves. It is reducing agricultural productivity and crop yields.

Bio-fuel production compounds the problem by turning food into petrol (ethanol based on sugar and diesel based on vegetable oil etc) and tying up large tracts of land in the process. These trends led to food riots in 37 countries during 2008.

Extreme weather events impact on the insurance industry and contribute to the banking crisis as shown by the example of Hurricane Katrina.

The fourth factor is the unprecedented level of globalisation. It is not just that the world economy is more integrated than ever before but with the collapse of the Soviet Union and Eastern Europe at the end of the 1980s and the full absorption of China into the world economy since then, capitalism now covers the whole globe.

For all these reasons this is not a 'normal' cyclical crisis of the capitalist system, although all the contradictions of the system traditionally identified by Marxists exist with full force within it.

## Basis for a fightback

The central political issue thrown up by the crisis is who will be made to pay for it - capital or labour? Market forces or interventionism, the two options that capitalist governments have been debating, are both designed to make the working class pay and give capitalism a new lease of life.

In their immediate impact, though, they are very different. The "New Deal" interventionist approach can save some industries and some jobs and create others, while market forces would only destroy them. From this point of view socialists should welcome interventionism as far as it goes.

However, the response must go much further with programmes of public works that can employ and re-employ

millions of workers. If trillions of pounds can be given to the banks the same can be done for public works. And such programmes would need to be directed towards establishing a more sustainable society for the future in order that the ecological crisis is tackled at the same time.

This approach also creates the space for a fightback. The more workers are thrown into unemployment and atomised, the more difficult it will be for them to begin to organise. On the other hand if they remain employed or are taken on for public infrastructure work they are in a far stronger position to fight.

### Nationalisation

The key to a socialist approach to all this is nationalisation. Nationalisation does not equal socialism, of course, but it does provide a practical way to defend jobs and opens up a space in which socialist ideas can be developed.

The perception of nationalisation, which was discredited by Labour in the 1970s and 1980s and demonised by the Tories, has been transformed in the course of this crisis. It has gone from an issue discussed in socialist circles to a part of the mainstream debate. Thus there is now an opening not only to demand that governments intervene into the crisis but that they do so in the framework of nationalisation.

Of course there are big problems with recent nationalisations of bankrupt companies, carried out in order to socialise risk and bail out debt, and with the intention of handing the companies back at a later date. Many of the nationalisations involve completely unacceptable attacks on wages and conditions. Others are simply government majority shareholdings, which can be sold off at any time. There is very little control exercised and Brown is making it clear that he does not want this if he can possibly avoid it.

It would be a big mistake for socialists to say that such nationalisations are either irrelevant or unsupportable. They should be welcomed as far as they go as a better alternative than market forces. However socialists should go further by defending wages and conditions and demanding full nationalisation of these institutions under the democratic control of those who work in them and devote their lives to them.

The arguments for full nationalisation under workers' control in this way are overwhelming and extremely popular today. If huge sums of money are being injected into bankrupt companies it makes no sense at all to do it without democratic control of the process and of the future development of those industries. Socialists need to put themselves at the centre of this debate.

At the same time the privileged position in regard to state aid being given to the banks should end. Other industries have an equal need and this must be met. In many cases nationalisation is the only solution. Car manufacturing, for example, is faced with a very bleak future and in need of a serious programme to change it over to socially and environmentally useful production. Nationalisation is the only framework that can provide any kind of answer to the car industry.

All this implies a big campaign by the labour movement and the trade unions around both the demand for nationalisation and the form it should take. The recently launched People's Charter for Change would be a good starting point for such a campaign since it has serious trade union support and the ability to reach well beyond the ranks of the left.

## Protests and setbacks

Already there has been a backlash against the effects of the crisis across Europe and beyond. France and Greece have been in the forefront but there have also been protests in Spain and Italy. In Ireland over 100,000 responded to a trade union call to demonstrate and 300 workers have been reacting to lay-offs by occupying the famous Waterford crystal factory. General strikes in Martinique and Guadeloupe won significant victories (see this issue) and strikes and protests continue in Russia and Eastern Europe.

How this will play out in Britain is harder to say. The situation with the unions is verging on disastrous. The leaders of the major unions have nothing to say about the crisis. Nor has the TUC. Mostly they do nothing at all, or worse, they negotiate away hard won wages and conditions in give-back deals to "save jobs". Every day the media carries new announcements of closures and job losses, often by the tens of thousands, and the unions are nowhere to be seen.

That trade unionists are looking for an alternative to this kind of disastrous leadership is demonstrated by the remarkable vote for Jerry Hicks in the election for General Secretary of Amicus. He came second with 39,000 votes on the basis of a radical platform which spelled out a strong and detailed response to the crisis.

There have also been some welcome protests in reaction to the threat of privatisation of Royal Mail and the strikes by construction workers at oil refineries and power stations. The construction strikes were arguably confused and even problematic. But they were at least a reaction to the growing threat to jobs as the strikers perceived it. Elsewhere there is very little happening. Even in other parts of the construction and building sector the situation is absolutely dire. Swingeing wage cuts and redundancies are being imposed right across the industry.

A similar situation exists across a range of industries from manufacturing to retail and financial services. Previous recessions have hit the blue-collar sectors the hardest with white-collar jobs generally a safer prospect. This time everyone is being hit from bank employees to steel workers.

There has been the scandal of the sacking of agency workers at the BMW car plant in Cowley at an hour's notice with no redundancy pay. Not only did the unions refuse to defend them but told them that nothing could be done because the situation was beyond everyone's control including the management's. Yet the unions in Cowley were built in the 1950s and 1960s out of very militant strikes against pre-emptive redundancies. Now the wheel has turned full circle and instant dismissal is back.

In Birmingham workers at LDV Vans have voted to accept a 10% wage cut, a three day week and the cancellation of their bonus in a deal to "save jobs". At Land Rover/Jaguar workers voted to accept a package of cuts, recommended by the unions, which involved a four-day double day shift with no shift premium, a cut of one hour's pay, no pay increase in 2009, and an increase in pension contributions. White collar staff are required to work three hours extra per week for no extra pay, accept full flexible working across all sites in the West Midlands, along with cuts in sick pay, holiday pay, and maternity entitlement.

What is taking place in Britain at the present time is probably the biggest attack on wages jobs and working conditions since Thatcher started it in the 1980s and there is a desperate need for a trade union response.

If the unions fail to respond then action might well bypass the unions, at least in its initial stages. So many people are being hurt that almost anything is possible. Job openings for young people, for example, are plummeting and the highest number of graduates ever will leave university this year without the prospect of the job. This could lead to action on the streets of one kind or another in which case the task will be to bring the unions on board and widen and develop the fightback.

Because any fightback will also need a political expression the building of a broad political alternative to new Labour is now more urgent than ever. As things stand, Respect is the only show in town in that regard, though it sees itself as part of a process towards building something broader.

There is a big responsibility on Respect to intervene around the crisis by offering a socialist solution as well as campaigning around its effects. Today it can do this alongside important broad initiatives such as the Peoples Charter for Change, which has serious trade union sponsorship and which can reach a broader audience than Respect itself.

Ultimately if the workers do not defend their interests through the unions or otherwise - capitalism will find its own solutions at their expense. Capitalism can always resolve a crisis if it can impose the conditions on the working class necessary to do so.

## An action programme for the crisis

Bail-out the people not the bankers

Halt all further privatisations by either government or local authorities.

International Viewpoint

Halt the attack on wages, working conditions and pension rights.

Halt all give-back negotiations. Uphold and defend trade union agreements.

No social dumping.

Halt all house re-possessions for mortgage arrears. Transfer houses to local authority stock and rent them back at affordable rents.

No attacks on public services. Defend them by taxing the rich.

For a massive, trade union-backed campaign for public ownership including:

- nationalisation of all banks and financial institutions under workers' control

- nationalisation of bankrupt industries under workers' control to preserve jobs and reorganise production.

For a Green New Deal in the shape of a crash programme of public works to combat the recession, create new green collar jobs, and to build a new sustainable energy infrastructure. This to include:

- a crash programme to construct a sustainable, publically owned, energy infrastructure based on wind, wave, and solar power which could create a million new jobs in manufacture, construction and engineering

- a crash programme to build new sustainable publically owned transport systems which could create hundreds of thousands of new jobs

- the renovation and insulation of housing to conserve energy - which could also create hundreds of thousands of new jobs

- a major programme of job conversion to socially useful production for industries such as car manufacture.

An extensive programme of publicly owned and financed house building to avoid another housing bubble.

Open the books of both the financial and industrial companies to public scrutiny in order to prevent the use of the crisis to force through cost-cutting and redundancies.

A full government guarantee for pension rights. Future pensions to be paid for by taxing the rich and not to be reliant on returns from shares and bonds. Current pensioners to be compensated for loss of income resulting from interest rate reductions.

Control over international financial speculation both through controls on capital movements and through taxation.

Background: Countdown to meltdown 31

The crisis broke out in 2007 when the US investment bank Bear Stearns revealed huge losses on the US sub-prime mortgage market. This was the weakest spot in the global bubble, the so-called toxic loans.

Soon afterwards Britain experienced its first run on a bank since the 19th century with the mortgage lender Northern Rock. Gordon Brown then faced a stark choice: whether to stick with the long established New Labour neo-liberal line of reliance on market forces or to change tack and intervene. At first Brown tried to hold the line together. But in February 2008, after weeks of agonising, he grasped the very painful nettle and nationalised Northern Rock. It was the first nationalisation in Britain for 30 years and in financial terms one of the biggest ever.

In 2008 two major US, government-backed, mortgage lenders, Fannie Mae and Freddie Mac, collapsed and were nationalised by US Treasury Secretary Hank Paulson along similar lines to Northern Rock.

The next to fail, last September, was Lehman Brothers, the fourth largest US investment bank and the one most exposed to sub-prime mortgage losses. (Merrill Lynch collapsed at the same time and was bought up by the Bank of America.) US Treasury Secretary Hank Paulson announced that Lehman would not be saved and it promptly folded.

The fall of Lehman triggered the collapse of AIG, the world's biggest insurance company which insured the banks against sub-prime losses and was massively exposed. Paulson's initial reaction was to let it follow Lehman to the wall, but he asked JP Morgan and Goldman Sachs to prepare a report on the likely effects of this on the rest of the sector. Their report warned that the result would be global Armageddon or, in bankers' parlance, a "systemic failure" of the global banking system. AIG was promptly nationalised with the injection of a total of \$150 billion.

The nationalisation of AIG was a dramatic turning point in US economic policy. The hard-line, neoliberal, economic model of Milton Friedman, Ronald Regan and Margaret Thatcher, dominant for the last 30 years, had been stopped in its tracks. Regan's mantra had been that the state was the problem and deregulation the answer. Thatcher had held the same view. Now in place of this came a series of panic measures more akin to the long discarded reformist economist John Maynard Keynes.

The move was hugely controversial. But the market forces option, the approach of the US and British governments to the first years of the slump of the 1930s, in the period before the second New Deal, was seen as too dangerous to contemplate. It had resulted, at that time, in a wave of protectionism and mass unemployment (10 million in the US) overcome only by WWII and the reconstruction afterwards.

This dramatic policy change in the US triggered a series of interventionist moves by governments around the world as they realised the depth of the crisis. This involved stuffing extremely large sums of money down the throats of the bankers in the name of "recapitalisation". In the US Paulson decided to pump \$200bn into the credit market and the Federal Reserve announced that it would buy up to \$600bn of toxic loans.

In early October the US Congress debated a proposal from Paulson, passed despite some Republican opposition, to make \$800 billion available to prop up the mortgage system. The same month in Britain the Bradford and Bingley was nationalised followed by HBOS.

In Britain New Labour are very much a part of the international interventionist consensus, seeking to hold the banking system together while spending their way out of the crisis by building up debt and printing money. The government has nationalised various banks with massive cash injections, cut interest rates to the record low of 0.5% and reduced VAT to 15%. Quantitative easing (printing money) is being used to inject £75 billion over three months in an attempt to boost consumer spending and get the banks to lend money.

All this is part of the anti-working class New Labour project a marriage between Keynesian economics and right wing politics that creates huge contradictions. While nationalising banks the government is proposing to part-privatise Royal Mail. Local authorities, Labour as well as Tory-controlled, are privatising everything that is left they can get their hands on under the impact of the crisis. Their overarching approach to the crisis, however, is interventionist.

Far more important from a global point of view, is the role of Barack Obama. The \$787 billion economic stimulus package he has launched is the second biggest in the world after that of China and already an international benchmark for interventionism. The package is linked to his \$2.5 trillion budget which seeks to reverse some of the major policies of the Bush presidency.

Alan Thornett is a leading member of the International Socialist Group, British Section of the Fourth International, and sits on the National Council of Respect.

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## Economy

## Cars, the end of a cycle

#### Jean-Claude Vessillier

In the thirty five years since the first oil crisis world car production has doubled, going from 33 million in 1975 to 73 million in 2007. In most developed capitalist countries, the usual mode of management of this growth has been that of crisis with restructuring among firms, factory closures and suppression of jobs. The car industry in the oldest capitalist economy, Britain, has been profoundly reduced over this period. Detroit and Boulogne-Billancourt in Paris bear the scars of closed factories with industrial wastelands in the heart of the city.

The new crisis of the car industry, which has just exploded in the second half of 2008, is singular in its simultaneous impact on all continents, its breadth, its potential consequences for the labour force mobilised in this industry, its links with the end of oil as an abundant energy and the environmental crisis. In this sense, the crisis of the car industry concentrates all the dimensions of the crisis currently ravaging the planet. Just as the first oil crisis of 1973 initiated a new cycle in the history of the car industry, the events of the last quarter of 2008 mark the end of this cycle and prefigure a new period where, through new crises, it is very much the future of the petrol powered car and the millions of workers making it which is at stake.

The weight of the car industry in the world economy is well known. Around 8 million people are employed around the world in car construction and the manufacture of parts. The turnover of this industry was nearly 2 thousand billion euros in 2007. This industry, internationalised and concentrated in capitalist terms, is organised in factories of several thousand workers. Car factories have often been the crucible of the workers' movement, whether in Western Europe, Detroit in the USA, Latin America with the factories of the industrial belt of Sâo Paulo in Brazil, or more recently the Renault Dacia factory in Romania. As a consumer good whose use fashions and disfigures the urban space of the megalopolises of the entire world, the car has an impact on social relations as a whole.

#### The crisis of 2009

The fall in car sales has been general in most countries. This exceptional synchronicity is the consequence of the global

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character of the economic crisis. The rapidity of the development of the crisis has also been exceptional. For a decade up until the autumn of 2008, the level of car sales varied with the conjuncture: stagnation in Western Europe, North America and Japan, growth in the rest of the word. The generalised fall only began in September 2008 and has spread to all continents in less than three months [1]. China has also been affected with a strong slowing up of the growth of previous years.

Country	USA	Germany	France	ltaly	Spain	Japan	China

Oct-Dec 2008	-35 %	-10 %	-15 %	-13 %	40 %	-20 %	2 %
Total 2008	-18 %	-7 %	-0.7 %	-13 %	-28 %	-6 %	+6.7 %

The depth of the crisis is not revealed by these results alone because falls of around 20 % of sales have already been observed in the past. If we only take the sales of the last quarter, the crisis would not have the singular traits which distinguish it from the previous ones. The fall in the last quarter of 2008 prefigures a lasting depression from which no possible date of recovery is currently envisaged. This uncertainty is aggravated by the doubts weighing on the future of the car and its engines. What was the field of the prospective hypothetical has become a given which determines the practices of the whole industry.

### The current depression: a structural crisis

The social attacks observed in the last quarter of 2008 are all the more violent in that they are not content with responding to the falls observed in recent months, they anticipate a long term crisis.

The car industry is indeed confronted in a structural fashion to a crisis of outlets which has three aspects: a classic crisis of outlets in the sense that the products of this industry are not finding buyers at their sale price because of the pressure on wages in the developed capitalist countries, a crisis linked to the types of cars demanded potentially in the countries which today draw production and world consumption, and finally the environmental crisis which tends to render obsolete the mode of propulsion which ensured the rise of the car industry over a century ago.

This crisis of outlets sharpens the competition between internationalised firms on the "traditional" markets of the developed countries but also in the other countries, starting with the main "new" growing market, that of China. Even before the outbreak of the crisis of autumn 2008, overcapacities of production were obvious. Only 54% of the production capacities of Renault in Western Europe were used in the first half of 2008 [2].

In this pitiless universe each group is playing for its survival. There is no longer a stabilised oligopoly which could control production and markets. The short term threats to the future of General Motors or Chrysler illustrate the fragility of the collapsing world oligopoly.

New firms from China or India will compete with the existing firms, thus increasing surplus production capacities at the world level. A new division of the relation of forces between car constructors and equippers has existed for fifteen years. In the areas of on board electronics or petrol substitution technologies, certain firms will strengthen their positions because of the financial difficulties of the traditional car builders.

Internationalisation of markets and products, globalisation of capital

The globalisation of markets is as yet unfinished in the sense that the same cars are neither produced nor sold in all continents.

The observed duplication of car production over the last thirty years is not homogeneous in terms of time or geographic zone. In the USA, production fell by 15% over the last thirty years and this in a continuous manner throughout the period. Across Europe, production fell by 60 %, but in Western Europe, it has stabilised over the past twenty years, and in central Europe it has grown since 1990. In Japan, the essence of internal growth took place between 1975 and 1990. The most striking phenomenon of the last decade is the emergence of China which should in less than five years produce more cars than Japan or the US and thus become the second biggest world car producer.

The growth of world production is not accompanied by a growth in the proportion of exchanges. The cars are in their majority manufactured to be sold locally, in a specific country or group of countries. The trend is thus towards rapprochement between the big zones of production and big zones of sale. As a consequence, there is no geographic zone towards which the majority of production would be relocated so as then to be resold in the rest of the world. Such was the reality in 2007 on the eve of the eruption of the crisis of 2008.

Year Europe Import	Europe Export	USA Import	USA Export	Japan Import	Japan Export
1990 12%	20%	29%	3%	1%	55%
2007 14%	20%	30%	13%	2%	55%

#### source [<u>3</u>]

The share of exports of European car production to the rest of the world has remained astonishingly stable at around 20% of the total product in the continent, while imports have gone from 12% to 14%. Japanese exports to the rest of the world have also remained at the level of 55% of production because it was before 1980 that the growth of exports of Japanese cars took place. So far as the USA is concerned, the share of imports has remained at the level of 20% of the total of production. The emergence of China over the last decade has not until now contradicted this trend in that the big majority of cars produced in China are intended for the internal market.

The globalisation of the car industry has been at the level of the firms who have created subsidiaries and factories outside of their territories of origin and who have launched numerous operations of merger and restructuring. This growing internationalisation of firms renders the crises observed currently still more synchronised. Whereas in the 1990s a presence over several continents was presented as an "insurance" against very strong variations in one of the countries, the simultaneous nature of the crisis combines its effects.

This internationalisation has first affected the most profitable markets, that is the triad constituted by North America, Western Europe and Japan.

US firms only produce half of their production in the USA. In addition to the subsidiaries existing in Europe since 1945 (Ford, Opel and Vauxhall), activities in the South American continent, China and buyouts of companies have developed, General Motors being the US firm the most committed to this strategy of globalised implantation.

Japanese firms practice the same type of deployment. Since 2005, more than half of the cars of Japanese brands are produced outside of Japan in factories situated nearer to their outlets. This is the case in the US and in Europe where the growth of sales of Japanese cars is based on cars produced locally.

The European car industry has internationalised in the same way with new installations in Latin America and China. It has in its neighbourhood a new space for development, that constituted by the former Stalinist countries. The attraction which leads all European manufacturers to build factories there is linked to the immediate interest for the employers of having qualified workers at lower wages than in Western Europe, but also the general policy of seeking to bring production closer to the new markets. It is the combination of these two factors which explains the "rush to the East". The production of cars in central and Eastern Europe reached the volume of 2,900,000 vehicles in 2007 whereas sales did not exceed 1,300,000 units. Most countries in this zone are seeing new installations: Poland, Czech Republic, Slovakia, Rumania and Slovenia. The gaps in development and car engines between the two parts of the European continent indicate that sales will increase more in central Europe, but this will concern smaller cars that generate less profit than the type of models which ensured the profitability of car firms in previous decades.

Compared to the policy of the European leader Volkswagen VAG, the French car industry has been late in participating in this deployment. But now the two French groups PSA and 34

Renault carry out the majority of their production and sales outside of their national historic base, although the two groups remain still in their majority European. So far as Renault goes, 35% of its sales are outside Europe against 15% in 1990.

Less than 50% of Renault's car production is now based in France, but this phenomenon accompanies the internationalisation of sales to Europe and the rest of the world. All European manufacturers are in the same situation in relation to their historic country, a phenomenon amplified by intra-European transfers caused by the new growth in Eastern Europe.

Internationalisation of capital and stability of exchanges between big geographical zones: the argument according to which the current crisis would be due to the competition of the new emergent countries is then not valid. The roots of the crisis are at the very heart of the functioning of the capitalist economies.

### A crisis of outlets for the car industries

Since the 1990s, the big globalised firms have tried to maintain their profits by higher prices in terms of equipment and the cost of each car, since they are unable to increase the volume of sales.

The know-how of most firms is oriented toward the manufacture of increasingly sophisticated and expensive cars. It is against the tide of the trend observed in the rest of manufacturing industry with the prices of final sale incessantly falling. The car has thus become inaccessible to the final consumption of the greater number in Western Europe; a third of new cars produced are sold to long and short term rental companies, and to companies for the needs of their own travel activities as well as for the use of their higher managers [4].

In the urban peripheries, which are increasingly vast geographically, a car is needed to get to work or go shopping, but this is increasingly a second hand car whose average age is ever older, a factor which acts in the direction of a fall in the sales of new cars.

The stagnation of the sales markets observed since the 1990s in western Europe, the USA and Japan has been transformed in recent years into a downwards trend because of the growing exclusion of the majority of insecure employees from the purchase of a new car. New cars as designed and manufactured today find fewer and fewer buyers in the developed capitalist countries. The globalised firms are less and less capable of finding profitable outlets for the types of products emerging from their design offices and their former factories.

Insofar as the consumption of cars in these new emergent countries is dominated by narrow layers on exorbitant incomes, the models produced in the US or European factories could yet find outlets there. The limited example is that provided by the luxurious Mercedes cars sold in the oil monarchies of the Middle East.

The growth in the number of potential buyers of new cars leads to the reorientation of the demand for cars towards new less luxurious models, the types of models progressively abandoned by the big globalised firms. The biggest share of the growth in world car production should be that of consumers in the emergent markets, for whom the price factor is crucial. Vehicles like the Tata Nano manufactured in India or other low cost products should attract millions of consumers to the car market. During the motor show in Shanghai in April 2007, Suzuki boss Hiroshi Tsuda did not hide his interest in the models presented by the Chinese, judging that the latter were now in a position to take shares in foreign markets, notably in the emergent countries, where the main demand remains price [5].

### Crisis in the USA

The double whammy of the oil price increase and the financial crisis has impacted on an industry already in crisis. This impact was felt first in the USA. As the US car industry condensed most of the factors of the crisis and was then especially fragile, it has been the most affected with the most immediate and devastating consequences for millions of workers.

The credit crunch and the oil price increase to 150 dollars per barrel in summer 2008 were the combined detonators of the crisis: the detonator, not the cause. The falls in sales observed in the second half of 2008 on the US market were certainly significant, in the area of a fall of 20% in relation to the comparable months for 2007, but this must be located in the tormented history of a cyclical industry. The singular aspect of the situation resides in the fact that this event has put General Motors and Chrysler in a situation of quasibankruptcy. Without the support of public funds demanded from Congress and the Bush administration, the former biggest industrial company in the US would have had to file for bankruptcy.

The US car crisis is deep seated. The three big US manufacturers, General Motors, Ford and Chrysler have been losing ground for thirty years. The first warning came in 1975 after the first oil crisis: it was the end of the gleaming chrome models of the 1950s and 1960s. The US manufactures were then forced to produce smaller cars. This was the phenomenon of "downsizing" which did not stop US manufacturers from being subject to new competition from Japanese makes. The profit gained from each car fell in proportion to the average fall in price of the car. In the absence of an enlargement of their internal markets, the rise of the 4x4 and other cars of the same type in the 1980s and 1990s allowed profits to be restored. But this solution did not allow US manufacturers to durably maintain their competitive position: that is plain to see today.

The market in huge, expensive, oil guzzling cars quickly reached its limits in the US as in the other developed 35

countries. The consequences of wage restrictions in the US as in other capitalist countries have reduced their potential number of buyers. Also, the most urbanised areas of the US North-East and California turned away from these costly models and the export of this type of model could not be envisaged on a large scale because of their cost of purchase and use. Producing the same number of cars, but individually more expensive has then not allowed a revival of profits.

In the 2000s, the trend already observable for two decades was amplified with the continuing decline of Ford, GM and Chrysler. In 2007 GM was overtaken by Toyota as the world's biggest car manufacturer.

To stem this decline, the Detroit bosses tried to increase the intensification of work and reduce the wage costs of manufacturing. The members of the UAW covered by the collective agreements of the car branch fell from 1,500,000 in 1979 to 500,000 in 2007. The number of workers at GM fell from 110,000 in 2006 to only 55,000 at the end of 2008.

It is too often forgotten that the US car industry cannot be reduced to the three big firms in Detroit. Inside the US alone, in 2007, Japanese companies produced nearly a quarter of the total vehicles manufactured. Toyota has 13 installations in North America in states far from the historic base of Detroit, the most significant factories being in Indiana, Kentucky, Texas and Virginia. Inside the NAFTA area including Canada and Mexico, the three big US firms only produced half of the total manufactured in 2007. The decline of the US car empire began well before the last half of 2008.

The bankruptcy of a company as big as GM or Chrysler is certainly a decision of a political character mobilising the state apparatus of the bourgeoisie, arbitrating between contradictory interests. The social cost of bankruptcy would be considerable in terms of liquidation of a number of agreements negotiated between the single majority trade union, the UAW, and an enterprise no longer able to meet its undertakings. It would also penalise all the small, medium and large companies dependent on the manufacturers. But the advantages would be also significant for other fractions of capital. Legal bankruptcy would be a means of definitively breaking with the agreements made during the golden age of the car industry. It would also present a way out to capital seeking to invest in more profitable enterprises or branches.

The subsidies paid by the Bush administration have a counterpart, requested not from the shareholders or top ranking directors but the employees. The advantages they still enjoy, although conscientiously rolled back for two decades, are presented as the source of current difficulties. The example on US soil itself of the new Japanese factories is brandished to suggest that more profitable car producing organisations are possible.

The factories built by Toyota, Honda and Nissan employ workers who are outside the collective agreements signed by the UAW. Today the average gross hourly wage paid by GM is equal to that paid by Toyota, namely 30 dollars. But the total wage cost for a GM worker is estimated at 69 dollars including total pension expenses (pensions paid to 432,000 retired persons and their spouses), and health expenses. The same expenses at Toyota are estimated at 48 dollars. These "official" data indicate clearly the meaning of the measures in preparation: under the cover of bankruptcy or in return for the billions of dollars granted by the Bush administration, taking out what remains of the social advantages of the employees of the US car industry.

As in other countries, US workers count for nothing in choices completely oriented towards the short term profit of shareholders and towards the production of increasingly unsellable cars. While the shareholders and the employers responsible are bankrupt in every sense of the term, the employees must pay the bill for the failure. The Bush administration has finally granted twenty billion dollars to General Motors and Chrysler. But nothing is settled. The three Detroit manufacturers are indeed, as counterpart for the billions of dollars of public funds received, obliged to show that they are capable of becoming profitable before March 31, 2009. That means that they must propose measures of restructuring before this date. More than two million jobs are threatened among the three big firms and their subcontractors. Bankrupt or not, the dismantling of entire layers of this branch of industry is inscribed in the projects of capital.

## The rise of the Chinese car industry

With the crisis of the US car empire and the emergence over the last decade of China, the "classic" US–Europe–Japan triad has lost its hegemony. With the Chinese car industry arrive new capitalist competitors who will feed the crisis of overcapacity of production and block the development of the Chinese market as an El Dorado offered to all the predators of the formerly dominant triad.

The Chinese car industry is developing through capitalist enterprises in specific practices. The Chinese situation is different from that observed during the phases of conquests of new car markets in the preceding decades. In Latin America, notably in Argentina and Brazil, and in the different territories of conquest in Europe (the Iberian Peninsula then central Europe) the big internationalised firms created subsidiary companies with complete freedom of installation. Activities of production and sale locally generated their own profit then consolidated at the world level in the results of the firms. Local production was not completely integrated, generating thus a new field of activity and profit through the manufacture of parts in the metropolitan countries which were then sent for assembly in the new installations. This is not reproduced in exactly the same way in China.

It was in 1981 that Beijing authorised the foreign car manufacturers to set up in China, but only through jointventures. The Chinese directors at the central and regional level dispose thanks to these associations of means of control over their partners and over the formation of profits. On the other hand heavy customs duties affect the import of spare parts and encourage the joint-ventures to manufacture the parts locally. That leads to the establishment of a car industry network involving factories for assembly and manufacture of spare parts.

The most notable actors in the rise of Chinese production through these joint-ventures were General Motors and Volkswagen VAG., with Toyota increasingly present for some years. The relations between joint-ventures can be interlinked: the same Chinese enterprise can contract with different foreign firms through structures created for each partnership; the same foreign enterprise can contract several joint-ventures with several Chinese companies.

On June 8, 1982 Volkswagen and the government signed a partnership agreement for a vehicle assembly factory. VAG is now involved in two joint-ventures, SAIC Volkswagen and FAW Volkswagen. The first association has three production sites and the second two assembly sites and motor and gearbox factories. VAG has thus become one of the two biggest constructors with a total of 855,000 cars produced in 2007. That represents 14% of the total production of the German firm. In 2008 VAG was the biggest manufacturer operating in China with nearly a million cars divided equally between its two joint-ventures.

General Motors has been involved in another joint-venture created in 1998, SAIC-GM, which produces Buicks and Chevrolets. In 2007, the latter sold 500,000 vehicles. In addition GM imports directly vehicles manufactured elsewhere and has sold through these two channels 989,000 vehicles in 2007.

In China as on the world terrain GM was undertaken in 2008 by Toyota which has two relays: FAW Toyota and GAC Toyota. Its objective is to reach a million cars in 2010.

These types of association are very profitable for foreign firms. On May 30, 2005, the Chinese ambassador in Paris stated: "three quarters of US installations in China showed a positive balance sheet in 2004, of which 42% realised a rate of profitability higher to that of the world level. The German Volkswagen realised a quarter of its operational profit in China through its joint-venture." [6]

But this type of agreement is no longer the only means of developing the Chinese car industry. Chinese manufactures are beginning to emerge and prepare to play a role in globalised capitalist competition. Geely and Chery are among them. With 180,000 cars, the volume of their production is still very weak compared to that of the joint-ventures. The four Chinese state owned manufacturers (BAW/BAIC, DongFeng, FAW and SAIC) could also soon develop without joint-ventures. Possible associations with western capitalist firms could be in an inverse relationship of dependence with the buyout of foreign companies in difficulty who cannot find buyers in their territories of origin. The competition will only be strengthened, first on the Chinese market, then on the world market.

This competition will sharpen first in China. The type of development chosen by the Chinese leaders privileges competition as a stimulant to increased productivity. The joint-ventures are places for sharing technical knowhow but also experiences in the area of the exploitation of workers.

The Chinese manufacturers benefit from low wage costs. For example: 3.50 dollars per hour at Geely. There is a ferocious outbidding of wage policies from one province to another. Less developed, the interior provinces offer very low costs. Such is the case of the province of Jianxi where new car factories are being established.

There is then no natural or spontaneous tendency to an increase of wages in the context of an increase in production. But demands for wage increases and the improvement of working conditions are expressed in a more collective and organised fashion in the big workers' concentrations in the car factories : this observation, valid on all continents for a century, also applies in China.

The factors explaining the development of the crisis in cars will also act in China, even if in a deformed fashion, starting from the time when this country is plunged into the contradictions and exploitation specific to capitalist economies. The rapidity with which China has begun to be affected by the world cars crisis shows that this country is immersed in capitalist competition and its crises.

### Cars and the environmental crisis

The car industry is not only confronted with a crisis of profitable outlets and the sharpening of competition among firms, it is also directly involved in the threats to the climate and the scheduled end of growth of the extraction of the oil used by the combustion engines of cars.

The billion cars today in circulation on the planet are the biggest consumers of oil. The transport sector represents around half of all world oil consumption, road transport alone accounting for 80% of this half. It only represented a third of total consumption of oil in 1971, which shows that the transport sector has been the least effective sector in using oil substitutes.

Because of the damage caused by the pollution generated by the combustion of oil fuel, and the end of oil as abundant energy, the car as it has existed for a century sees its future jeopardized.

In the balance sheet of world emissions of CO2, the transport sector is the second most responsible sector with 21% of total emissions. Its emissions are the most difficult to combat. Transport is by its nature a mobile source and disperses greenhouse gas emissions and pollutants.

But beyond this technical diagnosis, what was accepted or tolerated in previous decades has become socially unacceptable. The use of the car is confronted with a set of new constraints caused by this growing social rejection of car pollution. It is true that each new car produced is less polluting than in the past. But the car industry is still lagging behind and is only following the standards laid down by the different public authorities. The application of these standards makes new cars still dearer in price whereas one of the determinant causes of the crisis is the inability of the car industry to find outlets for its production of cars which are too dear. The contradiction between the individual mode of appropriation of cars and the growing cost of social use becomes ever deeper.

The increase in oil prices is another factor of crisis. Beyond the fluctuations which now characterise the evolution of the price of crude oil, and consequently that of the world financial crisis, a new period opens. The peak of world production is already on the horizon of prediction, even if the date cannot be fixed with certainty.

What is important is not the exact date but the fact that the date of the peak of production is already on the horizon of prediction. Calendars are very diverse in the car industry: the time from the design of a motor and its industrialisation can be up to a decade. In the previous period the Renault "Cléon Fonte" motor was manufactured for forty years from 1962 to 2004, equipping notably the R4, R6, Twingo and Clio. The motors designed and manufactured today by the car industry will be still in circulation when the peak of oil production has been reached and passed.

Of course, there will still be production and consumption of oil for decades. But the threshold reached in the coming years of the maximum peak of oil production will lead to a change in behaviour and price levels. Those who do not take account of this reality are myopic and irresponsible.

### The false response of the electric vehicle

In these conditions, can an industry in crisis be revived by the development of the electric car as substitute for the combustion engine? All the big car firms will now explore this new road.

If cars with modes of propulsion other than the combustion engine are not today sold in significant numbers, it is because the car industry was not concerned with investing in this area when it was timely and possible. The gains of the previous periods have been redistributed in dividends to shareholders and invested in other areas. Investment has been concentrated on enrichment on an unchanged technological basis of ever more sophisticated products. When little has been done during periods of growth, who could believe that an industry would do more in the midst of a crisis and in a situation of ever exacerbated competition?

The electric cars which will be sold in the five coming years will be heavy, dear, not very autonomous and very demanding in electricity. Renault talks about a "rapid break" in the deployment of electric vehicles with a fleet of 100,000 vehicles of this type in France in 2015 [ $\underline{7}$ ]. To give a sense of the proportions, this objective means less than 20,000

electric cars sold per year in France or less than 1% of the total of cars sold: there have been more rapid breaks! Other predictions rest on a real start from 2015, a hypothesis which is still debatable when basic givens like the speed of recharging of batteries between two and eight hours have still not been mastered.

The figures which circulate around a possibility of production of 300,000 vehicles in 2020 have a motive which has little to do with the preservation of the environment. The French electro-nuclear lobby is beginning to act and in the case of a fleet of a million electric vehicles, estimates the annual need in energy at nearly 12 terawatt hours, or the equivalent of an EPR.

The individual electric car is a false response to the environmental crisis. It is to exchange the dependence on oil for a new dependence on nuclear energy when electricity is produced by this path. And the estimates advanced today are colossal: an EPR for the circulation of 3% of the car fleet! The coverage of only half of the car fleet would suppose the investment of around fifteen EPRs: it is obviously out of the field of the possible. The solutions found today in terms of petrol substitutes for individual cars cannot yet be generalised.

Cars using electrical energy or hybrid motors (combination of oil engine and electric) will be produced in the coming years at some hundreds of thousands of units. This would amount only to a green coloured patch rather than a response to the structural crisis from the ecological and economic viewpoints. An electric car is today still expensive to manufacture. Some months ago the Prius model from Toyota using a hybrid motor was presented as the champion of non polluting innovation... the crisis of autumn 2008 led Toyota to suspend its project of installation of an assembly factory in Mississippi in the United States. The sales of this model fell by half in November-December 2008.

Limited development of electric vehicles, extension of models at low cost like the Logan of Renault: these technical solutions would perhaps allow some of the globalised firms to succeed better than others and would probably create new opportunities for new capitalist actors from China or India.

There is an unavoidable period of some years between the implementation of these possible solutions and the crisis of today: it is now that the factory closures and suppression of jobs have taken place.

The more the environment is uncertain, the more human labour remains the variable over which the employers wish to dispose of a power of action

European industry has been faced with restructurings for several decades and the restructurings have had as their objective the preservation of the profits of this industry. They have led to an increase in productivity and the intensification of labour, the tendency to disintegration of the car manufacturing process through new forms of relationdependency with component manufacturers and subcontractors.

Most of the enterprises which are still designated as "car manufacturers" produce less than half of the value — material and human labour incorporated— of the complete car which is finally sold.

The share of wages in the turnover of car construction in France fell from 24% in 1980 to 10% in 2000 and 2007 [8] This considerable reduction over 25 years is attenuated for the component manufacturers whose share of wages went from 31% to 18% over the same period. Car manufacturers integrate directly less and less human labour with known consequences for the level of employment.

The recourse to component manufacturers and subcontractors is growing. The same constraints of reduction of stocks and flexibility apply to these enterprises functionally independent of the big manufacturing groups. Whereas previously the demands of capitalist profitability applied globally to an enterprise which integrated within itself the major part of the process of production, the growing delinking between manufacturers, component manufacturers and subcontractors obliges each of the parties thus broken up to be profitable and satisfy the demands of the shareholders in profits and dividends. The "tolerable" intermediary stocks in integrated factories of the 1960s and 1970s are reduced to the minimum by this quest for profits in ever smaller and more atomised entities. Flexibility pushed to the extremes is the watchword of the current organisation of labour and it leads to a much greater vulnerability of production to external variables. And the most affected by this vulnerability are the employees. There is a real spin off of the consequences of the crisis in cars in every country.

The crisis is all the more violent in that these enterprises are located at the periphery of the big industrial areas. And the area of manufacture of parts is more open to international exchanges than that of complete cars. That is why relocations in the conjuncture of the crisis of late 2008 particularly affect small and medium enterprises manufacturing parts and equipment.

The employers' responses to the current crisis are classically banal. The priority targets are temporary and precarious employees. Renault has for example just announced for January 1, 2009 the suppression of the contracts of a thousand service providers in the "technocentre de Guyancourt" design office, representing nearly 10% of staff on the site. Temporary closures of car factories have been generalised in Europe at the end of 2008. Peugeot has just announced on its historic site at Sochaux the ending of the night team from February 1, 2009 and the immediate dismissal of 600 temporary workers. The definitive closures of subcontracting factories is spreading across Europe.

As factories and machines are not transportable from month to month, the sole completely flexible "factor of production" is human labour. Whereas variations in demand and economic environment are the common lot of industrial activity, there is no longer any filter between variations in demand for new cars and the workload at the level of the assembly line and the workshop. To ensure minimum stocks, the guarantee of a profitability acceptable to the shareholders, the only variable of adjustment becomes the quantity of labour usable at a given moment. At Renault, the planning of the activity of the factories was programmed monthly. This time period was already short when it guided the "flexible" variation of the duration of work and the possible recourse to measures of technical unemployment or the use of temporary workers. Since the eruption of the crisis, this time period has again shortened: the programming of the activity of the factories, when they are not closed as during December 2008, is decided on a weekly basis. It is at this rhythm that the workload plans of all Renault factories in Europe are decided and implemented from a single centre. The variable of adjustment of the use of human labour on a weekly basis is thus completely explicitly recognised.

Beyond the annualisation of working time comes, little by little, the pluri-annualisation of working time with the appropriation by the workplace directorates of holidays which are not yet acquired or the invention of "negative time capital" through which the employees of Renault Douai can owe up to 87 days of work to their employer.

This crisis has ravaging effects in Europe. The threats of factory closures or of the bankruptcy of entire firms are increasingly precise. In the mass of threats weighing on the main car firms in the US, the future of their European subsidiary car companies is today uncertain.

In Germany BMW and then Mercedes have successively rejected the takeover of the Swedish company Volvo put on sale by its owner Ford. After the refusal of Daimler,"Ford can now only hope that a Chinese manufacturer like Changan takes over the Swedish subsidiary" according to "Der Spiegel" [9]. The SAAB company has also been put on sale by General Motors. These auctions on a world cars market in crisis only have the goal of gaining cash for companies on the brink of bankruptcy. There is little concern for the future of the employees or the know- how accumulated over a century of industrial activity.

The other European subsidiaries of GM and Ford are also in the front line of threats. These two companies have asked the German government for aid. Opel would like the German government to help it find more than a billion Euros which would prevent it from obtaining funds from its US parent company, The Ford gearbox company in Bordeaux is also in great danger.

## All for jobs — No sacred alliance to defend cars

The champions of free enterprise will not hesitate to demand aid from their respective national governments. Their argument is that if Detroit is benefiting from tens of billions of dollars in subsidies, the restoration of equitable competition demands that symmetrical aid is allocated to them. Social democracy and numerous union leaderships can be tempted by this type of compromise seeking to create a new "sacred union" in defence of a threatened industry. The defence of the national industry of each country is back on the agenda, as if that could constitute a response to the crisis.

Opposition to the employers' offensive is the prior condition to any response based on the interests of the workers. That means the rejection of factory closures, dismissals and restructurings carried out under the authority of capital. It means the denunciation of and opposition to the payment of dividends which companies demanding public aid continue to pay to shareholders. The amount of dividends paid to the shareholders of Renault and PSA in 2008 was higher than the aid given by the Sarkozy government. If protests are not loud enough, the same operation will take place in 2009.

The necessary response cannot be limited to a factory by factory, company by company or country by country response. A complete branch of industry which is affected by the attacks underway. It involves some big globalised firms but also component manufacturers and subcontractors. The more car manufacture is broken down into increasingly complex networks of client and supplier enterprises, the more the response of the employees must be "reintegrated" in the same collective action of all workers in car branches whatever the disparity in their professional and employment status.

The rejection of any sacred alliance with the capitalist defenders of the car industry demands that other solutions be sketched. If there are not today "actually existing solutions" guaranteeing the universal deployment of a non polluting and energy efficient car, it is not up to green or red experts to elaborate counter-plans detailing the necessary priority to public transport. It is up to the social movement, to the employees of this branch and the whole population weary of tiring and ineffective transport conditions to define its priorities.

We are currently at the end of a cycle of production and dominant use of the car as deployed since the 1950s. But the end of a cycle does not mean the end of the capitalist car industry. Even in decline, it will continue to employ on all continents several million workers through restructurings and crises. Can we leave to the bosses and the governments in their service the "freedom" to manage this decline? Such are the stakes of the period opening up. Faced with bosses who are bankrupt in the strict sense of the term, incursions into the private ownership of their enterprises can become common sense demands. Opening of the books of the transnationals, repayment of the subsidies which have been used to suppress jobs, nationalisation under workers' control are objectives which the social movement can seize on as objectives of struggle.

That is why the two ends of the chain must be taken: on the one hand the rejection without compromise of dismissals and

attacks on workers and on the other the clear affirmation that there are other solutions to transport than the individual car. As long as the constraints imposed by the capitalist economy remain, there is a contradiction against these imperatives. Ecologists can formulate critiques based on the use of the car, but if they are situated outside of social relations, they are powerless to offer solutions to millions of car workers.

A suitable response to the crisis requires an anti-capitalist logic where the immediate interests of all the workers come before profitability and where the preservation of the environment becomes a social imperative.

► Jean-Claude Vessillier is a retired statistician and a former trades unionist at Renault. He is a member of the Nouveau parti anticapitaliste (NPA, France) and the Fourth International.

## NOTES

[1] http://www.acea.be/index.php/collection/statistics

[2] Quarterly results Renault 2008 http://www.renault.com/fr/Lists/ArchivesDocuments

[3] www.ccfa.fr/statistiques/faits-et-chiffres/dans-le-monde/laproduction/

[4] Estimate on the basis of various data. In France, in 2008, purchases outside "individuals" represented 40% of sales. Source: www.autoactu.com

[5] "Le Monde Diplomatique" October 2008

[6] 6. http://www.amb-chine.fr/fra/zfzj/t198104.htm

[7] "Les Echos" December 26, 2008

[8] Comité des constructeurs français de l'automobile CCFA www.ccfa.fr/statistiques/faits-et-chiffres/en-france/impacteconomique/

[9] "Der Spiegel"January 4, 2009

## Other recent articles:

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## Climate change

## Some comments on the draft ecosocialist "Belem Declaration"

## Daniel Tanuro

Because the globalisation of economic and climate crisis makes ecosocialism so urgent and necessary, the declaration should give much more importance to the social demands of workers.

Dear friends and comrades,

The "Belem Declaration" is an important document issued at a very important moment.

As an ecosocialist focused on climate change, I totally agree with the general orientation of this document: denunciation of capitalist growth, productivism, and capitalist strategies to cope with global warming. Among other points, the link with the indigenous peoples, their culture and their struggles is especially important, in my view.

But the declaration lacks some key aspects, on the one hand, while some precise statements are clumsy or wrong, on the other hand.

My main remark is that an ecosocialist declaration should absolutely link the climate crisis to the worst and deepest business crisis since 1929. This is a key condition if we want to get some influence among the workers and the poor in general.

We should explain that the combination of both crisis opens a totally new situation. Indeed, this combination means nothing less than a general exhaustion of the capitalist system: on the one hand, a new long wave of capitalist growth would ask a very brutal attack against the working class and the poor in general, on the other hand a real business recovery —even a green one- would provoke a catastrophic runaway climate change. In this context, there is simply no alternative, but an ecosocialist one.

(I have just written a document about this combination and some strategic conclusions to draw of it. You can find it – in French- on Europe Solidaire sans Frontières: http://www.europe-solidaire.org/spip.php?article12340.)

Because the globalisation of economic and climate crisis makes ecosocialism so urgent and necessary, the declaration should give much more importance to the social demands of workers. Rich economies have to reduce their energy consumption by 50% or more. Such a reduction can not be achieved only by better energy efficiency: a certain "de-growth" of material production and consumption will be necessary. This means the declaration should absolutely support and promote demands like a radical reduction of working time without wage losses, the nationalisation with expropriation of utilities, the retraining of workers without wage losses and under workers control, public services devoted to the insulation and energy improvement of buildings, a redistribution of wealth thanks to the taxation of the rich and the nationalisation of the bank system, etc.

By the way, I find following statements clumsy or even false (in some cases):

"for the capital commands the means of production of knowledge (...), accordingly, its professors send forth an endless stream of proposals, all variations on the theme that the world's ecological damage can be repaired without disruption of market mechanisms and of the system of accumulation that commands the world economy". Would you say that to James Hansen, or Ignacio Chapela, or others scientists like these two? Surely, they are not ecosocialist activists, but neither are they "professors of the capital"! We should encourage honest scientists in their fight against capitalist lobbies, call them to take their political responsabilities, and start a dialogue with them. The text is really clumsy from that point of view.

▶ (in the Kyoto system) "polluters are not compelled to reduce their carbon emissions". This is simply not true. Polluters are compelled to reduce their emissions, they will even be fined if they do not 100 (Euros/t in the ETS). Though, this is the reason why they managed to get an overallocation of quotas, free allocations and more carbon credits. This is one of the "positive" aspects of the Kyoto Protocol. Though, another "positive" aspect is that there are indeed some limits "to the amount of emission credits which can be issued by compliant governments" (and to the kind of activities giving right to credits, too). Even if the Protocol is bad, insufficient, dangerous, we should not underestimate some "positive" aspects of it, because there is a risk that the new treaty will be worse.

"Since verification and evaluation of results are impossible, the Kyoto regime is not only incapable of controlling emissions...". This is partly true for carbon credits (due to the loopholes in the CDM) and for carbon sinks (technically very difficult) but not for the CO2 emissions in developed countries, which are very precisely measured, reported and verified.

► As even the Wall Street Journal put it in March, 2007, emissions trading "would make money for some very large corporations, but don't believe for a minute that this charade would do much about global warming." We should be careful with that kind of quotations coming from that kind of bourgeois newspaper. The Wall Street Journal, like many others in the US, is (was?) opposed to Kyoto for very bad reasons, indeed!

"Bali avoided any mention of the goals for drastic carbon reduction put forth by the best climate science (90% by 41 2050)". Sorry, this is untrue. Instead, the footnote in the Bali roadmap clearly refers to very precise and very important pages in the IPCC AR4. Page 776 of Working group 3 contribution, for instance: from the table at this page, one must conclude that developed countries must reduce their emissions by 80-95% by 2050 while developing countries must "deviate substantially from the business as usual scenario". Ecosocialists should repeat and repeat that the drastic emission reductions "put forth by the best climate science" ARE mentioned in the Bali agreement, and that this agreement engages the governments. They should denounce the governments because they do not respect their Bali engagement. Actually, not to do that makes it easier for the bourgeois governments to kick "the best climate science" into the long grass. This, in my view, is a very important tactical point in the mobilisation. Not only towards the governments and the media, but also towards the environmental NGO, which also dodge some figures from the Bali roadmap (see my article - in English - on this very http://www.europe-solidaire.org/spip.php?article11808). on By the way, for the same tactical reason, the declaration should quote the Intergovernmental PCC on this point, instead of using a vague formula about "the best climate science".

"Ecosocialism involves a revolutionary social transformation, which will imply the limitation of growth". Two remarks: (i) a negative growth (and note barely a limitation of growth) of the MATERIAL production and consumption (not a general one) is needed now, immediately, in the developed countries, and (ii) I suggest ecosocialists to make a difference between growth on the one hand and development on the other hand.

▶ The concrete demands relating to the energy system should give the absolute priority to energy efficiency and the reduction of energy consumption. This a "sine qua non" condition for the transition towards a system based on renewable sources. Giving this priority is also very important in the polemics against green capitalism, green win-win recovery, etc. By the way, all renewable energy sources, except geothermal, are solar sources. I do not know if it is still possible to change the document. I hope so, because the initiative is excellent and we all need something like that, indeed.

Comradely yours

Daniel TANURO

▶ Daniel Tanuro, a certified agriculturalist and eco-socialist environmentalist, writes for "La gauche", (the monthly of the LCR-SAP, Belgian section of the Fourth International).

## European anti-capitalist left

# Our common stance in the European elections

# Thirteen anti-capitalist organisations make a common statement

A conference of the European anti-capitalist left took place in Paris last December on the invitation of the LCR and the NPA. The organisations that supported the conference have made this common statement.

First of all we want to express our solidarity with the revolt of Greek youth against the killing of Andreas Grigoroupoulos. In these serious times we fully support the fight of the organisations of the anti-capitalist left against repression, capitalist plans and the corruption of the Caramanlis government.

This social explosion reveals the tensions that are accumulating in Europe against the plans of the capitalist and the government of the European Union.

This will be sharpened as the policies of the bosses and EU governments to deal with the capitalist crisis are going to worsen the living conditions of millions of workers.

We reject the EU governments' policies, which save banks and not people. This Europe is not ours, as was clearly expressed by the NO to the European Constitution in the referendums in France, the Netherlands and Ireland.

We propose an anti-capitalist emergency plan which - rather than then thousands of redundancies the employers are planning - gives the priority to jobs, proposes the complete nationalisation of banking and credit systems under workers' and popular control and satisfies social needs.

The problem is not the so-called excesses of "financialisation" and improving the management system, but breaking with capitalism and its logic.

In these conditions, and taking into account the particularities of each country, we commit ourselves to building a coordinated and united opposition against the bosses' attacks, and at the same time to create the conditions for a political alternativeand anti-capitalist pole and which is based on popular mobilisations, defends a Europe that meets the needs of the workers and people, and refuses any support to or participation in governments with the social-liberal SPs or centre left.

It is on this basis, and despite the concrete possibilities and choices of each of our organisations, that we intend to be present to defend this political stance during the next European elections. But before then we will participate in the big united-front demonstration against Nato in Strasbourg and Baden-Baden on the occasion of the 60th anniversary of this symbol of military imperialism in the world.

## The organisations endorsing this statement are:

Belgium : Ligue communiste révolutionnaire-Socialistische Arbeiderspartij (LCR-SAP, Revolutionary Communist League-Socialist Workers' Party)

Britain : Socialist Party (SP), Socialist Resistance, Socialist Workers Party (SWP)

France : Ligue communiste révolutionnaire (LCR, Revolutionary Communist League)

Greece : ENANTIA (United anticapitalist left), SEK (Sosialistiko Ergatiko Komma), OKDE-Spartakos

Italy : Sinistra critiqua (SC, Critical Left)

Ireland : People before profits (PbP)

Poland : Polska Partia Pracy (PPP, Polish Labour Party)

Spain : Izquierda anticapitalista (IA, Anticapitalist Left)

Sweden : Socialistiska Partiet (SP, Socialist Party)

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## Another Left is possible

# The protests in France and the New Anti-Capitalist Party

## A view from Canada

## Nathan Rao

It would be wrong to see last Thursday's massively successful protest actions in France as distant and exotic, of no particular relevance to us here in Canada. With the economic meltdown heralding a new political era, and with most of the country's Left and social movements still stunned

## and disoriented following their embrace of the misguided and failed Liberal-led coalition plan, the French experience is instructive and inspiring.

France has just gone through another day of mass strikes and protests against the hard-Right government of president Nicolas Sarkozy. The protest action is hugely popular in opinion polls and comes on the heels of another successful but smaller day of action on January 29, a victorious sixweek general strike on the Caribbean island of Guadeloupe that spread to other overseas colonial territories and the proliferation of radical protest actions among students and in a number of workplaces - all in the context of growing job losses and a deepening financial and economic crisis.

## 'France's Thatcher' on the defensive

Not long ago, Sarkozy was widely hailed in Anglo-American circles, from the Blairite "centre-Left" across to the Bushite and Harperite neo-conservative Right, as the French Thatcher — the man that would usher in the "normalization" of French society by at long last breaking resistance to growing inequality, job insecurity, privatization and cutbacks. And yet, a mere 18 months into his mandate the swaggering and obnoxious Sarkozy is now stumbling in the face of the resilience and scale of popular resistance.

Though still very far from being defeated, Sarkozy and the neoliberal project more generally are on the defensive in France, a country at the heart of the global capitalist and imperial order. This has not failed to raise a few eyebrows in other European and western capitals, where the fear is that developments in France will serve as an example for workers and young people in their own countries.

Further stoking these fears is the fact that Olivier Besancenot — the 34 year-old postal worker and spokesperson of the newly created New Anti-Capitalist Party (NPA) — has consolidated his position as by far the most popular opposition figure in the country. For several months now, polls have ranked him well ahead of the leader of the nominally social-democratic Socialist Party (PS) Martine Aubry — and even further ahead of the PS candidate in the 2007 presidential elections Ségolène Royal and centre-Right leader François Bayrou. Besancenot recently even earned the unusual distinction of being the only left-wing and working-class figure to be named to the Financial Times list of 50 people "who will frame the debate on the future of capitalism."

## New party, new politics for France's Left

As its name suggests, the NPA has an explicitly anticapitalist profile and its program calls for a revolutionary transformation of the country's political institutions and property relations. It is an activist party, with a growing base of more than 10,000 members across the country involved in local organizing efforts and broad activist campaigns and the internal work and debates of the NPA itself. The party brings together former members of the largest surviving (and now "self-dissolved") organization of the 1968era far-Left (the "Trotskyist" LCR), a wide array of experienced and previously non-party-affiliated trade-union and social-movement activists, a new generation of radicalized students and youth and a significant layer of people of all ages for whom the party is their first political experience ever. It is quite easily — certainly within the industrialized world at any rate — the most dynamic and radical example of attempts at fashioning a left-wing alternative to the increasingly discredited policies and institutions of neoliberalism and capitalism.

## Relevant to Canada's Left?

This is all very heady stuff. So heady, in fact, that it is tempting to see these developments in France as distant and exotic, of no particular relevance to our own work and debates here in Canada. That would be unfortunate.

To be sure, there are important differences between the context and relationship of forces in the two countries. For one thing, today's protest movements are at least in part an extension of those that have shaken France since late 1995; and the initiative to found the NPA was taken only after a long, complicated and occasionally rancorous debate between the various political and social-movement forces involved in these movements in one way or another. It will certainly take time and a significant upsurge of protest and resistance in Canada before these kinds of debates get any kind of traction beyond the margins of political life here.

Fundamentally, however, the strategic lay of the land in the two countries is not so dramatically different. Whatever the fate of Sarkozy's cabinet in the face of the present protest movement or of Sarkozy himself in the 2012 presidential elections, the NPA are under no illusions that there will be a serious breakthrough for anti-capitalists in the short term. Even in France, the relationship of forces and rules of the institutional game are firmly stacked against such an outcome.

The NPA understand that they are just now entering a long period of rebuilding working-class and anti-systemic movements and of developing a new vision and strategy for enduring radical change. This is something the party's program describes as "21st century socialism", tipping its hat to the Bolivarian revolutionary process underway in Venezuela and other Latin American countries.

## Collective action possible in face of economic crisis

What are the broad lessons we can take away from the French experience?

For one thing, the protests and strikes, and the organizing that made them possible, show that resignation, panic and "everyone for themself" are not the only possible responses to the onset of economic hard times. While people will often respond in a conservative and individualist manner at the onset of a crisis, there comes a time when they realize that systemic issues are at play and that only broad, collective action and political alternatives will do.

For another, the party and trade-union organizations of the traditional Left are too weakened and compromised by years of adaptation to neoliberalism and dependence on positions in parliament and the state to respond to the challenges thrown up by the hard-Right and the economic crisis. While rightly associated with a range of measures of socio-economic progress, the post-war mediations between the organized working classes, their party, trade-union and social-movement representation and the state itself were never ideal; but after 25 years of neoliberalism they have ceased even to be operative for some time now.

In France, repeated waves of mass protest and organizing over the past 13 years have failed to halt the traditional Left's drift towards the Blairite "centre-Left". As the Right and ruling elites toy with various ineffective solutions to the crisis, the forces of the"centre-Left" will be quick to latch on to the handful of "stimulus" and ersatz "Keynesian" measures that are thrown into the mix to artfully declare a major breach in the neoliberal fortress. So the crisis is just as likely to deepen the rightward trend of the traditional Left and "centre-Left" as it is to push these forces in a more radical and combative direction.

The new days of action in France provide further confirmation of this analysis. While they could not have occurred without trade-union unity at the top, this unity "from above" came about in response to pressure "from below" and simultaneously acts as a trammel on the further development of the current movement. The pressure "from below" has itself been the result of a surprising and noteworthy development — the confluence of a substantial segment of public opinion with radical sectors scattered across traditional and new trade-union groupings, local workplace and activist campaigns, the student and international-solidarity movements and the relatively small party-political organizations of the radical Left.

## How a 'radical Left' can get a wide hearing

And this brings us to the particular significance of the NPA. It is as much a product of this surprising confluence of forces as it is a vital ingredient in ensuring that the present unity and momentum are not lost in the face of hard-Right intransigence and "centre-Left" weakness and perfidy.

In other words, the debate on political strategy and organization now occupies centre stage; and the main lesson of the NPA's undeniable success is that a radical-Left political project can both receive a sympathetic hearing and play this strategically essential unifying and galvanizing role, on condition that:

• Its message consistently targets the systemic origins of the crisis and identifies those responsible for bringing us to the brink of economic and ecological calamity.

• It contains an iron-clad commitment to the broadest unity "in the streets" of all forces willing to oppose the right-wing agenda, overall and on an issue-by-issue basis.

• It confidently enters the electoral, institutional and media fray but strikes a position of defiance and strict independence on the question of electoral and governmental agreements and alliances with the forces of the traditional "Left" and "centre-Left" (not to mention centre-Right forces such as those around François Bayrou in France and the Liberal Party here in Canada). These forces are beyond redemption as any kind of credible vehicle for popular aspirations and seek to govern at all costs — in practice along lines that vary only slightly from those of the Right and hard-Right.

• It prioritizes work among those sectors of the population and country ignored or abandoned by the traditional institutions of the "Left" and "centre-Left". The NPA has, for example, made a priority of organizing in the working-class and immigrant areas that have been hit hard by neoliberal structuring and were the backdrop of the banlieues revolt of late 2005. This is why the topics of racism and the precarious work imposed on young people figure prominently in the NPA's internal discussions.

• It aims to be a grassroots force, rooted in the actual struggles and debates of workers and young people, eschewing any kind of elitist, rigid and hyper-activist model of organizing and transformation, throwing its doors wide open to seasoned activists and interested newcomers alike, while creating a democratic and transparent framework for collective discussion, decision-making, action and the drawing of balance-sheets.

• It takes a long-term approach to its project of social and political transformation and understands that we are in an extended period of resistance and development of alternatives to capitalism and imperialism. While history and politics always have surprises in store, especially in a period of deep crisis such as now, the relationship of forces is too unfavourable, and the vision of an alternative too weak, to expect major breakthroughs on an institutional level in the near term. Better to understand this and get down to the serious work of organizing and rethinking than to feed technocratic and armchair illusions about quick fixes and imminent elite-level "paradigm shifts".

#### A new generation's 'New Left'

Finally, the protest movements in France and the birth of the NPA inaugurate a new chapter in the life of the international radical Left, especially when viewed in tandem with the developments of recent years in Latin America. The fact that the main figure associated with events in France was born in the mid-1970s also signals the emergence of a new generation of radicals.

We had a whiff of this trend during the wave of antiglobalization protests ushered in by the Battle of Seattle in 1999. But now it appears to be asserting itself much more forcefully, with a larger and more receptive audience than the one that existed just a short time ago. This, too, is a tremendously important and encouraging development.

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▶ Nathan Rao attended the founding convention of the NPA in Paris earlier this year. He lives in Toronto and is a supporter of the Socialist Project. He welcomes comments at natrao99[at]gmail[dot]com.

## Europe

## Towards an anti-capitalist pole

## Jan Malewski

For several years the organisations of the European Anti-Capitalist Left (EACL) have built links and met regularly to debate, gain familiarity and try to act together on a continental scale. On May 31 and June 1 2008, such a meeting in Paris allowed a step forward to be made: around a hundred representatives of 37 organisations from fifteen European countries debated over two days the capitalist offensive and how to pass to the necessary counteroffensive, the evolution of social democracy and the Communist Parties, the dynamic of the class struggle.

The debate brought out convergences and confirmed common reference points on the main anti-capitalist measures and the necessity of a clear policy of independence in relation to social democracy. All the organisations present reaffirmed the necessity of rejecting all policies of parliamentary or governmental coalition with social liberalism, social democracy or the centre left. These key references for the reconstruction of a new workers' movement and an anti-capitalist alternative did not exhaust all the indispensable debates needed to elaborate a socialist project, on the diverse experiences in Europe, on the key questions — the formulation of a European anti-capitalist programme, the problem of war, the eco-socialist response to the ecological crisis — and on the form and content of the socialism of the 21st century.

This success was of course linked to curiosity about and sympathy for the initiative of the LCR, the construction of a new anti-capitalist party (NPA), but there was more. A historic change of period has been working its way through the workers' movement and all organisations, for several years. This process has perhaps reached maturity in a series of countries. The conjugation, in the context of capitalist globalisation, of the current crisis of capitalism, of the redoubling of attacks on social and democratic rights, and the social liberal evolution of the traditional left, opens a space for the radical left. The organisations present in Paris on June 1, 2008 decided to meet again before the end of that year and to pursue the debate on how to create an anti-capitalist pole in Europe, in particular at the European elections of June 2009.

This was done on December 13, 2008 in Paris. Once again it was the LCR and the NPA, then in construction, who took responsibility for the organisation of the meeting. A smaller meeting — most of the 12 organisations from Greece present in June could not travel this time, investing all their energies in the youth anti-government mobilisation while others had national meetings on the same day - it made progress towards the setting up of an anti-capitalist pole at the next European elections and also in affirming national links (for example the Belgian LCR and the Socialist Party of Struggle - PSL, ex-MAS - have since decided to participate together in the European electoral campaign in the context of the European anti-capitalist left pole). The Polish Party of Labour (PPP), the Socialist Party (SP) of Sweden, the Anti-capitalist Left (IA) from the Spanish state, the Critical Left (SC) from Italy announced their willingness to engage in a common European campaign alongside the NPA of France, attempting to create an anti-capitalist pole at the European elections. It is unquestionably a step forward, the statement adopted by the anti-capitalist currents and organisations of Europe witnesses to a will to discuss and act together.

The crisis, like the social resistance to the plans of capitalist restructuring of the governments of the European Union has obviously had an accelerator effect. The discussions on the situation in Greece have certainly shown that it did not amount to an isolated example.

This type of meeting is also useful for "thinking Europe": the common points of situations in the context of the crisis, but also their specificities in the unequal development of the social movements. For all the delegates, and here there is a difference with other left currents, it is not simply about attacking the excesses of finance capital or returning to the welfare state, as Die Linke proposes in Germany. It is necessary to break with capitalism, satisfy the demands and social needs of the popular classes and to do that to attack the property and power of the employers.

In the same sense, unlike the majority of forces grouped inside the European Left Party, the anti-capitalists reject participation in governments or parliamentary coalitions with social democracy and the centre left. For what is at stake in all these discussions is the emergence of a new political current on a European scale: an anti-capitalist pole. After social democracy, the Greens and the Left Party, which essentially comprises the European Communist Parties, the "anti-capitalists" need to be there.

This "anti" current goes beyond the organisations who have signed the final statement. Relations should be built or strengthened with parties like the Left Bloc in Portugal, Syriza in Greece or the left currents of Die Linke. In the midst of these meeting the delegations of the LCR and the NPA in France were in Poland in December 2008 to meet activists in the Polish Party of Labour (PPP) and the free trade union "August 80" (which is at the origin of the construction of this new party) and participated on January 17, 2009, at Ruda Slaska, in the national meeting of this party, organised with a view to preparing the European elections campaign, which decided that the PPP be involved in the construction of an anti-capitalist left on the European scale.

The organisations present in December in Paris also decided to act together to contribute to the success of the unitary demonstration against NATO in Strasbourg and set a meeting in Strasbourg for early April to continue the construction of this European anti-capitalist pole.

▶ Jan Malewski is a member of the New Anti-Capitalist Party (Nouveau parti anticapitaliste, (NPA), France), editor of Inprecor and a member of the executive bureau of the Fourth International.

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