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# RELAY

#8 NOVEMBER / DECEMBER 2005

A SOCIALIST PROJECT REVIEW



HAITI DEBATE \* AMERICAS SOCIAL FORUM  
BC TEACHERS STRIKE \* SOCIALISTS & THE SIXTIES  
SOFTWOOD LUMBER \* CUPE CONVENTION





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Relay, A Socialist Project Review, intends to act as a forum for conveying and debating current issues of importance to the Left in Ontario, Canada and from around the world. Contributions to the re-laying of the foundations for a viable socialist politics are welcomed by the editorial committee.

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The Socialist Project does not propose an easy politics for defeating capitalism or claim a ready alternative to take its place. We oppose capitalism out of necessity and support the resistance of others out of solidarity. This resistance creates spaces of hope, and an activist hope is the first step to discovering a new socialist politics. Through the struggles of that politics – struggles informed by collective analysis and reflection – alternatives to capitalism will emerge. Such anti-capitalist struggles, we believe, must develop a viable working class politics, and be informed by democratic struggles against racial, sexist and homophobic oppressions, and in support of the national self-determination of the many peoples of the world. In Canada and the world today, there is an imperative for the Left to begin a sustained process of reflection, struggle and organizational regroupment and experimentation. Neither capitalism nor neoliberalism will fade from the political landscape based on the momentum of their own contradictions and without the Left developing new political capacities. We encourage those who share this assessment to meet, debate and begin to make a contribution to a renewed socialist project in your union, school and community. For more information on the Socialist Project check our web-site at [www.socialistproject.ca](http://www.socialistproject.ca) or e-mail us at [socialistproject@hotmail.com](mailto:socialistproject@hotmail.com).

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# Legionnaire Outbreak 2005

## Collateral Damage in the Marketing of Toronto

David Kidd

Toronto's historical development as a city has been marked by progress in public health. In the early twentieth century, Dr. Charles Hasting, Toronto Medical Officer of Health (MOH), fought the spread of tuberculosis and diphtheria in the city's overcrowded slums and its luxurious residential areas. A public health campaign of education and treatment was prescribed. Public health nurses and inspectors were hired to respond to the challenge.

Fast forward to the first decade of the 21<sup>st</sup> century with the severe acute respiratory (SARS) outbreak of 2003 and the recent Legionnaires' disease outbreak at a City of Toronto Home for the Aged, Seven Oaks. Within two weeks of the outbreak first being noted, seventeen people had died, and close to a hundred people were infected. Responding to this outbreak, Toronto's MOH Dr. David McKeown constantly assured the public that the risk of the disease spreading was "extremely low," even as the deaths mounted.

Toronto's mayor and its local media echoed McKeown's contention that it was unlikely that the infection would spread, especially after the global media giant, CNN, reported the outbreak. A number of city sectors feared a repeat of the SARS-scare of 2003, when Toronto was identified as an unhealthy city. As a consequence of the SARS-scare, tourists and conventions were deterred from visiting the city and many hotel and hospitality workers lost their jobs. Presently, the tourism and service industry is slowly recovering. Hotel vacancy rates are just getting back to the annual averages recorded in the years before 2003.

The outbreak of a disease can have a real and negative impact on a city's economy and the livelihood of its workers. Nevertheless, during such outbreaks, it is the job of public health officials to not just protect the city's international reputation, but more importantly, to protect the health of its residents. Our cities and our planet face an environmental and healthcare crisis. We need public health officials to provide us with accurate and timely information. Without accurate and timely information, the public is at risk.

Information about the potential political and economic factors that may have contributed to the Legionnaire outbreak, namely, the transformation of healthcare facilities resulting from neoliberal and corporatist government policies, may have not reached the public.

Seven Oaks' staff are concerned that the diminishment of rigorous cleaning practices due to financial cutbacks contributed to the outbreak's development. This would not be entirely surprising, given that Ontario Health Minister Smitherman perceives housekeeping and cleaning in care facilities as no different from cleaning procedures in private banks and offices. The cleaning of long term care facilities has been reduced, care facilities are imagined by management and government as little corporations, and the overworked housekeeping staff are expected to clean more rooms in a faster method than used to be practiced.



It also took almost two weeks for health officials to determine what disease they were dealing with at Seven Oaks while outdated urinary autopsy tests were used to determine the outbreak's cause. This tardy and anachronistic response might be attributed to downsizing of the Ontario Ministry of Health during the neoliberal offensive mounted in the Harris years. Mike Harris's provincial government cut 38 senior scientists from the Ontario Ministry of Health that were involved with the Ontario Public Health Laboratory. The McGuinty Liberal government has followed through with this neoliberal transformation by hiring under-qualified lab technicians to replace specialized and qualified scientists.

And what about the seventeen people that died? Would the government response to and public concerns regarding the Seven Oaks outbreak be greater if the victims were kids or from wealthier backgrounds? The victims were seniors and from working class backgrounds. City officials might be more pre-occupied with saving Toronto's international reputation from another SARS-like scare than caring for its most vulnerable residents. They may be more concerned with retaining a marketable image of Toronto than providing the public with a full account of the multiple political and economic determinants of the Legionnaire outbreak. Unless we are to cynically accept a degree of human collateral damage in exchange for a neoliberal image of Toronto devoid of inequity and conflict, we should judge our city not on its ability to attract the most wealthy global tourists and capacity to capture investment-oriented capital, but on its ability to care for its residents. **R**

David Kidd is a CUPE member in Toronto.

# Challenges: The Québec Left & the UFP

David Mandel

The Union des forces progressistes (UFP) has its origins in the provincial by-election campaign of Paul Cliche, a former trade-unionist and journalist, in Montréal in 2001. Cliche was backed by a coalition of three small left parties: the Parti de la démocratie socialiste, with a Trotskyist (revolutionary socialist) core; the Communist Party of Québec (PCQ), a party based mostly on its Communist “identity” and support for unions; and the Regroupement pour une alternative politique, which defined itself as “anti-neoliberal.” The campaign also attracted non-party leftists and community activists. Cliche took 24% of the vote.

This encouraging electoral performance and the experience of cooperation on the usually fractious left led to the founding of the Union des forces progressistes in 2002. The party recognizes the right of organized tendencies, the main ones being Gauche socialiste (revolutionary socialist) and the PCQ. The vast majority of the UFP, whose present membership is about 1200, are vaguely left and not clearly defined politically. The party’s public image, however, is social-democratic and “anti-neoliberal,” but the correlation of forces within it is far from stable, and many undefined members could potentially be won over to a coherent socialist analysis and credible programme. Some aspects of the UFP’s programme go somewhat beyond restoring the welfare state and a return to Keynesianism, but the term “socialism” is absent from it.

For the socialist left, the attraction of the UFP was the prospect of emerging from political marginality. At least potentially, the UFP opened a space, that otherwise would not exist, for dialogue between revolutionary socialists, on the one hand, and other leftists and community activists, who had not given much thought to the nature of contemporary capitalism and the character and role of the state.

Another attractive aspect of the UFP was that it could finally offer the labour and other popular movements an alternative to the Parti Québécois, which for the last 30 years has been widely supported as the “lesser evil” to the Liberals, even though, in practice, the PQ differs little from the Liberal Party of Québec, except on the matter of sovereignty. Québec has never known the equivalent of a provincial NDP, and many on the left see even a social-democratic party as a real step forward. Most of the union movement is still wedded to the PQ, with the notable exception of the Montréal Council of the CSN (heavily public sector and not affiliated to the CLC), which has supported UFP candidates. But the Montréal Council has always been on the left of that federation and something of a pariah within it. The UFP, like the PQ, is sovereigntist, but, at least for the socialist wing, the path to independence is part of a strategy for breaking with the capitalist state.

The UFP defines itself as a “party of the street and the ballot

box.” But what that means in practice has never seriously been discussed, and at present, the party has a marked electoralist orientation. This tendency risks growing stronger with the upcoming merger in January 2006 with Option citoyenne, another recently-formed vaguely left party with about 1000 members, led by the feminist activist Françoise David. On the other hand, the merger will give the party significantly greater credibility as an electoral alternative to the PQ and bring into left party politics a significant number of community activists, who form the core of Option citoyenne.

The challenge for socialists in the UFP is to develop a strong enough presence to force debate and education on the fundamental questions that so far have been studiously avoided, such as the nature of the state and of contemporary capitalism and a correspondingly realistic strategy for progressive change; the causes of the universal rightward shift of social-democratic parties and the kind of party and strategy needed to avoid that fate; why the left should demand independence and how that demand relates to a project for progressive change; the sort of party needed to overcome the allergy of many politicized young people on the left to party politics. A key instrument for increasing the influence of socialists in the UFP is a planned monthly journal, which, it is hoped, will attract broad participation of the party’s left wing.

Another priority is organizing the trade unionists in the UFP in order to work out forward-looking alternative union strategies and to offer each other support in promoting them in the respective union. This will have to be done against the opposition of more moderate elements in the UFP, who often have union ties and oppose treading on “union territory” for fear of alienating potential support from union leaders. Meanwhile, the Québec labour movement seems in a dead end, its leaders having allowed it to be pushed even further (than it already was) onto its knees by the Liberal government, while they await the return of the PQ. The PQ’s policies will scarcely be more pro-labour, but union leaders will at least have their status as “partners” restored and will probably be asked to participate in a referendum campaign.

In the Québec context, participation in building the UFP, despite the obvious risks (the fate of the socialists in the Brazilian PT illustrates many of them), appears as the most promising option for Québec socialists. Much will depend on their determination, energy and intelligence in creating a political pole within the party that can act as a counterweight to the electoralist tendency and offer realistic solutions that point beyond capitalism. **R**

David Mandel is the author of *Labour After Communism: Auto Workers and their Unions in Russia, Ukraine and Belarus*, released last year.

# Learning and Not Learning from the Softwood Lumber Dispute

Ian MacDonald

When Ronald Reagan and Brian Mulroney signed the Canada-United States Free Trade Agreement (CUFTA) into law, Canadian negotiators hoped that they had finally resolved the softwood lumber issue. At the heart of the agreement was Chapter 19, which referred trade disputes between the two countries to a bi-national panel that would make binding decisions on whether governments were following their own trade remedy laws. The chapter was later incorporated into the text of NAFTA.

Chapter 19 fell short of delivering the long held dream of the Canadian bourgeoisie of open and secure access to the richest market in the world. It did not establish a substantive supranational trade remedy regime and did not do away with the complex and effective web of U.S. trade laws designed to protect domestic producers from foreign competition of the “unfair” variety. Nevertheless, when the CUFTA deal was closed Canadian negotiators announced that Chapter 19 represented the dawn of a “rules-based system,” much preferable to the alternative of a “power-based system” and well worth Canadian concessions on investment restrictions and access to energy.

The insistent claim that the Canadian state had made an end run around American protectionism, cleverly binding the hegemon with the rules of its own making, was soon revealed as naïve. Softwood lumber was the first major test for CUFTA and has bedeviled NAFTA. Two years into the free trade period, the

Mulroney government ended an export restriction agreement that had left Canadian lumber with only a quarter of the American market. The U.S. International Trade Commission responded by immediately imposing duties. Notwithstanding several CUFTA, GATT and later NAFTA rulings which determined that there was no justification in American law for the duties collected, Canada

agreed to another export restriction agreement. The expiry of this agreement in 2001 led to the re-imposition of U.S. duties, which were the subject of this summer’s NAFTA and WTO panel decisions. This last cycle brings the dispute into its third, most bitter decade.

Some things have not changed. American softwood lumber producers remain committed to a protectionist strategy of keeping Canadian lumber at under a third of the U.S. market. The forestry management practices of Canadian provinces are beside the point. The contention that these constitute a subsidy is made

because it gives the U.S. lobby some grounds for complaint under American trade legislation, which has evolved over time to become more obliging to this particular argument. For its part, the Canadian foreign service continues with a strategy of exploiting divisions within the American ruling class by aiding and coordinating the lobbying efforts of the U.S. real estate and home construction and renovation industries, while it hopes that new demand in the American housing market will make the whole thing



go away. But divide and conquer has not worked in the past, and lumber prices remain low even after Hurricane Katrina's devastation. Overproduction in the North American lumber industry is perennial. This, in fact, is the root of the whole problem. The issue, as always in these circumstances, is the following: which capitals will be destroyed?

"The left should not take sides in this contest any more than it should participate in the race for productivity and competitiveness."

Neither NAFTA nor WTO rules and institutions are powerful enough to determine this question. The solution will emerge not from rules, but from power politics. What is new in the current round of the dispute is the readiness of the Canadian state to initiate massive retaliation against U.S. exporters. If the Canadian government had been granted permission by the WTO in its August 2005 ruling to retaliate against the U.S. in excess of \$4.25 billion, it is entirely likely that it would have done so. To initiate the complex process of levying sanctions, to secure permission from the

WTO, to make the threat and then back down at the last moment without securing any concessions is very bad for a state's future bargaining position.

The Canadian state is forced to act tough for two reasons: the rise of American protectionism and the increased dependence of Canadian capital on the U.S. market as a result of continental restructuring. Since 2002, the Bush administration has brought the world to the brink of a trade war in steel, has implemented legislation that channels duties to the U.S. industries that lobby for them (effectively rewarding them twice) and has ignored unfavourable WTO decisions with perfect equanimity. A series of polls conducted by Compas and the National Post reveal increasing apprehension at these developments within the Canadian capitalist class. They fret about lumber of course, but also over a whole range of commodities including beef, wheat and cars. They most certainly don't want a trade war, but neither can they afford to be constantly harassed in their most important foreign market. The softwood lumber dispute is taken so seriously by the Canadian state because of what it entails for the trading relationship as a whole as well as for the very accumulation strategy of the Canadian bourgeoisie.

#### LEFT RESPONSE

The softwood dispute, a seemingly intractable conflict within what is still the largest bilateral trading relationship in the world, is a rebuke to the globalization project and exposes the falsity of neoliberal arguments. But it also calls into question a prevailing line of critique within the anti-globalization movement which has accepted the premise that domestic ruling classes have shed their antagonisms by becoming more interdependent within the world economy, and that every protectionist device or regulation that could possibly be defined as such is being undone. Left critiques

have rightly called into question the fairness, sustainability and democratic credentials of neoliberal globalization. But rarely have these recognized that the internationalization of capitalism in its neoliberal phase heralds a more intense and high-stakes form of competition between what are still predominantly nationally and regionally-based capitals which engage fully empowered states in their defense.

The left should not take sides in this contest any more than it should participate in the race for productivity and competitiveness. Corporate Canada has a long term plan to confront American protectionism, and it strikes against everything the left in this country stands for. The Compas poll cited above asked CEOs of Canadian corporations what the government should do to avert the protectionist challenge. A majority strongly favoured increased defense spending, participation in the war against Iraq, and what the poll referred to as "more careful monitoring of visitors and immigrants."\* Proposals for Deep Integration being circulated by right-wing think tanks would offer some combination of these measures in exchange for a final guarantee of secure access to the U.S. market. Call it the triumph of hope over experience.

Our immediate strategy is to continue building the opposition to Canadian and American imperialism, and our long term strategy should be to build solidarity movements across borders that can one day subordinate international exchange to human needs, not profit. **R**

Ian MacDonald is a York University grad student studying in New York.

\* "Canada-US Relations: BDO Dunwoody/Chamber Weekly CEO/Business Leader Poll by COMPAS in the Financial Post" (April 12, 2004) [www.bdo.ca/en/library/polls/ceopoll/0412.pdf](http://www.bdo.ca/en/library/polls/ceopoll/0412.pdf)



# RELIGIONS AND SECULARISM

## LOCKING HORNS

Saeed Rahnema

Throughout Canada religions are on the offensive. They advocate conservative and retrogressive agendas, and the right wing politicians, hungry for votes, support them, without regard for long-term consequences. In addition to the majority Christians, Canada now enjoys the presence of the followers of almost all other religions of the world: Judaism, Islam, Hinduism, Sikhism, Buddhism, and many other religions, each thriving and growing in size to different degrees.

Altogether, the non-Christian religions form a very small minority, about seven percent of the Canadian population according to the latest 2001 Canadian Census. Yet, their leaders have become growingly active and vocal, lending their support to the conservative and anti-secular voices among the majority Catholics and Protestants. More and more, the non-Christian religious groups demand privileges similar to those granted to the Catholics during the colonial era when they were a religious minority.

The controversial Arbitration Law of Ontario, allowing the use of *Halacha* and *Shari'a* as the basis for arbitration, and the decision to provide public funding to Jewish schools in Québec, later withdrawn under pressure, are examples of religious encroachments to secularism and universalism of rights in Canada. The present concerted effort on the part of all these religions, spearheaded by majority Christians and supported by conservative politicians, to derail same-sex marriage legislation is another example of this (un-)holy alliance against secular democracy. The advances made by religious conservatives translate into more setbacks for the progressive forces and their long-cherished separation of church and state, a major pillar of democracy in Canada.

In pushing for their conservative agendas, religious leaders often claim and pretend that they represent their entire com-

munity, a vision sadly supported and reinforced by the dominant stereotypes that assume religious and ethnic communities to be homogenous. The reality, however, is very different. For example, some leaders of the Muslim communities claim that they represent more than half a million Muslims in Canada. But while statistically there are over 590 thousands Muslims in this country, Muslims constitute a very diverse population.

The Muslim community, being the youngest and fastest-growing community in Canada, (over 128 percent growth since 1991) has about 30 percent of its population below the age of 15, a quarter of whom are babies and children.

Like other religions, Muslims are divided along sectarian lines, not only Sunni/Shi'a but sub-divisions among them. Moreover, unlike most European countries that have their Muslim population originating predominantly from a particular nationality, for example, mostly Pakistanis/Bangladeshis in England, Turks in Germany, Algerians in France, and Moroccans in Spain, Canadian Muslims come from very diverse national and ethnic origins, ranging from India, Pakistan, the Arab world and Iran, to Africa, China, the Philippines, and Latin America.

The multiple identities of Canadian Muslims and their remarkable diversity should make it difficult for any religious leader to claim their representation. Even within each of these ethnic and sectarian groups of Muslims there are significant divisions. A case in point, as reported by a columnist of the Iranian weekly *Shahrvand* in Toronto, is the rivalry between two Iranian Shi'i mosques: The *Imam-Ali Centre* and *Mahdiah*, with seemingly similar identities, being Iranian and Shi'i, and both sympathetic to and having links to different degrees with the Islamic regime in Tehran, are located side-by-side on a prop-

erty owned by an Iraqi Shi'i trying unsuccessfully to evacuate his Iranian Shi'i tenants, who in turn are suing each other in Ontario courts over financial matters!

Understandably, all religions try to show they have a large following of devout and active believers. While statistically they are growing (except for most Protestant denominations which are actually declining), the rising figures are the result of population growth and immigration, not all of whom are devout Muslims. Moreover, an important fact is completely ignored. That is the relatively large and growing number of secular people and Canadians with no religion at all.

It is interesting to note that the combined number of Canadian Agnostics, Atheists, Humanists, Pagans and those with simply "no religion" is more than twice the size of all non-Christian religions in Canada. According to the 2001 census, there were 4.9 million, or 16.2 percent of Canadians with no religion, showing a growth of 44 percent compared to the 1991 census. The vote-seeking politicians may want to pay attention to this growing group of the population. (Though perhaps not a fit for Mr. Harper!)

The point is that many religious institutions remain simply places of worship for believers and act as a centre for community support and provision of useful social services. This is true of all religions, particularly the minority religions whose followers face serious problems of racism in this country. Apart from lingering and even growing anti-Semitism which has plagued the Jewish community, and hostilities towards Hindus and Sikhs, Canadian Muslims are faced with expanding and deepening Islamophobia.

Prevailing racism and discrimination has marginalized many Muslims. The census data shows that Canadian Muslims, despite having a post-secondary education

level twice that of the national average, have an unemployment rate twice that of the national average, and their median income is 37 percent below the national average. The situation has only gotten worse since September 11. Parts of the Muslim community now find themselves in a vicious cycle, whereby the more marginalized they become, the more likely they are to turn to traditions and religion and in some cases to fundamentalism, which only further marginalizes them.

Conservative religious leaders take advantage of this vicious cycle to attract people and to preach and propagate their traditional views. In a sense, we are facing a most puzzling irony of social change. That is that in less-developed societies, including Islamic countries, progressive secular intellectuals act as agents of change, working towards forward-looking transformations of their societies, against conserva-

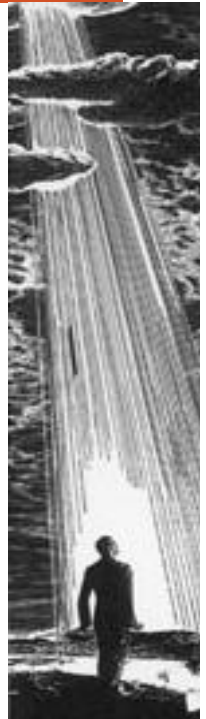
tive values and practices, whereas in the more developed Western countries which host Muslim diasporas, including Canada, it is the conservative religious community leaders who act as agents of change, working towards regressive transformations, hoping to push back modern values and practices. Moreover, in Islamic countries, the progressive, change-seeking forces are suppressed by the authoritarian regimes and by the reactionary forces, while in the West, the reactionary, change-seeking diasporic forces gain the support of democratic regimes in the name of multiculturalism.

Multiculturalism as opposed to assimilationism is no doubt the best response to social harmony and respect for group rights in a multicultural society like Canada. In granting group rights, however, attention should be paid to the fact that there are contradictions between the rights of a specific group and the universal rights

of all citizens, and between the rights of a group and the rights of its individual members.

Canadian democracy and its social cohesion is in danger if the religious assaults continue to go unchecked and are not confronted by a concerted response by the progressive secular forces who believe in the separation of church and state and respect for citizens' rights, as guaranteed by the Charter. **R**

Saeed Rahnema is a Professor and Political Science Coordinator at York University's Atkinson Faculty.



## Secularism and Socialist Politics

Socialist political theorists have long critiqued religion for the role it has played in buttressing the existing social and political order, oppressing women and dominant groups utilizing religion to suppress other religious and national minorities. Marx saw religion as both an expression of social alienation and as a limited, but distorted, view of the human collective. Occasionally, the latter view has found political expression when religion and human liberation have been linked, as in Catholic liberation theology in Latin America from the 1960s. This movement linked doctrines for human liberation, social equality and the dignity of the poor with a Christian ethical mandate. But even in the liberation theology case of a positive role of religion in an emancipatory political identity, there was seldom compromising on the defence of a secular state and the demand to end public subsidies of religious institutions, the foremost positions socialist thinkers and movements, across a wide spectrum, have defended.

The demand for a secular state has gone along with the insistence on the protection of the rights to practice religion in private life and as part of rights of freedom of assembly, and the non-discrimination against religious minorities. These are positions socialists have always defended as basic to democracy and civil rights. Engels, Lenin and Trotsky all tended to be more scathing in their attitudes toward religion than Marx. But they were consistent on the pursuit of a wholly secular state and the rights to the private practice of religion without discrimination.

Here is a sample of excerpts from their writings:

➤ **Karl Marx** from [“Introduction to A Contribution to the](#)

[Critique of Hegel's Philosophy of Right”](#) (1843)

“Man makes religion, religion does not make man.”

“Religious suffering is, at one and the same time, the expression of real suffering and a protest against real suffering. Religion is the sigh of the oppressed creature, the heart of a heartless world, and the soul of soulless conditions. It is the opium of the people.”

➤ **Frederick Engels** from [“The Program of the Blanquist Fugitives from the Paris Commune”](#) (1874)

“...the only service, which may still be rendered to God today, is that of declaring atheism an article of faith to be enforced...”

➤ **Frederick Engels** from [“A Critique of the Draft Social-Democratic Program of 1891”](#)

“Complete separation of the Church from the state. All religious communities without exception are to be treated by the state as private associations. They are to be deprived of any support from public funds and of all influence on public schools. (They cannot be prohibited from forming their own schools out of their own funds and from teaching their own nonsense in them!)”

➤ **V.I. Lenin** from “[The Attitude of the Workers Party to Religion](#)” (1909)

“Marxism has always regarded all modern religions and churches, and each and every religious organisation, as instruments of bourgeois reaction that serve to defend exploitation and to befuddle the working class.”

“Social-Democrats regard religion as a private matter *in relation to the state*.”

➤ **Leon Trotsky**, Writings on Britain “[Brailsford and Marxism](#)” *Pravda* (1926)

“I once visited, together with Lenin and Krupskaya, a ‘free church’ in London where we heard socialist speeches interspersed with psalms. The preacher was a printer who had just returned from Australia. He spoke about the social revolution. The congregation begged god in the psalms that he establish such an order where there would be neither poor nor rich. Such was my first practical acquaintance with the British labour movement nearly a quarter of a century ago (1902). What role, I asked myself at the time, does a psalm play in connection with a revolutionary speech? That of a safety-valve. Concentrated vapours of

discontent issued forth beneath the dome of the church and rose into the sky. This is the basic function of the church in class society”

Canada has a long awful history of religious bigotry, toward the aboriginal peoples and religious minorities, as well as the scandalous grants of lands to the churches in Canadian history (these land grants still have an important legacy in the economic bases of the major Christian churches). We are a long way from a secular state on constitutional matters, civil proceedings, church subsidies, and administrative supports for religious education, welfare delivery and other activities. This is shameful, particularly as the numbers of non-believers grows and the multicultural and hence multi-religious basis of Canada increases.

Several recent texts have explored some of these issues: Suke Wolton, ed., *Marxism, Mysticism and Modern Theory* (1996); Michael Löwy, *The War of Gods: Religion and Politics in Latin America* (1996); Leo Panitch and Colin Leys, eds., *Socialist Register 2003: Fighting Identities: Race, Religion and Ethno-nationalism* (2003); and Gilbert Achcar, “Marxism and Religion – Yesterday and Today” available at <http://www.marxsite.com/Marxism%20and%20Religion.pdf> (2005). Please look at the SP website ([www.socialistproject.ca/relay](http://www.socialistproject.ca/relay)) for web links to the quotes cited above. **R**

# Defending Healthcare Is Not Enough

*The following excerpt is from the introduction of Socialist Project's forthcoming pamphlet on healthcare.*

Most Canadians generally reject a healthcare system that is driven by profits, limited by the size of people's wallets, and that provides health only alongside the threat of going into deep financial debt. This popular understanding of the importance of affordable healthcare – for one's own family and as a shared right with others – has been at the core of limiting the erosion of healthcare.

But just defending healthcare is not enough. It doesn't prevent a slower 'death by a thousand cuts.' Indignant government campaign speeches against privatization turn out to only lead to more subtle forms of privatization – privatization by stealth. Even where privatizations are curbed, the rules under which hospitals are run are transformed so they reflect the thinking and practice of competitiveness and commercial values, not social values. Cut-backs may be checked today, but revived tomorrow after tax cuts or an economic downturn lead to budget deficits that 'demand' new restraints. Any problems in the healthcare system that do occur lead to public frustrations which are then manipulated to develop support for 'repairs' and 'innovations' based on giving private corporations greater control over our health.

At the same time, examples from abroad (not the USA of course, since this contradicts their arguments) are brought into the debate – sometimes via misinformation, sometimes without the larger context, sometimes presenting *defeats* as victories – to convince us that our resistance is futile, that we are swimming against an inevitable tide. And as we are overwhelmed by defending the healthcare system, we forget that our healthcare system is both incomplete and depends on so much beyond that system – from the impact of poverty on a minority, to the working conditions many of us face, to the polluted air all of us confront.

We need to both extend healthcare and place the fight for healthcare in a broader context. The attack on healthcare is part of a broader offensive taking place throughout the capitalist world – an offensive whose earlier promises of security and rising living standards have now been widely exposed. But if neoliberal ideology (the freedom of corporations and markets, not the expanded freedom of people) is going to dominate every other sector of society, then healthcare cannot remain safe. Unless we take on the larger battle of what kind of society we want, healthcare risks eventually becoming isolated and eroded. On the positive side, the issue of healthcare actually provides us a vital *opening* for that larger struggle, including the expansion of its underlying principles to other dimensions of society.

As long as we are primarily defensive about our health care system, we tend to place ourselves in indefensible positions. Costs in healthcare have indeed been escalating and some services are not what they should be. If we ignore these realities, we risk losing even what we have. Our response must be twofold. First, privatization is not the answer; the extent of existing privatization within our healthcare system is in fact an important source of the problems.

Second, the healthcare issue is indeed – as the supporters of increased dependence on private healthcare insist – about choices. We do have to decide how much of a priority healthcare is in itself, and in the context of a society that makes claims to a basic



degree of equality and democracy. But those calling for a greater role for healthcare based on profits see this in terms of expanding the choices of a few (defined by their ability to pay) while weakening the choices of the majority (by undermining the public system). And their argument that numbers alone dictate that the government cannot go on paying for higher healthcare costs creates the illusion that if it is private, we are collectively not paying anything. Yet we live with a tell-tale example to our immediate south, where the lesson is, as even General Motors has belatedly recognized, that the more private-oriented the system is, the higher the overall costs and the worse the care.

Addressing cost and service concerns requires expanding and improving our healthcare system, not contracting and commercializing it. For example, we need to ask:

a) Why is public pharmacare not on the agenda? The drug companies' drive to profitably 'sell medicine' has raised questions about their concern with both prevention and drug side-effects at the same time as no section of healthcare costs has risen as fast as that involving drugs.

b) Are we using expensive new technologies appropriately? The dramatic increase in the use of privately-generated new technologies is a major element in escalating healthcare costs. In the face of increasingly for-profit rules that determine hospital budgets, hospitals have come to look to new high-tech equipment as a competitive weapon to attract 'customers.' This leads to documented waste, a distortion of overall care, and a misuse of the actual potentials of technology.

c) How should doctors be paid and how should we relate their role in the healthcare system to their role as private practitioners?

d) How should hospitals be run? All large institutions suffer from bureaucratic problems. Making hospitals more like corporations adds anti-social goals to the bureaucratic irritations. The question we should be asking is therefore not how to make this worse, but how to *invent* new models of social administration that allows for a deeper democratization of healthcare – greater input from both those the service is for and from those providing the services – not only the doctors, but also the nurses and hospital workers.

Given what we are up against and what must be done, healthcare won't be saved without a much greater commitment to mobilization than we've seen to date. This pamphlet hopes to contribute some tools for the discussions and increased mobilization to come. The articles to follow come from both activists who work at the base and academic-activists who have long studied developments in healthcare and brought their analysis to the popular struggle to defend and extend healthcare. Contributions to the pamphlet include:

Hugh Armstrong lays out the principles of the Canada Health Act, analyzes where we fall short (do we really have socialized medicine?) and points to where the Health Act gives us ammunition for moving ahead.

Pat Armstrong warns us of the various ways in which privatization is already, or may potentially, penetrate healthcare.

Colin Leys and John Listir each examine what is in fact happening with healthcare reform in Europe, especially in England which has been used as a battering ram to push reform in Canada. Leys and Lester strip away the argument that bringing the corporations in adds to our health, rather than sacrifices it to profits.

Joel Lexchin takes on the role of the private pharmacare industry, which has managed to generally escape public anger in spite of its responsibilities for much of the rising costs and practices that border on irresponsibility in improving health.

Mike Hurley, the president of the Ontario Council of Hospital Unions (CUPE's health division), discusses how the health issue is seen by his members, the internal education undertaken by the union, and the forms mobilization has taken.

Natalie Mehra, the Provincial Coordinator of the Ontario Health Coalition (OHC), assesses the Coalition's shortfalls alongside its important achievements and points to both the OHC's immediate objectives and longer-term strategic focus. **R**

# 10 Days in Brazil:

## Sao Bernardo and the ABC Metalworkers

Richard Harding

Between July 9 and 18, 2005, I attended the Transnational Information Exchange (TIE) for Ford workers, held in Brazil. With delegates from the U.S., Russia, Mexico, Venezuela, Argentina, and, of course, Brazil, I spent nine days touring Ford plants, Metalworkers union halls, and the CUT headquarters. The trip was an informative and profound look at the practices, history, and current struggles faced by Brazilian and international autoworkers.

Upon arrival to Brazil, the U.S. delegates and I were driven through Gran Sao Paulo, a sprawling city-state of approximately 17 million people. Passing an abandoned Ford plant that, prior to its closure in 2000, employed 3000 workers, the disastrous effects of neoliberalism in the region became clear. This plant was recently downsized and then moved to Sao Bernardo (one of Gran Sao Paulo's many municipalities), where a meagre 700 workers are now employed.

After checking in at the hotel, being assigned a roommate (Jim McCulloh from UAW Local 249 in Kansas City was assigned as mine) and meeting the other delegates (not including the Venezuelans, who would didn't arrive until Tuesday, and the Argentinians, who met up with us in Bahia state), I went for dinner. There I met union leaders from the ABC region (as the area is called), including the president, Jose Lopez Fijos, and one of our interpreters, Leandro Moura.

Over dinner Leandro explained the history of Brazil and the Metalworkers union. I learned that in 1978, during a twenty-year military dictatorship, the ABC Metalworkers Union was founded. The union was a product of the militant actions of the Metalworkers in the Gran Sao Paulo region that spanned the 1970s and culminated in a 250,000 strong six week strike in June of 1980. The strike was brutally put down by the regime and many of its leaders were ar-

rested. Luis Inacio Da Silva (or 'Lula'), the current president of Brazil, was one of the detained leaders. Undaunted by this state coercion, the workers formed the PT (Workers Party) in 1980, and the CUT, a central labour body composed of many unions in 1983.

For much of the 20<sup>th</sup> century, a focal point of working class resistance in Brazil has been the state's anti-union legislation, which was based on laws implemented by Mussolini's fascist dictatorship in 1935. These laws banned the formation of Brazilian national unions by limiting union formation to mostly municipal levels and severely restricting the collective bargaining rights of workers. In response to the coercion of these old fascist laws, thousands of unions were formed, and thousands more are moving through the application process. Many of Brazil's unions, however, are not radicalized or oriented toward socialist projects. The political importance of the PT to the Metalworkers struggles nevertheless became more apparent to me as I was introduced to more of its members.

The next morning we visited Ford Sao Bernardo Do Campo, where two plants are located. A truck plant builds the Cargo, F-250, and F-350 at the rate of 18 vehicles per hour. The car/light truck plant builds the Ka, Fiesta, and Charro (light truck) all on the same line at the rate of 16 per hour. I did not see one robot, though I was told there were some in the paint shop. Assembly workers here are paid approximately \$5 U.S. per hour and they labour for about 44 hours each week. Workers get a one-hour lunch break, and usually dine in a large and spotless cafeteria that sells a variety of fruits, vegetables, and meats.

After the tour of these plants, we talked with Sao Bernardo workers in their union office. They explained how their union works. For them, autonomy and democracy within the union is of utmost importance.

Meetings between the workers concerning plant issues are held for half an hour each week at the plant (and on company time). There are no appointees or five-minute company safety meetings. Workers deal with management after they collectively learn about each other's concerns. Union membership and dues are handled differently as well. Membership occurs on an individual basis and membership dues are not automatically deducted, but rather, paid to the government and then back to the union. The discussion between me, the other delegates, and the Sao Bernardo workers, then turned political.

Upon arriving to the union office, it was hard to ignore the political posters on the walls featuring candidates and campaigns of the PT. I also got a peek at a Che Guevara poster in what I assumed to be the Coordinator of Ford Sao Bernardo's (Jao Cayres') union office. Politics, I learned, are a big deal to Brazilian workers, especially the Metalworkers. The Metalworkers have come a long way since their struggles with the military dictatorship, and they continue to be very proud of their achievements. Many workers sported PT pins. Political discussions about the government between union representatives and union members were constant and vibrant. For example, while I was visiting, a scandal erupted in the Lula government that threatened to bring it down or destabilize it. The plant buzzed with this news and many workers saw the scandal as an act of sabotage by the government's coalition members that are unfriendly to workers. It was no coincidence to these class-conscious workers that as union struggles for an urgently needed labour law reform was gaining momentum that a scandal regarding Lula's government emerged.

The next stop in our tour was the headquarters of the ABC Metalworkers, a massive building equipped with a newspaper

editorial office, a research department, a credit cooperative, and an education department. From the newspaper office, the *Tribuna Metalurica*, which focuses on labour issues, union events, and government policies, is printed and then distributed throughout the local communities. The ABC Metalworkers also have their own pressroom.

The research department, or Interunion Department of Statistics and Social/Economic Studies (DIEESE), publishes information on Brazil's national, state, and local economies.

The Credit Cooperative of ABC Metalworkers (CREDABC) offers low credit loans to union members. Though interest rates in Brazil are at 20%, the cooperative offers them at 2% a month (simple interest). The Credit Cooperative's membership fee is 115R (approximately \$50 Canadian) and 10R per month. A union Credit Cooperative member can borrow up to four times as much as they put in, so long as they pay the money back in twelve instalments.

The education department's mandate, as explained to me by the Director, Paulo Cayres, is to provide education to interested

militant workers and provide them with a gateway into the union. Educational sessions inform workers about collective bargaining strategies, health and safety rights, the relation between unionism and citizenship, and even one that informs about Brazil's government policy called "Beyond the Factory Walls."

Following the tour of the headquarters, we visited the ABC Metalworkers' training facility, which meets the union's need to educate members and the broader community. This facility features an auditorium that seats 120 people and a library stocked with books dating back to the industrial revolution and the colonial period in Brazil. Commenting on the institutional and political achievements of the Metalworkers, Paulo explained that "many workers died for the union [and for us] to be in this position; we have the responsibility to carry on." The spirit of worker solidarity is very evident at the training facility.

Outside of the facility, delegates noticed a plaque dedicated to UAW brother John Christensen. Christensen, a Ford worker, had developed a great respect and admiration for the Brazilians and willed

that his ashes be buried in the Ford plant in Sao Bernardo. The request was denied so his ashes were buried by the Metalworkers on the site of their centre. A Pau Brasil, or national tree, was planted on the site to symbolize the working class struggle that Christensen took part in. Paulo said: "the hope is that international solidarity will not be restricted to one tree, but become a forest and call for us to join the struggle of the international working class." Paulo, and his brother Jao, are formidable union and political leaders.

Sunset was on us as we departed the headquarters of the ABC Metalworkers. We jumped in the waiting cars. I drove with the Mexican delegates and a Brazilian Metalworker. We took a detour into Sao Paulo so the Mexicans could buy some Samba CDs. I was a bit concerned that we would be late for dinner. I discovered as the trip wore on, in Brazil, it was not appropriate to be too early or on time for anything – except work. On we went into Sao Paulo, an experience that I'll never forget. **R**

Richard Harding lives in Windsor and is a CAW activist.

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# Signs of Hope

## at the CUPE National Convention

Dan Crow

It has been a busy year of labour conventions for CUPE activists in Ontario. May saw the Ontario Division convention, June the CLC, and November will bring the Ontario Federation of Labour convention (for those locals still affiliated to the OFL). The CUPE National convention, held in Winnipeg during the first week of October, gave, to my mind, the most reason to believe that our movement still has potential for fighting back. Of course this assumes (with good reason I believe) that the OFL convention yet to be held will be less than a barnburner. This is not to say that the convention wasn't without its limits. Yet in the midst of certain disheartening trends, there were signs that the labour movement might be ready to take some risks on more radical positions and more militant actions.

There was nothing in the opening of convention that would

constitute a departure from recent labour movement practice. The usual formal ceremonial trappings were there, including an obligatory speech by the NDP premier of Manitoba, Gary Doer. Doer's presence, however, sparked a bit of a backlash from the assembled delegates. CUPE local 2153 (Winnipeg Child and Family Services) at the time was in a set of difficult negotiations. The employer had used essential services legislation to designate 70% of the members as essential, making them ineligible to strike. Doer's government, despite promises, had failed to repeal the Tory legislation that made this possible. Moreover, the employer had threatened to use scabs in case of a strike. A flyer was distributed that morning, outlining the situation, and during Doer's speech many delegates held the purple sheets up to try to force the Premier to address these important issues. Predictably, he did not.→

At the end of his speech, a delegate rose to a microphone to ask why essential service legislation could still be used to undermine free collective bargaining, and why there is no anti-scab legislation in Manitoba. Paul Moist (national president) responded by asking that the Premier be treated as a guest – meaning, in essence, “stop asking questions that might be embarrassing.” The Premier remained silent.

Interestingly, later the next day, the convention passed a resolution calling for all governments to pass anti-scab legislation. In addition, the resolution requires that CUPE refrain from supporting any party that fails to support anti-scab legislation, and to actively campaign against any party that supports any limitation on free collective bargaining. If adhered to, Doer’s government cannot count on CUPE’s support in any form. Carole James in BC might also be a target after her statement that the BC teachers should ‘obey the law’ and go back to work.

There was, however, one issue that threatened to divide the convention. Despite comprising 60% of the union’s membership, women hold less than 25% of the positions on the National Executive Board. In an attempt to remedy this, a constitutional amendment was proposed to add five temporary regional vice president positions for women to the NEB, and a general resolution was introduced to create a taskforce to determine the causes of, and provide remedies to women’s under-representation. Debate was heated, with both women and men speaking on both sides of the issue. In the end, the constitutional amendment failed to win the required two-thirds majority, but the resolution to create the taskforce was adopted. Failure of the amendment cannot be blamed on the leadership, all of whom campaigned in favour. Still, the result means that concrete action on women’s under-representation will be delayed by at least two years.

Discussion on other issues was often equally heated, but far less divisive. On a resolution to defend the Rand formula, in the event that governments attack this measure of union security, Sid Ryan of CUPE Ontario gave an impassioned speech, which ended in a call for a general strike if necessary to defend automatic dues check-off. Perhaps it’s not a radical issue, but certainly a call for a militant response. In defense of the BC teachers, Barry O’Neill of CUPE BC echoed the willingness to engage in a general strike to defend basic union principles. On an emergency resolution that called for support for the teachers up to and including a general strike, the delegates gave unanimous endorsement.

One final item might also signify that a more assertive trend is developing. A resolution calling for the nationalization of industry beginning with the commanding heights of the economy was submitted to the convention’s resolutions committee. The resolutions committee was responsible for setting the agenda for which resolutions to be debated, but also had the power to recommend whether or not delegates should accept a resolution. Although it did not actually make it to the floor, the resolution in question did come back from the committee with a recommendation of concurrence. This is, to be sure, more speculative than the other signs. After all, the resolution didn’t actually come to a vote. But resolutions that the leadership tries to kill usually come back from the committee with a recommendation of non-concurrence. Because of procedural rules, this is a tactic that virtually ensures death to

## Resolution on Nationalization

*At the end of CUPE’s convention, all resolutions that didn’t make it to the floor were referred back to the National Executive Board. The resolutions committee has recommended that the following resolution be adopted.*

Submitted by CUPE Local 4207 (Ont.)

WHEREAS privatization is a threat to public services and public sector workers; and

WHEREAS union density is highest in the public sector; and WHEREAS increased public ownership will give CUPE greater opportunities to organize new workers; and

WHEREAS public ownership has the potential to allow for greater democratic control of production and distribution of public goods and services;

THEREFORE BE IT RESOLVED that CUPE launch a public campaign to push for nationalization of industry, beginning with the commanding heights of the economy; and

BE IT FURTHER RESOLVED that CUPE make every effort to include provincial divisions of CUPE, the CLC, provincial labour federations and other national unions in the campaign to extend the democratic control over production and distribution.

an idea. Since this came back with an affirmative recommendation it could be assumed that someone in the leadership is at least willing to debate increasing public ownership and planning. That, if nothing else, gives us encouragement to keep putting these ideas on the table for debate. **R**

Dan Crow teaches at Brock University and is an activist in CUPE.

# CBC and Hydro Workers Defending Good Jobs

Bryan Evans

Over the Thanksgiving weekend, the locked-out members of the Canadian Media Guild at the CBC, voted 88.4% to accept management's latest, and clearly politically pressured, offer. Federal cabinet ministers began to openly criticize the CBC's senior management handling of labour relations which is in and of itself an interesting case study in the adoption of private sector style management in public sector organizations. Beyond this, Labour Minister Joe Fontana went so far as to criticize the policy of expanding the use of insecure, contractual work, not just at the CBC, but generally. On this point the strike by Energy Professionals at Ontario Hydro One (and even the lockout of Telus Workers in western Canada) have much in common with the struggle just concluded by the Canadian Media Guild.

First and foremost these struggles for decent work are taking place in what has been termed a turn to a "Judas" economy – an economy where the promise of good, stable, decent paying work is replaced by one where insecurity reigns. Both the CBC and Hydro are seeking to embed further a strategy of 'management by stress' in the name of competitiveness. The management is extending this strategy into the broad public sector, and applying it to not only unskilled workers (who have borne the brunt of these strategies under neoliberalism) but also highly skilled and professional workers. In both lockouts, the employers are aggressively seeking greater flexibility in the terms and conditions of work, massively wanting to extend contract employees. The workers and unions are fiercely resisting 'Walmartization' and work intensification.

Some perspective is needed to understand these labour conflicts. From the late 1980s on, a number of union struggles and research studies came forward alerting us to the decline in the quality of jobs available in the North American economy. Noteworthy was the 1990 study by the now defunct Economic Council of Canada entitled, aptly, "Good Jobs, Bad Jobs: Employment in the Service Economy." These were the days of the 'jobless recovery' when profits began to rebound while unemployment and underemployment remained stubbornly high. The early 1990s were something of a 'depression in slow motion' – the increase in annual incomes was actually lower than during the years of the Great Depression of the 1930s. A recent study by the Canadian Labour Congress measured the extent of insecurity and dissatisfaction

which Canadian workers live with. It noted that more than 10 percent of workers earn poverty-level wages, a further 18 percent felt their incomes inadequate, 30 percent feared impending job loss, and 27 percent held jobs that were either part-time or temporary in duration.

A new study from Statistics Canada, "Are Good Jobs Disappearing In Canada?", found that while nominal hourly wages have remained remarkably stable for two decades (which translates into loss of real wages due to inflation and the share of new output from increased capacity to produce all going to the companies and a minority of Canadians), there has been an important change in the economic position of newly hired workers. This does not mean young workers in all cases, as it includes older workers beginning a new job. With the frequent job changes as a result of restructuring, something economists call 'labour market churning', StatsCan's findings are not encouraging. Between 1981 and

2004 newly hired men saw their starting wages drop by 13 percent, while for women the starting wage fell by 2 percent. As well, jobs with pension coverage sharply declined for men from 54 percent to 42 percent (there was a slight increase for women as a whole, although for younger women pension coverage also fell). And in terms of job security and stability, many new hires were left to the wolves with 20% of men hired as temporary workers and 23% of women. This is the era of per-

manent insecurity, and the climate where corporations can aggressively pursue 'management by stress'.

The lock-out at CBC and the strike at Hydro One are indicative of the strategy to institutionalize this insecurity into the public sector. This is a sector, it needs noting, which has been characterized by relatively good employment conditions as measured by wages and salaries, pensions, benefits and relative stability.

There are interesting parallels between what the 5500 locked-out members of the Canadian Media Guild and the 1000 striking members of the Society of Energy Professionals at Hydro One are facing. The employer in both cases are seeking to create a two-tier workforce. CBC is seeking to expand the use of temporary workers, while Hydro One wants to impose a different salary grid for new hires. The result is the same: new hires will not enjoy the same security, compensation or benefits as long-term →



staff. Needless to say, in Ontario and Canada this will accentuate racial and gender divisions.

The Hydro One strike began in the first week of June of this year after the members of the Society of Energy Professionals voted 95 percent to reject the offer of the employer. Among the employer's proposals rejected were: (1) an increase of the base work week from 35 to 39 hours with no increase in compensation; a reduction of wages by 10 percent for all new hires; and an inferior benefit plan for all new hires, as for example proposals to limit dental coverage to \$1,000/annum.

The Canadian Media Guild had been locked-out since August 15, with CBC seeking: greater flexibility to hire new employees on a temporary basis; contracting-out more production to outside companies; and limiting employment protection for staff in the event of downsizing.

The employer campaigns to flexibilize the terms of employment at these two crown corporations may be something of a harbinger of the next round of assaults on public sector workers. The situation at the CBC is particularly worrisome. Management has sought to roll back a significant union victory of the 1996 round of negotiations (which were an astonishing 19 months in length). The Guild was successful in 'normalizing' the employment relationship of more than one thousand workers by winning them the right to choose to move from contract status to permanent staff. The 1996-97 cuts to the CBC budget totaling some \$450 million had, however, the perverse effect of actually keeping many contract staff from making this choice as movement to permanent status would have increased the likelihood of layoff. In the 1999 round of negotiations the Guild was again able to open a window whereby contract workers could move to permanent status and more did so.

Throughout the term of the last collective agreement, the Guild has had to invest heavily in policing the contract as management has played a game of "catch me if you can." They have systematically rotated 'temporary' workers through various jobs in the hope that the Guild will not notice that these individuals are continually employed. These tactics are referred to as 'laundering' and

'checkerboarding' by the Guild. Laundering involves a process of hiring, terminating and then rehiring a worker; checker-boarding involves moving a worker from contract to a fixed-term freelance position and then back to a contract while still performing the same type of work. These are both variations of simply 'churning' job sta-

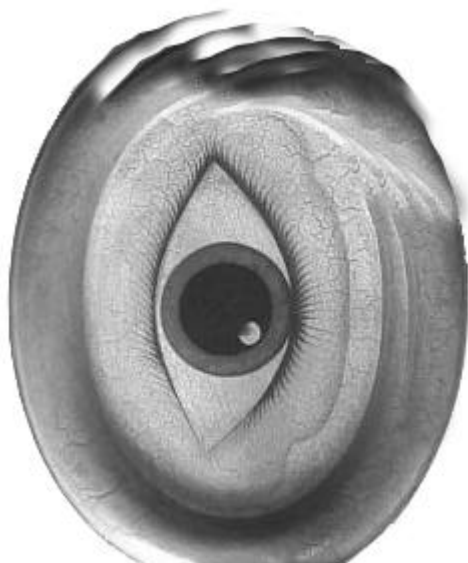


tus. As if to illustrate the employers' underhandedness and contempt for the collective agreement, between 2001 and 2003 the Guild forced the employer to convert at least 250 temporary and contract jobs into permanent staff positions.

While bringing the CBC lock-out to a conclusion is a great thing for the workers, and one must add for those who appreciate high-quality programming, the new contract, particularly on the issue of contracting out, actually represents a victory for management. The freshly-minted collective agreement will now allow management to cap the number of contract workers at 9.5% of the permanent workforce. This may not seem to be much of an issue but as Kate Taylor, writing in the October 5th, 'Globe and Mail' commented, "What is new is the agreement to allow a set ratio of contract workers to permanent staff – and that gives management not just a foot in the door but a leg in the front hall". In other words, the principle of contract work has been accepted and this ratio represents a 'beachhead'. Job insecurity has not been beaten at the CBC but has instead become institutionalized and as Karen Wirsig notes in a recent article appearing in *Our Times*, it is the young, women and persons of colour, who pay the price of this insecurity.

What is still occurring at the CBC and Ontario Hydro is not specific to these employers. Whether the workers know it or not, they are on the front-line of defending good jobs in our economy. This is the link to the campaign to unionize WalMart. Or the struggle over pension rights and employment levels at Stelco. It is the link between the struggles of workers in both public and private sectors today. These conflicts may well be as important, and perhaps more so, to Canadian workers than the mobilization efforts of the Canadian labour movement to date indicate. Clearly, capital – employers – are willing to aggressively undermine pay, pensions, benefits, limitations on working time, and health and safety. Workers and their unions need to be equally aggressive in responding to what might well be the beginning of the next wave of assault. **R**

Bryan Evans teaches public administration at Ryerson University.



# What Should We Make of the Teachers' Job Action in British Columbia?

Sharon Yandle

The short answer: BC teachers are very courageous in taking a stand.

A longer answer: Teachers' actions have initiated an important public debate that is significantly raising consciousness, mostly about reduced standards in public education. There is a lot of support for the teachers, in part because it's obvious to many that classroom conditions have declined, teachers have been stripped of the possibility of negotiating improvements (the government has decreed zero for wages and removed the right to negotiate basic working and learning conditions), the province has a hefty surplus (and most people want more money put into education and healthcare) and nobody but the teachers seem to give a damn about education.

Jinny Sims, the British Columbia Teachers' Federation (BCTF) president, is articulate, persuasive and held in high regard by her members and the union has positioned itself brilliantly in identifying the issues. They have also come out swinging on the importance of disobeying bad laws. Even jocks, who are usually moaning about not being able to coach their teams, have stated that they're on another team as well and they're team players.

Labour leaders are promising full support which the teachers welcome but, having long memories of other times when militancy disappeared overnight, have learned to rely on themselves. Certainly the labour movement's track record over recent years is less than inspiring. Those

outside BC may not be aware of just how right-wing Gordon Campbell's Liberals are, driven by their mission to privatize

what is now public and to get the government out of the business of governing. To do this has meant destroying whatever power unions had to stop them. Legislation has ripped up contracts, slashed the wages of thousands of public sector workers, eliminated their benefits, wiped out their pension plans and encouraged decertifications. In response, labour leaders have made militant speeches and organized mass rallies characterized by heady rhetoric. ("We will not back down!"), shouted from the podium to try to drown out the crowd chanting "General strike!") But after the mikes were dismantled, banners folded and leaflets collected and tossed, no serious fight back occurred. They did, in fact, back down; sabre rattling with cardboard swords doesn't scare anybody. In the result all the public sector unions signed on to wage scales of zero zero and zero, sometimes appended to gutted collective agreements. Only the Hospital Employees' Union struck and tried to take a stand but it was beaten into submission, signing on to an ignominious and humiliating defeat. (The BC Federation of Labour, in urging the government to negotiate with the teachers, now points to the HEU settlement as proof that deals can be made even while job action continues.)

Until the teachers struck last week there has been a profound lack of leadership in the once militant BC labour movement and, as in even the smallest collective bargaining dispute, without leadership nothing much is going to happen. It's as if the only options the leadership saw were (a) a general strike or (b) a complete cave-in. And they weren't going for a general strike. In the result, defeats were paraded as holding our own, even to the members who had to bear them, within a general message that really, nothing can be done, at least not till the next election.

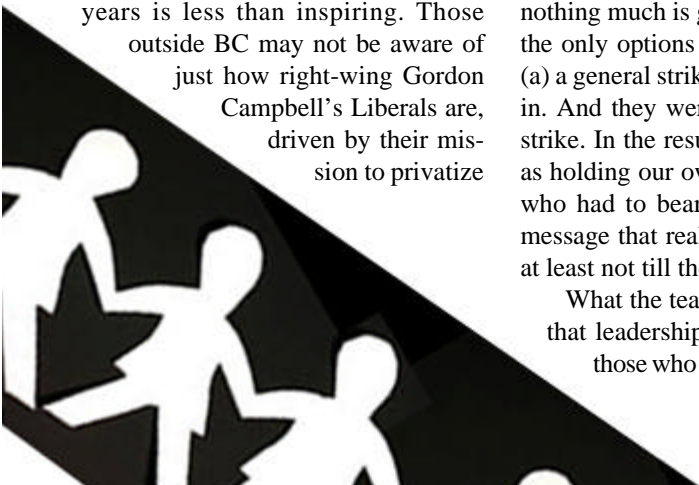
What the teachers have done is assert that leadership and give some heart to those who truly want to stop the gov-

ernment from shredding workers' rights and public services. This includes, of course, thousands of union members and many of their leaders who may well be galvanized by the spectre of somebody finally doing something. The labour movement's response is cautious, but it's there. The BC Fed has organized a limited protest – an expanded lunch hour rally or half-day walk-out – involving some Victoria unions. But there will be workers off the job in support of the teachers and that's a good start.

How long can the teachers hold out? The BCTF says they'll stay out till the legislation is repealed, but this is a very tough position to uphold – imagine what would have to happen for the government to agree to that. The employers' association is sitting back on its heels and saying nothing more than is required of it, no doubt hoping the strike will go on and on and break the BCTF, which is certainly a possibility. Crippling fines are only a court application away and the right-wing lawsuits that have started on behalf of "parents" may well succeed.

While reserving on imposing fines later, the Court's first attempt at enforcing its order effectively placed the BCTF under trusteeship. The Court has told the union it can't pay strike pay, can't use its resources to communicate with its members, can't call meetings or place advertisements – i.e., can't act like a union. The employer and government could scarcely contain their glee – so much more than they'd asked for – fully expecting that individual teachers would now be starved off the picket line and that the BCTF could not counsel their members to continue alone. Believing, as employers always love to believe, that "their" employees are something apart from the big bad union, they could not conceive of a job action continuing without the labour bosses telling everybody what to do.

Remember when the grinch stole Christmas, roast beast and all, →



but Christmas came anyway? The teachers on the line are virtually unanimous in saying they don't need their union to tell them anything at this point. They know why they're out. The system has taken everything else away from them; it might as well take their strike pay, too. All they need to be told is when they can vote on a negotiated settlement so they can get back to class. The BCTF, really a profoundly democratic union, has done its groundwork over the years and this kind of comprehension and commitment is the result.

While the court order prohibits the BCTF from using its "books records and offices to permit third parties" to help out, teachers' unions in Alberta, Manitoba,

Ontario and Washington State have lined up to provide strike pay. College teachers in BC are going straight to the picket lines with \$200,000 – if we can bring coffee and doughnuts to the lines, they say, we can bring cash, too.

The teachers have potentially tremendous power if they follow the scenario of refusing to pay any fines that are levied and go to jail instead, as Jinny says she will do. The government doesn't want martyrs but they might get them anyway. The courts may also impose individual fines on teachers which would scare them but which would also anger people and possibly generate greater support. Individual teachers would then have to refuse to pay the fines

as well. It's hard to imagine anyone standing up to that kind of pressure. But if they could it would create a major problem for the government. How long could they allow the schools to be closed? Can they fire all the teachers?

To get back to work with the fines held in abeyance and a dispute resolution mechanism would be a big win. As my old friend Ray Haynes once said, anytime a union takes on the government and gets out with its ass intact, you got to call that a victory. **R**

Sharon Yandle is a long-time Vancouver labour activist.

## Back-to-Work Legislation & How to Win Against it

Back-to-Work legislation – laws that temporarily (often for several years) deprive specific groups of workers of their rights to bargain and to strike – have a long history in Canada. Public sector workers who had undertaken perfectly legal strikes have in particular been targeted by governments which have reacted with special legislation declaring their strikes illegal (although in some cases the mere threat of a strike has been sufficient for governments to impose such legislation). These repressive measures were relatively infrequent during the immediate Post-WWII period, but with the increasing unionization of public sector workers coinciding with end of the post-war boom, these measures increased dramatically. Governments attempted to solve their budgetary problems on the back of public employees while at the same time setting an example for all workers as part of the neoliberal policy shift towards advancing capital's rights and interests over those of labour. The use of such measures has continued right through to the present, as the table below shows.

**Back—To—Work Measures [Federal and Provincial]**

1950-1959: 3	1980-1989: 49
1960-1969: 13	1990-1999: 25
1970-1979: 41	2000-2002: 16

The decline in the 1990s is in fact misleading in that many governments had more general restrictions such as legislated wage freezes in place during the 1990s which made back-to-work legislation redundant. Indeed, the legislation has also become much more coercive over time. While the early legislation typically referred the dispute to arbitration, it is now common for it to rewrite collective agreements, eliminating many past gains and/or imposing wage reductions, backed by massive fines and jail terms for unions and/or individual workers in the event that they refuse to end strike action and acquiesce to the legislation.

Despite such threats, some well-organized, determined groups of workers have resisted. The most successful example of this was the Alberta Nurses Union's successful illegal strike in 1988 -

which may serve as model for the BC teachers today.

The well-organised and militant nurses' union, which had defied back-to-work legislation in the early 1980s and, along with other hospital employees, had their right to strike abrogated through Bill 44 in 1983, proclaimed they would not accept an arbitrated settlement as prescribed in the legislation. When the Labour Board hastily intervened to declare even a strike vote illegal, this had the perverse effect of getting more nurses to vote for strike action. When the strike began, the government, together with the Labour Board, the hospital managers and the courts, threw one punitive measure after another at the nurses and their union, including \$400,000 in fines, the firing of 22 nurses, and in the case of one Edmonton hospital, actually serving nurses who entered the hospital to provide emergency services with contempt papers. The solidarity among the nurses was very strong, with fewer nurses crossing picket lines than in earlier legal strikes; many of those who had crossed before explained that they now believed the most basic union rights were at stake. Sympathy for nurses was not new, but the committed ideological and material mobilization on their behalf by the Alberta Federation of Labour under the presidency of Dave Werlin galvanized crucial public support. Donations of half a million dollars were collected, and the union rather than the government came to be seen as occupying 'the high ground of protection of the public interest. Admonitions by cabinet ministers that "the law is the law" and should be obeyed regardless were met by cynicism. Both major city newspapers ran editorials denouncing the government's handling of the strike and, implicitly at least, condoning the illegal action.' So strong and confident was the nurses' leadership that, when the strike ended with a negotiated settlement, they would still not take their members back to work until the six month freeze on union dues imposed by the Labour Board under the new Labour Code was not implemented.

– from Leo Panitch & Donald Swartz, **From Consent to Coercion** (Garamond 2003).

# Law and Dissent:

## Examining the BC Teachers Strike

Chuck Smith

As the British Columbia teachers' strike concludes this week, it is important to review how the state sought to consolidate resistance to the right to strike through the imposition of restrictive legal tactics. One of the themes running throughout the strike was that the BC teachers' union faced immense legal pressure to return to work. This kind of pressure is not without recent historical precedent. In the past, provincial governments have often resorted to questions of legality in order to quell trade union resistance to governmental policy. To recount, this pressure has come from strong-armed anti-strike legislation passed by the Liberal government early in its first mandate when it introduced *The Education Services Collective Agreement Act* (Bill 27) and *The Public Education Flexibility and Choice Act* (Bill 28) in January 2002. Under the conditions of Bill 27 and 28, the Liberal government repealed an existing contract and imposed an agreement which unilaterally dictated the conditions of work, legislated class room size and held the teachers to a zero, zero, and zero wage increase over three years. By destroying an existing collective agreement (a legally binding document) the government went a step further and declared that the act of teaching was itself an "essential service," which is a politically loaded legal device meant to shred workers of the basic right to withhold their labour in the event that the employer takes drastic action to change the conditions of work. In breaking the terms of a legally binding collective agreement, the government chose to ignore decades old collective bargaining procedure and instead invoked a narrow definition of parliamentary procedure (closure) in order to speedily defy existing legal precedent. In short, in its position as the employer and as the government, the Liberals unilaterally changed the rules of the game in order to meet their own political agenda.

The Liberal government's most recent decision to extend the conditions of the BCTF's collective agreement in *The Teachers Collective Agreement Act* (Bill 12) in October of 2005 again imposed a collective agreement on teachers. This time, however, the teachers responded by defying the Liberal's rules and walked off the job. It is this act of political defiance – disobeying the rules imposed by the Liberals in their dual role as the employer and as government – which shaped and defined

the teachers' strike in British Columbia. Indeed, commentators in the mainstream media, including those in *The Globe and Mail* and on radio throughout British Columbia, denounced the teachers for defying the law by participating in an illegal and therefore illegitimate strike. Yet, these same commentators scarcely mentioned that it was Liberal contempt for the "law" which started the strike in the first place.

Despite the sanctimonious position of the mainstream media, there has been little attempt to place the events in British Columbia in any historically comparative context. In so doing, we can see that there is enough historical evidence to show that when governments attempt to vilify public servants for not obeying the draconian rules imposed by the employer, the public will often



turn on those that poisoned the workplace in the first place. Indeed, what we learn through an examination of public and private trade union struggles is that the extension of collective bargaining law in Canada was not handed to workers by benevolent employers or compassionate governments. Rather, workers have only won the right to collectively bargain and to strike by challenging a law which prohibited workers from forming trade unions in the →

first place. This has been true across Canada, but has been paramount in teachers' strikes in both Ontario and in British Columbia in the past three decades.

## ONTARIO

The economic history of Ontario has been shaped by labour unrest since the time of Confederation. Indeed, until the Toronto Printers walked off the job to protest low wages and a dangerous work environment in 1872, the very act of forming a trade union was defined by the law as "a conspiracy in the restraint of trade." It was only by defying the employer's (in this case, George Brown and his paper *The Globe and Mail*) use of the law to break the Printers' union that trade unions themselves were able to emerge from behind the veil of illegality.

Fast-forward to the late twentieth century and eerie similarities continue to shape and define trade union struggles, particularly in the public sector. In Ontario, the Conservative government elected in 1995 put forward an aggressive plan to reign in costs by cracking down on government expenditures. A key component of this strategy was to reform education by limiting issues covered by collective bargaining and the elimination of direct job action by teachers. In 1997, the government introduced *The Education Quality Improvement Act* (Bill 160) which removed several thousand members from teacher's bargaining units while virtually eliminating the ability of teachers to bargain over pension benefits, class size and prep-time. In response, 125,000 teachers walked off the job in order to prevent the passage of Bill 160. The government, having declared such action illegal, sought to have the courts impede the ability of the teachers to strike by imposing an injunction. While the court refused to issue the injunction, the role of the court became paramount when the certain elements of the trade union leadership decided to end its two-week strike because of the threats of fines and jail time for trade union members. That, however, was not the end of the story. The Conservative government was able to win re-election in 1999, but with labour relations in the public sector poisoned and teacher moral at an all time low. After 1999, the teachers continued to resist Conservative cuts through the initiation of rotating job action, limiting their job time to in class activity which virtually eliminated extra-curricular activities from public schools. The situation again boiled into an outright strike shortly before the election in 2003. In response, the provincial government legislated the Catholic Toronto District School Teachers back-to-work rather than face striking workers in the middle of the campaign.

In the end, the government applied three tactics to stop teachers from challenging government policy through job action: (1) it sought to eliminate teachers' rights to strike through back-to-work legislation; (2) it then sought to eliminate job action by legislating teachers to resume extra-curricular activities; and finally, (3) in the campaign of 2003 the Tories promised to eliminate teachers' right to strike by declaring them an essential service. Ultimately, however, the government's strong-arm tactics failed to increase the idea that vilifying teachers was an adequate formula for actually improving the quality of public education in Ontario and the government was defeated in the 2003 election.

## BRITISH COLUMBIA

Like Ontario, British Columbia has a long history of aggressive government action aimed at limiting the ability of teachers to collectively bargain and strike. In 1987, for instance, the Vander Zalm government attempted to limit the rights of public sector workers by passing *The Industrial Relations Reform Act* (Bill 19) and *The Teaching Profession Act* (Bill 20). Bill 19 and 20 played an important role in the Social Credit Party's strategy to limit the power of private and public sector unions from challenging the government's austerity program. Bill 19 gave both government and employer's more power to interfere in the internal workings of unions, especially targeting the ability of unions to initiate and maintain a strike. Bill 20, however, directly targeted the freedom of BC teachers to engage in meaningful collective bargaining. Bill 20 sought to weaken the bargaining strength of the teachers' union by removing principles and vice-principles from the bargaining unit while placing numerous restrictions on the BCTF's right to strike. In response, the teachers received a 70 percent strike mandate and called on all provincial locals to walk off the job in protest. The reaction of the BC labour movement was swift, as 300,000 workers walked off the job in a provincial wide strike on June 1, 1987.

Using a strategy that has become popular with governments facing labour unrest, the Vander Zalm government appealed to the courts to declare the province-wide strike illegal. Arguing that such job action by teachers was tantamount to using force in a criminal conspiracy, the government hoped to have the strike weapon itself declared illegal. Yet, as it would in 2005, the court refused to declare the strike illegal per se, but warned that such labour unrest could quickly escalate towards illegality if there was general erosion of peacefulness on the picket line. Stung by such moderate judicial support the Vander Zalm government was forced to moderate its program as it was quickly losing support from the



general public. The continued assault on public sector workers and further labour unrest in the schools, combined with internal scandal and a general sense of incompetence was beginning to take its toll on the voting public. Ultimately, not even further legislation, deemed to stream-line education policy by again limiting the collective bargaining rights of teachers in the *School Act 1989*, could save the government. In polls leading up to the 1991 election, respondents placed scandal, public education and economic stability as important areas of public concern. In all areas the provincial government was failing and in the subsequent election, the Socred dynasty was ended and the party was soon wiped off the electoral map.

The two NDP governments that followed Vander Zalm attempted to put forward a plan for peace within public sector labour relations. Bill 84, which amended the BC Labour Code, erased many years of Socred duplicity within public sector labour relations, but the party was unwilling to legalize secondary boycotts or political strikes in a labour disruption. This proved important as the NDP demonstrated that it was just as willing to use strong-arm legal tactics when the collective bargaining process did not work in their favour. In May 1993 the NDP legislated teachers in Vancouver and Surrey back-to-work after an embarrassing strike showed that there were cracks in the government's claim that BC labour relations were on a new, peaceful course. In order to avoid future strikes in individual districts, the NDP introduced Bill 52 the *Public Education Labour Relations Act* which restructured collective bargaining so that all major issues would be negotiated through the Province rather than through individual school boards. The long-term affects of this reform would lay the groundwork for the current labour dispute in 2005. By imposing Bill 52, the NDP's changes sought to centralize bargaining with the government while eliminating political action as a legitimate form of strike activity. These changes immediately shifted power within the collective bargaining process to bureaucrats within the Ministry of Education and a range of industrial relations experts (lawyers, mediators and arbitrators) while taking it away from individual school boards and the BCTF itself.

After the NDP's devastating defeat in 2000, the centralization of power within the Ministry of Education resulted in a string of imposed contracts and cost-cutting measures by the Liberal government. For the Liberals, there were numerous weapons to use against the teachers, who they saw as overpaid, overprotected and key supporters of the opposition. The Liberals took away the right to strike, imposed essential service legislation and mediated contracts. When that failed to stop the 2005 strike, they turned to legal experts: the labour board, the courts and the lawyers within the ministry. When that strategy failed to turn public sympathy against the strike, and forced with the possibility of a larger strike action by CUPE and other public sector workers in Vancouver, the Liberals acquiesced on their "no negotiation with law breakers" stance and appointed mediator Vince Ready. Ready's eventual report included an award of \$40 million to "harmonize" teacher salary throughout the province. According to sources, this amounted to a 2 percent wage increase, but only for teachers who were on the lowest end of existing salary levels. The report also committed the government to address and negotiate classroom



size, which the teachers saw as the first sign that the government was willing to move on a negotiated settlement. In the end, the government was willing to give a verbal (it refused to give a written agreement), on classroom size and small salary increases. Tired and angry, the teachers accepted the mediators report with a 77 per cent mandate to return to work knowing that the next round of bargaining was only 6 months away.

## CONCLUSIONS

Can the strike be considered a victory for BC teachers? In reviewing the history of recent teacher strikes in Ontario and British Columbia, it is difficult to determine who "won." In both provinces, the governing parties, in their dual roles as employer and as the government, were able to define the way in which collective bargaining took place or if it would take place at all. In every case examined, a government aimed at scaling back public expenses - as the Vander Zalm, Harris and Campbell were - will always vilify public workers who defy such austerity programs. They are able to do this precisely because they maintain the legislative hammer to change the law so it fits their political goals. Under such a pretense it became easy for the media to argue, as the *Globe and Mail* did (*Editorial*, October 12 2005), that a democratically elected government has the right to limit the use of the strike in order to set its own finances in order. Yet, hidden behind the façade of public finance reform is a very real attempt by government to use the legal tools available to it in order to restrain political dissent. In both cases, the government wrongly assumed that public support would fall on the side of legal experts dictating the terms of collective agreements. In both cases, they were wrong. In this regard, the teachers strike must be seen as limited, albeit important, victory. **R**

Chuck Smith is a graduate student at York University and a member of CUPE 3903.

# World Capitalism & Global Resistance: Socialism or Barbarism?

An Interview with István Mészáros

*Imprisoned for her virulent anti-war position, Rosa Luxemburg penned her famous essay, [The Junius Pamphlet: The Crisis in German Social Democracy](#) (1916), against the horrors of World War I and the collapse of opposition to the war by leading social democratic parliamentary leaders. Her warning was that the world faced a choice between 'socialism or barbarism':*

*"We stand today ... before the awful proposition: either the triumph of imperialism and the destruction of all culture, and, as in ancient Rome, depopulation, desolation, degeneration, a vast cemetery; or, the victory of socialism."*

*With global neoliberalism, an aggressive American imperialism, and new military conflicts, this opposition is again being posed by many. One of these is the Marxist intellectual István Mészáros in his recent book, *Socialism or Barbarism* (2001), which warns of the structural geopolitical and social conflicts embedded in contemporary capitalism. Mehdi Kouhestaninejad, President of CUPE Local 3261 at the University of Toronto, took the opportunity to interview Mészáros at a recent political gathering in Paris. We print a portion of that interview here, as well as responses to the wide-ranging analysis Mészáros puts forward for socialist theory and politics by Mingi Li, Sam Gindin and Greg Albo.*

**Mehdi Kouhestaninejad (MK):** Can you talk a little about your perspective on the current agenda of the American occupation in Afghanistan and Iraq, and how the Americans have used nations like Saudi Arabia for its purposes?

**István Mészáros (IM):** You see, oil is important in the sense not simply as possession of oil, of controlling the sale of it, but controlling *access* to oil. That is the most important aspect of it. The Americans are using the Middle East for the purposes of American domination, not only of that area. Because now they have oil for their immediate needs, they can have oil not only from Saudi Arabia, but also from Mexico, Venezuela, Nigeria, and so on. So there are a number of oil resources which the Americans can access. But by far the most important oil resources, in a longer-term perspective, are of course the Middle East.

**MK:** And what do you think about the resistance right now in Iraq, the resistance of the people in Iraq?

**IM:** I think the development of resistance of the Iraqi people is of tremendous significance, because eventually, no matter how often President [Bush] will continue to repeat that "We are not going to run from anything," the resistance of the Iraqi people will *make* them rethink this, because of the body bags which are going back to America. They can lie about it when it hap-

pens, they can lie about the casualty figures, I am sure that the casualty figures are much, much greater than what they tell us they are. But they cannot lie about it in terms of the serious injuries. All those, sooner or later, accumulate in the United States, and I think that it is bound to generate the kind of movement which I remember at the time of the Vietnam War. What in the end compelled the United States to get out of Vietnam was the enormous number of injuries and deaths imposed by the resistance of the Vietnamese people to the American occupation. Now I don't say that it can be as great as that in Iraq; it will take a different form. But it will be a kind of erosion of the American position there, and sooner or later it will have an impact both in America and also among the "allies," so to speak, of America.

You know, *Socialism or Barbarism* was written two years before the September 11th event which is used as a pretext for the aggressive American policies. I was very clearly showing in that book that these American policies were already in the pipeline before that, and well before 1999 even. I just happened to write the book in 1999. And it is in the logic of capital's development, you see, this is the most serious aspect of it, that capital has reached a stage in its development that it has to dominate economically the rest of the world; the most powerful forces of capital are bent on dominating the rest of the world. And it is through that – how do you find the politi-

cal forms through which the domination can be achieved? Now this creates enormous complications and contradictions, because the political organization, the political forces of our lives, are *national*. Everywhere. And that is why during the most aggressive imperialist ways of imposing, of superimposing, the one nation over the rest of them, you can't listen to any one of President Bush's speeches without hearing at the end of it, "The best in the world, the greatest in the world, are the United States of America." All of the time, this is the refrain that comes out of his mouth. Which is completely absurd. Because at the same time they are preaching to all of the others that they should not pay attention to their own national interests. The national interests of the other nations count for nothing!

And also on that score, it must fail, all this must fail. China is the power which can put up resistance against this American domination, because the others can be subdued at least temporarily by American firepower, by American aggressiveness. You know, Americans are now working on a system whose elements will be partly operational by next year, and fully operational by 2007. Now this system, this new military system, will operate in such a way that it will not have to occupy military bases – although they also have those, but they can do without military bases – and it will be able to deliver high explosives 9,000 miles away from America, you know, 9,000

miles distant, and the military vehicles which will deliver these payloads are going to fly at 10 times the speed of sound. So, colossal, and practically unstoppable. And the people who are criticizing it are also saying that this infernal system is meant to blast people in other parts of the world, even if they don't want to have anything to do with the U.S. So again obviously the principal enemy in this respect will also be China. The principal purpose of such military machinery is to have a kind of blackmail, you know.

**MK:** So, what do you think about China's role right now? They have become a major source for cheap products, they have a large source of cheap labour and lack a genuine labour movement.

**IM:** The idea that China will become a big capitalist country is wrong as this is impossible, and you have even today only inroads of capitalism in China, and the overwhelming majority of people in China, which is one billion people, one thousand million people, live in a very different way. So, much the same remains today as five years ago, and I don't think that we can assume that this is going to change. You know, to give you an example, the balance of trade of China with the United States is in the hundreds of billion dollars in the red for the United States. And as you can imagine, there is an enormous protest now developing in the States against this, and much controversy on how to alter that situation. So ultimately, when you think of the development of Chinese capitalist interchange with the rest of the world, it is not tenable for the capitalist side, it is not tenable to let this go on indefinitely. So I think it is extremely problematic, not to mention the other aspects of it – you know, if you have a kind of capitalistic China with the kind of developments which we know from our own experience – that could only be a disaster for all of us, including China, the kind of development which is in that way envisaged. And I don't think there is any evidence of that in China itself.

You know there is already very, very serious labour unrest in China, and very serious oppositions developing there. You know, in China, surplus labour is still politically regulated. In our societies the extraction of surplus labour is largely through economic mechanisms; not in China. In China, the only way you can have this absurdly cheap labour is through a political regulation which is provided by the government. And in no way is it possible to change this without a major change in governmental policy. I don't know whether there is any indication of this happening, because so far I cannot see anything pointing in that direction. And in various parts of China what you have obviously is grass-roots protest movements developing against cheap labour, but of course when you have the policy of cheap labour at a governmental level, small grass-roots movements are not going to reach to that level. They are unlikely to get to such a position where this is feasible. And without a major change in policy at the governmental level, I don't think you can envisage anything coming out of that protest. Now what goes against government policies, again with that alteration of strategy of cheap labour, is that China derives great advantage for itself out of cheap labour, because through cheap labour it can pen-

etrate other markets, like the American market or even the European market. You know, I have a copying machine, a Xeroxing machine, and its parts are made in China, even the toner it needs – which is the most important element on it – is made in China. So it penetrates already every type of market you can think of, in Europe and in America.

So you have a very significant trading advantage, and at the same time there is also the problem of the military disadvantage China had in the past vis-à-vis the United States. So you have now a major effort on the part of the Chinese to catch up. Recently we had the manned space flight in China. Now that is an *enormous* achievement when you think of it; the commentators in this field were saying that it would take China ten years to catch up with America in that respect, and that ten years has become a few months – one year instead of ten. It is an *immense* achievement, yet we shouldn't have illusions about it, that this is for the exploration of outer space. The purpose of such ventures, the most important purpose, is *military*. And China has every reason to be cautious about this, to be concerned about it, because I mentioned in *Socialism or Barbarism* how certain American circles have been envisaging China as the major enemy. They were

describing China in those terms, and undoubtedly, even if for tactical reasons they can be set aside for the moment, especially when you have such events as the war against Iraq and the war against Afghanistan and who knows what is next, in such a situation China is tactically pushed aside. But don't have illusions on that score that the ultimate adversary is not China. China must be the American's ultimate adversary because China is the only country which can potentially stand up to America; their missile technology, exemplified by sending up of a manned space flight, indicates an enormously advanced missile technology. And that missile technology is also capable of delivering military warheads *anywhere* in the world, just as the Americans are capable of doing. →



**MK:** István, you are one of those Marxists who works with the theory of value. My question is this: Since the workers in the private sector, in manufacturing, are in numerical decline, at least in Canada and probably in Germany and France, what is the impact of public sector unions becoming the leading edge in the labour movement, and what is the meaning for the theory of value?

**"The American aggressiveness doesn't encounter resistance because powers such as the British, the French, and the Russians are also hoping that through this new design, this new aggressive design of the world, that they also are going to reap the benefits."**

**IM:** You know, the private companies are not in decline, they are simply becoming bigger and bigger; monopolistic tendencies are what are very much on the increase. Now the monopolistic tendencies dominate all economic activity; at the same time, the private corpora-

tions, including the biggest monopolistic private corporations, need *money*, need the funds and resources, and the only place from which such funds can be provided are from public funds, from public finances. And that is actually the great weakness of the capitalist system today. That is part of the structural crisis of the system, that it is unable to generate the funds for the healthy running of the system. So I don't think that this represents any problem for a Marxist way of approaching things. On the contrary, when you think of what is happening in the world today, there is no way in which capital accumulation could work the way it did even thirty years ago. The structural crisis of the system manifests itself primarily in the inability to proceed with healthy capital accumulation.

And you find this in two principal ways, it is manifested in two ways: first, much of capital is channelled into parasitic speculative funds instead of productive accumulation, which is not available. It is present everywhere in parasitic, speculative ventures; you name it and it is there.

At the same time, the corollary of this failure to accumulate is the aggressiveness, the increasing aggressiveness, of the United States and at the same time the submission of several of the capitalist countries which in the past would have had their own designs, such as the British and the French, and now also the Russians are aligned with the Americans that way. The American aggressiveness doesn't encounter resistance because powers such as the British, the French, and the Russians are also hoping that through this new design, this new aggressive design of the world, that they also are going to reap the benefits.

This crisis means that capital accumulation has become difficult, and therefore the system is also unable to deliver the goods to labour. And I think we should not forget this dimension of it because in the past, when you go back thirty years, labour could get benefits out of the expansion of capital. Now this expansion of capital is not proceeding the way it did in the past, and therefore instead of a gradual increase as we witnessed in the post-war decades – that labour could gain quite a lot in the capitalistically advanced countries, out of this capital expansion – now it has to be clawed back. So, much of what has been gained by labour in this post-war period has to be clawed back by capital, and in Britain certainly, attacks on the social services continue. The result is more and more privatization and casualization, under-employment and contracting out.

**MK:** What do you think of this – in the time of Marx, we did not have a public sector, and manufacturing was the main focus of the labour movement, so manufacturing workers were on the front line in the fight against capitalism. And right now we see that they have become a huge bureaucratic organization too. The public sector, for which all of the funds come from the government, includes the health sector, education, childcare, social services, municipal employees, all of them are coming from what we call the "public sector." Public sector unions are both progressive and conservative – in high levels of the union, the leadership has to be accountable to the members. The leaders are very radical, but below them you do not see that much

activism. But the other side of the coin, those private manufacturing sector unions are not working their sector anymore. They have become broader in scope, because for them it is necessary to maintain their organization, since they keep losing their members through job losses.

**IM:** Yes, and that is part of the story. But another part of the story is that many of these jobs are exported to the so-called "third world." So when you think of the manufacturing part becoming less important, that is perhaps an optical illusion, because when you add to this the work force, the labour force, in India, in China, and elsewhere in the so-called "third world," so-called, because I hate that expression, you see that the older work organization has been exported, ok? The "third world" is in the same world, but it is a structurally *subordinate* part of the world. So what happened was that capital rearranged its production sectors in such a way that the dirty and dangerous part of it was shoved off to the so-called "third world." And if you look there, there is no such diminution in the manufacturing sector, on the contrary, even an increase in the last decades. We have to be always very careful, this is where our *global* view has to prevail, because globalization, all the talk about globalization, wants to forget these dimensions of globalization, these dimensions of how the global economy is under the rule of capital, rearranged and redefined in such a way. It has also the benefit of the ideology of the capitalist system in that it creates the illusion that labour doesn't matter anymore.

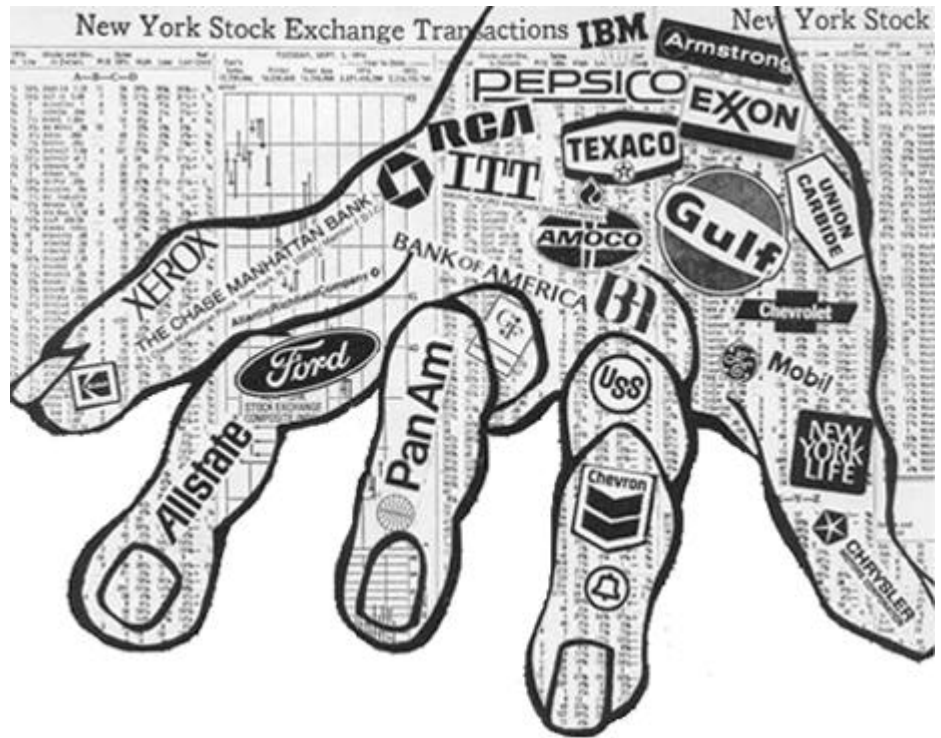
So, this has to be resisted and fought against, because in reality, that brings in again the importance of an *international* dimension, the international way of thinking *and* organizing, because if you think of labour as a global entity, it is evidently the case that labour remains as important as ever, and in fact more important than in the past. And what is painfully missing from the equation is precisely the organizational equivalent, and also consciousness, because you don't get organization without consciousness. And the consciousness of these matters is missing. The ruling ideology is what filters down from the regents of capital, precisely through labour organi-

zations like the New Labour Party, like the new Italian Democratic Party of the Left, and in France and so on. It is pathetic how they are dominating. Now, through their way of thinking, capital dominates. Capital interests are asserted, and we can't get out of this vicious circle without regaining the ground at the level of consciousness from which, of course, a proper way of organizing the international labour force becomes possible.

**MK:** Given what you have just said about organizing the international labour force, and about the current situation of labour, what do you think are the challenges for the communist movement right now, and how does it move forward?

**IM:** We socialists have to start organizing from the base and make it international. You know, at the present time there is no way we can compete with our adversaries who are well organized internationally, and on our side, we are not! We are fragmented, we are in a way at their mercy. And I think that the time has come when something must be done about this everywhere. The socialist movement is so fragmented, unfortunately it even fights among itself. In England, there are 45 different groups, and much of their time is wasted on fighting each other, and denouncing each other; I mean, I despair sometimes when I read their papers and see what they are doing, instead of concentrating on their adversary. It is very, very disheartening for the time being, so I think that the kind of work that you are doing with the Iranian-Canadian community is very important, that you should also reach out to other communities.

You have also the same problem in Canada, and in America, you have nothing. You don't have a mass party for which people could even vote. Now the situation is very sad when you look to Europe; the Labour Party which was once upon a time a radical party has become worse than the Liberals. In England now, the Labour Party is to the right of the Liberal Party, and when you look to France and Italy, the situation is not better. In France there used to be a Socialist Party and the Communist Party. Both of them have completely disintegrated, they are no longer representing any



serious demand for a radical transformation of society. And when you look at what happened in Italy, which had a major Communist Party, a very, very strong Communist Party, that party also has completely disintegrated. So now the great majority of that former Communist Party calls itself "Democrats of the Left" or some similar fancy name, and there is nothing Left about it. It is in no way better than its alternatives; there is only one party that could be said to have a radical programme, the Rifondazione Comunista whose General Secretary is Fausto Bertinotti. But in electoral terms it is a tiny group. So the situation is similar all over the world, when you look at it, except in Latin America. You see, in Latin America the situation is very much better. In Latin America there are very strong movements, including labour movements. But in Europe and in North America, it is quite devastating, and I think that when you look at it in this way, the parties which once claimed to reform, claimed to be reformist parties, are no longer even reformist. They don't want to reform the system; for them the system is ok.

So I think this is what has to be changed in the future and it can only be changed through a major international effort of organization. Not occasional ones, as in the

past when we could mobilize millions of people for a particular occasion, like the anti-war movement. That is not enough – our adversaries are organizing all the time, are doing everything in their interest on a permanent basis. We are not doing anything of that kind. There is no international equivalent of what we all would like to do, the Labour International doesn't exist. The Internationals ceased to exist.

There have been four Internationals in history. The first turned sour already in Marx's lifetime, so Marx wanted to put an end to it and therefore transferred it to America because of the way in which it was disintegrating in Europe. And it faded away. Then we had the Second International. Now you know what happened to the Second International. The Second International turned itself into a defender of the capitalist system. Then we had the Third International. The Third International was turned into an instrument of Stalin's policies, and through that condemned itself to failure. And then you have the Fourth International which never even got off the ground. It never had a general following in the labour movement. So it was not really an International in the sense in which we could call a mass movement an "International movement." And I think probably the time has come when we →

have to think about starting a Fifth International and organizing under this umbrella – the demands for changing society, a radical change in society, a different order of society. I think that is very much on the order of the day.

**MK:** Do you think, when you are talking about a Fifth International, that the annual World Social Forums are something similar? What do you think about the working of the Social Forum?

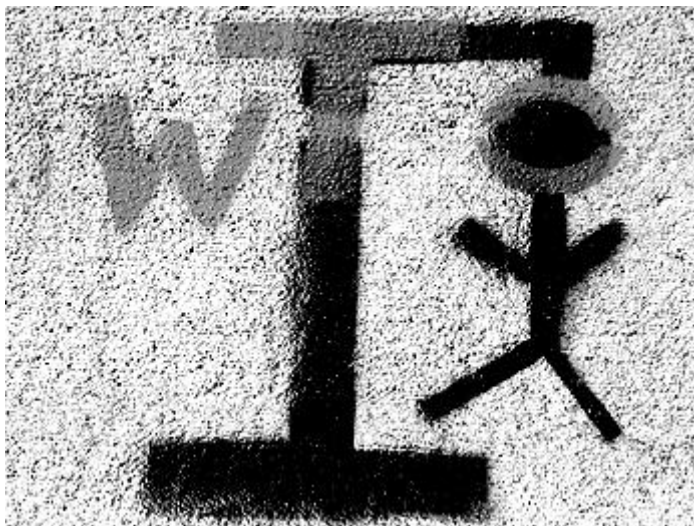
**IM:** Well, I think the Social Forum is very important. But it is a social forum which wants to stay away from politics. It wants to stay away from [political] parties. It has as one of its principles that particular parties cannot affiliate to it, and that is not really manageable, because in Brazil, the PT is very important. You see, the PT was in fact very closely co-operating with the World Social Forum; without the PT's support, the World Social Forum would not have been possible at all. The PT provided the funds for it in Porto Alegre, and things have become difficult precisely because Porto Alegre was lost to the adversaries because again we see that inside the PT some groups were fighting each other.

**MK:** What do you think right now, today, about the kind of situation that we have, and what kind of alternative we can have to the World Bank and IMF? Everybody, when we are talking about this situation, feels that we must have some alternative; these are the organizations that run this globe right now. I'm not talking about reforming the IMF, but the challenge facing us is taking on the IMF and the World Bank and the WTO. The capitalists have become more globalized than the people of the resistance.

**IM:** All of these organizations are dominated by American capital. The IMF, in theory, is an international organization of all of its members, but who dictates the rules? It is always U.S. capital which dictates the rules in the IMF and the World

Bank – and of course this includes the WTO. The principal rules in the WTO reveal an American bias. You remember the business of the steel tariffs which the Americans arbitrarily and one-sidedly imposed on Europe – it took 18 months for the WTO to come up with a resolution condemning this American move. Now it may take another 18 months before it can be implemented, and by that time of course it means *nothing*.

Since all of these organizations are dominated by the Americans, alternative organizations need to be devised. Is it possible to have something equivalent to the IMF or the World Bank? That is a big question, because we don't have the state organizations at our disposal to provide the funds for us. This is the same story as with the NGOs. The NGOs are independent in



name, but in reality they are very closely attached to various governments as in England where it is the Ministry of Overseas Development (tellingly once called the Colonial Office) which provides the funds or *doesn't* provide the funds, depending on what it feels like. And I don't know if we can think of something equivalent to the IMF or the World Bank as an alternative for the future. The World Bank is going to be dominated by the capitalist enterprises, just like the International Monetary Fund. What we *can* do is to organize actions against their dictates – that we can do. Social movements, and in this respect the

World Social Forum itself, can be activated for this, because although they are against parties entering and perhaps also dominating this organization, they are not against working in conjunction with a great number of social movements who are working against policies such as those of the IMF or the World Bank and the policies of those organizations which they want to impose on various countries. When you think of the dam-building project in India, there has been an enormous movement against that, and I think that the world social movements would be willing to intervene and do something about it.

So these are some important initiatives which are now taking place. When you think of the Internationals of the past, they have failed because they dictated from the beginning the *kind* of organization which it had to be; doctrinal unanimity was *assumed*. And it was thought that all the members that were going to join in would be in conformity with this doctrinal unity. Now that could not work. On that basis, the Internationals could not work in the past and could not work in the future. What will be necessary is to take the existing activities of the various groups, political, trade unions and so on, and try to bring them together towards some fundamental objectives which we all share. We want a different kind of society; all of these groups which you

can think of would like to have a different system. *How* do we reach this system – well, that's a big question. And if we assume a doctrinal unity, that also already assumes that we know for every one of those members how to move forward. I don't think that can be the future. They have to contribute, all of them, working in their own sphere of activity, providing the scope for their own kind of action, and through that also to influencing the others, because at some point, at some stage in the future, it will be also necessary to have a coherent international way of *acting*, an active form of organization against our adversaries. **R**

# China and the Future of the Capitalist World Economy

Minqi Li

The rise of China as a major player in the capitalist world economy is likely to become one of the most significant developments in the first half of the twenty-first century. After more than two decades of consistently rapid economic growth, calculated at purchasing power parity, China now accounts for 12 per cent of world output and stands as the world's second largest economy in the world. China is emerging as the centre of world manufacturing exports and has been playing a crucial role in financing the U.S. current account deficit.

Some speculate that China might replace the U.S. and become the next hegemonic power. For instance, Giovanni Arrighi places much hope on the renaissance of Chinese civilization and hopes that the re-emerging China-centred civilization would provide system-level solutions to the system-level problems left behind by U.S. hegemony, and lead the transformation of the modern world into a commonwealth of civilizations. István Mészáros, in his interview, expressed the hope that "China is the power which can put up resistance against this American domination."

Several questions can be raised. First, there is the question of how China's internal social relations of production and class structure have evolved over the past quarter century. Second, there is the question how China's rising importance in the capitalist world economy would affect the current and future operations of the existing world system. Third, there is the question of to what extent China's current transformation could prepare the conditions for future revolutionary changes within China as well as in the world.

## CAPITALIST DEVELOPMENT IN CHINA

István Mészáros is quite correct in pointing out that it is impossible for China to become a "big capitalist country" in the sense that the existing world system cannot accommodate China's rise into the rank of core states. However, this is a question quite separate from how China's internal social relations of production have evolved and of what has become the nature of these relations.

In short, over the past quarter of century, through successive class struggles, the Chinese worker and peasants have largely lost the extensive social and economic rights that they once had during the years of Maoist revolutionary socialism, and China's socio-economic system has undergone fundamental changes. The state sector now accounts for no more than one-third of the national output, and state-sector workers have been largely reduced to wage

workers under the constant threat of unemployment. The rest of the economy has been dominated by production for profit and wage labour relations. The fact that the Chinese government imposes "a political regulation" that ensures "this absurdly cheap labour" does not make the Chinese economy any less capitalist. On the contrary, it only demonstrates the collaboration between the Chinese state and trans-national capital, and the political weakness of the Chinese working class at the present moment.

## CHINA AT THE CENTRE OF GLOBAL CAPITALIST INSTABILITY

However, the expansion of Chinese capitalism is not without contradictions. In fact, it could have very de-stabilizing effects on the existing world system in the coming decades. The capitalist "reform" has led to growing inequality in income and wealth distribution and absolute pauperization among large sections of the working people. As the working people's real income stagnates, mass consumption lags behind the pace of economic growth, and the expansion of the Chinese economy has become increasingly dependent on foreign investment and exports, especially exports to U.S. markets.

China's export-led growth strategy has greatly intensified global over-production and increased competitive pressures on the rest of the periphery. As China's huge surplus labour force is added to the global reserve army of labour, it has undermined the bargaining power of working classes in many countries.

Under the neoliberal regime, the global economy has tended to stagnate and has been characterized by growing instability. The global economy has not sunk into a vicious downward spiral, largely because the U.S. economy, given its hegemonic position, has managed to grow at a relatively rapid pace, pumping demand into the rest of the world economy. The imbalances in the global growth structure have resulted in the ever-growing current account deficits in the U.S. The deficit now stands at 5.7 per cent of U.S. GDP and, if the current trend continues, the U.S. net foreign debt could reach 40–50 per cent of GDP by 2008, and more than 300 per cent of exports. The U.S. already absorbs about 80 per cent of the global surplus savings. As the U.S. current account deficit keeps growing, private capital inflows have become increasingly inadequate and Asian central banks have played an increasingly crucial role in financing the deficit (See: Stephen Roach, at [www.morganstanley.com/GEFdata/digests](http://www.morganstanley.com/GEFdata/digests), September 27, 2004). →

Among Asian economies, China has played a central role. With its large cheap labour force, China has become the centre of Asian export accumulation. China's foreign exchange reserves reflect not only trade surpluses, but also capital inflows from other Asian economies, such as Japan, Korea, Taiwan, and Hong Kong. China's central bank is in effect re-channelling Asian surplus savings into dollar-denominated assets.

As the Chinese central bank accumulates foreign exchange reserves, it generates money supply leading to credit explosion in the bank sector that in turn results in speculative investment boom and property bubbles. China's investment boom cannot be sustained as it results in huge excess capacity and has created bottlenecks in several key commodities, such as food and oil, driving up their prices. Given China's central role in the Asian export regime, as the bubble collapses, it could bring down not only the Chinese economy, but also other Asian economies that depend on exports to China for growth. With the huge excess capacity that would be left over with the bursting of the bubble, the global economy may sink into deflation. Alternatively, if major central banks attempt to ease the global recession with loose monetary policies, rising oil and food prices could lead to global stagflation.

As the global imbalances and U.S. current account deficits keep growing, the global economy is confronted with increasingly larger and more destructive bubbles. It seems that China has become the epicentre of the latest round of global instability. In the words of Stephen Roach, the chief economist of Morgan Stanley, "with the world's growth dynamic now being effectively driven by just one consumer – America – and just one producer – China – the odds are growing short that such an increasingly tenuous arrangement can be sustained. China is probably the weakest link in this chain." Let us watch if the Chinese capitalism and the neoliberal global regime can survive such increasingly destructive bubbles and crises.

### ENVIRONMENTAL LIMITS TO ACCUMULATION

Capitalist development in China has brought about not only social destructions but also resource depletion and environmental degradations. According to Lester R. Brown, the director of the Earth Policy Institute, "China is exceeding the carrying capacity of its ecosystems – overplowing its land, overgrazing its rangelands, overcutting its forests, overpumping its aquifers." As water shortage and soil erosion become increasingly serious, China's grain production will continue to stagnate and will decline, threatening to drive up world food prices.

China's rapid accumulation has deepened the world energy crisis. China's oil consumption is expected to double in the coming decade. Taking into account the effects of China's consumption of oil on oil prices, China may have to spend \$300 billion to import crude oil and related products by 2014, acting as a huge drag on the Chinese economy. China is rapidly catching up with the U.S. to become the largest emitter of green house gases, and the leading contributor to one of the greatest global environmental problems – global warming. The potentially destructive implica-

tions on the global environment and the global geopolitics are difficult to predict (See: Andy Xie at [www.morganstanley.com/GEFdata/digests](http://www.morganstanley.com/GEFdata/digests), May 24, 2004).

In this sense, it is very correct for István Mészáros to argue that "when you think of the development of Chinese capitalist interchange with the rest of the world, it is not tenable for the capitalist side, it is not tenable to let this go on indefinitely... that could only be a disaster for all of us."

### SOCIALISM OR BARBARISM?

Since the early 1980s, under the name of "market reforms," China has gradually adopted the capitalist model of development based on the exploitation of the broad masses of working people, dominance of foreign capital, and dependence on exports to foreign markets. Despite rapid economic growth, such a model has produced growing economic, social, and environmental contradictions. Even if Chinese capitalism can survive the destructive consequences of the coming global economic crisis, it would not be long before it meets the environmental limits to accumulation.



Capitalist development in China has produced striking social polarizations, and increasingly large sections of the working people are suffering from absolute pauperization. The social bases for capitalist development have become increasingly narrowed as the "market reforms" proceed. The growing social contradictions have been reflected in the ideological field. Sections of the Chinese intellectual class have offered, to different

degrees, criticisms of free market, capitalism, and imperialist domination. This is in contrast to the ideological conditions in Eastern Europe and China before 1989, where independent intellectuals were overwhelmingly influenced by neoliberal ideas.

As China experiences rapid industrialization and urbanization, China's class structure is being fundamentally transformed. The share of the proletarian and semi-proletarian wage workers in the total population have substantially increased. The past historical experience suggests that as the degree of proletarianization rises, the proletarian and semi-proletarian workers are likely to demand a growing range of political and social rights. These demands could impose growing pressures on China's regime of capital accumulation.

In the future, if the emerging anti-capitalist critical intellectuals can join force with the growing resistance struggle of the Chinese working class, then it may not take long before a powerful revolutionary socialist force re-emerges in China. Given China's huge size in population and territory, a revolutionary change on China's political stage could have enormous global implications. **R**

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# Global Imbalances, Global Crisis?

Greg Albo

Over a number of signal texts, István Mészáros has lucidly pointed out the structural obstacles to human emancipation under capitalist relations of production. The limits to meeting human needs or overcoming alienation are a consequence of the necessary internal relations of the capitalist system. The products of our labour are denied us, take the form of commodity-capital, and are appropriated and accumulated as money-capital by a class of non-producers. This class of capitalists rules over us through the particular form of liberal democratic states, where we are all formally equally as citizens but socially unequal as political and economic actors. In this sense, capital rules politically, but also over our entire social being: behind the veil of appearances of liberal freedoms, the real social relations of capitalism are “unfreedoms” for the working class majority. These limits are social and particular to the capitalist economic system. They can only be overcome by moving “beyond capital.” These are the themes of Mészáros’ two great works, *Marx’s Theory of Alienation* (1970) and *Beyond Capital* (1995).

In Mészáros’ view, moreover, there is internal to “late capitalism” a structural crisis. As capitalist markets become more universal and intensive on a global scale as a regulator of social life, and neoliberalism as an ideological doctrine gains influence, the worst features of capitalist societies towards militarism, ecological degradation, human alienation and exploitation are accentuated. This is the world drawn in his clarion *Socialism or Barbarism* (2001). And he continues that point here arguing that there is “a big problem, misrepresented as fully successful globalization. For in reality various constituents of global capital are still pulling apart. The various national entities have interests of their own which they try to assert.... The structural crisis of the capital system continues to assert itself in this way.”

What, then, are some of the characteristics and contradictions of neoliberal glo-

balization, and the dilemmas they pose for the left today to put in perspective the foreboding vision – if animated by the steadfastness of the revolutionary – which István Mészáros has given us?

*First, neoliberalism is not simply a set of market-oriented policies or New Right governments; rather it is the social form of rule specific to this stage of capitalism.*

Neoliberalism began as a policy response to the economic and political crisis of western capitalism in the 1970s. It was the ideology of the free market and the political project of powerful international and American private economic interests to defeat an upsurge in working class militancy and rebellious “third world” states. But neoliberalism is now much more than a strategy of the new right: neoliberalism is foremost the way the ruling classes rule today; it is the way social relations and political domination are reproduced within and across the international state system.

Neoliberalism is, within this wider frame of reference, a particular re-organization of the practices of the state that gives precedence to: inflation-targeting independent central banks; the re-ordering industrial and commercial policies and state apparatuses toward international competitiveness and the internationalization of capital; fiscal constraint and tax cuts; means-tested welfare policies; and disciplinary free trade regimes. Together these transformations decrease democratic and state capacities to determine the usage of the social surplus inter-temporally between present consumption and future investment and inter-sectorally between public and private sectors in the composition of output. These planning capacities have been allocated to financial capital and the bureaucracies of large corporations.

Neoliberalism is also the reproduction of certain distributional norms: annual wage increases being kept below the combined rates of inflation and productivity, thereby shifting an increased share of income to profits; increasing inequalities

within the working classes through higher levels of labour reserves, longer hours of work, the informal sector and precarious work, and sharp cuts in welfare transfers; increased reliance on credit and financial markets for current and future living standards; and privatization and user fees increasing the commodification of daily life.

Neoliberalism has come to encompass the world market and the institutions governing the international state system. It is registered in the increased internationalization and financialization of capital; the vast extension of foreign exchange transactions and secondary derivatives markets; and the expanded disciplinary role of international financial markets over economic calculations in local and national states. The international governance institutions of the World Trading Organization, International Monetary Fund and World Bank have supported these developments and enforced limits on the autonomy – and even sovereignty – of national socio-economic policies that might impinge on the internationalization of markets.

Neoliberalism has secured new political conditions for the production of value, the circulation of capital, and the distribution of social output. This in no way can be seen as mere symptoms of capitalism in crisis.

*Second, neoliberalism has accentuated the unevenness of capitalist development.*

The economic crisis that overtook the advanced capitalist countries with the decline in profits and end of the postwar boom in the mid-1970s cut growth rates in the advanced capitalist countries through the 1980s. Since 1990 the uneven development of the world market has continued to reveal itself. Growth rates in the U.S. picked up in the “boom” of 1993–2000 to about 3.5 per cent. However, across the business cycle a modest slowdown in U.S. accumulation is also apparent. The U.S. upturn was a result of internal demand stimulus →

but also enormous foreign capital and migration inflows from the rest of the world. The brief recession of 2001–2002 was quickly erased by the extraordinarily loose monetary policy and the huge budget deficit from tax cuts (the deficit at about \$560 billion and 4.5 per cent of GDP for 2004). With U.S. growth since then back to the 3–4 per cent range, it has been one of the two key engines propelling world accumulation. In contrast, the EU had growth of just over 2 per cent of GDP from 1991–2001, and has stagnated further since. Japan experienced a sharp recession after the asset meltdown of the early 1990s, followed by a deflation that until recently still has had nominal GDP actually shrinking. With U.S. output growth since 2000 twice as fast as that of Europe and much more so against Japan, neoliberalism has re-established the place of the U.S. at the centre of the world market.

The second engine to world economic growth has been the emergence of China as a global capitalist power. It has grown on average at over 9 per cent a year since the late 1970s and Deng Xiaoping's famous turn of "building a socialist market with Chinese characteristics." China continues to grow at this pace, although dependent on cheap peasant labour being drawn into urban sweatshops, foreign capital, exports and the tying of the yuan to the dollar. China now constitutes close to 15 per cent of world GDP, and has become the new "workshop of the world." This growth has spilled over into other parts of East Asia and India. Alongside the stimulus provided by the U.S., Chinese growth is why world economic growth has risen to 4–5 per cent over 2003–2004.

In the rest of the world, the story has been quite different. Except for a few oil states and the last two years, accumulation in the Middle East, Africa, Latin America and much of Eastern Europe has been dismal over the period of neoliberalism and has, in many cases, registered a fall in per capita GDP.

The production of new value-added during the period of neoliberalism is more uneven and punctuated by cyclical crisis

than the postwar period, but it is not out of line with historical patterns. Most importantly, the restructuring of capital and class relations of neoliberalism has restored profitability. The internal contradictions of neoliberalism – the over-reliance on the U.S. and China for net new effective demand in the world market, the tendencies to economic slowdown and working-class austerity, the scale of the consumer credit



expansion and mortgage lending, the susceptibility to energy price shocks, structural payments imbalances, marginalization of peripheral zones – need closer examination. The possible fissures within neoliberalism reside here.

*Third, the patterns of trade and capital flows in the world market have sustained increasing asymmetries in global economic balances and the circulation of capital between the three main blocs in the world market.*

The central register of the imbalances in the world trading system is the U.S. current account deficit, currently running at about \$650 billion for 2005 and 6 per cent of U.S. GDP (accumulated to about \$3 trillion since 1982). This is matched by surpluses in the rest of the world, and especially East Asia. For example, Japan still exports about a quarter of its total exports to the U.S., and ran a current account surplus of just under 20 trillion yen for 2004. East Asian lending, as well as the accumulation of huge foreign exchange reserves in the form of U.S. dollar holdings and treasury bills, has supported the U.S.'s debt

levels and current account. To take the same example, Japan had over 400 trillion yen of international assets of various kinds at the end of 2004, with portfolio investment at over 200 trillion yen, and foreign reserves approaching 100 trillion yen, held largely in U.S. assets and dollars. If current trends stabilized or continued to grow over the next decade as they have been, U.S. net liabilities to the rest of the world would

range from 80–120 per cent of GDP (levels that are quite unsustainable for other countries).

The U.S. trade deficit is an effect of long-term patterns of accumulation and relative competitiveness, and cyclical growth and exchange rate patterns. The catch-up of the post-war boom and the 1980s meant a structural decline of the U.S. competitive position and an increase in East Asia and Europe. This was seen, in part, through the steady movement toward constant trade surpluses in Germany, Japan and then the "Asian tigers." But the superior productivity performance in the U.S. from the 1990s on has improved U.S. relative unit labour cost performance (although the rapid increase in Chinese competitiveness in higher value-added goods is adding a new pressure). Hence the dynamic of competitive austerity in the world market – the U.S. pushing down the wages of its workers to improve competitive position, and the rest of the world doing the same to maintain export market share because of weak domestic accumulation – that has been integral to neoliberalism.

As a consequence of the structural imbalance, the U.S. is absorbing about 80 per cent of global savings to cover its trade deficit. Something in the order of \$1.5 billion per day is sought on international capital markets largely through corporate bonds or the sale of U.S. treasury bills (about half of all T-Bills being held outside the U.S.). As well, global foreign exchange reserve holdings of U.S. dollars has been dramatically increasing, growing from about \$1.7 trillion in 2001 to \$3.7 trillion at the end of 2004. The largest holders of U.S. assets and dollars are China, Japan and other East Asian countries.

As surplus capital flows into China from the rest of Asia through the extension of subcontracting networks there, China in particular has been massively increasing its reserves and purchases of U.S. dollar assets. For 2004, China had new foreign investment of almost \$50 billion, and its foreign exchange reserves exceeded some \$650 billion. In a sense, along with Japan, China is bearing the central risk of U.S. dollar decline. This is one of the main practical reasons for the sustained pressure for appreciation of the yuan; pressure is coming from Japan, the EU, and especially the U.S., which is running a trade deficit of some \$160 billion per year with China. But for many reasons China is reluctant to revalue, and will remain cautious about liberalising exchange rates.

A structural U.S. trade imbalance covered by capital inflows in the form of borrowings is clearly unstable for the world economy in the long-run. It depends on foreign private sector and government agents willing to hold U.S. assets denominated in U.S. dollars, with both the value of the assets and the dollar under pressures. Losses would – as they already have been with dollar devaluation and weak U.S. equity markets over the last 4 years – be unavoidable. It is either that or to continue to maintain the existing values and prices and the U.S. as “importer of first resort.”

*Fourth, the current phase of neoliberalism continues to disorganize the left, and a sustained period of forming anti-neoliberal alliances contesting neoliberalism and the new trade architecture “in and against” national states needs to unfold.*

A number of structural transformations have altered the organizational foundations for left politics: the changes in the nature of employment towards more networked production processes and fragmented services provision; the increasing international circulation of capital; and the internal differentiation and stratification of the working class. Neoliberalism has contributed to these pressures. Left alternatives have also suffered historical defeats, for good and ill, in the end of authoritarian communism and the realignment of social democracy toward increasing accommodation of the market and existing distributional relations. These developments have shifted working class capacities in terms of workplace organization, political leadership of oppositional forces and ideological inventiveness. As a consequence, left politics under neoliberalism has oscillated between, on the one hand, a “politics of chaos” that in fact reflects the disarray of left forces and organizational weakness, and, on the other, short-term political calculation to avoid further social erosion.

Above all, then, the socialist left must be actively fostering the formation of new political agencies. One necessary aspect of such an engagement is class reformation through revitalization of unions, and the linking of unions to workers in new sectors, the struggles for gender and racial equality, and the marginalized outside “normal” work processes. It is also necessary to experiment in organizational convergence between the remnants of the independent Left, civic organizations, and the sections within social democracy that remained committed to a transformative project. Such a reformation needs to be grounded in the building up of educational, communicative and cultural resources indispensable to forming the political identity necessary for a “new socialism” for the twenty-first century, pre-figured here in Mészáros’s calls for a new internationalism. And concrete anti-neoliberal alliances forged in struggle to defeat particular initiatives and make inroads against neoliberalism will make such a process of reformation “organic.”

Without such new democratic collective capacities, the barbarism that is neoliberal globalization will indeed continue to yield its daily horrors from one part of the globe to another. **R**

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# Restructuring Labour, Restructuring Class Formation

Sam Gindin

In his interview, István Mészáros raises important issues about the significance of the combined tendencies toward a decline in the weight of manufacturing in overall employment, the intensified commodification of labour (casualization), and the emergence of the public sector as ‘the leading edge in the labour movement.’ These comments merit additional reflection.

The neoliberal shifts in the nature of employment being raised, for instance, represent more than material defeats for the working class: they also impact dramatically on class fragmentation and class formation. Three dimensions of this seem especially important with regard to understanding the present impasse of labour:

the radical changes in the ways in which workers, especially organized workers, gain access to consumption; the internal stratification of the working class; and the determination of capital and states to commercialize, and not just privatize, social services.

## ACCESS TO CONSUMPTION

The relative decline in the weight of unionized manufacturing workers in the economy does not in itself account for the decline in this sector’s leading role. It is, I think, important to see that the development of neoliberalism did more than →

attack workers; it also included particular structural changes that supported the internalization of certain neoliberal values, with implications for class formation and class resistance.

While real wages of workers in Canada and the U.S. have generally grown very slowly (if at all), the private consumption of working class families has in fact continued to grow. The stagnating wages have been overcome by more family members working longer hours, and through increased borrowing. At the same time pressures to reduce social consumption have undermined the legitimacy of taxes, while the threat to public pensions has led workers to depend more on private savings, mutual funds, and the success of the stock market. What all these responses have in common is that workers who formerly looked to collective solutions – struggles on picket lines, in the street and electorally – now increasingly address their material needs through individualized solutions.

None of this was of course inevitable; it reflected one of the consequences of the economic and political defeats we suffered over the past quarter century. In the absence of left alternatives, neoliberalism structured working class options toward mechanisms that reinforced individual discipline and negatively affected the formation of working class consciousness, expectations, and col-



lective capacities. In general, it is this, and not the inability to consume, that the left must address if it hopes to revive the liberatory potential of the working class. The unequal distribution of consumption is a different problem, and it is addressed below.

### CLASS STRATIFICATION

We spend a great deal of time – for obvious reasons – on the neoliberal impact on the class divisions of wealth and income. We need, however, to speak more to the divisions that have emerged *within* the working class itself. The ‘reserve army’ is no longer just the unemployed but the legions of casually employed. Relatively well-paid auto workers are disciplined by the warning that layoff may result in finding other employment, but at jobs with drastically lower wages and even worse reductions in benefits. Low-paid service workers are vulnerable to resentment

against the privileges unionized workers seem to have; nor can most of these workers make up for their already low wages through working harder or longer and going into debt as discussed above – the barrier may be that corporate ‘flexibility’ denies them regular hours or, as in the case of single mothers with small children, there are no husbands and sons to increase the working hours and no collateral on which to get cheap loans.

Class solidarity can hardly be a natural development in such a context. Nor is it likely to emerge – at least to the extent required in today’s harsh climate – out of the more unionized sectors trying to organize the unorganized in order to maintain their own collective bargaining standards or to strengthen their institutions through increasing the number of dues-paying members. If a breakthrough in solidarity does come, it can only arise out of some combination of a revolt amongst those who were formerly the most exploited, and a corresponding new understanding amongst relatively stronger sections of the movement. Such a new reorientation will require moving from viewing ‘organizing’ instrumentally (what does it do for me?) to seeing it as part of building a working class with the capacity to act independent of capital (how does it fit into class power?).

### THE PUBLIC SECTOR AS THE LEADING EDGE?

The potential for public sector unions leading the next stage of the battle lies in their acting on the specific ways in which they are different from private sector unions. In the private sector neoliberalism meant an intensification of the competitive logic that was already in place; in the public sector it means imposing a commercial logic where a different logic, based on social needs and equality, had a significant degree of legitimacy. In the private sector, restructuring could quite easily hide behind market dictates; in the public sector, restructuring more clearly involves class-based choices (in spite of claims on the part of states that ‘the market made us do it’).

The neoliberal restructuring of the state therefore raises political issues that, while affecting the working class as a whole, immediately and most directly impact on state workers. The question is whether the public sector unions will respond to the restructuring they face in traditional union terms (make the best accommodation possible) or open up the potentials in the more explicitly political nature of the restructuring. To the extent that they identify their own struggle with the larger attack on working class needs, they may in fact come to be the ‘leading edge’ of the struggle. But, again, this will require more than an opportunistic appeal to the importance of social services. It will mean articulating and mobilizing around a counter-ideology that is both radically democratic: the issue is not just more expenditures, but how we provide the services involved and include affected communities in these decisions. It must also be radically anti-capitalist: we can’t really defend and build on social services unless we are ready to challenge not just the present nature of the state but the private sector it is ultimately based on. All this is necessary to understand Mészáros’s assessment, being raised again today, of ‘socialism or barbarism?’. **R**

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# Six String Belief

len bush

**Son Volt**, *Okemah and the Melody of Riot*  
Sony, 2005

Jay Farrar, along with former band mate Jeff Tweedy (now the creative force behind the very popular band Wilco), are widely regarded as the chief innovators of the “alternative-country” music genre. Uncle Tupelo, their now defunct band, released a couple of brilliant albums before Farrar and Tweedy separated. Tweedy, leading Wilco, went on to produce some fabulous albums. The most notable collaborates with the legendary Billy Bragg and reworks a variety of previously unreleased Woody Guthrie tunes.

Farrar went on to produce a few critically acclaimed solo albums and also developed Son Volt, his latest band. *Okemah and the Melody of Riot* (2005) is Son Volt’s latest album (the first to be released in seven years). Though it lacks the musical synthesis achieved by other Son Volt albums (perhaps because it was composed without the original Son Volt members), it should nevertheless be considered one of the best albums of 2005. Its anti-imperialist and revolutionary messages are comparable to those expressed in Steve Earle’s *The Revolution Starts Now* (my review of Earle’s album appears in the January/February 2005 issue of *Relay*).

Like Earle, Farrar is a product of a political history that he seeks to change. As the Bush Administration tries to conceal or rationalize the death, destruction and suffering that has resulted from its invasion and occupation of Iraq, Earle, Farrar, and many progressive-minded cultural workers are engaging in aesthetic political struggles to raise a critical anti-imperialist consciousness. Given Son Volt and Steve Earle’s left politics and vocal opposition to the American empire’s war against Iraq, they are both likely uncomfortable with the music industry’s tendency to categorize them only as “alt-country” performers.

Nevertheless, these musicians’ ability to combine excellent alt-country music with an intelligent anti-imperialist politics has earned them a devout following. Earle

and Farrar’s popular musical success might also be attributed to audiences identification with these performers on and off-stage personas: Earle appears to audiences as a working class troubadour, a storyteller for the industrial proletariat, while Farrar appears as an consciousness raising political artist, a middle-class student that sets radical poetry to music.

*Okemah and the Melody of Riot* is more politically committed than most of Farrar’s previous work (although I would argue that a political perspective has always been present in his albums). Perhaps becoming a parent has made Farrar more concerned



about the fate of his children, which must bear the future consequences of the capitalist system. *Bandages and Scars*, accounting for how capitalism’s past (and struggles against it) have shaped the present, has Farrar singing: “the words of Woody Guthrie ringing in my head.” The track also seeks to reinvigorate the struggle toward a much different system: “Blame it on the system / Those that came before / Updated consciousness / Knocking on doors.”

*Okemah and the Melody of Riot* is not necessarily an album of protest songs. It is better listened to as a collection of reflective tunes that react to the horrific local and global effects of American-led capitalist imperialism. A lyric from a track entitled *Endless War* pokes holes in the American empire’s moral rationalization for its occupation of Iraq and accounts for the

media’s ability to bring devastating war-images into homes: “When morning brings news of wasted life / When video brings footage of children dying / No moral face to the endless war.”

The DVD that accompanies the album features Farrar’s most overtly political song: “Joe Citizen Blues.” This song is a powerful indictment of how war is fought by the majority of working people to benefit a small and protected minority of political and capitalist ruling elite: “Leaders sleep while thousands die / To protect from weapons of imagination / The ruling class doesn’t fight the war / Stock options and fortunes to be made.” Lyrics like this make “Joe Citizen Blues” one of the most poignant anti-war songs ever written.

The album not only criticizes the horrors of imperialism, but also inspires hope for different future. Anticipating the event, leader or movement that will unite and ignite a global effort to sweep the rot of the existing imperial system away, Farrar, in “World Waits For You,” sings: “In this darkest hour / A brave face will break soon / The world waits for you.”

“6 String Belief,” my favorite track on the album, is a striking call to revolutionary arms: “The declaration framer states revolution sets the course straight / It was necessary then and it’s necessary now / Corruption in the system a grassroots insurrection / Will bring them down, will bring them down.” “6 String Belief” also sees rock and roll music as part of the revolutionary struggle: “Rock and roll around my head alive and kicking / Rock and roll around my head 50 watts happening / Rock and roll around my head like a six string belief.”

Son Volt fuses revolutionary politics with exceptional music in *Okemah and the Melody of Riot*. Toronto fans might want to catch Son Volt on October 17th, 2005 at the Opera House. **R**

len bush is a member of the Socialist Project in Ottawa where he works for a national union as a way to maintain his all consuming addiction to CDs.

# Barry Sheppard's "The Sixties"

Ernest Tate

The Socialist Workers Party, 1960-1988.  
Volume 1: The Sixties, A Political  
Memoir, 354p.  
Resistance Books, Sydney, 2005  
Order from: [www.haymarketbooks.org](http://www.haymarketbooks.org)

These days, it is commonplace on television and in the movies that when accounts of "the sixties" are portrayed, the political radicalism of the period is often down-played and represented only in terms of the rise of cultural anarchism and "personal" liberation. Although changes in popular culture were important features of those times, they are not by any means the whole story, not by a long shot, as Barry Sheppard's memoir reminds us.

The period Sheppard writes about saw one of the deepest radicalizations in American history, which curtailed the ruling class' ability to manage its war in Vietnam. Tens of thousands of people, especially youth, questioned the very existence of capitalism itself. Hostility toward racism and against all public expressions of prejudice, the widespread acceptance today of women's equality and gay rights, first developed wide-spread support then are now part of the political fabric of society. Part of neoliberalism's agenda is to roll-back the progress that resulted from those times. The absence in popular culture of representations of the intense political struggles of that period, often led by socialists, is part of the process of trying to make us forget our own history.

The author, a socialist, is active in California and is a regular contributor to the Australian Democratic Socialist Party, journal, *Green Left Weekly*. A leader of the American Socialist Workers Party (SWP), he was also editor of its weekly, *The Militant*. He left the SWP in 1988.

The book can be read on several levels, such as a socialist explanation of the times; an inside look at the functioning of the SWP from 1959 until 1973; or how the

party formulated its policies around its intervention in the tumultuous events of those years, when the group went through a rapid expansion to become a major force on the American left. The SWP has its origins in the 1928 purges – by the world's communist parties under the direction of Stalin – of the followers of Leon Trotsky who had challenged the bureaucratic degeneration of the Russian Revolution. The party was founded by James P. Cannon in the hope that it would displace the American Communist Party as an effective force in American politics. Cannon had been a leader of the International Workers of the World before the First World War and was a leader of the early Socialist Party, from which he led a split to help found the early American Communist Party.

At the time Sheppard joined the SWP in the 1950's, the party was led by Farrell Dobbs, who has an important place in American labour history as the leader of the Teamsters during the city-wide strikes in Minneapolis in 1934. Dobbs left the Teamsters to become a full-time national leader of the SWP, a remarkable step for someone who could have easily been a national leader of Teamsters, with all the privilege and recognition such a career move would have brought. Dobbs was a mentor to Sheppard in later years. Sheppard discusses Dobbs' approach to accomplishing a transition in the SWP's leadership after Cannon had re-located to the West Coast, where he still exercised strong personal influence in the party, sometimes in ways which undercut Dobbs' position as the new party leader. This was not generally known in the organization at that time. For Dobbs, the collective functioning of the leadership and the injection of new blood into it was an absolute priority. The process of including the representatives of the new generation, who had come into the party at the end of the fifties – and of which Sheppard was a part – was handled by Dobbs in a conscious and

systematic manner as part of the proper functioning of a socialist organization. The book is dedicated to Dobbs' memory.

A key question raised by the book is what kind of organization is required by working people to bring about socialism and how are such organizations defined, especially in light of the experience of the SWP's later evolution and decline. The SWP of today is virtually unrecognizable from what it was in the sixties. It is hostile to the movement against the war in Iraq, for example, and has withdrawn from any serious engagement with the rest of the left, which it dismisses as being "middleclass." The SWP in Sheppard's book stands as a sharp condemnation of what the SWP has become. Sheppard is now working on the second volume of his memoirs, where he will take up the reasons why he thinks this happened, which will cover the period from 1973 to 1986, when he left the group.

Born in 1941, Sheppard was at the Massachusetts Institute of Technology on a partial scholarship studying mathematics when he became a socialist and politically active.

He was part of the new, younger radical generation who were moving toward socialism as the anti-communist witch-hunt was subsiding in the fifties. I first met Barry in the late 1950s in New York, shortly after the founding of the Young Socialist Alliance, the youth organization of the SWP. I was an active supporter of the SWP during those years and belonged to the League for Socialist Action (LSA), its organization of co-thinkers in Canada.

Later, in 1969, I worked with Barry briefly in Europe – when he was assigned by the SWP to work with the leadership of the Fourth International (FI) – during what were difficult times for him and his companion, Caroline Lund. The FI was the main international organization to which most of those who called themselves, "Trotskyist," belonged. I had been in England since 1965, "loaned" to the FI by the

LSA as part of our contribution to help overcome the division in the FI supporters in Britain. Jess MacKenzie and I helped get the International Marxist Group (IMG) established in 1967 (the book has a factual error, indicating that the IMG was already in existence before I got there). I remember Barry being appalled – as were all my Canadian and American comrades who came to Europe at that time – at the lack of organizational infrastructure in the FI. It seemed a very feeble organization. Few of the national sections had offices or staff. It would only be later that I realized that this issue was more complex than it first appeared and was a reflection mainly of how the groups viewed politics and not just a problem of resources.

Barry and Caroline arrived in Brussels, just as a heated debate erupted in the FI around the question of orienting the sections towards guerilla warfare in Latin America. Sheppard highlights the issues involved in that discussion and locates the problem of the heated atmosphere in the discussion, in the impatience of the youth, of whom many had been recently recruited to the organization, especially in France during the 1968 May events. Barry and Caroline felt socially and politically isolated. Six years later the FI formally corrected its mistake on Latin America, but by that time many sections, especially in Argentina had suffered severe repression.

Sheppard grew up in New Jersey and came to political consciousness in the 1950's, during Senator Joe McCarthy's witch-hunt. He conveys very well the oppressive atmosphere of those times when the witch-hunt was at the centre of politics. Socialists were isolated from their working class base. Militants in the unions were purged; the SWP-led opposition in the Maritime Union, for example, was crushed; many were black-listed and hounded out of the industry, never to work there again. Throughout the country, tens of thousands of people lost their jobs, especially teachers. The unions had been restructured by the government under the Taft-Hartly Act of 1947 to render them less effective in opposing government policy.

Despite the reactionary character of those years, there were important changes in the fifties, which anticipated the radicalism of the next decade. More and more

Americans publicly refused to appear before the House Un-American Activities Committee (HUAC), in an open challenge to the witch-hunt. Cultural conformity began to break down with the appearance of the literature of the Beat Generation. Conformity in politics began to ebb with the rise of the black struggle in the southern states. Moreover, a major blow to the U.S. ruling class took place at the end of the decade, not on the soil of the U.S., but a few miles off the coast of Florida in Cuba, where the workers and peasants radicalized in reaction to U.S. intervention, leading to the overthrow of capitalism.

The book describes how the SWP made solidarity with Cuba against U.S. intervention a priority, and organized a



defense campaign. Before the U.S. government imposed its travel ban to Cuba, leaders of the party traveled there many times to gain an understanding of what was taking place. The party's paper, *The Militant*, became a major source of information for anyone wanting to find out the truth about the revolution. The SWP was behind the setting up of the Fair Play for Cuba Committee (FPCC), a defense organization endorsed by many American intellectuals (a successful committee was also set up in Canada). Part of the media used the pretext of Lee Harvey Oswald's membership in the organization to try and witch-hunt the FPCC at the time of President Kennedy's assassination.

Sheppard stresses that the two primary factors which drove the radicalization of the sixties were the struggle of blacks against racism in the South – which began with lunch-counter sit-ins, later spreading to the north, especially to the black ghettos – and the rise of the mass movement against the Vietnam War. These two mighty forces opened the door for the entry of other social movements onto the political stage, for example, the emergence of the Black Nationalist movement and the feminist movement. The SWP was the backbone of the campaign for abortion rights as the 1970's opened up, as Sheppard points out. In California, the Chicano movement first appeared on the scene. As the sixties came to a close, the birth of a new movement never seen before in history made its appearance, around the struggle by gays against sexual repression, homophobia and for democratic rights. It was with this latter phenomenon that the SWP had the most difficulty in coming to terms, even though it adopted a position of fully supporting it.

The SWP was one of the first groups on the left to support Malcolm X and explain the significance of the new movement of Black Nationalism for the left. For example, at a time when many on the left were super-critical of Malcolm X, *The Militant* printed many of his major speeches, becoming an invaluable source of analysis and information for the new radicalizing generation about the new movement he led. Sheppard initiated one of the last interviews given by Malcolm, a few weeks before he was assassinated, where Malcolm sought to overcome characterizations in the capitalist media of him being a "racist" and explain his differences with the Nation of Islam, from which he had broken. It is clear that as Malcolm moved further and further away from the Nation of Islam, he began to modify his thinking to include all the oppressed in capitalist society and was even re-examining the idea of "black nationalism", and that after his trip to Africa, he was thinking of a more general strategy for black liberation.

The SWP also campaigned to stop the persecution of Robert Williams, the black militant NAACP leader from Monroe, North Carolina, who was forced to flee the U.S. under false accusations of kidnapping.

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A country-wide man-hunt was conducted by the FBI in the U.S. in cooperation with the RCMP, in such an inflammatory manner as to ensure he would be killed. Williams was helped out, in Canada, mainly by Verne Olsen, who was the head of the Fair Play for Cuba Committee, and his wife Ann Olsen, who gave Williams shelter and who, as Sheppard says, arranged “an underground railroad and brought him to Canada and from there to Cuba where he was given political asylum.”

A major narrative in the book is a description of how the SWP developed its approach to the anti-war movement, which had exploded onto the scene in 1965 with a demonstration of 20,000 in Washington, organized by the Students for a Democratic Society (SDS). The “largest student demonstration in U.S. history up to that point,” Sheppard says. Later, SDS, the largest student based radical organization in the country, would make an ultra-left turn and a colossal error by opposing the organizing of mass anti-war demonstrations.

In the beginning, the traditional peace groups, Sheppard explains, saw the Vietnam issue to be too radical and buckled under heat of anti-communism. He says this was a legacy of the lingering effects of McCarthyism, which had also permeated the leadership of the AFL-CIO under George Meany, who had declared that opposition to the war was unpatriotic, a policy it maintained over the course of the war.

It was the socialists, mainly the SWP, CP, and other smaller groups, who fought the government on the Vietnam War issue through the tactic of building coalitions to organize mass actions against the war whenever possible. While the book goes over some of the ground covered in Fred Halstead’s important 1978 book, “Out Now! A Participants Account of the American Movement Against the Vietnam War” (Monad Press, 1978), it provides additional insights into SWP’s strategy, as it sought to keep movement focused on getting the troops out of Vietnam immediately. The book is worth reading for this alone. Also described is the struggle between the main groups in the coalition, who sought to win it over to their respective points of view, the mass of activists who were in neither of the left organizations, with the CP trying to influence the new movement into

supporting electoral politics and, especially in election years, supporting the Democratic Party under the theory of “lesser evil” politics. It’s an argument that continues today in the movement against the war in Iraq.

The SWP’s basic orientation in fighting to end the war was to try to build the broadest possible movement which would include all those who opposed the war; to keep the movement mass-based and independent of the capitalist parties and focused on bringing the troops home. The SWP saw this as the best way to defend the principle of self-determination for the people of Vietnam and end the war.

Over the decade, the mobilizations against the war would become larger and larger, involving millions. They were often preceded by large assemblies (which issued the call for them) with over 3500 activists in attendance, the great majority of whom did not belong to any of the political groups. Even though all the groups in the coalition were small organizations – including the SWP, which at its peak had a maximum membership, in my estimation, of around 2000 – the power of the anti-war movement became such that it began to influence all sectors of society, causing even sections of the ruling class to question the wisdom of President Richard Nixon’s policy of expanding the war. Sheppard mentions the SWP had a membership of fewer than 600 in 1959, about double what it had when I joined in 1955. By 1972, over 1,100 people attended its educational conference in Oberlin, Ill., and the next year, it held its largest convention ever, with more than 1400 in attendance.

Barry Sheppard’s next volume will attempt to explain why the SWP, since the period he covers in this book, squandered all the promise and hopes of those times, to end up in the isolation it finds itself in today. As a contribution to a discussion of that balance sheet, I suggest that a few critical errors began to creep into our way of thinking, which set us on a wrong course. Our main error was in political economy. We developed an incorrect assumption, which postulated that as the Vietnam war ended, a major crises would be engendered in the American economy causing a concomitant rise in general class consciousness, in the “heavy battalions of the work-

ing class,” as we used to say then. A conviction in the revolutionary possibilities of the working class was fundamental to SWP thinking. We kept looking for the working class to enter the fray. But as Sheppard points out, the radicalization “did not reach a stage of a generalized radicalization of the working class... (and) this was the primary cause of the winding down of the radicalization.” Workers as an organized force were mainly absent. The 1950’s anti-communist campaign in the unions still had sufficient influence to make the workers very cautious; in addition, the success of the government in pursuing domestic policies to keep the economy expanding, even if modestly, re-enforced this passivity.

But in the very early seventies, inspired by some left developments in the Steelworkers and in the Mineworkers, the SWP began to look for opportunities where radical ideas might get a broader hearing and began, for the first time, to sell its weekly paper outside plant gates. The book records speculative discussion in the leadership about a possible rise in class consciousness. However, when the war ended, instead of a major crisis, one of the longest expansions in the history of U.S. capitalism took place, with the working class still remaining relatively passive.

The SWP had been looking to the kind of radicalization that had occurred in the 1930’s with the rise of the Congress of Industrial Organization (CIO). It had failed to recognize the important changes which had taken place within U.S. capitalism, giving it more resiliency than many on the left thought was possible, and allowing the system to overcome what we thought were its inherent “contradictions.” Moreover, the inability of the SWP to see this and correct its mistake and to adjust its wrong analysis, meant the organization was unable to correct or modify its later, all-consuming, “industrial turn.”

Members were strongly encouraged to give up their jobs or school and go into the factories, a tactic driven forward by the leadership in such a single-minded manner as to virtually ensure many of the members would abandon the organization. After the members had been told by Jack Barnes (who succeeded Dobbs as leader) that the “workers would march out of the plants under the red banner of Communism,” try-

ing to function as socialists in an atmosphere of a low level of class consciousness was a shock. The leadership had set them an impossible task, and increasingly blamed them for the problems in implementing the new “turn.” I should enter a mea culpa here: I too supported the new orientation, but I later came to the conclusion that the way it was being implemented was extremely destructive.

I think these problems were also compounded by the way we viewed ourselves as an organization. Over time, we began to change our definition of the organization. When I joined, the leaders were clear that even though the word “party” was in the title of the SWP, it was not by any means a party, in the Marxist sense of that word, that is of being a mass working class party, or a party that had the support of an important part of the working class – the correct designation, in my opinion, of what constitutes a revolutionary party. The SWP never got further – like all the groups on the left who want to lead the working class to socialism – than being a propaganda group. The major part of its energy was consumed in explaining complex ideas to small numbers of people. In 1965, the SWP was very clear on that reality. “We knew we were a small revolutionary propaganda group, not yet a real revolutionary party,” Barry Sheppard says (p. 146).

However, as we moved into the 1970s, this concept of “propaganda group” became more and more blurred. It began to be replaced with the notion that the SWP itself indeed was “the party,” and that it was within the range of possibilities that it could win the working class directly to itself, instead of recognizing that such a party had yet to be built and would most likely be quite different from what the SWP was

then.

As I have mentioned earlier in this article, the SWP, for its size, had a large superstructure, and was greatly admired for this in the FI. This was comprised of an impressive headquarters in New York, which provided space for its print shop and book publishing operation and offices for the staff for a weekly newspaper and its international and theoretical publications. Its branches across the country each had full time organizers. At its peak, I estimate, it had around sixty people – not well paid – on staff. A major part of the SWP’s resources were allocated to keeping the or-



ganization functioning. I remember Joe Hansen, who had been Leon Trotsky’s secretary in Mexico in the 1930s and then a central leader of the party, responsible for its international work, wryly commenting that they had an apparatus and facilities for an organization ten times its size.

Definitions such as “nucleus” or “embryo” as in “nucleus or embryo of a revolutionary party” started to be more and more used to describe the organization. Throughout the book, Barry uses these terms to describe the SWP, but I question their usefulness. Ernest Mandel, for many years the main theoretician of the FI, also used these terms, but in a journalistic way,

perhaps to describe the reality of the FI at that time, in his 1983 address on “vanguard parties” at the University of Manitoba.

But how do we then deal with the conundrum of defining the various socialist groups on the left to determine, *in advance*, which of them will become a revolutionary party? When these terms are applied to political organizations, there is an implication of what will take place in the future. How do we know? Surely, only history will determine which organization was “the nucleus” or “the embryo” of a revolutionary party, a qualification Mandel makes? In Marxist political economy, should there now be a new category of political organization? For those groups who call themselves “revolutionary,” aren’t they all simply propaganda groups, some more revolutionary than others? Are there objective criteria for determining what is a “nucleus” or “embryo” of a revolutionary party? A group’s programme and its relationship to the working class are very important, but surely it is what a socialist group does that has the most importance. Using such expressions as

“nucleus” and “embryo” only cloud our thinking and are a form of self-delusion. For those of us who were supporters of the SWP, our emphasis on building the organization and seeing “the party” as a solution to everything allowed political economy to become less and less important.

The SWP has paid a heavy price for getting its politics – and I believe its organizational concepts – wrong. Barry Sheppard has made an outstanding contribution to the discussion in the left about why this happened. I look forward to his second volume. **R**

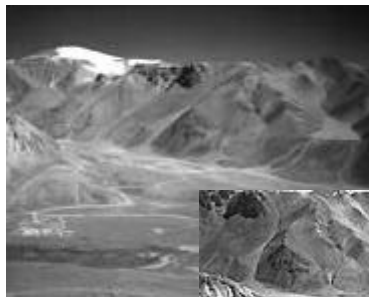
# Pascua Lama, Barrick Gold, and Neoliberalism

Carolyn Watson

High in the Chilean Andes along the border with Argentina are a group of three glaciers that provide the only water to rivers of the arid Huasco Valley below, in the Atacama desert where grapes, avocados, citric, and tropical fruits are produced. Now, through the neoliberal policies that protect and strengthen transnational corporations, this region, called Pascua Lama, is facing the very real threat of both losing its water supply and further contaminating the air, water and soil with toxic runoff and vapours from a mining project that proposes to “relocate” the glaciers in order to establish an open-pit mine to extract gold, silver and copper. The perpetrator of this venture is Canada’s Barrick Gold.

The Pascua Lama project was approved in 2001 by Chile’s Comision Nacional del Medio Ambiente (CONAMA). According to Barrick Gold, the 17.6 million ounce reserve of ore will take 21 years to extract through open-pit strip mines. These mines will require the use of cyanide, arsenic and mercury that will directly contaminate the air, soil and water of the area. The ore, however, is located beneath three glaciers that Barrick plans to “relocate” with hydraulic machines to a fourth glacier, the Guanaco IV, two kilometers away. Some experts in the field of glaciology predict that the extra weight on the Guanaco glacier will increase the rate of deformation and fragmentation. Dr. Cedomir Marangunic, glaciologist at Ohio State University, says that what is known for certain is that the dust produced from the relocation of the glaciers will be deposited on the Guanaco glacier causing it to absorb more heat and melt faster. This combination of environmental contamination and destruction will be devastating for the people who live in the region and rely on the land for their survival.

The basis of this obvious disregard for the environment, and the people living in the region, is rooted in the neoliberal economic model implemented in the 1970s and 1980s by Chilean dictator Augusto Pinochet that – after dismantling popular organizations through flagrant violations of human rights – opened the country up to



being sold off piece by piece, making it extremely difficult

to protect natural resources and the environment when doing so conflicts with powerful transnational corporations. Under Chilean law, foreign investors are treated the same as Chilean investors and therefore face few legal hurdles. In order for anyone to begin extracting minerals from below the earth’s surface, the individual or company only has to register the proposed extraction with the Ministry of Mining and begin working the claim within four years of filing. Owners of the land do not have subsoil rights to minerals below unless they file a claim with the Ministry of Mining. If damage to the environment or people occurs as a result of the process, reparations must be made, but there is no law in existence that requires assurance that no damage will occur, or to prevent damage. Chile and Argentina also have a mining treaty that allows regions extending across

the border to be exploited as one entire region instead of two regions belonging to two separate countries. Barrick is well aware of the timelines and the flimsy legislation connected to mining. While Barrick does not plan to begin extraction of ore until 2009, it hopes to be able to begin construction of the mine by the end of 2005 (four years after filing its intent), after finalizing “fiscal and taxation matters.” This finalization should not be a problem as Barrick has a reputation for incorporating local political and finance figures into its direction wherever it operates. Barrick has

also promised some farmers in the region \$60 million over twenty years in an attempt to weaken local opposition to Pascua Lama.

Making contributions to local politicians, however, is not Barrick’s only questionable business practice. The

company was originally founded by Saudi millionaire and arms dealer Adnan Khoshiggi, who has been linked to the Iran-Contra arms scandal and is a personal friend of George Bush Sr. The chairman and cofounder of the company is Canadian Peter Munk, who in the 1960s was the main figure involved in an insider trading scandal regarding a stereo factory that he controlled – he dumped his stock just before the company declared bankruptcy. Munk began to recover his fortune and his reputation in the 1980s, however, when he teamed up with Khoshiggi on hotel ventures. Munk later invited George Bush Sr. to Barrick as an honorary board member in 1995 and donated a substantial amount of money to the University of Toronto to build the Munk Centre for International Studies, which rewarded Bush Sr. with an honorary degree from the University of

Toronto in 1999. Given the history of some of Barrick's most important and influential board members, it is hardly surprising that potentially threatening or displacing a few thousand Chileans high in the Andes would raise concern.

The only political figure to condemn the project to this point has been Tomás Hirsh, the Humanist candidate of a large coalition of progressive anti-neoliberal groups in the upcoming presidential election. Chileans have, therefore, decided to fight the project themselves. Young people,

farmers, some local politicians and even priests have protested against Pascua Lama, lobbied politicians, and appealed to the international buyers of fruit from the region to put pressure on the Chilean government. The theory is that if fruit becomes contaminated through the process of extracting ore, Chile will lose its export market, therefore, calling attention to this possibility both domestically and internationally may help to halt the project.

Time and again, proponents of neoliberalism laud the benefits of free and

unrestricted markets for both individuals and transnational corporations, but Pascua Lama is another example, among many, that neoliberalism serves to benefit only big business. Will the Chilean State realize this and act to save its citizens and environment, or will the Chilean people confront Barrick Gold and Pinochet's legacy on their own? **R**

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## THE AMERICAS SOCIAL FORUM: How it fits into the World Social Forum process

Carlos Torres

### THE WSF'S DEVELOPING POLITICAL FRAMEWORK

A political analysis of the conjuncture surrounding the Caracas World Social Forum finds much more aggressive USA foreign policies toward the Americas. This is coupled with an intense popular resistance and mobilization against neoliberal policies and the empire's intervention in the region. Sites of popular resistance, as we can observe in the cases of Bolivia, Ecuador, Uruguay and Argentina, indicate a sizable struggle across the entire continent. There also exist mobilizations against the CAFTA in Central America and renewed efforts of the Zapatistas for gaining a higher profile in Mexico. The Bolivarian Democratic Revolution is at the epicenter of this process and Cuba, of course, is the eternal obsession of the empire.

The crisis in the Workers Party (PT) in Brazil has added a new dimension to the political reading of this region. Since being elected to office, the PT has managed to adopt an independent foreign posture and has helped enhance the vast resurgence of social movements in the Americas, both at the level of social struggle and the electoral. Yet the PT's predicament represents a crisis that has been brewing for a long time. In fact, issues related to transparency, ethics, relationships between parties and social organizations, as well as the role of the state and visions of democracy, have propelled this recent corruption crisis. Of course, the quandary of the PT also illustrates issues that affect the entire spectrum of the left. All of these struggles have managed to keep both neoliberals and an aggressive U.S. course of action at bay in most of the southern region of the continent.

Keeping this analysis in mind as a context for the development of the WSF, the Polycentric World Social Forum and the



If Americas Social Forum should address not only the big themes of the WSF, but also issues related more to the region itself. This estimation is the outcome of the previous open consultation process organized by the Organizing Committee of the upcoming Forum; in other words, how the big ideas must be put into practice.

### A STEP FORWARD

The last WSF realized two specific developments: A methodological innovation, which included the self-organized events, and territorial social building. These ideas encompassed →

the concept of polycentrism or a decentralized forum, yet followed a main global agenda which includes the specificity in each region in which the WSF takes place. Although all of these developments denote a step forward, they also raise new challenges related to the articulation and networking of social organizations and movements. Another dimension of this polycentrism relates to the need of enhancing the political debate both in the WSF organizing process and in the Caracas Forum.

In addition to embracing new challenges, the WSF is also devoting time and resources to develop and expand the organizational process in relation to the building process of the Polycentric Forum. This is fundamental to the current organizational process, but also key to understanding the thematic, sectoral and geographic expansion of the Polycentric Social Forum.

The WSF is a very complex process both organizationally and politically, but there is a desire to work together to overcome limited resources and time. Nevertheless, international support will be crucial to make sure that the forum process keeps the course. In assessing this new process, one can say that in the process of building the next Social Forum there is a strong convergence of the 'old' and the 'new.'

### WHAT IS THE WORLD SOCIAL FORUM?

The World Social Forum (WSF) is an open meeting place where social movements, networks, NGOs, and other civil society organizations opposed to neoliberalism and a world dominated by capital, or by any form of imperialism, come together to pursue their thinking to democratically debate ideas, to formulate proposals, share their experiences freely, and network for effective action. Since the first world encounter in 2001, the WSF has taken the form of a permanent world process seeking and building alternatives to neoliberal policies. This definition is in the *Charter of Principles*, the WSF's guiding document.

The WSF is also characterised by its plurality and diversity. It is non-confessional, non-governmental and non-partisan. It proposes to facilitate decentralised co-ordination and networking among organizations engaged in concrete action toward building another world – at any level from the local to the international – but it does not intend to be a body representing world civil society. The World Social Forum is not a group, nor is it an organization.

The World Social Forum has an International Council, currently consisting of over 150 networks and social movements with regional and national articulations, whose role is to facilitate and provide orientation to the process.

### A BRIEF HISTORY

There have been five world encounters of the WSF (2001, 2002, 2003, 2005 in Porto Alegre, Brazil, and 2004 in Mumbai, India) each one increasing in numbers and participation with

broad expressions of diversity in the peoples, struggles and proposals.

Throughout the world the process has held various regional, thematic and national forums calling for "Another World is Possible" in diverse presences and contexts.

In the continent of the Americas the first Forum took place in Ecuador in 2004, where 450 activities were held attended by 15 000 registered participants and 900 organizations, from 60 countries of the five continents of the world. This Forum provided the opportunity to position broad hemispheric debates and make visible autonomous thinking and the richness of the struggles and diversity that characterise the social movements and initiatives. To strengthen and follow-up on this process, it was decided that the II Americas Social Forum will be celebrated in Caracas in January 2006.

The upcoming WSF and Americas Forum is a unique opportunity for Canadians of all sectors, organizations and communities to attend a Hemispheric event in which movements and organizations from the Americas will come together. Convergence and networking along with exchanges of experiences and debates are among the main features of the Caracas Forum. Panels, conferences, workshops, along with cultural and musical events, will provide a space for everyone, a prelude or a preamble to the future in which 'there will be room for all.' **R**

### MAIN THEMES OF THE NEXT WSF

- Power, politics and struggle for social emancipation
- Imperial strategies and peoples' resistance
- Resources and rights for life: alternatives to the current model of predatory civilization
- Diversity, identities and worldviews
- Work, exploitation and reproduction of life
- Communication, culture and education
- and, because of their significance, Gender and Diversity were defined as transversal axes.

For more information:

[www.forosocialmundial.org.ve](http://www.forosocialmundial.org.ve)

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### VI World Social Forum and II Americas Social Forum

24-29 January 2006 Caracas-Venezuela

Venezuela will be the host in January of next year for the Polycentric WSF. Delegations from the Americas and other regions of the world will unite under the idea that...

**Another World is Possible!**

# Lula's Lament

## The Crisis of the PT in Brazil

Hilary Wainwright

*The success of the Brazilian Partido dos Trabalhadores (PT), or Workers Party, acted as a beacon to the left worldwide. Now it has been revealed that it was governing on the basis of systematic corruption. Hilary Wainwright reports on how the quest for power perverted the PT and subverted democracy.*

'When there is such an overwhelming disaster and you see yourself as part of this disaster, you begin to question your whole life. Why so many years of sacrifice and struggle?' Congressman Fernando Gabeira expresses the feelings of many *petistas* – members or supporters of the Brazilian Partido dos Trabalhadores (PT) – when they heard that the party they built or supported as an instrument of democratic, ethical politics, was governing on the basis of systematic corruption.

The Brazilian left is in a state of profound shock and confusion. Over the past two decades hundreds of thousands of people have devoted their lives to creating the PT as a principled and forceful instrument of social justice against one of the most corrupt and unjust ruling elites in the world. Now they are having to come to terms with their own party's lack of principle.

The exact details of the corruption are still being investigated. It is generally admitted that the *cúpula* (group at the top) of the PT bribed political parties of the right to join their alliance in Congress and gave monthly payments to congressmen of the right to support their legislation. (The PT president, Lula, won with 67 per cent of the vote but the PT only has a fifth of the seats in Congress – though it is the largest party.)

As for the legislation itself, Lula's government pushed through neoliberal reforms of which Tony Blair would be proud. These included the reform – effectively partial privatisation – of an extremely unequal public pensions system, which nevertheless

left the inequalities almost untouched; and amending Brazil's relatively radical, albeit contradictory, 1988 constitution to facilitate the creation of an independent bank with the freedom to raise interest rates as high as it wants. There have been social reforms – for example, a basic (but very low) income for all poor families – though these are hardly adequate to the problems; and many of them, along with the relatively progressive aspects of Lula's ambiguous foreign policy, did not need Congressional approval.

The corruption also extended to the PT's strategy for winning the election. This, it turns out, was based on a *caixa dois* (literally 'a second cash till' – a secret slush fund) whose sources of donations seem to have included businesses contracted by PT municipal governments, public companies and private companies seeking government contacts. The publicist responsible for Lula's 2002 advertising campaign admitted he had received money from these PT funds through an illegal account held by the PT in the Bahamas.

There is evidence of personal corruption. The PT treasurer received a Land Rover; the finance minister and Trotskyist-turned-monetarist, Antonio Palocci, made a suspiciously vast speculative gain on a house. But far more important than corrupt individuals is the corruption of democracy and of political goals and values as a result of the instrumental political methodology of 'any means necessary.' It is significant in this respect, that the mastermind of all this was José Dirceu, an ex-guerrilla leader, responsible indeed for kidnapping the German ambassador and a devoted party man. He had been party president since 1994 and the architect of Lula's election campaigns from 1994 to the victory of 2002. It's unlikely that his record will show any sign of personal corruption.

The evidence of corroded ends is stark. The revelations of political corruption came after it had become clear that the

government had moved from a supposedly tactical acceptance of the IMF terms to a wholehearted acceptance for neoliberal orthodoxy. Interest rates are, at 19 per cent, among the highest in the world. The government continues to generate an internal surplus far high than that demanded by the IMF, which no longer feels it has to have an agreement with Brazil. It can rely on the economists who determine policy in the Palácio do Planalto.

Perhaps the most crucial signal that the leadership had broken the bond at the heart of the original PT project – that of achieving social justice by building on the power of popular movements to do so – was Lula's failure to turn his electoral mandate and huge international support into a democratic counter force to drive a hard bargain with the IMF. 'He could have got much better terms in order to pursue the social programme for which he was elected. At that point, the people would have been on the streets behind him,' says Plínio de Arruda Sampaio, a founder of the party with Lula and now, in his 70s, standing in the party's presidential election, to test 'for the last time' whether the party retains any integrity. It's a widely shared belief.

It's not just Brazilian leftists who are shocked and disoriented by what has been happening in the elegantly designed corridors of office – but patently not of power – in Oscar Niemeyer's Brasília. Lula and the PT are not a Soviet-style 'god that failed.' But many western leftists, myself included, vested great hopes in the PT's ability to combine, in Plínio de Arruda Sampaio's words, 'the building of popular movements with occupying spaces in the political system.'

This was seen as a strategy for socialist change more powerful than the failed parliamentarism of west European social democracy, yet building on struggles for the franchise and other liberal political rights in a way that the Leninist tradition rarely did. The disaster of the Lula →

government is not just a repeat of the classic scenario of a social democratic party that talks left in opposition and is pressured into compliance when it gets to office. The PT's particular origins in mass movements resisting the military dictatorship of the 1960s, 1970s and early 1980s, along with strong traditions of popular education and self-organisation, produced something new.

One illustration of the PT's innovative politics was its relationship, historically, with the landless movement MST – a movement that occupied the land of the rich *latifúndios* and then tried to use it for co-operative agriculture. The PT both supported this movement and was supported by it, while at the same time respecting its autonomy. Another illustration was the way that when the PT won the mayoral elections in cities such as Porto Alegre in Rio Grande do Sul, Rio Branco in the Amazon, Sao Paulo, Recife and very recently Fortaleza in the north east, it sought to 'share power with the movements from whence we came.' These were the words of Celso Daniel, the mayor of Santo André, who was murdered in 2001 for trying to stop corruption. The PT did so by opening up the finances of the municipality to a transparent process of participatory decision-making through which local people had real power. One of the main driving motives behind this experiment was to expose and eliminate corruption.

How, then, could the party of participatory democracy have become the party of corruption, following the methods of every other Brazilian party before it? I went to Brazil to find out.

I had been to Brazil several times to write about the participatory political experiments of the PT and to engage in the World Social Forum hosted by the then PT government of Porto Alegre. What had happened to all this democratic creativity? Was the emphasis on participatory democracy really only a feature of the state of Rio Grande Do Sul with its highly developed civil society? For a reality check I be-

gan in Fortaleza, where a radical PT member, Luizianne Lins, had stood for mayor and won against the wishes of the leadership; Jose Dirceu had flown in from Sao Paulo to campaign against her. I attended meetings of citizens deciding on their priorities for the city's plan to negotiate over them with Luizianne. The participation was strong, pushing municipal policies in a more egalitarian direction. The co-ordinator of the Office for Participatory Democracy, Neira De Moraes explained how they were developing the politics of participation: 'popular participation is about more than the budget: we aim for it to run through every aspect of the municipality.' They also have a process of training or '*formação*,' explaining the workings of the government machine, especially the finances and helping 'people to become fully conscious of the process, improving, taking control over it.' Clearly, in Fortaleza, 2,500 miles from Porto Alegre, here was

a participatory administration that had taken the process deeper than its original and world famous home. My next stop had to be Sao Paulo and then to Rio to talk with people who had sounded the alarm about signs of a leadership that bypassed this grass roots radicalism at an earlier stage.

I visited Chico De Oliveira, Marxist sociologist and a founder of the PT, from Pernambuco, like Lula. He had recently written an excoriating letter of resignation from the PT over the government's economic policy. His analysis was comprehensive. First he stressed the context of the Brazilian state, which gives greater powers of patronage to its politicians than possibly anywhere else in the world, offering huge opportunities for clientelism. The president has 25,000 jobs in his gift. The French socialist president, Francois Mitterand, by way of contrast, had 150. The electoral system, in which people tend to stand not on party lists but as individuals, also makes for weak parties. Patronage and bribery has been a normal way of getting measures through congress, and through the assemblies of regional and municipal government, which mirror the presidential system.

It was exactly this system that the participatory budget was fashioned to attack. The idea was that instead of bribery and patronage, the mayor or governor (and, it was imagined, eventually the president) would rely on a process of shared decision making with institutions of popular participation. This would be underpinned by a process of direct and delegate democracy that councillors and regional deputies would be unable to ignore because their voters were part of it. A visit to Porto Alegre confirmed this. 'We ruled for 16 years without bribery,' said Uribitan de Souza, one of the architects of the participatory budget, both in Porto Alegre and for the state of Rio Grande Do Sul.

The essential principle guiding Uribitan, Olivio Dutra and the other pioneers of participatory budgeting was the recogni-



tion that electoral success does not on its own bring sufficient power even to initiate a process of social transformation but that an electoral victory can be used to activate a deeper popular power. Such an approach, without immediately developing new institutions, would have led at least to the kind of mobilisation that *petistas* expected from Lula in dealing with the IMF and a hostile congress and Brazilian elite. Indeed, one government insider told me that bankers expected it too and were reconciled to some tough bargaining. But from Lula's 1994 election defeat (when many had been looking forward to a PT government) to the successful campaign of 2002, the leadership of the party was not in the hands of people with a deep commitment to participatory democracy.

D'Oliveira stresses the emergence of a group of trade union leaders, including Lula, whose approach was essentially one of pragmatic negotiations. He argues that in the 1980s, when the independent trade union movement was highly political as its every action, however economic or sectional in intent, came up against the dictatorship, they appeared as radical political leaders. But as the militant trade unions, in the car industry especially, faced rising unemployment and declining influence, the influence of leaders was one of caution and pragmatism. Another group in the post 1994 leadership – for example, ex-guerrilla José Genuino – had reacted to the fall of the Berlin Wall by dropping any belief in radical change and adopting a variant of Tony Blair's 'third way,' weak social democracy. And finally there was Dirceu, whose break from the Communist Party in the 1970s had been over the armed struggle, not its instrumental, ends-justify-means methodology.

Dirceu's end – shared by every *petista* – was 'Lula Presidente'. For Dirceu, this was by playing ruthlessly the existing rules of the game. For most *petistas* it was by also mobilising and educating the people to be ready to take actions themselves. But the difference in methodology was overwhelmed by the desire for a PT victory. People who tried openly to warn of corrupt deals with private companies, like César Benjamin, a leading official of the party until 1994, were rebuffed as disloyal.

'We believed too much in Lula,' con-

fesses Orlando Fantasini, a deputy for Sao Paulo. A radical Catholic, Fantasini is part of a 'Left Bloc' of around 20 deputies and a few senators that was quick to demand an investigation into the corruption revelations. Many of these are now likely to join other parties, most notably the PSOL, a party formed by PT deputies who split from the party over the pension reforms.

Throughout the 1990s, Lula personified *petista* hopes for social justice and popular democracy. If Dirceu and the increasingly tight *cúpula* demanded greater autonomy, or argued for a centralisation of the party at the expense of the local nuclei in the name of a Lula victory, their demand was granted. In election campaigns, political campaigning in the market places and street corners gave way to marketing on the conventional model, activist campaigning gave way to paid leafleters. Meanwhile, Lula drank bottles of whisky with the bosses of Globo, Brazil's Murdoch-like media monopoly, thinking he could get them on his side. The PT had established Brazil's first mass political party according to its own ethics of popular democracy, but after the disappointment of 1994 – and even more so of 1998 – it accepted the rules of Brazil's corrupt political system.

The PT's reputation for democracy has been based partly on the rights of different political tendencies to representation at all levels of the party. But from the mid-1990s, according to César Benjamin and others, Dirceu started to use the slush fund to strengthen the position of the 'Campo Majoritário' (literally, majority camp), building a network of local leaders who depended on him. This, along with the autonomy demanded and granted for Lula's group, meant that the PT's democracy became ineffectual as the majority tendency monopolised central control and no other mechanisms of accountability were put in place.

As I listened to party activists and ex-activists at every level, from the organisers of Fortaleza's new-born participatory democracy to a veteran leftist advising Lula in the Palácio do Planalto, it became clear how interlinked the two scandals are. The neoliberalism of the government and the systematic corruption in the organisation of the party go hand in hand. The steady strangling of democracy – which is, after

all, what corruption is about – meant that the party lost all autonomy from the government. It also meant that all the mechanisms linking the party to the social movements and therefore acting as a political channel for their expectations, their pressure and their anger had been closed down. Even Marco Aurelio Garcia, co-founder of the PT and Lula's chief advisor on foreign affairs, felt he had no way of calling the economics minister to account.

What now? Everyone recognises that the corruption disaster is a huge defeat. 'Our strategies have to be for the long term,' says José Correio Leite, from the now-divided left tendency Democratic Socialism (DS). After the party's presidential elections, assuming the Campo Majoritário wins – and it is assumed that even now corruption is playing a part in their election campaign – he and most of those who have been supporting Plínio de Arruda Sampaio will leave the party. Some will join the PSOL but all will be working to create a widely-based 'socialist movement' or some such framework that will not see electoral activity as its priority but rather will return to working with social movements.

'We must find a way of consolidating and developing the real PT traditions. We cannot let the *cúpula* destroy this,' says Luciano Brunet, who is supporting fellow Porto Alegren, Raul Pont, for party president on a platform of political reforms of the party and the state.

All agree 'the situation is open – very open', as a group of Plínio supporters put it. They also stressed the importance of international discussions. Across the world, there is an experimental left refusing the idea that all that remains for the left is a kind of Blairism, or an abandonment of any engagement with electoral politics. The disaster facing the PT requires us not to turn away and search elsewhere for a new political holy grail, but rather to learn with our *petista* or ex-*petista* friends from their defeat and deepen the innovative but incomplete answers they were beginning to give to questions that face us all. **R**

Hilary Wainwright is editor of [Red Pepper](#).

# Haiti, the Struggle Continues

Pierre Beaudet

*There has been considerable debate on the left in North America about the current situation in Haiti. As part of this debate, there have been accusations that those of us critical of Aristide have somehow sold out to the forces of evil. The situation in Haiti is dire and deserves a serious debate rather than accusations and counter accusations. Some of these accusations have been directed against Alternatives. Over the years, Alternatives, a Montreal-based solidarity movement, has stood by several popular movements in Haiti and extended its communication skills to a number of community media and journalist associations. Back home in the meantime, Alternatives has helped a number of organizations from the Haitian Diaspora in Canada to participate in the campaign of solidarity for Haiti, including pressing the Canadian government for more generous aid policies and more support for a genuine democratic process involving the society at large, and not just the political elites.*

More than 200 years ago, the African slaves of Haiti defeated French and later Spanish and British imperialism. The first republic of the hemisphere had a very difficult beginning. France and Britain, then later the United States never gave in to what was perceived as a mortal threat to the interests of the slave-owners. The Africans in Haiti were also split between various factions combining race and class factors, which did not help to create the conditions for a democratic state. In the early part of the 20th century, the U.S. intervened directly with military occupation and repression. Resistance continued, however and in the 1930s, a new populist movement came about under *François Duvalier* (the father). After flirting with the popular classes, Duvalier established his own dictatorship, courting an African “middle class” and enlisting Haiti in the Cold War led by the United States.

## THE RISE & FALL OF ARISTIDE

In the 1980s, *Duvalier* (the son) was unable to crush the rising tide of people’s resistance to the dictatorship. Out of this, a charismatic priest active in the shantytowns of Port-au-Prince, *Jean Bernard Aristide* became the spokesperson of the movement. In 1990, he was swept into power through Haiti’s first democratic elections. But U.S. imperialism and the local ruling group could not accept this democratic verdict. A few months later, the military overthrew Aristide opening a new cycle of violence and repression during which many of the popular leaders were executed, jailed or exiled. In 1994 under Haitian and international pressure, the U.S. was forced to bring back Aristide from his Washington exile. Aristide’s movement, *Lavalas*, which was a sort of rainbow alliance during its first incarnation, began to fumble after the return of a transformed President who was mostly concerned with

reaffirming his control rather than engaging in the political, social and environmental reconstruction of the country. Many supporters of Lavalas broke away, including most of the left factions that had supported him initially. Dissidents of various stripes became the target of Aristide, such as the famous journalist-agronomist *Jean Dominique* and many other popular leaders. Subsequent elections were rigged to the extent that most of the opposition boycotted the futile exercise. In the last presidential election in 2000, less than 15% of the Haitians bothered to vote (for *René Preval*, the “stand-in” for Aristide). By 2003 and 2004, popular demonstrations, strikes and riots multiplied, creating more disturbances. In the meantime, the economy went bankrupt, increasing Aristide’s drive toward the side of drug dealers who transformed Haiti into a major smuggling operation.

## DESCENT INTO HELL

All throughout that period, the big international players kept out, creating around Haiti an invisible wall of isolation and neglect. None of them were interested really in supporting the democratic opposition. For the United States particularly, Haiti had to be saved from itself only to avoid a major influx of boatpeople. Later, the old gangs of *Duvalierists* and ex-military thugs engaged into their own destabilization with the help of the Dominican government and mafia. They came out with their guns and kicked Aristide’s supporters out of several cities. Port-au-Prince became ungovernable. Then the panic-button was hit. In February, U.S. Marines came to “surgically remove” Aristide who was shipped to Africa. In a few days, the coup was endorsed by the UN under a joint resolution to the Security Council presented by France, the U.S. and Canada. Later a UN-mandated Brazilian-led contingent was sent to protect a “transition” in principle managed by a non-elected government. The left and many of the popular movements that had led the democratic struggles in the last decade came out of this series of extraordinary events quite stunned. Some decided to side with the transitional government in the hope of rebuilding a minimum space for democratic governance. Others aligned with Aristide defending the principle of national sovereignty above and beyond anything else, including the crimes that everyone knew Aristide had committed. Some of the radical groups refused however to side with one or the other and announced that they would fight “on two fronts.” In the meanwhile, the situation has gravely deteriorated. Most of the members (with exceptions) of the “interim government” have been ineffective as it was predicted in the beginning. Aristide has succeeded in joining hands with some of the hard-nose gangs in the capital to create havoc. Many of his supporters on the other hand have been arbitrarily repressed, even those who had nothing to do with crime or drug trafficking.

In addition to the misery and famine inflicted on the Haitian people, insecurity and violence now prevail in many parts of the country. Tons of promises by the “international community” to clean the mess have been left into the air.

### THE ENEMY OF MY ENEMY IS NOT MY FRIEND

Aristide, who has been suppressed by the United States, has tried successfully to present himself as a “martyr” and a victim of imperialism. For sure, he was punished, as were several others who have dared to confront at one point or the other the arrogance of the powerful. He is not alone in that family that includes genuine popular leaders but also distorted populist thugs such as *Noriega*, *Saddam Hussein*, *Robert Mugabe* and others. In their desire to overthrow these regimes, imperialism is much less concerned with democracy as it is with the protection of its own interests. While “bad” dictators are overthrown, “good” dictators are supported

and promoted by Washington when they are able to ‘do the job’ properly, like in Saudi Arabia, Colombia or Indonesia. In any case, should solidarity movements support Aristide because he was punished by the USA? Well-known Haitian left activists like *Camille Chalmers* say that in no way can they support Aristide even though they are highly critical of the way he was expelled and more over, of how the international community has handled the situation since then. The sovereignty of the nation has to be preserved, and at the same time, the Haitians want democracy and social justice, not the coming back of the thugs. How to do that? Chalmers concludes that there is no escape from rebuilding an alternative through the popular movements that struggle and propose. There is no quick-fix and the task is tremendous. This is where solidarity movements should stand. **R**

Pierre Beaudet is the Executive Director of [Alternatives](#).

## Haiti: Getting the Facts Right

Charles Demers & Derrick O’Keefe

*With Aristide elected, then kidnapped, where ‘we’ stand is not the question: A reply to Pierre Beaudet.*

Comrades: We cannot, as North American progressives, fall in to a defense of the thuggery, autocracy and brutality of the Viet Cong bandits – even if we are uncomfortable with elements of the American intervention in Vietnam. Instead, we must insist on building the civil society mechanisms needed to ensure the most democratic Republic of South Vietnam possible.

Comrades: It’s useless to call for the return of the strong-arm Bonapartist, Hugo Chavez. We must work within the new political context, under President Carmona, to build a viable, participatory Venezuela.

Comrades: Cuba – I mean come on. What can I say about Cuba?

With an endless list of populist, democratic, and even authoritarian third world leaders deposed in the “post” colonial era by the wealthy countries of the North to grave ends and with disastrous consequences in the South – Mossadegh, Lumumba, Allende, Sukarno, and, yes, even the ill-conceived, vacuum-inducing ouster of the barbarous Saddam Hussein, which has set the context for decades of

confessional violence in what was once Iraq – at least one lesson of history ought to be abundantly clear for the left.

That lesson is that, even with the best of intentions, empire-builders drunk on hubris have not built and cannot build safety, democracy or security over and against the wills of subject peoples (even if the dubious claim that this is what they’re doing is taken at face value, which it oughtn’t to be).

The failure to learn this lesson is the crux of the problem with the recent contribution of Pierre Beaudet to the discussion on the orientation that progressives and solidarity activists should adopt towards the situation of French, American and Canadian mandated regime change Haiti; a greater problem even than his bungling of simple, basic, and straightforward facts. (Beaudet has, for instance, René Preval running as a “stand-in” for Aristide in the elections of 2000, when in actuality, the latter overwhelmingly won that election himself).

On the facts of the matter, the recently released book *Canada in Haiti*, written by Yves Engler and Anthony Fenton, rigorously exposes Ottawa’s financial, political and military role in the February 29, 2004 coup d’état and subsequent occupation, as well as the facts on the ground in Haiti.

Beaudet gives scant attention to these

matters, preferring to recycle unsubstantiated (and un-cited) blanket assertions of “rigged elections” under Aristide. In fact, rather than explicitly addressing the left’s and his own organization’s position on Haiti, Beaudet sets up a familiar and unconvincing straw-man: that those actively involved in opposing the occupation of Haiti and calling for the return of constitutional order are uncritical apologists for Aristide and the shortcomings of his government.

The facetious, hypothetical polemics advanced at the opening of this essay with regard to Vietnam, Venezuela and Cuba, are meant as more than simply cheeky rhetorical devices; we are trying, instead, to highlight the absurdity of a debate which ought to have been easily resolved with common sense, but instead consumes the Left on issues such as Afghanistan, Iraq and Haiti.

Put simply: it is a sad, dangerous day when the imperatives and priorities of “first world” NGOs, churches, trade unions or other associations (no matter how well-meaning or benign) come to override the sovereignty of elected and, even, unelected “third world” governments. Beaudet’s analogizing Aristide to Hussein and Noriega is mendacious and absurd, but, in the end, moot; even in those horrific →

cases, progressive, internationalist principles dictate the opposition to destabilization, regime change from outside, and foreign intervention.

The overriding fact of the matter is: the recognized and sovereign nation of Haiti carried out legal elections in the year 2000, a process more decisive and perhaps closer to ideal than elections carried out in another former slave republic of the Americas that same year. In the midst of his term, the legitimate president was kidnapped by historically hostile interlopers who ferried him into an exile from which he has been unable to carry out his mandate. The clock

stopped then for Haitian democracy; it starts again when he comes back.

With America pretending to control over Iraq, many “progressives” in the United States are trying to make the best of a “bad” situation; at least one sectarian socialist newspaper has called for Iraqis to make use of the “civic space” opened up by the occupation. But whether it’s Christopher Hitchens supporting the Iraqi occupation to advance secularism and Kurdish rights, or Pierre Beaudet supporting the NGOs backing Aristide’s ouster for whatever “democratic” rationales, their fundamental validations of the imperial project

are untenable and unjust.

After over 200 years of intimidation, debt, slavery and foreign invasion, the Haitian people deserve the freedom to create their own national destiny – replete with glories and mistakes. This is where solidarity activists should stand: behind the Haitian people, and the organized expression of their own free will. **R**

Derrick O’Keefe and Charles Demers are founding editors of [Seven Oaks Magazine](#). This article first appeared on [Rabble.ca](#)

## Malign Neglect or Imperialism? NGOs Blind to Canada’s Crimes in Haiti

Nikolas Barry-Shaw

What is happening right now in Haiti is probably Canada’s worst foreign policy crime in the last 50 years. The Canadian government helped plan and carry out the destabilization of Haiti’s elected government, culminating in the February 2004 coup d’état/kidnapping of President Jean Bertrand Aristide by U.S. Marines and Canada’s Joint Task Force 2. Since then, the coup-installed government and its death squad allies have waged an all-out war against Aristide’s Lavalas movement and its supporters with the full and enthusiastic backing of Paul Martin’s Liberal government.

Canadian police lead the UN police mission (UNPOL) responsible for training, vetting and overseeing the new Haitian National Police (HNP). Under their watch, hundreds of former Haitian Army (FAd’H) officers, death squad members and individuals who “have been involved in drug rackets, kidnappings, extra judicial killings or other illegal activities,” have been integrated into the HNP, according to the Catholic Institute for International Relations. The result has been massacres, violent and indiscriminate raids on poor neighborhoods, summary executions, attacks on journalists and peaceful demonstrators and arbitrary mass arrests. Thousands have been killed and thousands more have gone into hiding or taken exile in another country. When asked about reports of these abuses by human rights groups and mainstream news agencies, Foreign Affairs Minister Pierre Pettigrew has scornfully dismissed all evidence as “propaganda which is absolutely not interesting.”

Canada is also deeply involved in the functioning of Haiti’s justice system. Deputy Justice Minister Philippe Vixamar is a direct employee of the Canadian International Development Agency (CIDA) and was assigned to his position by the Agency. In an interview, Vixamar revealed that the U.S. and Canadian governments play key roles in the criminal justice system, including paying high-level government officials. The prison system is

massively overcrowded with hundreds if not thousands of political prisoners, including Lavalas presidential candidate and Amnesty International “prisoner of conscience” Father Gerard Jean-Juste. Meanwhile, death squad leaders such as Louis Jodel Chamblain are acquitted in sham trials. Special Advisor to the PM on Haiti Denis Coderre has been exceptionally duplicitous on the matter, claiming, without apparent irony, “Canada would not get involved in Haiti’s justice system.”

Repression is the only means of holding power available to an illegitimate government pushing through an anti-popular program, as the installed regime of Prime Minister Gerard Latortue has amply demonstrated. Canada helped craft the neoliberal plan for post-coup Haiti and has played a crucial part in propping up the corrupt cabal of technocrats and supporters of the former Duvalier dictatorship that forms the interim government. As part of this plan, subsidies for Haiti’s impoverished farmers have been slashed, the minimum wage has been reduced and an extremely successful adult literacy program has been dismantled by the Latortue regime, while large businesses have been given a three-year tax holiday and ex-FAd’H soldiers have been paid the outrageous sum of \$30 million in “back wages.” The ground is also being prepared for the privatization of Haiti’s state enterprises, a policy vigorously opposed by the Haitian people. The Interim Cooperation Framework (ICF), a document outlining the priorities of the “transitional government” and the donor countries, touts “private sector participation” in state enterprises and makes clear the anti-democratic nature of these reforms: “The transition period . . . provide[s] a window of opportunity for implementing economic governance reforms . . . that may be hard for a future government to undo.” Canada helped draft the ICF and has donated \$147 million in support of it.

Straightforward graft is flourishing under the installed gov-

ernment. Early on, the Office of the Prime Minister was rocked by a corruption scandal that involved diverting 15,000 bags of rice destined for the poor of Port-au-Prince, resulting in the suspension of two high-level officials close to Gerard Latortue. Youri Latortue, nephew of the Prime Minister and security chief of the National Palace, has been dubbed “Mister 30 Percent” by the French press for the cut he takes on favours, and is reportedly involved with smuggling drugs and guns. Recently, the Haitian news service Agence Haitien de Presse revealed that the government had been writing monthly checks for 6,000 police officers, despite there being only 4,000 officers in the HNP.

Despite (or perhaps because of) this atrocious record, the Canadian government has used every diplomatic means available in an effort to provide legitimacy to the installed government. High-level Canadian officials, such as Paul Martin, Pierre Pettigrew and Denis Coderre have made numerous visits to Haiti since the coup to “underline Canada’s support of the interim government and [their] intention to remain involved for the long term.” Canada has also organized and hosted international conferences with the Latortue government and chided other nations to disburse their aid more quickly. Paul Martin has even chastised CARICOM (the group of Caribbean countries) leaders for their refusal to recognize the installed government and their continued calls for an independent investigation into the removal of President Aristide. CARICOM is not alone in its opposition to the coup: Venezuela and the 53 nations of the African Union have also withheld recognition of the Latortue regime, and the ANC, South Africa’s governing party, has launched a campaign calling for the return of democracy to Haiti.

It hardly comes as a surprise that Canadian government officials and their PR flaks to have sought to deceive the public while carrying out their nefarious dealings in Haiti. Yet the government has received help in this endeavour from some unlikely sources: various self-denoted “left” or “progressive” NGOs have misrepresented the causes of the human rights disaster in Haiti and ignored Canada’s intervention almost completely, thus becoming complicit, wittingly or not, in the government’s “perception management” operations. Pierre Beaudet’s Rabble.ca piece “Haiti: Where should the left stand?” defending his organization Alternatives’ position on Haiti is but the most recent example. While his distortions of Haiti’s history since 1995 (especially concerning the 2000 elections and after) are significant, it is Beaudet’s assessment of the present that we will look at here.

Beaudet seriously minimizes the ruthless violence of the interim government and its Canadian-trained police force, devoting all of one sentence to the repression of Lavalas and voicing only tepid opposition to it. Moreover, Beaudet prefaces his trite reference to the anti-Lavalas witch hunt with the discredited notion of Aristide using “hard nosed gangs” to “create havoc,” implicitly laying the blame on the victims. Indeed, the Lavalas movement is portrayed as little more than a gang of criminals and drug runners in Beaudet’s article. Yet the depth of support Lavalas continues to enjoy belies such characterizations. First of all, the large majority of Lavalas’ base is located in the countryside, where at least 65% of the population lives. Rural Haiti is not exactly the preserve of ganglords and drug dealers, as Dr. Paul Farmer, re-



A Haiti solidarity demonstration in Ottawa this summer

nowned for his work against AIDS, malaria and TB in the Central Plateau and other parts of Haiti, explains: “I personally, in all my years in Haiti, have never once seen a peasant with a gun. And almost all of the ones around these parts are members of Fammi Lavalas (Aristide’s party). Now I’ve tended to many gunshot wounds, but they’ve been inflicted by former soldiers, police, or people who have cars to drive – not peasants.” In the cities, Lavalas has mobilized tens of thousands of people for demonstrations many times since the coup, despite the (frequently realized) threat of police using gunfire to break up protests. Even observers as hostile as the American and Canadian embassies have acknowledged that Lavalas is still the most popular political movement in Haiti.

While rhetorically opposing imperialism, Beaudet’s actual critique of the foreign powers’ current involvement in Haiti boils down to an accusation of malign neglect: Canada has not been “generous” enough with its aid policies and the international community have failed to “clean the mess” in Haiti as promised. Yet UN troops have been trying to “clean the mess” by carrying out frequent raids into pro-Lavalas slums, with deadly consequences for the population, and contrary to Beaudet’s belief, Canada has been extremely generous to the de facto Haitian government it helped install. What is Beaudet’s criticism of Gerard Latortue’s government, an exceedingly corrupt and undemocratic administration that is repressing its political opponents on a massive scale and reordering Haiti’s economy along neoliberal lines? Merely that it has been “ineffective.”

The hypocrisy (and serviceability to power) of this stance is worth noting: Aristide was accused of having these very same flaws (undemocratic, corrupt, neoliberal) and received unrelenting condemnation from NGOs such as Alternatives, yet no such opprobrium is forthcoming from Beaudet when it comes to the U.S./Canada puppet regime. Indeed, Beaudet seems more interested in talking about “the crimes that everyone knew Aristide had committed,” than about the serious and ongoing crimes of Canada and the interim government, crimes for which we, as Canadian citizens, hold far more responsibility.

In short, Aristide is not the issue; Canada’s role as a junior partner to U.S. imperialism is the issue. **R**

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## **Gordon Campbell on the BCTF**



**“The BCTF are  
a bunch of  
criminals, what  
they are doing  
is illegal”**