

International VIEWPOINT

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Independence? OK, but not just now!



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International Viewpoint

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Lithuania: front line of the fight for democracy

FOR ENTERPRISE LEADERSHIPS of Solidarnosc in two Polish cities — Wroclaw and Lodz — that I visited in April, the question of Lithuania was the “test” of Gorbachev’s democratic credentials and in particular of his claims that Moscow no longer wanted to dominate East Europe by force. They expressed a complete identification with the Lithuanian independence movement and thought that the rest of Solidarnosc felt the same way. In Prague, I found the city center thoroughly postered for a rally in defense of Lithuania at the Soviet embassy.

The Lithuanian challenge is becoming an important experience for the democratic and workers’ movement in Eastern Europe. In the Soviet Union itself, it seems to have begun to polarize the democratic movements, not only in the other Baltic republics or oppressed nationalities but in the Russian republic itself.

GERRY FOLEY

AS THE Lithuanian crisis deepens and as the Western governments increasingly make clear their lack of support for the national democratic cause, the democratic movements among the other oppressed nationalities of the Soviet Union and in Russia itself are coming more strongly to its defense. In his report of the special Sajudis congress in the April 23 *Libération*, Bernard Cohen noted the appearance of Edgar Savisaar, leader of the Estonian People’s Front and now premier of the Estonian SSR, who embraced the Lithuanian leader Vytautas Landsbergis. The French reporter went on to point out:

“The mass pro-independence rally led in Riga [Latvia] on Saturday [April 21] supported what several Baltic politicians only yesterday were still calling the ‘Lithuanian hastiness.’ Those attending the Sajudis conference...also heard a message of solidarity read by a representative of the Ukrainian Rukh [the Ukrainian equivalent of the Baltic people’s fronts],... [which] has clearly reinforced its positions in recent weeks, especially in the western Ukraine.”

On April 15, the Estonian People’s Front issued a strong statement in support of Lithuania: “The People’s Front of Estonia calls on all enterprises, institutions, organizations, movements, unions and

especially individuals in Estonia to be morally and materially prepared to support the Lithuanian people.

“The fate of Estonia and all the Baltic countries now hangs in the balance in Lithuania. Our struggle for freedom is a common struggle.

“A decisive moment has arrived testing our determination and faithfulness.”

Agreement between Baltic national movements

On April 12, representatives of the governments of the three Baltic republics signed an agreement for economic cooperation, which also expressed political solidarity. Commenting on the document, Vilnis Bressis, the chair of the Council of Ministers of the Lithuanian SSR, said: “The Baltic republics have a common history, a common life and a common future. Our aims are common. Our road is one, the Baltic road. I think that no force can divide us....Although our government has not officially spoken on the status of the Lithuanian state, the signing of this document itself attests to recognition of it.”

The Estonian leader Savisaar said: “I have always been convinced that it was necessary to build a strong economic union of the Baltic states. I think that col-

laboration in the political and economic spheres will be much more successful now than it was in the first half of this century. Then, our countries were, in the full sense, isolated from each other, each concerning itself only with its own problems. That made it possible for us to be treated the way we were in 1939 and 1940.”

The solidarity of the Baltic states today is a dramatic contrast with their division in 1939-1940, and there is a key lesson in that. It is the socialization of their economies that has made that possible. When they were at the mercy of the capitalist world market, they fell under the domination of various great powers, Germany in the case of the Estonians, England in the case of the Latvians. The Lithuanians, ironically, were allied with the USSR, because of their conflict with Poland over the Vilnius area.

The economic cooperation document put the Baltic common market in the context of the decentralization of social enterprises: “The contracting parties consider that there is a real possibility for creating genuine market relations in the framework of direct relations between independent enterprises, organizations and other legal persons.”

Deals with local authorities and enterprises

Moscow’s economic blockade of Lithuania not only represents a refutation of its democratic pretensions but also of its claims to be establishing a decentralized economic system ruled by the objective criteria of the market. The Lithuanian leadership is seeking to exploit this contradiction by offering deals directly to local authorities and enterprises. Economically, this tactic is unlikely to solve the problems created by Moscow’s pressures. But it can become a very important political weapon.

Kremlin representatives in Lithuania have begun to complain about the Russian democrats giving aid and comfort to the “separatists,” and their complaints are being given some play in the official Soviet press. For example, *Pravda* of April 6 carried a TASS dispatch reporting a statement by the Committee of Citizens of the USSR in Lithuania. This neo-Stalinist unionist organization condemned the Russian opposition organizations for supporting a government using undemocratic and even Stalinist methods — no, not Moscow, the Lithuanian government. TASS summarized:

“The irresponsible arbitrary actions of the Supreme Soviet of the [Lithuanian] Republic, it says in the statement, have put the fate of millions of people under threat, as well as the integrity of the USSR. Is this realized by ‘democratic’ and ‘radical’ emissaries of all-Union and Russian members of parliament, by the deputies of the [opposition controlled]

3

Leningrad and Moscow soviets who have rushed to support the decisions of the new government in Lithuania? Do their voters know about that?"

In an interview in the April 14 issue of *Kurier Wilenski*, the Polish language organ of the Lithuanian Council of Ministers, Vladislav Shved, second secretary of the Central Committee of the Moscow loyalist split-off from the Lithuanian CP declared that while it could not be said that the Interregional Group of Deputies in the Congress of People's Deputies was unconditionally for Lithuanian independence, "it considers that it is possible to break up the union and then put it back together again."

"I say that we can break up the union and end up with such problems that afterwards we won't have anything to unite again."

Of course a breakup of the union would be a breakup of the bureaucratic state, and then from Shved's point of view, there really would be nothing to put back together.

The confrontation in Lithuania is also a test of Gorbachev's ability to use his new monarchical powers. The demand for the imposition of presidential rule is one of the main demands of the unionist organizations in the republic. In April, moreover, two key laws have been proclaimed. One is a law on emergency rule. The second is on "Greater Responsibility Before the Courts for Violations of the National Equality of Citizens and Forceful Violation of the Territorial Unity of the USSR."

The latter law provides for draconian penalties for "public calls for the violent overthrow or change of the Soviet government and social system or the forceful violation of the unity of the territory of the constitutionally guaranteed unity of the territory of the USSR, the republics and autonomous republics, autonomous regions and districts and also the dissemination of materials carrying such a message."

This law indicates that far more is at stake in the Lithuanian confrontation than the fate of one small people. The future of the democratic and national democratic movements depends on a victory for the Lithuanians. Moreover, the Baltic republics have from the outset been the cockpit of the movements of oppressed nationalities.

Even the Azeri People's Front program is modeled on the Baltic ones, despite the fact that some of its leaders have expressed hostility to all Europeans. It was the Baltic fronts that managed to get the Armenian and Azeri fronts to engage in negotiations, in which they declared a common interest in opposition to Mos-

cow. The Baltic fronts recognized what was at stake in the Soviet intervention in Azerbaijan, and took the lead in the defense of the Azeri front.

Whatever their weaknesses, the Baltic fronts are very politically aware organizations. And it is notable that despite the threats of military force and economic ruin being applied against it, the line of attack of the Soviet press against the Lithuanian leadership is far more political and subtle than that employed against the other national democratic movements. This applies both to the line of Moscow and the unionist Lithuanian Communist Party-CPSU (formerly, "on the platform of the CPSU").

According to *Pravda's* report on the first stage of the congress of the CPL-CPSU, which began on April 22, the



Kremlin's favorite sons combined calls for removal of the elected government with complaints about violations of their democratic rights: "From the platform calls were raised for the resignation of the president of the Supreme Soviet of the Lithuanian republic, V. Landsbergis and the chair of the Council of Ministers, K. Prunskiene. Speaking of the way out of the crisis, many deputies called for the introduction of presidential rule." The report continued: "The Congress protested against the witch-hunt of Communists, the organization of moral and physical terror, the intentions to outlaw the Communist Party."

Pro-Moscow CP claims party property

The Lithuanian government has threatened legal action against the rump CP, which has offered the pretext for some of the worst military provocations against the Lithuanian people, claiming that research institutions, libraries and printing facilities belong to it as the programmatic continuation of the Lithuanian CP and as the local representative of the CPSU, that supposedly paid for them.

CPSU Central Committee Secretary A. N. Girenko spoke at the congress, saying, according to the *Pravda* summary, that "he understood under what conditions the Communists of Lithuania had to act in persevering with the ideals and principles of the CPSU."

He gave special stress to the question of the sovereignty and independence of Lithuania. Today, this was the fundamental question.... Firmly opposing any attempt to break up the Union, to divide the CPSU into national compartments, he expressed his support for the right of nations to self-determination."

In the press conference after the first stage of the congress, Girenko said: "Lithuania has the right to leave the USSR, but this has to be by the legal road." In the congress, itself, it seems, he

prefaced his remarks about devotion to the principle of self-determination of nations by saying the priority was to meet the daily needs of the republic's inhabitants and the first thing necessary for that was "to preserve and strengthen Soviet power in the republic, the socialist statehood of Lithuania and of the entire Soviet Union as a federal state."

The April 10 *Pravda* carried an interview with CPL-CPSU leader Shved, in which he said that in claiming the right to dispose of institutions belonging to the Communist Party, the "Supreme Soviet of Lithuania is pushing us toward a neo-Stalinist society,

utter lawlessness." The interviewer said: "The leadership of the republic declares that your party, with the help of military forces, is seizing control of these buildings." Shved replied: "Nothing of the sort. We are not seizing but defending party buildings and property. In principle, this should be defended by the laws, by the prosecutor's office, the internal affairs bodies. But when they do not carry out their functions, you have to appeal for help."

Shved claimed that his party was being threatened because of its program: "It is not surprising that a law is being prepared penalizing anti-government appeals, in accordance with which our party will be outlawed. This is because it supports such wild ideas, in the view of parliament, as a Lithuania in a renewed federation."

This bitter sweet complaint came at the very time when the Soviet parliament was passing a law that made national appeals a political crime with equally draconian penalties, without of course any complaints from the likes of Shved. Clearly, this interview was part of the provocative role being played by Moscow's Lithuanian fifth column.

Shved claimed not even to be against

independence, if it were done in the "right way." "I have said that the Communists want to see Lithuania in a union of equals. But nonetheless, I consider that every people has the right of self-determination; it is stupid even to dispute about that. But the problem should not be resolved with such methods. The process by nature is a painful and long-drawn-out one, and here you have one blow of the axe."

In the April 14 *Kurier Wilenski*, courtesy of the "neo-Stalinist" Council of Ministers of the Lithuanian republic, Shved expanded on his attitude to the question of independence: "As regards the independence of Lithuania, we are in favor of it being free from dictates, oppression, bureaucratic unity, of it being in the framework of a free Soviet federation."

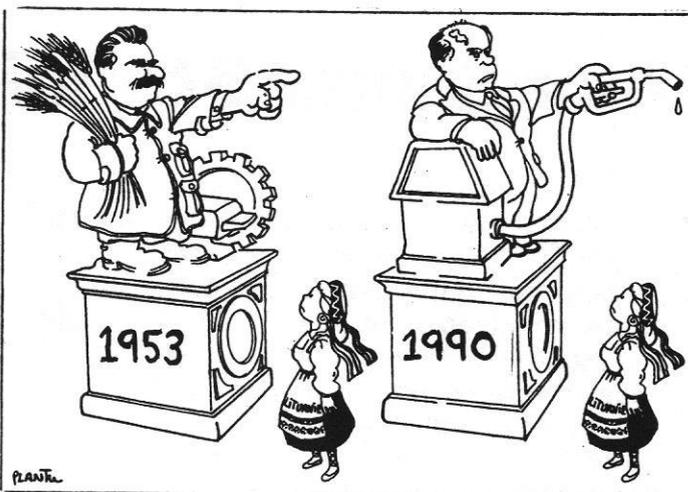
"You can't pose the question whether we are for Lithuania leaving the USSR or not. The situation in the world is such that no one can be independent. Independence can be understood as freedom to determine the form of dependence. Some propose that it would be better to be dependent on the EEC. I say, on the other hand, that we maybe can rebuild our federation to meet democratic norms."

"Lithuania has the right to leave the Soviet Union, but in the present situation, wouldn't this be a precedent that could lead to *perestroika* ending in a fiasco in the Soviet Union? I think that if Lithuania expresses a wish to leave through a referendum, it should leave. But our comrades think that it is necessary to explain to people that steps leading out of the Soviet Union are disastrous."

Western governments find pretexts

Gorbachev has put forward more or less the same line, and it has been bought by a lot of Western commentators, who are ready to believe that he is ready to let Lithuania go, only not now, only when he has the situation in the country better in hand. On the part of the press, this may be confusion. On the part of the Western governments, it is a pretext to cover the fact that they have no interest in the rights of nations and considerable interest in deals with Moscow.

It is essential in order to build support for the Lithuanian national democratic movement to fight any such confusion. Democracy is not something that can be postponed for the sake of political expediency, and the oppressor power has no right to determine the conditions in which national self-determination is expressed, in particular to change the rules of the game as it chooses. The Soviet constitution says that the republics have the right



to leave the USSR, period! That is an essential legacy of Leninism. It is revolting to see Soviet government spokespeople argue that no one in the West would allow "part of their countries to get up and walk away."

There is no indication that Gorbachev is moving toward a greater democratization. In fact, all the signs are the opposite — the new laws mentioned earlier, the calls for presidential rule, the use of military and economic threats, even the use of KGB forces to try to stop black market trade with Lithuania.

Independence and mobilization of support

In the present conditions, if the Lithuanians relaxed their claim to independence to any degree, allowed this claim to become in any way confused, to that extent they would lose control of the situation and weaken their ability to mobilize support. There are of course various degrees of independence in a dog-eat-dog world, but there is a qualitative difference between political independence and the lack of it.

Moreover, the question of momentum is decisive for the Lithuanian movement. Sajudis is a broad coalition of different forces. It depends also on an alliance with the independent Communist Party, whose attachment to the national cause is ambiguous, if not consciously two-faced. A good example of this is the editorial page of the independent CP organ *Tiesa* of April 17.

The headline is "Two opinions". But in fact only two angles of the same argument are presented. The first article, entitled "Independence and Beyond" starts with a lot of drum beating about the Soviet "occupation" and the wickedness of "collaborators," obviously the CPL-CPSU.

But it goes on to present a plethora of defeatist arguments: "Mr. Gorbachev is also trying to win the conservative layers. The president of the USSR knows that if he cannot reach these layers, he

will fail. The fact that democracy is still weak in Russia was shown by the recent elections."

The following article tried to back up this argument by citing the Western press, including the Voice of America: "Other administration spokespersons have indicated that they in no way want to encourage... Landsbergis to widen his challenge to Moscow." It went on to say: "From the statements of the foreign press, the conclusion can be drawn that no one disputes Moscow's right to deal with the Lithuanian problem."

Any faltering of the drive for independence will give the independent Communist Party a chance to begin to sabotage and divide the movement.

The Lithuanian push is also the locomotive for the other Baltic republics, where there is a large non-native population. In the case of Estonia the "pro-independence" CP has managed to get a pivotal position. In this context, in particular, the call on the Lithuanian leaders by Kohl and Mitterrand represents a *de facto* alliance with Gorbachev.

The Lithuanians can expect nothing from the Western governments but betrayal. But they can get effective political support from democrats and fighters for national freedom everywhere. The slogan of the Polish independence fighters of the nineteenth century, "For Our Freedom and Yours," has already begun to appear in the Lithuanian demonstrations.

Significance of Lithuania in Western Europe

In an editorial in its April 5 issue, *Zutik*, the organ of the section of the Fourth International in the southern Basque country, pointed out the importance of the Lithuanian example for Western Europe as well:

"The independence of Lithuania is an event of surpassing importance. For the first time in more than four decades in the immovable Europe, the product of Yalta and the blocs, there may be a change in frontiers opening the way for the entry of a nation that wants to form its own state. This is the first occasion in all this time that a national awakening has swept up the great majority of the population..."

"In fact, the so-called neutrality and real lack of support for Lithuanian independence by the West European states is not motivated so much by the desire not to complicate things for Gorbachev... as by a realization of what a change in frontiers means and because in their own houses there are also national movements that could take their inspiration from the example and victory of Lithuania." ★

Votes against Stalinism

SINCE the mid-70s Hungary has fallen into an ever deeper economic crisis, including massive foreign indebtedness, forcing Hungarian people to work much more and much harder. In the 1980s the growing crisis undermined the legitimacy — albeit weak — that the post-Stalinist system had gained through the rising living standards of the 60s and 70s. The position of the tiny internal opposition became stronger as a result. Through illegal publications and traditional demonstrations on March 15, the Democratic Opposition, bringing together liberals and intellectuals associated with the 1956 revolution, many of them with leftist or explicitly Marxist origins, gained increasing popularity in the capital Budapest.

New democratic groups begin to appear

In September 1987, a few weeks after the new prime minister Károly Grosz spoke out openly for the first time about the country's enormous economic problems, another group of intellectuals, this time with powerful nationalist inclinations, founded the Hungarian Democratic Forum. The HDF was given protection and publicity by the reform Communist leader Imre Pozsgay, who was trying to put Gorbachev's *glasnost* into practice and play the role of a new Imre Nagy and shift the country towards pluralist democracy. In March 1988 another group appeared: two dozen Law and Economics students founded the Alliance of Young Democrats (AYD), which openly proclaimed itself as a political organization whose goal was the creation of a new democratic Hungary.

By May 1988 the membership of the Hungarian Socialist Workers Party (HSWP — the Communist party) had reached the conclusion that the old, paralyzed leadership must be replaced.

The party conference accepted the concept of a "socialist market economy" (the market mechanism across the board, but with state-owned property predominant) and "socialist pluralism" (a broad national coordination between the mushrooming social organizations but without other parties). But Hungary's Western friends proposed more radical steps towards

ON MAY 2, 1990, the newly elected Hungarian parliament assembles for the first time.

Almost half of the seats will be occupied by representatives of the two and a half year old Hungarian Democratic Forum (HDF), described as of the centre-right, which won an unexpectedly convincing victory in the second round. László Anders, a member of the Hungarian Left Alternative, gives his view of the background to the elections.

LASZLO ANDERS

cy and a full market economy. In his speech of November 1988, HSWP general secretary Grosz rejected the legalization of parties, but by February 1989, the HSWP leadership realized that they had no choice but to accept pluralism. In March, with the aid of the United States ambassador, Mark Palmer, the new parties established the Opposition Round Table (ORT) which, in May, started negotiating with the HSWP.

Luckily nobody asked who the ORT members represented. At the same time, because of the unclear situation, the so-called social organizations (trade unions, Womens Council, youth movement and so on) took part in the National Round Table (NRT) as a third force. The ORT members used the reburial of Imre Nagy in June 1989 and were encouraged further by a visit from George Bush in July. In September the participants in the NRT signed the agreement on a "peaceful transition" meaning an end to the one-party state and the establishment of a democratically elected parliament. On October 23, on the anniversary of the 1956 demonstrations, Hungary was declared a republic. The majority of the NRT agreed to the election of the leader of the HSP (as the HSWP is now), Pozsgay, as President. But a group led by the Alliance of Free Democrats (AFD) collected 200,000 signatures and prevented this. A national referendum then decided to delay the presidential election until after the elections to parliament, which were fixed for March 25, 1990.

The electoral system that has been worked out is a rather unsatisfactory mixture of two methods resulting from a political compromise. One method, that

of the "party-list", favours small parties, while "first past the post" (referred to henceforth as voting for individuals) favours big parties. Last September no party was sure if it would turn out to be big or small, and the NRT thus decided that 176 of the 384 MPs should be elected individually, 128 on regional lists and 90 on a national list, this latter being made up of votes left over.

List system works against small parties

But they also included a limitation on the list system that worked against small parties.

Any party getting less than 4% would not get into parliament and their votes would be redistributed among the parties with more than 4%. It was also stipulated that a candidate had to get the signatures of 750 sponsors in a district to be able to stand there, a ruling that seemed to many people to throw into question the secret character of the electoral process. Even so in many districts parties could find eight or ten willing candidates.

According to the electoral rules in the first round, candidates could only become MPs from individual districts if they got more than half of the votes cast. In the second round the strongest three from the first round can stand and the decision is by a simple majority, providing that more than a quarter of the citizens take part in the voting. All this is very complicated and many of the population could hardly understand it!

The party campaign managers soon grasped that the key to popularity and high votes is the mass media, and a bloody fight ensued for influence and time on TV and radio. In January and February more than 50 parties had two spots of five minutes each on prime time TV and radio. Many of their efforts were really dreadful and alienated many people both from a lot of small and not very serious parties, but also from the whole electoral process.

The campaigns were aggressive and sometimes dishonest. The election campaign took place in an intensely anti-Communist atmosphere. The TV and radio were full of rightist interpretations of 1945 and 1956 — emphasizing the oppressive role of the Soviet Union in Hungary in the postwar era — and the oppression of the Hungarian minority in Romania. Socialism was identified with the Ceausescu and Honecker regimes and

the secret police, and was presented as a historical dead-end, a tragic mistake.

As early as last August, Zsolt Németh, an Oxford-educated activist of the AYD announced to the people at an election meeting in the country town of Zalaegerszeg that they should "smash the Communists into the ground". Afterwards this phrase became a notorious example of how not to conduct the peaceful democratic self-education of Hungary. The AYD then came up with the slogan: "Listen to your heart, vote for us!" But some weeks before the election day, this party which aimed to finish off the system, looking for a big victory in the elections, reverted to the slogan "listen to your brain. Smash them into the ground!"

Searching out the Communists

However it was becoming increasingly difficult to track "them" down. After October the CP had become two separate parties, the HSP and HSWP and former CP members could be found in almost every other party. However another AYD leader Viktor Orbán found the solution, charging that there were now four Stalinist Communist parties in the elections: the HSWP, the HSP, the Patriotic Election Coalition (PEC) — in fact an alliance of different social organizations, regardless of party — and the Agrarian Union, that contains representatives of agricultural cooperatives, and wants to defend successful agricultural institutions.

In January there was a big struggle over the TV News. The new TV management kicked out the liberal minded editorial staff and replaced them with HSP sympathizers. This development contributed an anachronistic aspect to the campaign. The parties, especially the nationalist ones, made people feel as if they were in the middle of the last century. They announced that the 12 points of the 1848 revolution — withdrawal of foreign troops, union of Transylvania with Hungary, a free press and so on — had not been achieved, implying that the nation faces today the same problems — democ-

ratization, national independence, and the transition to bourgeois society — as 142 years ago, regardless of the totally changed economic and social structure and a different world. The Soviet Union was identified with the Habsburg Empire, long-time Communist leader János Kádár with the suppressor of the 1848 revolution General Haynau and the Young Democrats with the "March Youth" (revolutionary young writers and students) of 1848. The newly established state prizes are named after political personalities from the last century such as Count Széchenyi and Táncsics. The Kádárist idea of the nation was to be replaced with an idea from the revolutionary (and counter-revolutionary) times of the last century.

Even so, people could not be entirely distracted from the deteriorating economic situation, and this became the main charge laid at the door of the left wing parties. By the end of last year the Németh government had become completely confused about its own identity and destination. Even so, Németh's disastrous economic decisions — including taking on the IMF programme bringing rapid inflation — and political scandals hurt the HSP more than Németh himself.

Political developments in other Eastern European countries strengthened the rightist tide. Apart from the HSWP and the Agrarian Union, all the parties, including the HSP are dominated by their right wing. Hungary came to the elections without any significant workers movement. The relatively big, but absolutely weak, political left had no illusion about its electoral prospects.

The results in the first round were in keeping with opinion poll predictions. The HDF got nearly 25%, the AFD more than 20%, the Independent Smallholders Party a bit more than and the AYD and Christian Democratic People's Party a bit less than 18%. The 4% limit particularly affected the HSWP and the PEC. The Hungarian Social-Democratic Party also failed, despite enormous support from the western social democratic parties, including TV clips with photos of Brandt, Mitterrand, Gonzales and so on

together with the HSDP President. This latter was taken to hospital, amid suicide rumours, after hearing the result.

The voting for individual candidates in the first round showed that no party enjoys absolute trust. Only five persons got more than 50% of the votes, among them the prime minister Miklós Németh, who stood as an independent.

The result also confirmed what already seemed likely: that only a small minority were prepared to vote for anything that seemed faintly left-wing. The propaganda of the right wing parties glossed over the relatively peaceful and prosperous 60s and 70s and suggested that today's right-wingers were the successors of the revolutionaries of 1848. If they won the elections, they implied, Hungary would be on an economic par with Austria within seven years. The vote was not positive: it was a vote against the past, against what people perceived as Communism and Socialism.

Lower turnout for second round

The second round, however, brought the real decision — a striking victory for the HDF. In the second round it was necessary to choose between the HDF and AFD, even if the voter actually supported someone else. Because of this many people stayed at home on April 8 and there was only some 50% participation, as against 65% in the first round. But yet again the votes were cast on the "negative choice" principle and the majority chose the HDF.

Why? Not because the AFD had not emphasized the national question sufficiently and took over the IMF programme wholesale. It was because people had had enough of radicalism and loud noise and the HDF seemed more moderate, despite some anti-semitic and radical elements within it. In fact all the most aggressive leading candidates from the various parties, failed in the individual districts.

The first session of the incoming parliament will ask HDF president József Antall to form a coalition government on a proportional basis.

Antall, a 58 year old historian, is a son of a former Smallholder politician. Because of his active role in the 1956 revolt he had to give up teaching in a high school and worked in a university library, where some years ago he became director. He has taken part in the HDF's activities since the beginning. Compared to the famous writers and other personalities in the HDF he is not at all well known and was not expected to become president. But the former unofficial HDF leader, Zoltán Bíró, was too closely connected with Pozsgay and as the Communists and Socialists found themselves increasingly isolated, so

MPs by parties and origins

Parties	Individual (district)	Regional List	National List	Total	%
HDF	114	40	18	164	42.59
AFD	35	34	23	92	23.23
ISP	11	16	17	44	11.40
HSP	1	14	18	33	9.55
AYD	1	8	12	21	5.44
CCPP	3	8	10	22	5.44
AU	1	0	0	1	2.26
Ind	6	0	0	6	1.55
Common	4	0	0	4	1.34

did Antall's star rise.

Last summer the HDF had a significant advantage in publicity and popularity compared to the rest of the opposition, and was expected to win the absolute majority in the forthcoming elections. It played the role of a hold-all party, like the Smallholders in 1945. However their ambiguous relations with the ex-Communists caused a definite decline by the end of the year. No other party, however, was able to have the same kind of broad appeal and the temporary weakness was overcome. The HDF's economic experts have been constantly critical of the Németh government's programme, which has succeeded in creating inflation and unemployment at the same time.

Corporate structures of old regime

The AFD programme is much the same, that is, a domestic version of the IMF stabilization programme. In fact this polarization has roots in the corporate structures inherited from the Kádár period, when the struggle between the financial/monetary and the planning apparatuses expressed the tension between plan and market. The HDF's experts are mostly from the planning apparatus, while the HSP and AFD teams come from the financial and monetary authorities. Apart from criticizing the ongoing economic crimes — spontaneous privatizations and increasing inflation — the HDF has also organized so called HDF-markets aimed at destroying the grip of the so-called "vegetable mafia". At these markets vegetables are sold at cheaper than usual prices. This project has greatly increased the HDF's popularity as have their regular deliveries of food, books and medicines to Transylvanian Hungarians.

Antall explains his party's success by the fact that it represents the option of a synthesis of Christian, national, democratic and social thought. In the HDF, so it is said, these values reinforce each other rather than cancelling each other out. He also uses the term "interest-unification", which comes from the programme of revolutionary leader Lajos Kossuth in the 1840s. In the contemporary context, interest-unification should be understood as the bringing together of the domestic private producers — entrepreneurs who need the market, and domestic demand, that is, well-paid workers and decreased inflation. This is all very beguiling, but even Antall does not sound too sure of its success.

When asked about the possibility of a coalition with the AFD, he rejected the idea with the argument: in the case of an economic crash it would be better if only one of the big parties went down with it. This is a clear admission that there is a good chance that the HDF's economic programme will fail. Antall is offering an average West European standard of living in ten years and entry into the EEC in five. But such prospects require sustained economic growth, impossible with the trade deficit, the IMF-policy and the likely economic pressures from the Soviet Union. These dilemmas could undermine the power and popularity of the HDF government very quickly.

Smallholders make explosive call for land reform

In its election propaganda the HDF described itself as the "tranquil power". But at the moment it is neither tranquil nor powerful enough to rule by itself. The natural allies of the HDF are the Christian Democrats (CCPP) and Smallholders (ISP). The CCPP's programme is to

strengthen Christian values amongst the nation — much less explosive than the ISP's call for "land reform", that is to say the restoration of the land ownership pattern to that existing before 1947, a plan that, if carried through, would lead to the collapse of Hungarian agriculture and the food supply.

The next step is to carry out the campaign promises. This is not so simple. After his victory, Antall announced that the party programme is not the same as the government programme, because the government is a coalition. In a TV debate in February, he insisted that what was coming was not a change of government but a transformation of the system, demanding large-scale changes in the ministries and other important bodies. But now he is doing his best to calm the state bureaucrats, who are pointing out that they need skilled and experienced cadres. On May 2 the parliament will elect its chairperson, probably from the HDF, who will be the provisional president and who will ask Antall to form a government. Later the parliament will elect a president, not necessarily an HDF member. Nor will the HDF hold all the key posts in the government.

Antagonisms inside ex-Communist Party

In the near future the HSP is going to go into open crisis, leading to another split in the left. There is no reason for the party to stay united, given the extreme antagonism between the left and right in the party. The left explains the party's failure on the grounds of a lack of real contact with the workers and proposes a unification of the progressive leftist forces of the HSP, the HSWP, and the Independent Social Democratic Party. The right explains the failure on the grounds of an excess of Stalinist remnants. They want to get rid of the left-wing in preparation for a future coalition with the AFD.

Like me in this article, in the past few months the Hungarian people have paid much more attention to the political show than to the real changes in their living circumstances and material perspectives.

However in the present economic situation not only a striking recovery but simply the maintenance of the standard of living depends on the outside world, on economic diplomacy. The increasing dissatisfaction of the workers is still hardly visible and has not yet taken on a political form. The question for the next year in Hungary is: how will the HDF government handle the working class, and who will finance the HDF's Hungary? ★



Changes in East Germany's former ruling party

THE EAST GERMAN Socialist Unity Party (SED — the Communist Party), was an instrument of domination representing the privileged and parasitic bureaucracy of non-capitalist East Germany. It has done a tremendous job in discrediting Marxist and socialist ideas in both parts of Germany, and the rest of the world. It was a Stalinist party, according to anyone's definition, even if it dropped positive references to Stalin a long time ago and even if it was the result of a fusion of the former Communist Party and the Socialist Party of Germany (SPD), which was purged of its "social democratic elements".

MANUEL KELLNER

STRUCTURED according to a finely tuned hierarchy of privileges, this system corrupted millions of people. Its relation to the working class and the population in general was based, firstly on repression, and secondly on providing a feeling of existential security sufficient at least to ensure that no generalized revolt took place.

Maintaining the standard of living in the midst of generalized incompetence required various acts of economic adventurism, the costs of which are now becoming apparent, particularly as regards the foreign debt. It is furthermore hard to imagine a grosser desecration of emancipatory ideals than the practice of selling political prisoners and malcontents to the West — for 95,847 D-marks per head.

Working class confidence shattered

The bureaucracy destroyed the working class' confidence that it could run the firms and the economy itself, and prepared it for the Western bourgeoisie — by inculcating a spirit of submission, encouraging ideals of passive consumerism on the Western model, ever-present via the TV, and establishing a complete separation between private and public life, where outward support for official lies was demanded.

The SED was de facto, if not formally, the only party. The other parties of the National Bloc, the CDU, LDPD, NDPD and Peasant Party played the role of an alibi. Elections were farces offering no alternatives, but at which it was more or less

mandatory to vote for the prefabricated lists. The SED was linked to a vast apparatus of repression: the political police, the Stasi, maintained surveillance over the whole population with its 80,000 professional officers and innumerable informal collaborators.

It is, in any case, now becoming increasingly clear that the face of Stalinism in East Germany was no more human than in the Soviet Union — many people died in concentration camps and were murdered for their opinions in a completely arbitrary fashion.

Consistent supporters of peaceful coexistence

All this is true, and is widely spoken about in the media. What is being discussed hardly at all is the reactionary role of the SED in the international policy of the Stalinist and post-Stalinist leaderships. The SED, which had a certain autonomy based on the country's relative economic strength within the Soviet Bloc, exerted a rightward pressure on the workers movement in many countries in the world. Despite its rejection of Gorbachev's *glasnost*, the SED was one of the most consistent supporters of "peaceful coexistence" with imperialism. Its latest ideological contraption was the discovery of "imperialism capable of pursuing a peace policy".

This corresponded to the extensive economic deals between the East German bureaucracy and West German imperialism, an entente concealed by the routine of public polemics. It was quite in character, for example, for the SED to try to

build up the right-wing of the Brazilian Workers Party (PT) against the revolutionary socialist currents in the party.

Nonetheless, it would not be right to define the Party of Democratic Socialism (PDS — the new name of the SED) as merely the simple continuation of the SED, and thus as a "Stalinist" party that has made a purely pragmatic change of name and profile to adapt to new conditions. Many things have changed: it is necessary to go beyond scholastic dogmatism and give a serious account of the profound changes in the party.

The SED had 2.7 million members. The PDS has today some 650,000. The SED was a dictatorial ruling party; the PDS is an opposition party that got 17% of the vote in elections largely influenced by the West German bourgeoisie. Without being in a position to give precise figures on this subject, it is clear that the party has many new members who joined after the election of the new leadership under Gregor Gysi (who was not tied to the old regime and who, as a lawyer, had defended oppositionists such as New Forum's Barbel Böhley). It is also clear that a lot of people who were party members purely for reasons of personal advantage have now left, and the number of those remaining who have sincere socialist and progressive convictions must be much higher than before. The party has a new programme in which the following values are strongly present: solidarity; socialist democracy; the vision of a socially just society; emancipatory ends; and the social interests of the weaker sectors and wage-earners.

PDS comes out for Germany unification

At the same time there are a series of adaptations to the ideology of the triumphant bourgeoisie such as the praising of the market and the proclamation of national unity as a positive end in itself. The PDS also has new statutes that significantly reinforce the democratic rights of members and imply the right of tendency (which in any case exists *de facto* in the platforms inside the party, which can organize themselves, submit their proposals to a vote and so on).

Some commentators on the far left have been quick to characterize the PDS as a post-Stalinist party in the process of a rapid social-democratization in the fashion of the Italian CP. There are elements of truth in this judgement and the PDS has requested admission to the Socialist International — as has the Nicaraguan FSLN for example. But we should be a bit cautious. Full-scale social democratization requires a certain material base in organic liaison with a state with a bourgeois parliamentary system. Even with its present electorate, at an all-German level, the PDS would get between 2% and 4% of the vote. In these conditions social democratization remains mainly an ideological



WHAT DO WE DO NOW? PACK? UNPACK?

thing, limited by its electoral interest in appearing as a force more to the left of the SPD and more "red" than the Greens.

In the March 18 elections in the GDR, the PDS was the party which most consistently (and most effectively, given the small size of the independent socialist United Left) defended the sovereignty of the population of the GDR and their acquisitions in the face of the offensive of West German capital as well as the values of social solidarity. Of course, the Modrow government inclined to the perspective of a capitalist reunification and the "social market", but this was seen by the electorate as "realism", as something imposed by the "force of circumstances", which in their eyes leaves pride as the only remaining resistance to the humiliations of colonization and the policy of unconditional *Anschluss*.

The existence and profile of the PDS have stimulated a debate inside the United Left, which is likely to seek close collaboration with the PDS and the stepping up of political dialogue.

West German left assesses possibilities for unity

In West Germany there is a discussion inside the left. This involves the "renovators", who have split from the West German Communist Party to form the Socialist Forum, the Left Forum current in the Greens and the far left. It concerns an assessment of the PDS' evolution and even whether it might be possible to base a project for the building of a mass united socialist force on the strengths of the PDS. There are quite a number of people in the West German working class who are not in any of the parties and who find the far left too weak to be credible. A force like the PDS, connecting socialism and democracy, representing a mass current to the left of the SPD, having broken with

Stalinism and forming a part of the workers movement — contrary to the Greens — would attract them. Thus the existence of the renovated PDS influences the debate for West German socialists and revolutionaries.

It seems clear to me that the PDS is in a phase of transition which may give rise to a political force whose material bases — defence of the interests of the bureaucracy — will have totally changed without any new organic link with the bourgeois state being formed.

Bourgeoisie envisages repression of left

On the contrary, the West German bourgeoisie is conducting a campaign of stigmatization against the PDS with the aim of isolating it and oppressing it after capitalist reunification — which is also the intended fate for the rest of the left that still maintains references to Marxism. It is the duty of revolutionaries to defend the PDS against this campaign, without lessening the sharp criticisms that are necessary.

These criticisms fall into three main categories: (a) the PDS' opportunist policies (b) the PDS' programme, which is reformist and (c) the lack of a serious balance sheet of the party's past. On this latter point, the superficial account of the past accepted so far by the PDS gives succor to liberal critics and bourgeois democratic ideology.

The revolutionary left must try to exercise caution in its analyses of the PDS and understand the nature of its transformation into a left party with a new character, that of a reformist tendency to the left of actually existing social democracy. The revolutionary left must seek unity in action and political dialogue with this party. A Stalinophobic attitude in this regard would be anachronistic and would play

IT IS precisely democracy that is at stake and the democratic aspirations of the GDR's citizens will not be frustrated without a reaction. Nonetheless everything has been tried to this end since doubts were first cast on the legitimacy of the new parliament.

From every side, voices have been raised demanding an amnesty for former collaborators and members of the Stasi. This could have been expected from the former Stasi chief Engelhardt. Since the start of this year he has been proposing a straightforward dissolution of the Stasi, without any opening of the files.

But as soon as the issue of checking up on the 400 newly elected parliamentary deputies came up, the pro-amnesty tide surged forward with great force — in the West! The president of the Federal Office of the FRG for defence of the Constitution, Gerhard Boeden, Bonn minister Wolfgang Schäuble and Chancellor Kohl himself sang the song of pardon. The first of these came out for "a generous amnesty, apart from those who have really committed injustices." The last backed up this idea, saying: "we must not only live with this reality [100,000 Stasi collaborators], but engage in dialogue with all these people in order to little by little change their way of thinking."

Towards a well-policed democracy

The idea of a well-policed democracy — and the West German Bundes Nachrichten Dienst (BND) is hardly backward when it comes to intrusive policing — has quickly united both sides of the wall of shame! All the more in that the FRG has an interest in recuperating some of the GDR's secret services.

According to Werner Fischer, one of the three members of the commission named by the Modrow government to oversee the dissolution of the Stasi, 32 police forces from around the world are working in the GDR and "it must be said that many of the facts gathered together have been in the possession of the KGB, and probably other secret services, for a long while." (*Tageszeitung*, April 4, 1990) From Bonn to Berlin, and further afield, a good number of governments fear the opening of the six million files — one for every third inhabitant — of Honnecker's former police.

In the new parliament in Berlin, Christian Democrats and Communists, even supported by some former oppositionists, have begun to oppose or at least seek to limit the extent of the checks on the 400 deputies. While rejecting the interference of Bonn, Modrow has spoken out for "the parliament finding a solution that does not prolong the investigation indefinitely....the deputies must understand that pardon and amnesty can be as important as the rehabilitation of victims." On his side, Eberhard Engler, head of the East

East and West unite — to cover up for the Stasi

AT THE END of March, tens of thousands of demonstrators (50,000 in East Berlin) came back into the streets of the cities of East Germany to demand "no Stasi (secret police) in the parliament!" Werner Schulz of New Forum called on the demonstrators to "carry through what we started in the autumn". Wolfgang Templin from the Initiative for Peace and Human Rights added: "What this conflict is really about is: will we have democracy or not?"

In the following article, which first appeared in the April 13, 1990, issue of *La Brèche*, the paper of the Swiss Socialist Workers Party (Swiss section of the Fourth International), Michel Thévenaz takes up the story.

MICHEL THÉVENAZ

Berlin CDU warns against checks going beyond the limits of parliament. "Will we soon be checking up on the 27,000 elected representatives in the communes and districts? The people will come to blows."

Pastor Eppelmann predicts lynch mobs

The same note was struck by Pastor Rainer Eppelmann, a publicly known figure from the November demonstrations and latterly the leader of "Democratic Awakening", a small formation (0.9% of the vote) allied to the CDU, who is looking for a government post. Eppelmann predicts a "lynch-mob atmosphere" and a settling of accounts. While he has not opposed the checks on the parliamentarians, he wants the inquiries to stop and a compromise to be found:

"I see only one way forward. The new parliament must be as clean as possible, and then, should give a general pardon." (*Der Spiegel*, April 2, 1990).

Why hide the truth in this way? Sebastian Pflugbeil, minister without portfolio in the Modrow government and a member of New Forum, expressed the feelings of tens of thousands of citizens. "There can be no question of limiting the inquiry to the 400 deputies. The municipal elections are coming up and I do not want to vote for a mayor who worked for the Stasi. It is the same with the judges, the prosecutors and teachers. I do not want my children educated by former Stasi members. The

situation is somewhat similar to 1945 — and the solution then was not very satisfactory. I believe that we can resolve this in a more intelligent fashion this time. This requires a certain effort, but this is not a reason for not going through with it." (*Tageszeitung*, March 28, 1990)

The argument about "settling accounts" is a good piece of camouflage for what is going on. The danger is not that of mass lynchings, but that of the reconversion of the Stasi into the state and industrial apparatuses. On March 26, after an inquiry undertaken by citizens' movements in Rostock, backed up by a street demonstration, the city's mayor, Henning Schleiff and his advisor on school affairs, Gustav Bendlin, both members of the former ruling party, the SED, and the Stasi, resigned. They were recycling former party and Stasi members into the schools. After their resignation the town hall was occupied by members of the Round Table and the new mayor is a member of New Forum.

Cutbacks in the state security sector

Meanwhile Werner Fischer has come up with some facts. In his "Security Working Group Report" of the central Round Table in the GDR of March 12, 1990, he points out that "38,750 of the Stasi's 40,409 employees at central level and 28,815 of the 33,121 employees at district level have been made redun-

dant". He sets down criteria for their re-employment:

"No employment of collective structures, employment of specialists to carry out tasks for the ministries, but never in a leadership role; control by the police trade union; provisional employment for one year and after this period permanent employment if the work collective agrees." (report p.8)

Then he adds: "Control over the dissolution of the old security ministry is meeting big problems as regards the foundation of enterprises using Stasi funds. An example of this is the Enterprise of Engineers for the Construction of Scientific Equipment, which was hastily set up on January 13, 1990 [two days before the popular occupations of Stasi offices] by a ministerial decision taken without sufficient information being given to the public, and which fuses several sections of the former Stasi and its offshoots.

"The enterprise currently has three main workshops, in Berlin-Köpenick, Leipzig-Beucha and Berlin-Hohenschönhausen, each equipped with a highly developed technical infrastructure and a multitude of small production workshops and depots. There are also 16 rest centres with some 4000 places, a kindergarten with 544 places and an unknown amount of land. As the Ministry of Science and Technology put it on January 13, 1990, this is an "Enterprise of Engineers for the Construction of Scientific Equipment employing, as previously, more than 1,500 former members of the Ministry of Security who, above all, are continuing to work in the old structure of their enterprise" (p.11)

The Stasi's technicians are even planning to market their services. Interviewed by the West German leftist daily *Tageszeitung* on March 4, Werner Fischer noted: "I see a danger that former high-ranking collaborators will establish themselves in the economy thanks to their connections and acquaintances."

Business contacts in the best society

Alexander Schalk-Goldokowski, Stasi colonel and its big purveyor of hard currency via the arms trade (notably in Iran and Iraq), was the prototype. He was sufficiently high up to take to his heels before disaster struck. An international warrant is out for his arrest. But, as he explained to West Germany's *Die Welt*, his business affairs had brought him into contact with the best society and he was "firmly determined to seize the new and massive opportunities that are arising today."

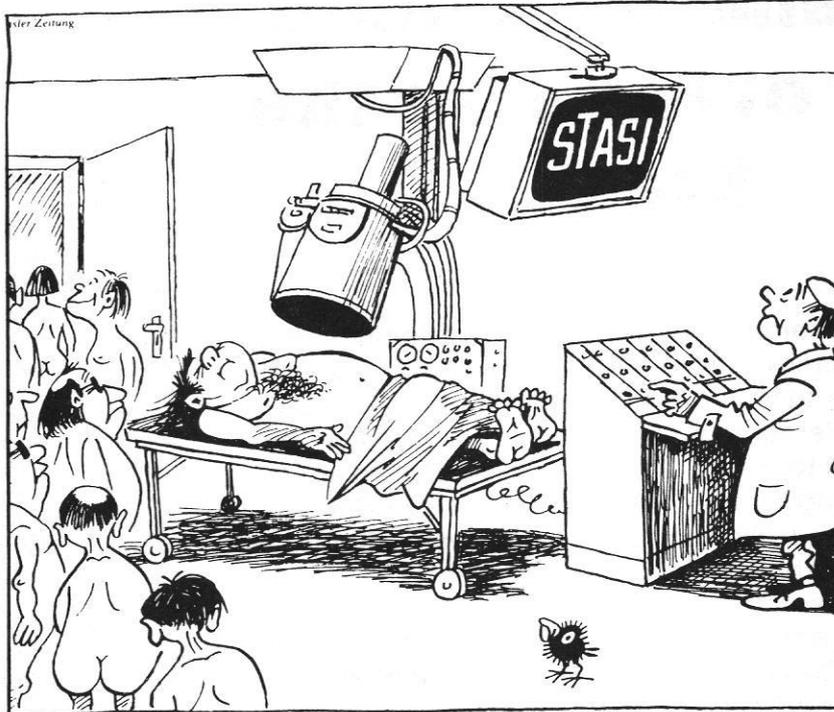
In his interview with *Tageszeitung* Werner Fischer also points to the resistance met by the commissars in charge of dissolving the Stasi from the Prosecutor

General, who also opposed the checks on the parliamentarians. "We have had since the start difficult relations with the Public Ministry. We have had the experience that the prosecutors assigned to us were ready for anything except collaboration. We have since even had the feeling that they were directly obstructing us".

As inquiries reveal the massacres and graves from the end of the war, where the Stalinist political police killed thousands of former Nazis and also left oppositionists, a new scandal has erupted at Erfurt — a region where the CDU got some of their best scores. The Citizens Committee in this town, which brings together all parties and has been controlling the Stasi's offices since December 4 with daily guards, discovered plans for "internment camps" prepared by the Stasi in the final years of the regime. The plan, under preparation since 1980, envisaged the establishment of 24 camps with a total capacity of 15,000 to 20,000 places in which all the opponents were to be held. The largest of these camps was near Gotha. Each of them was to be surrounded with electrified barbed wire and control towers. Holiday camps for young people, offices of the Sport and Technique Society, and holiday villages were to be requisitioned. Lists of names were drawn up in every town. One of these lists, of 122 names, was uncovered in Leipzig, dated October 9, 1989.

Pressures and threats to hinder investigations

But it is less the macabre aspect of this plan, than the aftermath, which has created a scandal. On April 3, the Citizens' Committee published an open letter to the national parliament backed up by a hunger strike. Those who had uncovered the scandal had to really exert themselves to get a hearing. They demanded that, on the one hand, all the parliamentarians and future local deputies should be checked regarding collaboration with the Stasi, and, on the other, that the pressure and threats against the Erfurt commission of inquiry should be stopped. Furthermore, to prevent the files from disappearing, they have begun to wall up the Stasi offices with concrete.



A CDU spokesperson from Thuringia, Wolfgang Hase, explained at the time that he did not agree with the party leadership in Berlin on the blocking of the inquiry into the parliamentary deputies. But above all, the Erfurt committee protested against a circular from the government's commission for dissolving the Stasi instructing enterprises to release five people in each district for five days a week. Since most enterprises are still managed by former Stasi members, who will not want to pay the price, this measure has the effect of depriving the commissions of inquiry of means.

These various forms of obstruction come as no surprise in a regime where the political police were entrenched in every decisive place in the state and economy. The preaching of absolution and pardon, amounts to an effort to save the corrupted former bureaucrats by "laundering" them into new functions in the market economy, parliamentary democracy and tomorrow, a united Germany.

Kohl knows as well as the top functionaries and leaders of the former SED that this osmosis is a guarantee of the smooth integration of the GDR, and limits the ability of the GDR's population to keep an eye on the "big operations" underway.

For them, Rostock has been a bitter pill. The inquiry into the mayor there not only uncovered the scheme for turning ex-cops into teachers but also some cosy bits of business with the FRG. The local administration had already made a contract with a Hamburg firm to install public clocks in exchange for getting all the revenue from the public hoardings surrounding them. Other contracts seemed to be in preparation, for luxury hotels and supermarkets.

This is clearly just the tip of the iceberg. Every company in the FRG now wants to get its hands on the economy, services and real estate of the East.

The biggest West German insurance company, Allianz has already taken over all the contracts of the former state insurance firm. Volkswagen is getting ready to produce the Polo in Zwickau and Opel the Kadett in Eisenach. Krupp is only taking on East German emigrants on the condition that they go back to work in the east. Dresdner-Bank has got 35 money machines ready to go into operation in the GDR in competition with the

Deutsche Bank whose enterprise advisor, Roland Berger is already looking after the accounts of the GDR's main enterprises and is going to take over the East Berlin Kreditbank and its 200 branches.

The energy trusts have a programme prepared for stopping or converting the GDR's power stations and setting up high tension lines from the FRG. How many functionaries and directors, who were all more or less big shots in the Stasi, have already found their niche in this gigantic reconciliation manoeuvre? Many, without doubt, and above all the most highly placed. And it is this that old and new rulers both in Bonn and Berlin want to keep in the dark.

Six million files ready to explode

In his way, Werner Fischer recognizes this. In the report quoted above, he was very cautious when it came to the question of publishing the Stasi's dossiers. These six million files seemed to him so explosive that he advised caution when it came to their publication. "It is clear that opening these files would throw light on many things. Everybody would know who had spied or informed on them. But at the same time, I think that such revelations could create a climate of suspicion and individual justice. Nobody should over-estimate human beings." (p.15) He concluded by proposing that the dossiers should be kept locked away, that the new government should decide what to do with them and make an agreement with the former Stasi collaborators on the possibility of some honorable recompense.

Three weeks later, however, Fischer

was feeling a lot more intransigent. He had met with resistance on all sides, while in Rostock and Erfurt for example, the opening of certain files by the commission of inquiry had brought scandals to light without any sign of the lynch-mobs that Eppelmann was so worried about. Fischer concludes: "Contrary to the feeling that we had two weeks ago, when we imagined ourselves controlling the dissolution of the Stasi in some way, I now have the feeling that everything is slipping through our fingers. This impression goes far beyond the question of the dissolution of the Stasi as such. Since this ministry was almost dissolved, a vacuum has appeared. The KGB is at work and, among others the West German security services are trying to jump into the breach. ...It is important that the dissolution is controlled and it is up to the citizens' committees to do this...I want to avoid embittering a climate of suspicion, a pogrom atmosphere. Since the elections and after the multiplying number of items of information we have received, I think that things have developed in a different way from the moment when people, through the elections, assumed their political responsibilities. I think that the population has the right to know about the past of the parliamentarians. Otherwise we leave ourselves open to the accusation of wanting to suppress things. This affair was a turning point for me and I am now in favour of publicizing the files on all the candidates."

Should the population be told the truth?

For decades the GDR's citizens were treated — and mistreated — like minors. The State-Party-Stasi told them what to think, what to do and how to behave. But hardly had they assumed their responsibilities as active citizens in the streets last autumn than the governments, both in East and West, decided that they are incapable of knowing the truth about their own society. Not only its past, but also what is happening right now. This is what the pleas for amnesty mean.

But people who have won democratic liberties for themselves will not relinquish them so soon. The demonstrations of the end of March and the actions of the citizens' movements, such as in Rostock and Erfurt, have already borne fruit. Under the pressure of these events, the heads of the parliamentary fractions in the new parliament have agreed to an inquiry into the deputies. *Der Spiegel* of April 2 remarks:

"The parliamentarians had no choice. The battle to get to grips with the political legacy of the SED and its army of spies threatens to divide East German society, which is already very disturbed". The truth it seems still has some future on the other side of the former iron curtain. ★



COLOMBIA

Campaign against repression

THE Colombian political organization A Luchar supported a boycott of the legislative elections. Subsequently a group of its members were arrested and are still being held in Cali prison. The organization has now launched a campaign around the following themes: respect for its right to function as a political organization; freedom for the Cali prisoners; political guarantees to allow it to make known its boycott campaign before the next elections; an end to state violence against women.

This latter demand comes after the torture and rape in prison of Elizabeth Suarez, an A Luchar militant in Cali. But the women of A Luchar are not restricting their campaign to their own movement and have appealed to "all women from all sections of society to take part in a broad, united campaign at both the national and international levels."

They want to denounce all the daily attacks that women suffer in public and in private as well as those inflicted by the police and military. Daniel Libreros, a member of A Luchar's national executive, will be visiting Europe in May and June to inform people about the situation in Colombia. ★



SOUTH AFRICA

Socialist organization formed

IN THE new and rapidly changing situation in South Africa, important debates on political orientation and public profile are taking place in every political current.

It is in this context that a number of groups of the socialist left have come together to form a national organization, the Workers Organization for Socialist Action (WOSA). Among the groups involved in this initiative are the Cape Action League and Action Youth. According to WOSA's founding statement:

"The resurgence of mass struggles, the ever-increasing participation and radicalization of both rural and urban masses, and the era of reform and negotiation, all create opportunities and dangers. This lends enormous urgency to the task of forming and building a socialist organization....(point 2)

"The organization will give support to national liberation organizations insofar as they advance the struggle against oppression and exploitation, but will at the same time strive to put forward working class interests in the struggle. It is committed to the tactic of the united front to enable it to act in a manner that places the interests of the working class first on its agenda....(point 4)

"WOSA, Workers Organization for Socialist Action, is a unitary organization which was formed at its inaugural national conference held in Cape Town on April 14 and 15, 1990. It comprises independent political groupings, some of which are in the process of dissolving, as well as individuals in various parts of the country.

"Our basic principles are the following, leadership by the black working class, anti-imperialism, anti-capitalism, anti-racism, anti-sexism, one-person, one-vote in a non-racial undivided, unitary country, and we believe in collective leadership, accountability, and democracy....

"Central to our programme of action will be issues affecting the black working class in particular, and the oppressed and exploited people in general, such as housing, land, education, health, wages and issues affecting women." ★

"We are not machines"

THE 1980s have been marked by an extraordinary development of workers' struggles in South Korea. After the "economic miracle", based to a large extent on the superexploitation of labour and extremely low wages, the workers are beginning to present the bill to the bosses. In terms of wage rises and the extension of trade union rights, the gains which they have registered since 1987 considerably surpass those obtained in the 40 preceding years. The foundation of the Korean Alliance of Genuine Trade Unions on January 22 of this year expressed the birth of a new radical and combative workers' vanguard. It is not ruled out that, after Brazil and South Africa, the 1990s will see the development of a powerful independent movement of South Korean workers.

ENZO TRAVERSO

THE OLYMPIC GAMES in Seoul in 1988 revealed South Korea's modernity and level of economic development to international public opinion, still used to categorizing the country as part of the third world or one of the countries "on the path to industrialization", whereas it is in fact a highly industrialized country. The appearance on European screens of "Why Bodhi-Dharma has left for the East", the dazzling film of Yong Kyun Bae, has given us a tiny fragment of insight into the culture of this Asiatic peninsula, but one that is insufficient for understanding Korean social reality today. In the face of the immobility and isolation of the North Korean regime, one of the last pillars of a dying traditional Stalinist "orthodoxy", the western media have not thought it very useful, since the fall of the military regime of Chun Doo Hwan in 1987, to draw attention to the police repression and progressive limitation of liberties that have marked South Korea over the past year.

Increasingly heavy sentences for critics

This repressive turn, reflected notably by the growth in the number of political prisoners and the increasingly heavy sentences handed out to members of democratic and left organizations, seems to have intensified after the consolidation of the regime of Rooh Tae Woo by the fusion of the governing party with two other parties (including the historic opposition party, Kim Yung Sam's Party of Democratic Reunification) to form the Liberal Democratic Party. Today, there are around a thousand political prisoners

in South Korea (see *Le Monde*, February 28, 1990). In this sense, the hanging on April 17 of nine people condemned for ordinary crimes, represented a clear signal from the regime to any "subversive" force.

Determination to reestablish law and order

As indicated in a communiqué from the Ministry of Justice, "these executions have shown the strong determination of the government to reestablish law and order....through a strict application of the laws" (*Le Monde*, April 18, 1990). Given that the western press more or less ignored the condemnation to ten years in prison of a young left militant guilty only of having visited the North Korean capital Pyongyang to draw the attention of international public opinion to the division of Korea (see *IV* 180, March 12, 1990), it is not surprising that they have also completely ignored the strikes of workers in the peninsula.

The hidden face of the economic miracle, the working class of South Korea has become, on the structural plane, one of the strongest in the world — 25 million strong, it represents 60% of the total population. It is a very young working class, formed in its great majority of men and women aged between twenty and thirty years, and concentrated in the big enterprises (the *chaebols*). Combative and permanently confronted with police repression (it is enough to recall the massacre of Kwangju in 1980¹), this generation of workers has not directly experienced any major defeats. The division of the country, the repression and above all a quite extraordinary economic

growth have created a new workers' movement, whose social and political links with its predecessors (the trade union organizations that participated in the anti-Japanese struggle between 1910 and 1945 and which, after this, were destroyed by the military regime under the US occupation) remain very weak, if not non-existent.

However, the consequences of history linger on in the organizational structure of the working class, marked by the overwhelming hegemony of the Federation of Korean Trade Unions (FKTU). This latter traces its origin to the scab union Cheonpyeong, which was created in 1946 by the US occupation forces and was always strictly controlled by the different military regimes which succeeded each other after the civil war. In the context of a largely export-oriented economy, "led" by the state and, during a long period, completely subject to the decisions of the United States, the South Korean working class lost all political autonomy.

More or less important strikes and social conflicts have accompanied the peninsula's economic miracle from the beginning, but it was only in the 1980s that a real rise in workers' struggles was perceptible. The first sign of change can be symbolically fixed at November 13, 1970 — on that date, a young worker in a textile factory, Chun Tae Il, immolated himself in Seoul to protest against the lack of rights for workers, at a time when the hours of work were worthy of 19th century England and wages truly miserable. He launched a slogan which was subsequently taken up in all the workers' mobilizations; "we are not machines".

Trade unions celebrate martyr's death

The sacrifice of Chun Tae Il, at once a denunciation of workers' conditions and a symbol of the struggle against the military dictatorship, has been celebrated each year by the most combative trade union organizations. In the course of the 1980s, strikes took on an unprecedented breadth and radical character. Here is a rapid summary of the most significant struggles.

In 1980, after the fall of the regime of General Park Chung Hee, struggles for democracy led by the students unleashed a vast workers' mobilization in the key industrial centres. In April, armed with dynamite, 2,000 miners from the Dongwon basin occupied the town of Sabuk

1. After the coup led by General Chun Doo Wan in December 1979, the country was shaken by a wave of worker and student agitation. The government decreed a state of emergency on May 18, 1980 and arrested the principal leaders of the opposition. The brutal repression of the demonstrators unleashed a veritable popular insurrection in the town of Kwangju (800,000 inhabitants), which was crushed by the army after 10 days of fighting. The repression of the revolt was sealed by the massacre of at least 1,000 people. Kwangju remains in the Korean memory as a symbol of the struggle for democracy.



with their families, demanding a wage increase of 40% and the removal of their trade union leader, Lee Jae Ki, compromised with the military regime.

Kwangju Insurrection drowned in blood

The latter resigned and the miners' economic demands were partially satisfied. The combination of pro-democracy demonstrations and workers' strikes led to the imposition of martial law and, at the end of May to the insurrection in the town of Kwangju, which was crushed in a bloodbath (around 1,000 deaths). The repression also hit broad sections of the workers' movement — 191 trade union cadres who had led struggles were sacked or expelled from their unions. The attempt to create a National Federation of Democratic Workers (*Chunnoryun*) opposed to the FKTU, was broken by force.

In May 1984, the town of Daegu was paralyzed by a demonstration of 500 taxi drivers. In the days following, the strike spread to several towns of the peninsula. Some 1,000 taxi-drivers marched through Pusan, the second city of the country (half a day in Seoul is sufficient to grasp the importance of this mode of transport in Korea).

On April 16, 1985, the workers of the second biggest industrial complex of the country, the Daewoo car factory at Incheon, in the suburbs of Seoul, went on strike in pursuit of a wage increase of 18.7%. The management were obliged to negotiate with the workers, who won important concessions. At the end of June, the strike spread to the industrial area of Kuro. Sparked off by the arrest of a trade union leader, the Kuro general strike helped the creation of two independent trade unions — the Seoul Federation of the Workers Movement (SFWM) and the

Inchon Regional Workers' Federation (IRWF).

A turning point came with the huge demonstration of May 3, 1986, in Seoul. South Korea was still subject to the military dictatorship of Chun Doo Hwan and the principal opposition party, the New Korea Democratic Party, organized a mass meeting to demand legalization². Student associations, numerous Christian associations as well as independent trade unions from Seoul and Incheon participated in the demonstration with their slogans (the "Three Mins" — *Minjok, Minju, Minjung*; "nation, democracy, people"). The intervention of the police transformed the centre of Seoul into a battlefield and the demonstration was followed by numerous arrests. In January 1987 the Seoul Federation of Democratic Workers decided to dissolve itself. The cadres of several recently created left organizations have come from its breakup.

Wave of strikes in main Industrial centres

Between July and September 1987, a wave of strikes broke out in the main industrial area of South Korea, Ulsan, where the Hyundai factories are located and 10% of the gross national product is produced, and spread rapidly to the other industrial centres (Pusan, Masan, and Changwon). The main demands were for the introduction of new labour legislation and the legalization of the independent trade unions. After the government declaration of July 29, announcing the holding of direct presidential elections, the democratic movement — until then

2. Following this, the NKDP split into two other formations, led respectively by Kim Dae Jung and Kim Young Sam. The latter has just joined forces with the Roh Tae Woo government, through the foundation of the Liberal Democratic Party.

Support Korean workers!

The *Solidarity for Korean Female Workers Committee* was founded January 19 by Japanese women active in the labor and women's movements. For its first project the Committee has adopted the struggles of workers at the Korea Sumida Electric Company, TND Korea and Asia Swany. Workers at all three factories organized unions during the Korean labour movement upheaval in 1987. All three companies closed their shops in late 1989 and opened up in China, paying workers there as little as one tenth of the wage they paid in Korea. The Committee is collecting contributions and solidarity messages for the workers, demonstrating at the companies' headquarters, and sending letters of protest to the Japanese government, demanding that these companies conform to the labour laws of the countries in which they operate. For more information, contact the Committee, c/o Asian Women Workers Centre, 2-3-18-34, Nishi-Waseda, Shunjuku-ku, Tokyo 160, Japan.

The *Korea Labor Solidarity Group* was formed recently to organize support for workers at Tandy Corporation (TC) Electronics, a fully-US owned plant which operated in Masan, South Korea for 17 years. In 1988, the company's 1,500 workers — mostly women — averaged \$6-\$7 per day for an 11 hour day, working seven days a week. TC was staunchly anti-union: from 1987 to 1989 women trying to organize were routinely beaten by male TC workers and company goons, resulting many times in hospitalization and permanent mental trauma. In early 1989, the TC workers finally won a union and a \$2.10 per day raise. However, last March, TC shut down without notice. The workers refused to accept the company's severance pay offer, and instead are fighting to get TC or another company to reopen the factory. The Solidarity Group is seeking information from unionists on Tandy policies in the US and other countries. Contact it by writing to: Linda Jones, Church Committee for Human Rights in Asia, 5253 N. Kenmore, Chicago, IL 60640.

(From the US radical trade union magazine, *Labor Notes*, April 1990)

polarized by the student demonstrations — entered a phase of reflux and the new wave of workers' strikes stepped into the centre of the South Korean political scene. Between July and September, the whole of South Korea was swept by an unprecedented strike wave — in total, there were 3,200 stoppages involving more than two million workers. 776 strikes took place on the single day of August 28.

Subject to strong pressure from its base, the FKTU, 1,700,000 members strong, had to undertake some cosmetic improvements — in October 1988, its national secretary, Kim Dong In, was replaced by Park Jong Kun, who immediately declared the independence of the FKTU from the state and proposed an alternative social and economic policy to that of the government. It was a measure designed to counteract the rise of the independent trade unions and the sympathy which they aroused within the FKTU.

During the period of July-September 1987, despite the government repression (500 militant workers arrested) the number of workplace trade unions went from 2,722 to 4,729, a growth more important than in the preceding 40 years. All these new trade unions affiliated themselves to the FKTU, despite the growing suspicion shown by the militants and strike organizers for the bureaucracy of the FKTU. This apparently contradictory phenomenon has a simple enough explanation. Because of the South Korean labour law (article 3, paragraph 5), each enterprise can only recognize the existence of a single trade union, and new forms of workers' organization have had to be built on the already existing structures. However, this attachment often remains purely formal and one of the principal demands of this wave of struggles was precisely a change in the labour legislation.

In this regard, it is interesting to cite some extracts from the manifesto of the Incheon Regional Workers' Federation, approved in August 1988; "We demand the formation of an independent trade union movement, on the basis of a democratic trade union activity.... We fight together for the implementation of measures against the capitalist and government repression and for the complete recognition of the fundamental rights of the workers. Consequently, we will struggle for the creation of democratic trade unions and for their consolidation. We solidarize with all the democratic and workers' forces that struggle for a just and democratic society, capable of defending the interests of the toiling masses" (from *Korean Situationer*, number 12, June-August 1988).

New labour charter demanded

On November 13, the annual workers' meeting in commemoration of the martyrdom of Chun Tae Il attracted 30,000 workers, whilst more than 50,000

marched through the streets of the capital to deliver to the parliament a petition demanding a new labor charter. During the meeting, several delegates pronounced themselves for the creation of a new federation of independent trade unions.

On December 12, 1988, 18,000 Hyundai workers once again went on strike at Ulsan for a working week of 44 hours (it is currently 54 hours), an increase in the annual bonus of 60%, a new labor code and the reinstatement of workers fired during previous struggles. The strike continued until April 1989, after having resisted for two weeks the assaults of 70 anti-strike units (around 14,000 police).

Accusations of North Korean involvement

The government tried to criminalize the strike movement, accusing it of being manipulated by North Korean agents (which made it a "threat to national security" and thus justified the application of the most severe repressive measures). The intervention of the government has thus contributed to the politicization of the workers' movement, to whom economic strikes now appear inextricably linked to more directly political demands (democracy, national reunification, and so on). Before the end of the strike at the Hyundai factories, it was the turn of the Seoul metro workers. This time, the employers' response was immediate — after 24 hours during which the capital's metro system was paralyzed, the leader of the trade union that had organized the strike was arrested.

The conflicts continued, victories alternating with defeats. On May 28, the University of Yeonse was the venue for the foundation of the National Teachers' Labor Union, which incarnated 10 years of struggle for democracy inside the national educational system. Starting with 20,000 members, after having resisted very strong repression (several thousand dismissals either threatened or implemented), this new trade union was still 14,000 strong at the end of the year. The last teachers' trade union had been destroyed by the dictator Park in 1960.

These struggles have been marked by a particularly sharp level of violence, not only at Ulsan where, as we have already noted, the workers at the Hyundai factories fought 14,000 police.

During the strike at Motorola, an American controlled electronics enterprise, the workers doused themselves with petrol and threatened to immolate themselves in the case of a police intervention seeking to break the strike and evacuate the factory. In another American electronics enterprise (Tandy computers) which had refused to recognize the new trade union, the workers took the director hostage and attacked the US chamber of commerce (see the *Financial Times* of June 15,

1989).

In 1989 some 1,550 strikes took place in South Korea. In relation to the preceding year, they were less numerous but very much longer, leading to a loss of 3.5% to the gross national product. Given also that wages increased by 20% in 1989 (17% in 1987 and 18% in 1988, a growth unparalleled in any other Asian country), it is easy to understand why economists attribute the cause of the South Korean "crisis" in a large measure to workers' agitation (the said "crisis" comprises a fall in the rate of growth of production from 12% to 6.5%, a figure which would be regarded as truly miraculous in Europe or the United States).

This rise in strike figures and the aspiration for political independence of the workers' movement led to an important step forward on January 22 of this year, with the founding conference of the Korean Alliance of Genuine Trade Unions (KAGTU). To prevent this meeting, the government had put Seoul under a state of siege through the mobilization of 18,000 police. But 500 workers' delegates, representing 14 regional and craft unions (notably the Federations of Workers' Trade Unions of Seoul and of Incheon) and 190,000 members, met at Suwon University, in the suburbs of the capital, a day before the planned date.

After having paid homage to the victims of repression and having recognized its own origins in the democratic and workers' movement that has developed in South Korea since 1970 and, more particularly, after the strike wave of 1987, the resolution approved by the conference affirmed its general political orientation; "We struggle, on the basis of the mass trade union movement, to obtain our economic rights. We also seek unity with all the popular and democratic movements fighting for a social and economic reform, for a radical change in the situation of the workers. We pursue the struggle for democracy, independence and a peaceful national reunification" (see *Asian Labour Update* Hong Kong, number 1, February-April 1990).

On the more strictly economic and trade union planes, KAGTU demanded: a wage increase of 91,390 won (\$138), or 23.3% of current wages: the dissolution of the employers' association, created in 1989 to counteract the rise in strikes: the suppression of the existing labor legislation, thoroughly anti-worker in content: its own legalization and the full recognition of trade union freedoms.

Government troops arrest union leaders

The special units of repression (*Backkoldan*) sent by the government arrived when the conference had finished. 136 trade union militants were arrested, but the general secretary of KAGTU, Dan Byong Ho, managed to escape. ★

"Two, three, many Intifadas"

TOTALLY ignored by the international media, a war has been going on in Turkish Kurdistan since the summer of 1984, between guerillas of the Workers Party of Kurdistan (PKK) and the Turkish state. According to official figures, more than 1,700 people have died, a third of them PKK militants, a third police and soldiers and the rest civilians. The confrontations have essentially been concentrated in the Mardin and Siirt regions, near to the Syrian frontier.

On March 14 this year, the funeral of a PKK militant turned into a demonstration and the army fired into the air to disperse the crowd, killing one person. Two days later, during this person's funeral service at Nusaybin, clashes took place between the police and the population, with women and children throwing stones at the forces of order. Shopkeepers shut their shops in protest and demonstrations spread throughout the region, to Cizre, Silopl, Idil, Siirt, and Batman, with hundreds of arrests and several more deaths. This is the beginning of an uprising. The Turkish state now has a "Kurdish intifada" on its hands.

FUAT ORÇUN

THESE RIOTS have caused a wave of panic in the ruling spheres in Turkey. The National Security Council, where the higher levels of the military and political bureaucracy meet, was urgently convoked. Putting aside their internal quarrels, the leaders of the three main parties, the ruling Motherland Party (ANAP), the Social Democratic People's Party of Erdal İnönü (SHP), and Süleyman Demirel's Party of the Just Way (DYP) came together under the auspices of the Republic's President Özal, to find a consensus and a "national" response.

On April 10, the government published its new measures for Kurdistan. These involve a total administrative and judicial reorganization of the region, amounting to a kind of unacknowledged permanent martial law. Two towns, Batman and Sirtnak, have been elevated to the status of prefectures to ensure better administrative centralization (or, to organize the repression better). Some 50,000 white-collar administrative posts and 40,000 posts for workers are to be created in the region. The powers of the region's special prefect are to be still further increased.

Henceforth the "super-governor" will be able to banish from the region and send into internal exile anyone considered to be a threat to public security, including judges, prosecutors and military personnel, without possibility of appeal. The right to

strike is subject to the prefect's approval. Censorship of the press is to be stepped up, with penalties going from big fines to closure of the presses — even if they are outside the region. Furthermore the functionaries' wages will be raised from two to five times, amounting to privileges of the colonial type.

The regime is determined on a military and repressive solution. It has thus, by creating a quite special type of administration for this region, in a sense officially "proclaimed" that Kurdistan exists.

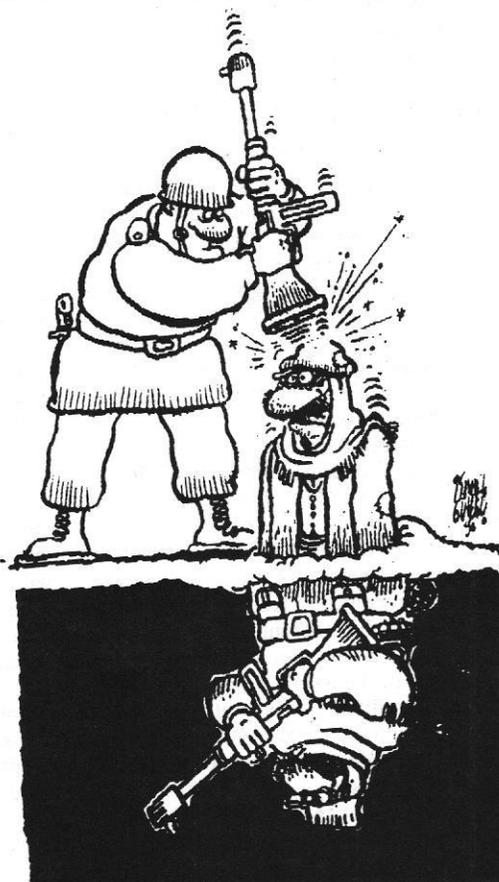
In reality, the Turkish state long ago abandoned any idea of controlling the situation through "reason" and has relied solely on repression. While the South East of the country is the poorest part of Turkey, it is richly endowed from the point of view of forces of order per inhabitant. For a few million people there are 65,000 gendarmes, several regiments of infantry, a division (13 regiments) of commandos and a division of regular soldiers. On top of this must be added the 1,500 Ramboes of the special unit charged

with counter-guerilla operations against the PKK.

Besides the regular forces the Turkish state has decided to arm one part of the population against the other, creating village protection units (VPU), a sort of civilian militia whose personnel are well paid for by the state. While the average annual income of the inhabitants of Mardin and Siirt is \$280, (as compared to an average for Turkey as a whole of \$1,400), these "protectors of the village" get a monthly salary of some \$200.

This policy has social consequences. Some 200,000 people live on the salaries of these 18,000 "protectors". But, above all, the VPU are organized on the basis of the traditional social hierarchy of the clans (*asiret*). The clan chiefs are getting rich and their power is being reinforced. This system, a caricature of the "Hamidiye divisions" of the Ottoman Empire, strengthens social inequality by creating a privileged layer devoted to the Turkish state. Even so, there are rumours that some of this money finds its way to the PKK.

The recent uprising is more a response by the population to the Turkish state's repression than the product of the agitation of any specific political current. A



national "counter-identity" has been created amongst the Kurds.

Kurdistan is one of the poorest and most backward parts of the country. At Siirt and Mardin there are only five enterprises employing more than ten people. The unemployment rate is triple the Turkish average. Some 40% of the population is illiterate. It is also, historically, the region where Kurdish national identity has been strongest. The resistance to the Turkish language has been most stubborn, while the population reacted strongly to the death of Barzani.¹

For the past year there have been Kurdish nationalist demonstrations in this region as well as in Istanbul². But this is the first time that the situation has become really explosive, even if the tension is not the same throughout Kurdistan. For example, in Diyarbakir, the most developed town in Kurdistan, the protest demonstrations and the shopkeepers' strike were not as large or as widely followed. Even so some 50,000 shops closed.

The development of the Kurdish national movement in Turkey has been different from the other parts of Kurdistan³. In fact, if the national dimension is taken away, the Kurdish intelligentsia, has the same characteristics — and defects — as the Turkish intelligentsia, with which it has been intimately associated from the start. Ideology has taken priority over serious study of the concrete social, economic and political problems of Kurdistan. In fact the only serious studies of this question are by a Turk, Ismail Besikçi, who has been totally dedicated to this cause and has spent ten years in jail for his writings. He has recently been arrested twice for his last two books.

Birth of independent Kurdish organizations

In the 1960s, Kurdish intellectuals joined the first legal socialist party of the period, the Workers Party of Turkey (TIP). They succeeded in imposing a sort of autonomy for their group, called the "orientals", on the party. There was even an unspoken quota arrangement for them on the leadership. Towards the end of that decade, the first independent Kurdish organizations were created among the youth, notably the Revolutionary Assembly of the Culture of the East (DDKO). The young Kurdish intelligentsia had trouble defining itself politically, although usually considering themselves socialists. In general socialist ideas have been well received in Kurdistan, basically as a result of the inherent radicalism of the population's democratic aspirations.

Starting in the 1970s a new generation of radical militants arrived at the head of the Kurdish national movement, based on their own independent organizations, not under the tutelage of the Turkish organizations. Many of these youth had time to develop their ideas in prison after the mili-

tary coup in 1971. The defeat of Barzani's movement in Iraq had an impact on them. Despite political splits in line with those in the Turkish left (pro-Moscow, pro-Beijing and so on), the Kurdish left succeeded in reinforcing national consciousness even in the most backward sections of the population. This went to such a point that the traditional bourgeois parties had to make concessions to local feelings to maintain any influence in the region. In the 1980s the Kurdish national question became one of the mainstays of Turkish political life.

After the 1980 coup, while the crushing of the left in general and the workers movement seems to have had long-lasting effects, things have been different in Kurdistan. The repression, which has intensified since the launching of the guerilla struggle by the PKK in 1984 has not cowed the population — quite the opposite.

Government repression unites Kurds

The policies of the military dictatorship and its civilian continuation, the Özal government, have made daily life unbearable for the Kurds. As a result, the whole population, including those who perhaps were not even initially sympathetic to the PKK, have found themselves on the same side of the barricades. Many of the women and children who have risked their lives by coming into the streets to protest against the repression are certainly unable either to read or write and have probably no idea of the programme or slogans of the PKK. But they know that the soldiers with the rifles are their enemies. It has become impossible to remain neutral between the state and the PKK.

This political change is not only due to the actions of the PKK. For three decades Kurdish national consciousness has been awakening in a way that has not been seen since the start of the century. Furthermore, insofar as all repression against the Kurds also implies the application of anti-democratic measures in Turkey itself, this has caused a reaction within Turkish public opinion, at least as far as respect for the elementary rights of the Kurdish people are concerned.

With the passing of time even sections of the Turkish bourgeois parties have come to realise that any liberalization of the regime, not to speak of a more thoroughgoing democratization, is impossible without taking the Kurdish question into account. But none of them has worked out a concrete project capable of reconciling intransigent defence of the integrity of the Turkish state with recognition of the national identity of the Kurds.

Furthermore, at a time when, on the international stage, Turkey puts itself forward as the defender of oppressed Turkish minorities in Bulgaria, Greece, Cyprus, and even the Caucasus and Cen-

tral Asia, arguing that they comprise a distinct national entity, the traditional claim that the Kurds are not a distinct national entity is becoming more and more untenable and ridiculous. In fact, both the regime and the opposition have given up describing the Kurds as "mountain Turks" and the Kurdish language as a Turkish dialect. But if the state representatives recognize the right of people to speak the language they wish as long as Turkish stays the official language, the Kurdish language is still officially forbidden and the statement that the Kurds even exist is still a crime carrying a prison sentence.

The situation in the "Turkish" part of Kurdistan is more complicated than in the other Kurdish areas. Firstly, the region is on the main route that connects Turkey and the Islamic East. Furthermore, not only is the birth rate much higher amongst the Kurds than the Turks, but Kurdish villages and even whole towns are emigrating westwards towards the country's big cities. Thus the Kurdish question has an impact beyond the limits of Kurdistan itself. This creates favourable conditions for those who want to make a link between the national and social questions.

For the moment the Turkish left is completely out of the picture, bogged down in endless discussions and redefinitions. No movement of solidarity, capable of changing the relationship of forces seems to be appearing on the Turkish side — with the exception of some leaflets and limited "vanguard" actions by some small groups. On the other hand, the programmatic projects of the Kurdish groups, in the first place, the PKK, have a certain influence.

The PKK is a nationalist movement with a particularly sectarian Stalinist origin. Before the 1980 coup it was very isolated, owing to its authoritarian methods and its recourse to physical violence as a way of dealing with political differences both within the Kurdish national movement and the Turkish left. The violence was also directed at its own militants and sectors of the population that opposed it. The only excuse that can be made is that it was not the only group to behave in this way! But whatever the content of its political actions, the PKK has succeeded in winning total hegemony over the Kurdish movement and has become a political alternative. Its actions have also had the effect of forcing the regime to speed up its self-reform.

The main proponent of the line of self-reform is İnönü's Social Democratic People's Party. İnönü has recently come up

1. Mustafa Barzani was the principal leader of the Kurdish revolt in Iraq in the 1960s and 70s.

2. Notably at Newroz, the Kurdish new year and on the anniversary of the Halepçe massacre.

3. The Kurdish people are divided between five states: Turkey, Iran, Iraq, Syria and the USSR.

4. Bülent Ecevit, ex-prime minister and president of the fourth largest opposition party, the Left Democratic Party (DSP)

Assad regime increasingly isolated

ON SEVERAL OCCASIONS in the last few months, hundreds of Syrian women, the mothers of leftist political detainees, have demonstrated in the streets of Damascus. These protests, which have received no coverage abroad, bear witness to the growing crisis of the Syrian regime.

SAMIR LADKANI

THE SYRIAN dictatorship, both twin and enemy to that of Iraq, is one of the oldest in the Arab region — Hafez al-Assad has maintained himself in power since 1970 through the suppression of democratic liberties, in the name of confrontation with the state of Israel. In the 1980s, a mounting social and economic crisis has combined with Syria's increasing isolation in a regional context dominated by imperialism (see *IV* 130, November 23, 1987).

This crisis is the product of the combination of a government austerity policy and the generalization of corruption in ruling circles, whilst the aid given to Syria by the oil-rich Arab countries has been reduced considerably owing to the decline in oil prices. Previously running at two million dollars a year, Arab aid was a factor essential to the stability of the Syrian regime.

Since 1985, the annual inflation rate has been in the region of 30%, according to the official figures. The state's budget deficit has grown incessantly, as has the chronic shortage of certain basic necessities. The state sector, principal source of the legitimacy and enrichment of the bourgeois bureaucratic apparatus of the Ba'ath Party¹, has become progressively paralyzed. According to the prime minister, "to be able to make the public sector function at 14% of its overall capacity in 1988 is an achievement!"

The struggle against the fundamentalist movement, which was supported by a part of the private sector, has been the occasion for a reinforcement and hardening of the regime, after the crushing defeat of the fundamentalists at the Hama massacre in February 1982.

Struggle between state and private interests

But the struggle between different factions of the regime continued and deepened from 1984 onwards, in an internal struggle between private interests and the state sector. The latter has come out on top. Meanwhile, the repression of every independent political or social movement has continued. Thousand of prisoners continue to rot in Syrian jails.

The difficulties of the Syrian intervention in Lebanon has contributed to the weakening of the Damascus regime. The concessions made by the leadership of the Palestine Liberation Organization (PLO) to the United States have led to the isolation of Syria, the only Arab regime to oppose them. The end of the Iran-Iraq war has led to greater retrenchment by the Syrian dictatorship, which played a buffer role between Iran and the Arab countries of the Gulf. The restoration of relations between the majority of Arab countries and Egypt (expelled from the Arab League after the 1978 Camp David agreement with Israel) has aggravated still further this situation.

Damascus has remained outside the big regional political and economic structures — the Gulf Co-operation Council (created in 1981 with all the Gulf states), the Arab Co-operation Council (created in 1989, including Egypt, Iraq, Jordan and North Yemen) and finally the Union of the Arab Maghreb.

Since 1989, the isolation of the Syrian

with a proposal for a solution based on regional autonomy on Spanish lines. Even so, the same İnönü did not hesitate to expel seven Kurdish deputies from his party. They had committed the "crime" of attending — against the leader's advice — a conference in Paris in mid-October 1989, under the auspices of the Kurdish Institute in Paris and Mme Mitterrand's France-Libertés association.

Recognition of Kurdish national identity

Demirel's centre-right Party of the Just Way, even if it does not talk about "Spanish" or "Irish" solutions, has abandoned its traditional position of denying the existence of the Kurds. For Demirel the main reason for the events in the region is its backwardness and the neglect of its economic and social development over the last decade.

Nonetheless, these two parties have given their support to the government to "meet arms with arms and win the affection of the people". The ANAP government knows no other solution than that of military repression.

The government is much weakened by internal quarreling between "national-conservative" and "conservative-nationalist" factions and over the status of Özal, who became president in controversial circumstances. Furthermore, the government's weakness poses problems for its control of the civilian and military bureaucracies. Confronted by the guerillas and the mass movement, the state has chosen to beef up its forces, despite the increased cost of a military solution,

which is already making some sections of bourgeoisie squeal.

But the entry of the civilian population, of women and children, into the conflict between the state and the PKK brings the social dimension of the conflict back into the foreground and changes the nature of the problem. Bülent Ecevit⁴ understood this very well when he declared: "we are facing a social explosion". And the choice made by the government in favour of the traditional clan forces in the area can only deepen the social gulf and lead all the regime's plans into an impasse.

In order to approach a solution, the supporters of self-reform must first of all bring down the ANAP government. Then they must find someone to negotiate with in the region. For even if the revolutionary and pro-independence forces are far from being in the majority, simple administrative measures will certainly not suffice to bring calm.

In reality, any reform will also need deep and, indeed, "revolutionary" changes both in the Kurdish regions and in Turkish politics as a whole. But what social forces can carry through such a "democratic revolution in the democratic revolution"? Let us not forget that all the big bourgeois parties, even the SHP rest on the traditional clan based forces in Kurdistan. Furthermore the (Islamic) Party of Well-Being (RP) has significant strength in the region.

These recent events and the guerilla war are taking place in the most backward part of Kurdistan, but the wave will certainly reach other Kurdish towns. It will no longer be possible to avoid the Kurdish national question. ★

1. The Ba'ath Party, the party of the "Arab socialist rebirth", is a party of petit bourgeois nationalist origin, founded half a century ago, of which rival factions are in power in Syria and Iraq.

2. In 1986, 33.4% of Syrian exports went to COMECON countries.

regime has entered a critical phase, following the fall of the bureaucratic dictatorships in Eastern Europe. These states were the principal allies of the Ba'athist regime², notably the USSR which has already begun to reduce its aid. Moscow has announced that it will demand that Syria repay its military debts, estimated at 18 billion dollars (96% of military imports into Syria come from the USSR), and has explained that relations between the two states must change in nature³. The USSR seems then to have decided to abandon its traditional position of unconditional support for the Assad dictatorship. Moreover, Assad has postponed his planned visit to Moscow, initially scheduled for October 1989.

Changes in Algeria have impact in Syria

The changes in the other countries of the Arab region have also rattled Syria. The democratic freedoms wrested from the regime in Algeria, which bears similarities with that in Damascus, can only have worried Assad. In addition, Libya, a key ally of Syria's, has distanced itself by reestablishing relations with Egypt and the PLO leadership, and moderating its anti-imperialist rhetoric. The regime in South Yemen, also friendly to Syria, has itself changed course in accepting, in February 1990, the principle of multipartyism and the right to strike. Even the bloody Iraqi dictatorship has introduced, albeit in a wholly caricatured form, a pretence of democracy. Jordan too has organized parliamentary elections.

The Syrian dictatorships thus finds itself increasingly in trouble. This is what led it,

on December 27 1989, to reestablish diplomatic relations with Egypt (previously characterized as a "traitor").

Another sign of the times is the process of conciliation which has begun with the PLO. Meetings have taken place in Tunis between the Syrian minister of foreign affairs and Yasser Arafat, after Damascus had appealed for the reconciliation of the different factions of the PLO⁴. Damascus has also attempted to reconcile itself with the Iraqi regime, but the latter has posed conditions unacceptable to Syria. Finally and above all, Syria has turned itself today towards the West, and in particular the United States.

Inside the country, the pressure of a bourgeoisie deprived of the right to conduct its business without hindrance grows more strong. Moreover, broader and broader social layers (particularly the intelligentsia) express their unhappiness with repression and lack of democratic freedoms. The democratic mobilization led to the creation, on January 19 of this year, of Committees for the Defence of Human Rights which have had a certain impact amongst the intellectuals and in important popular sectors. These structures are neither an alliance of political parties, nor a mass organization, but they constitute a factor of pressure. Certain parties, which have suffered from fully fledged campaigns of liquidation in the past, have resumed their activities.

The discontent stretches even to those circles that are part of the pluralist facade of the regime, such as the National Progressive Front which comprises the ruling party, the pro-Moscow Communist Party and some nationalist groups. These partners of the Ba'athists now dare to criticize certain government economic and social measures in their publications. For the first time in years, the Syrian CP has dared to demand the release of political prisoners.

In the course of a meeting of Syrian writers, held in Damascus last January, some intellectuals publicly demanded the release of the detainees, political liberties and freedom of expression for the opposition press.

But the demonstrations of the families

of political prisoners which took place at the end of 1989, one of them 200 women strong, have been the major element in the revival of the challenge to the regime. On March 19 of this year, 500 women, the mothers of political detainees imprisoned for years, went to the presidential palace to demand their liberation.

Under the pressure of the private bourgeoisie, on the one hand, and popular discontent, on the other, the regime was obliged to make a number of concessions, while not abandoning its policy of generalized repression. In February, it announced the abrogation of martial law, except for "crimes against state security". Some racketeers and bigshots of the black market have thus been freed.

A public debate has taken place on the possibility of selling or hiring a part of the public sector to foreign or Syrian private companies. Some abortive attempts in this direction already took place in 1987, but today the government seriously envisages making "agreements with Western enterprises, whereby the latter agree to import machines and equipment for the public sector in return for a share of the production of this sector for some years", according to the declaration of the prime minister on January 16 of this year. The dictatorship's concessions to the private sector are being made without fundamental political change.

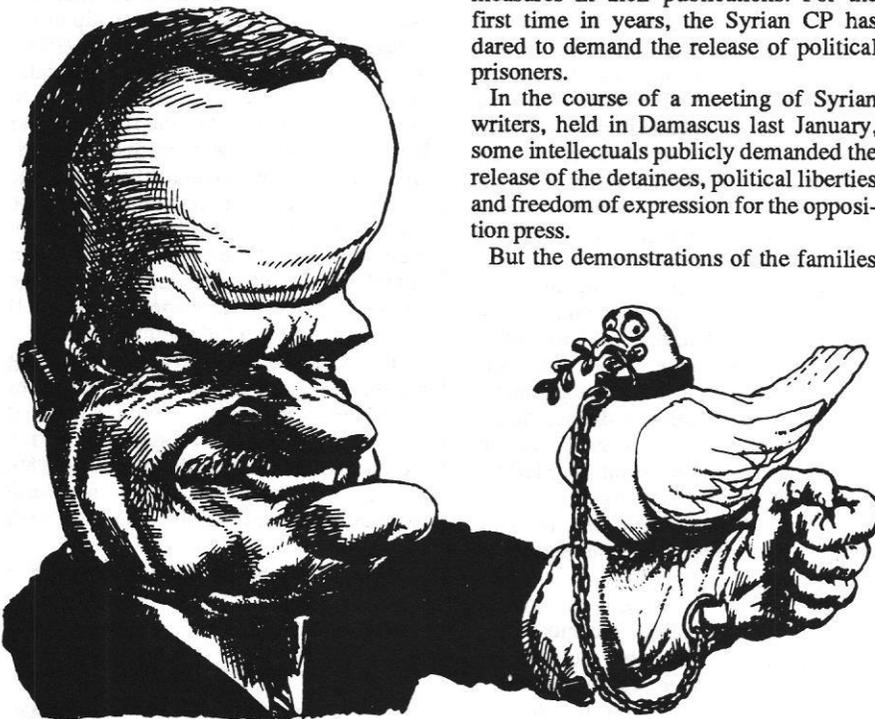
Reactivation of People's Assembly

The bourgeoisie, for its part, would require free elections to ensure the success of its project — for the moment, the regime is categorically opposed to this. But it has undertook to reactivate the "People's Assembly" (the parliament), whose sessions have been transmitted on television, and where some CP deputies have made timid criticisms of the government. On February 6, for the first time, a foreign press correspondent was even able to attend the parliamentary "debates".

The pace of change in Syria will be determined both by the relation of social forces and by the outcome of the conflicts unfolding in the ruling layers. Breaking the all enveloping silence abroad on the internal situation in Syria would also help to enlarge the breach that has opened up in the regime's walls. Solidarity with the detainees of the Syrian left opposition (totalling several hundreds, according to Amnesty International) could now really hasten their liberation.★

3. According to the Arab newspaper *Al Hayat*, published in London, "An official Soviet source has indicated, at the end of 1989, that the Syrian capacity to pay will be an important factor in military cooperation between the two countries in the future" (January 14, 1990). A commentary in Hebrew on Radio Moscow added "The Arab countries must cease to build a military power to confront Israel. They should seek to make peace with this country".

4. Syria harbors and supports the dissident factions of the PLO.



The Contras reawake

ON MARCH 23, a delegation from the Contras and the National Union of the Opposition (UNO), under the auspices of the Archbishop of Managua, Obando y Bravo, signed an agreement anticipating the disarmament and demobilization of the counter-revolutionary army, to take place before April 20 at the latest (UNO leader Violeta Chamorro is to assume presidential powers on April 25). The demobilization of the Contras is characteristic of the situation in Nicaragua today — the negotiations for the transition of government between the Sandinista National Liberation Front (FSLN) and the bourgeoisie take place in a turbulent social context.

CECILIA GARMENDIA

THE MAJORITY OF the Contra troops have entered Nicaraguan territory — nearly 10,000 armed men are scattered across regions five (Boaco-Chontales), six (Esteli-Nueva Segovia) and seven (Matagalpa). The agreements which the Central American presidents had previously signed had anticipated that the mercenaries would surrender their arms in Honduras — now the latter are demanding that this be done in Nicaragua, and that the arms be surrendered to the United Nations mission for Central America (UNCA) rather than to the Sandinista People's Army (EPS).

Attacks continue despite ceasefire

The counter-revolutionary army has moreover not reacted in a homogeneous manner to the signing of the accord of Toncontin — the notorious commandant "Franklin" has not yet clearly expressed either when, or where his men will disarm. The Contras mount daily attacks on the self-defence cooperatives, the leaders of the popular movement and even the units of the EPS, despite the unilateral ceasefire declared by the FSLN. Some Contra leaders make contact with the Sandinista army when they enter Nicaragua, others go to the mountains without any control. At the end of March, the Contras attacked a cooperative close to the village of La Trinidad (Esteli), as well as a battalion of the EPS at Yali, killing 12 soldiers. The list of such deaths and destruction is long.

This climate of war and terror exerts relentless pressure on the discussions underway on the future of the EPS. The protocol on the transfer of government, signed between the FSLN and UNO, recognized the "respect for the institutionalism and the professionalism of the armed

forces and the forces of public order" as well as their chains of command (*Barri-cada*, March 28-30, 1990), but it recognized also "the non-deliberative character of the Sandinista People's Army". However, Violet Chamorro has already announced that she intends to reduce the numbers of the army — it would be difficult for the FSLN to oppose this measure if the Contras are effectively disarmed. But doubt still remains as to the intentions of the mercenaries and what kind of role the FSLN, its cadres and, in the first place, the current minister of defence, commandant Humberto Ortega, a member of the Front's leadership, will retain.

Regional leaders support dismantling of Contras

The aggressive attitude of the Contras weighs on this discussion and the FSLN cannot afford a confrontation on this terrain, which imperialism could use to provoke a military solution. The Central American presidents signed, at their last meeting in Nicaragua (April 4-5), a declaration supporting the dismantling of the Contras before April 20. The FSLN unceasingly repeats that the handover of government will go ahead at the date scheduled, but after the attack at Yali, vice-president Sergio Ramirez declared that if the Contras persisted in their attacks and did not stick to their commitments, nobody could guarantee the conditions of the transfer of government. Both sides, then, are using an element of pressure.

The multiplication of strike movements today is another new factor in the situation. Some of these strikes take the form of occupations, as in a big agricultural property in Leon, where the workers are

demanding that the boss pay social allowances.

The Sandinista Federation of Workers (CST) organizes and supports these movements. The sugar cane workers have gone on strike and marched to Managua to demand wage increases, they have visited the workers at the La Corona oilworks, also on strike, to bring their financial support, the workers at Coca-Cola have provided drinks for the strikers. Solidarity and links between the sectors in struggle continue to multiply. The toughest strikes have taken place in the private sector. They constitute a test for the Sandinista leadership and for the workers movement in its confrontation with the bourgeoisie.

But the discontent of the workers is above all the fruit of the economic crisis sweeping the country — the majority of strikes are for wage increases. The lid provided by the presence of the FSLN in government has blown off with the perspective of a return of the bourgeoisie to power. In the Corona oilworks (which belongs to the United Brandt multinational) the strike began when the management tried to dismiss a trade union militant who had been a candidate in the legislative elections for the MAP (an organization of Maoist origin). After some hesitation, due to its traditional sectarianism towards this political organization, the CST threw itself into support for this movement.

Wave of strikes in public sector

Struggles have also broken out in the nationalized sector and the civil service. Primary school teachers have been threatening for a long time to go on strike, demanding a 495% wage increase which they have just received. There is discontent also among secondary school teachers, town hall employees in Managua, librarians, and so on. Some leaders of the FSLN have tried, with little success, to calm the situation. This attitude amongst some revolutionary leaders, notably Daniel Ortega, illustrates the debates currently going on within the FSLN. But the trade union organizations (CST and ATC — Association of Workers of the Countryside) are actively organizing strikes, restructuring themselves and preparing the continuation of the struggles.

The CST is reorganizing itself to become a trade union confederation and create sections in the different enterprises. The ATC has created five federations, by branch of production, to be more efficient. Their plan of campaign envisages the creation of a solidarity fund to support strikes, the defense of jobs, wages and social gains, as well as the nationalized sector (APP). The two organizations are preparing to fight for the defense of the right to strike and of the active occupations (*Barri-cada*, March 26, 1990).

But these movements are still fragment-

ed. Despite the importance of the sectors affected by the strikes, the majority of the population remains in favour of a wait-and-see policy. The big mobilizations that took place after the elections of February 25 have subsided. But all the evidence is that the masses expect a rapid amelioration of their living conditions after April 25. For the crisis continues — prices go up everyday, the dollar is worth twice as much on the black market as in the banks. Moreover neither the Contras nor the UNO can give any answer on the fate of the 862 Nicaraguans kidnapped by the former.

Violeta Chamorro's advisors have promised a visible improvement — or in any case a stabilization — in the first 100 days of the government; if they do not deliver the social situation could become explosive.

Dismantling the revolutionary state quietly

The line that seems to be prevailing within the coalition of 14 parties (going from the reactionary right to the two Stalinist parties) that makes up UNO is that of the president and her right hand man, Alfredo Cesar, leader of the PSD, the Social Democratic Party. He is a former officer of the revolution, who was director of the Central Bank, before joining the Contras in 1982. The UNP parties are adopting a conciliatory attitude, avoiding any frontal attack on the FSLN. The economic plan which has majority support today, the Mayorga plan, envisages a quiet dismantling of the revolutionary state.

In its first six months in government, the UNO will implement an economic stabilization and a reduction of inflation, and introduce a new currency (the "cordobaro", in parity with the dollar). Only after having obtained this stability, and having built the social base it currently lacks, does the government propose to attack the nationalized sector.

But this economic project depends on foreign finance and social peace, unforeseeable elements especially at a time when it is clear that the economic plans of the bourgeoisie will mean a deterioration of the standard of living of the workers and that important sectors of the bourgeoisie who went into exile, and whose thirst for revenge can be imagined, are thinking of returning.

The National Assembly is living through some intense days, adopting a multitude of laws seeking above all to give legal guarantees to the masses. It has also voted through a law of immunity for the president, vice-president and the ministers and directors of the national enterprises which has been opposed even within the FSLN.

The Front has justified it by pointing to the vengeful spirit which has far from disappeared in the ranks of the UNO — it

explains that because of the defensive war (which the UNO does not recognize as legitimate) the FSLN was obliged to carry out some transactions and modifications in its budgetary plans and that the bourgeoisie would try to accuse the Sandinista leaders because of this. But commandant Luis Carrion, today mayor of Managua, has replied that he has no need of such an amnesty, because he is perfectly capable of defending what he has done since 1979.

A law on cooperatives, recognizing the legal ownership by the peasants over the lands affected by the agrarian reform, has been voted through. Another agrarian law allows these lands to be sold, bequeathed, mortgaged and so on. It is true that the 120,000 families which have benefitted from the agrarian reform had been demanding such a measure and that the UNO would have taken it in any case — but the Front had previously explained that such legislation would open the door to the reconcentration of land ownership, all the more true today when the big landowners prepare to return to Nicaragua.

Different approaches inside FSLN

The National Assembly has also voted through a law concerning university autonomy and legalized the status of the housing accommodation conferred since the revolution. The MAP, with the support of six FSLN deputies, has presented a bill for a minimum salary. The president of the National Assembly, the commandant of the revolution Carlos Nunez, has violently attacked this proposal as adventurist and "destabilizing" to the economic future of the country.

This attitude illustrates also the different approaches and debates taking place inside the FSLN in response to the current situation, on the attitude to take in relation to UNO, on the continuation or otherwise of the policy of social partnership with certain sectors of the bourgeoisie developed since 1988 and on the preparation for confrontation on the social terrain. This debate has only just begun.

The situation and the future of the Nicaraguan revolution are today marked by instability. The presence and the attitude of the Contras represent a sword of Damocles hanging over the head of the FSLN, the revolution and the Nicaraguan masses, and this should inspire supporters of the revolution everywhere to remain vigilant. ★



The Collor Plan

THREE months after being elected President, Fernando Collor has introduced the economic measures intended to get Brazil out of the grave crisis it is currently experiencing. The "Collor plan" is a sign of the new situation in the country, the qualitative change that has taken place in the debate about the way out of the crisis.

On the one side, the ruling classes, relieved by their electoral victory, even if still disturbed by the high vote for Lula, believe that this is the last chance. On the other, the workers and popular movement, which plays a central role in Brazilian politics thanks to the Workers Party (PT), the Brazilian Popular Front¹ and the United Confederation of Workers (CUT), has been on the rise for ten years. The following article first appeared in *Em Tempo* of March 1990.

EDUARDO ALBUQUERQUE

IT IS AN audacious and aggressive plan from the point of view of the ruling classes. The bourgeois press has even talked about the biggest shock that a Brazilian government has ever inflicted on the Brazilian economy. It should not be under-estimated.

The centre of gravity of the plan rests in the combination of monetarist measures with a battery of unorthodox policies — a small, relative and provisional price freeze and currency reform. It amounts to an application of that most venerable of capitalist anti-inflationary instruments: a recession.

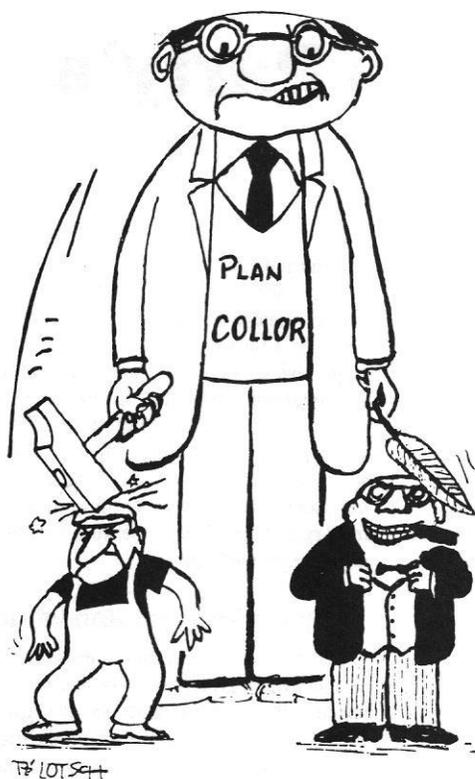
This is a plan of a neo-liberal type managed and imposed by the state. It has been implemented with an authoritarianism that in fact goes beyond the constitution. This reveals how far the new government is ready to go.

The Cruzado plan² took into account the fact that the workers movement had been reinforced by struggles over indexed sala-

ry readjustments. By changing the rules, the government is trying to freeze the existing relation of forces to the detriment of the workers.

It is essential for the success of the Collor plan that the workers movement be defeated. This makes the plan explosive: it is being imposed at a time when the movement is able to resist, and even destroy the plan.

Collor's most useful weapon against



inflation is recession, which will be both the cause and consequence of the defeat he wants to inflict on the working class. It will be the cause via the unemployment that the plan entails, by the dismantling of the material base of combative sectors and by gigantic blackmail. It will also be the consequence, since it involves the destruction of important defensive mechanisms for the workers and seeks to create a situation where the movement cannot impose political alternatives.

The anti-popular earthquake envisaged by Collor is a recession to contain inflation.

The complex and sophisticated measures of the government must be analyzed as a function of the way in which the government is managing the transition to recession.

The plan attacks inflation at three levels: by means of monetary reform; by tax reform; and by price and wage controls. This is a new combination, not seen in previous plans.

The monetary reform (the replacement of the cruzeiro by the cruzado) is intended to control the quantity of money; it means

a sharp reduction in liquidity. The creation of this new currency, supported by an enormous reduction in internal debt, has placed \$115 to \$120 billion that was previously in circulation in the hands of the Central Bank. This is hitting economic activity and leading to a fall in prices.

The monetary reform involves the suppression of interest via the transformation of one currency into another through sales organized by the Central Bank. In the course of these sales, the bank determines how much the person who has been temporarily expropriated will lose in the exchange. It is in the management of this re-monetization that, according to some experts, the key to the success of the plan lies. It is on this very difficulty that the plans of the Argentine president Menem came to grief. And it is at this stage that the pressures of the big vested interests who supported Collor for the presidency can be brought to bear.

The tax reform of minister Zelia is another novelty. The government wants to attack the public deficit. Starting from a deficit of 8% of GDP, Zelia wants to get to a surplus of 2%. According to the calculations of Mauricio Borges, an economist from the University of Minas Geras, the measures taken will affect 7.5% of the GDP (the moratorium on domestic debt will affect 2.5%, the

reduction of stimulants such as subsidies 4% and reform of the administration the other 1%). Adding on the resources produced by the reform of the inheritance laws, the annual deficit can be done away with.

As for the reform of taxation, Borges considers this as the least ambitious measure, intended essentially as an anti-inflation measure, since the main proposals involve an increase in already existing taxes. Thus, although the tax base has been increased, drawing in land rent and capital gains, the tax reform is far from reaching the ceiling paid by the bourgeoisie of the capitalist countries.

The price controls are less dramatic. The idea is for a certain freeze on prices that have been artificially raised just before the plan. Furthermore, the fate of the wage controls will depend to a large extent on the level of resistance of the unions.

Borges draws from his analysis of this set of measures the conclusion that they can break the tendency to hyper-inflation and control inflation in the short term, but at the cost of a sharp recession provoked

by the contraction of the domestic market and also by a drop in export activity, due to the impact of free exchange on dollar costs, which, he says, will strike the weakest export sectors and limit their ability to act as a counter to the contraction of the national market.

He also believes that there will be no automatic regaining of economic impetus in the period that follows the recession. Contrary to the propaganda being put out by Collor and his advisors, market forces will have difficulty in giving a new impulse to development. Since 1930, the state has taken on the role of stimulating the cycles of the Brazilian economy and the private sectors of capital have acted only when the economic upturn is already visible.

Imagings of neo-liberal theorists

Despite what the fashionable neo-liberal theoreticians imagine, Mauricio Borges considers that the structural characteristics of the Brazilian economy mean that the Brazilian state will have to recover its capacities as investor in order to set a new upturn going, but the present measures do not guarantee that this will happen. The package will, with difficulty, clean out the public deficit. But for a recovery to then get off the ground, more profound measures are required such as a tax on the big fortunes.

A recession that will contain inflation but cannot guarantee a new upturn: that is how this economist at least sees the results of the Collor plan.

Collor is selling his plan by claiming that it will benefit 90% of the population while negatively affecting only 10%. In an interview in *Em Tempo*³ Borges refutes the Collor version. The bourgeoisie is well prepared for the package, it has taken reasonable measures by accumulating reserves, and its money is at work outside Brazil. The most dynamic sector in the recent period, the export sector, is responsible for the existence of a large part of the "hidden" economy—estimated by the Getulio Vargas Research Foundation as some \$50 billion.

Big capital will not be the principal victim. The big losers will be the middle layers. And is the government in fact attacking big capital? This is not how things appear to US Treasury Secretary Nicholas Brady. He believes that the measures "turn Brazil towards the modern world" (*Folha do Sao Paulo*, March 17, 1990). The American and English banks

1. A coalition created for the second round of the presidential election in December 1989, grouping the majority of the left around the candidacy of Luis Inacio da Silva, known as Lula, candidate of the Workers Party (PT). (see IV 178)

2. The cruzado plan was the work of the Sarney government in February 1986, to counter the danger of hyper-inflation.

3. *Em Tempo*, organ of the Socialist Democracy tendency of the Workers Party.

have also been singing the plan's praises.

With the concessions on questions of foreign trade (freeing of imports, end to export subsidies), the adoption of free exchange rates and a return to negotiations with the IMF, foreign capital has also been given an important tool in the form of provisional measure 155 which authorizes the conversion of IOUs for Brazil's foreign debt into shares in state enterprises being privatized.

Today, the international financial system is taking on new functions to compensate for certain losses incurred as a part of the new measures. From now on, conversion sales of new cruzados into cruzeiros will play a central role in the economy. Banks will play the part of intermediaries between different clients, developing perhaps a whole new parallel "cruzeiro market" for these transactions.

Another point is worth serious attention: the banks are obliged to buy the privatization shares. On what conditions? To what extent? To acquire which enterprises? At what price? In reality the capital in the national financial system is the most ready to take part in the privatization process. This explains the stimulus given to the acquisition of these much coveted enterprises. According to the General Secretary of the Ministry of the Infrastructure (Industry), Paolo Ximenes, the privatization of the steel industry will start with the most profitable outfits: Usiminas and Tubarao. With the resources obtained from the sales, other enterprises will be prepared for privatization. (*Jornal do Brasil*, March 18, 1990).

Limitations on withdrawals from banks

The losses suffered by wage-owners, small owners, bosses, and middle layers are already significant. Collor has firmly limited withdrawals from current and savings accounts. This may be some sort of ploy for negotiations with Congress. But what is clear is the great gentleness with which big capital is being treated and the violence of the attacks on the intermediate layers.

The recession imposed by the pact is also a direct consequence of the timidity used in the confiscations directed against those who have been benefiting from the inflation. The recession, leading to loss of jobs and falls in wages, will mean draconian losses for the 90% of the population who Collor claims will benefit.

At the moment the population is assessing the plan from the point of view of the whether it has a real impact on inflation. The Collor plan differs from previous plans given the fact that it may have a real success in the fight against inflation. This is why it is necessary to keep a close watch on who wins and who loses from the package, while at the same time seriously defining defensive strategies and popular struggle. We have to understand

the way in which the attacks on the workers and the people are being perceived — a process that is neither homogeneous nor synchronized.

Today, the middle layers, including the small entrepreneurs, and the worst paid sectors of the working class are the first to understand the real import of the plan. They feel the injustice of the confiscation of their savings and bank accounts, of being treated like speculators.

For most wage earners, however, things will not become so clear so fast. The loss in wages will not be felt until April, when wages will be computed according to the March inflation figures.

As the effects of the recession work their way through, more and more sackings will take place, and at this point the great majority of the population, including a whole series of marginal sectors, will feel the weight of the Collor plan. ★

The Workers Party's proposals

IN RESPONSE to the Collor plan, the National Executive Committee of the Workers Party has decided to present a series of alternative measures to stem the crisis gripping the country, while preserving working class living standards. We publish below extensive extracts from the document.

DOCUMENT

INDIFFERENT to the worsening of the crisis and the acceleration of inflation during the last days of the Sarney government, president Collor is now proposing laws, decrees and measures that are in contravention of established laws in order to achieve an economic readjustment....

With this plan, the Collor government is trying to make us believe that everyone is making the same sacrifices to get the country out of its disastrous economic situation, when in fact the plan will strike and marginalize the most disadvantaged, by putting the economy at risk of an imminent recession, with the well-known consequences: unemployment, poverty, disorganization of production and a social crisis....

The main lines of the plan preserve the agro-exporter model and submit the economy to the diktats of the International Monetary Fund (IMF), by continuing the payment of the external debt. This risks making any attempt to stabilize the economy or to successfully control inflation worthless.

The PT reminds the population of the promises made by Collor concerning wages: discussion of the subject with the participation of the workers and no change in the

minimum wage.

But, once more, the government's economic measures harm the workers: one month's inflation is not taken into account, wages have been fixed in advance without any guarantee that the difference between predicted and actual inflation will be paid. The minimum wage has in fact been revised — downwards. Instead of a real rise of 3% per month, the government proposes a quarterly rise of 5%. This is the same sort of thing as in the previous plans.

Unemployment and wages

The menace of unemployment is as serious as the wage agreement. There is no guarantee of stable employment, nor of warning of being laid off, no extension of the right to unemployment relief and a minimum income such as were promised by the government before it came into office.

In this situation, created by the measures, the PT proposes:

1. Stable employment lasting 180 days.
2. State financing for a programme of unemployment relief accessible to the largest number.
3. Participation by the trade union confederations in any modification in wage policy and the taking into account of the differences between predicted and real inflation in the monthly wage; and, from today, the taking into account of March inflation in the computation of wages.
4. The maintenance of the existing policy on a minimum wage fixed by Congress.

Prices

The price freeze — retroactive to March 12 — is a farce given that enterprises had already modified the prices of their goods beyond the limits established by the plan in order to guard against any losses caused by government measures....

The PT proposes the following alternative measures:

1. access of trade union representatives to the enterprise account books;

2. labelling of manufactured goods at source with the permitted maximum price;
3. Participation by the unions in the price fixing bodies, by sector of production.

Monetary reform

The violence of the readjustment imposed on the financial markets threatens the country with a prolonged recession, since it encourages the concentration and denationalization of the economy which will have irreversible effects on the industrial base and economic development....

The plan makes no distinction between the inheritance of rich and poor families; it does not take into account particular cases of people who do not have the financial means to live; it makes no distinction between big and small enterprises, or between essential sectors and those that are not essential, or between different types of economic activity....

It favours big capital, those sectors who do not need much liquidity, economic groups that organize capital flight and the most solid financial sectors. With the Collor plan it is the powerful who will win, at the detriment of the poorest and weakest sectors. The Collor plan treats international capital in an unacceptable fashion....

The PT proposes the following alternative measures:

1. The establishment of selective criteria for the liberation of blocked funds, according to the following guidelines:

- a. For those for whom financial savings are the only source of revenues, the authorization of monthly withdrawals up to the limit of the monthly average for the previous twelve months, and not amounting to more than 15 times the minimum wage.

- b. Funds must be released for the purchase of housing according to the rules of the housing finance system for those who have no other housing.

- c. Funds must be released for spending on health, education with legal verification.

- d. Funds must be released for unemployment relief. After March 15 this relief should be 80% of their last wage.

The release of funds must be subject to the following conditions:

- a. The taking into account of what is really essential in the economic sector: meeting basic consumption needs, technology and agriculture.

- b. Payments due to small and medium sized enterprises.

- c. The need for capital to circulate: the basis for release of funds must take into account taxes paid the previous year, subtracting the liquidity already released.

- d. To go through with investments already committed, and establish criteria for strategic investments, in relation to industrial, social and agricultural policy.

2. The conversion into cruzeiros of the external resources of multinationals must also be subject to these restrictive and selective criteria, compatible with the interests of

the country and national development.

Fiscal reform

The fiscal reform has increased taxes and imposed new ones on financial actors, big fortunes and agricultural rent; it also eliminates stockholders and fixes future rents. But, not touching other forms of speculative inheritance, in particular non-productive big rural property, it shows its limits and omissions.

The increase of public charges, with the aim of improving the working of the public enterprises, must not be done to the detriment of the purchasing power of the wage-earners nor become a mere instrument for increasing the profitability of the public sector with regard to its privatization. Furthermore, with this measure, it is the central government that centralizes the increase in fiscal deductions, which is in contravention of the fundamental principles for fiscal reform defined by the constitution....

The PT proposes the following alternative measure: the taxing of speculative building property, particularly non-productive rural goods, through the progressive and effective application of the tax on rural landed property, to release funds which will allow the construction of public housing in the cities and land reform.

Administrative reform

The administrative reform has been worked out without any discussion on its guiding criteria. The scapegoats will be the public service workers, as if they are the ones responsible for the disorganization of the state apparatus.

The PT is in favour of a reorganization of the state, but believes that it must be done via a wide discussion and by a clear clarification of the criteria that should guide the policy to be adopted with regard to the employees. The PT considers it inadmissible for the employees to be made responsible for the crisis of the state when the Collor plan itself recognizes that the main responsibility for national bankruptcy are interest payments on the internal and external debt.

The PT proposes the following administrative measures:

1. The passing of a law to define the main lines of the reform of inheritance and state administration.

2. The establishment of selective criteria for all questions relating to the administrative reform and inheritance, in particular taking into account employment.

3. The transformation of measures regarding the giving up of national wealth.

Privatization

The PT forcefully rejects the vision implied by the government's new talk about privatization. The PT does not accept the idea of giving the executive *carte blanche* to carry through privatizations and does not accept that these should be presents to foreign capital or the big domestic industrial

owners....

A large discussion is needed in Brazil on the role of the state, on the sectors that should be privatized and those that should remain in state control.

The international creditors have not been in any way affected by these measures. Furthermore, the freeing of exchange — one of the demands of the IMF's adjustment policy — may bring serious problems for the Brazilian economy, such as the "dollarization" of a part of the public debt that would facilitate the transfer of capital abroad.

The PT proposes the following alternative measures:

1. The creation of a fund for economic and social development, made up in part of the federal government's surplus on the country's commercial balance, to finance investments in the infrastructure, education, health, housing, transport, food supply, employment and cleaning.

2. The rejection of the creation of a national privatization programme that would make state enterprises disappear; the installation of a law regulating the public sector that would match the industrial policy; an annual vote on a law on privatizations that would define which enterprises and under what criteria privatization would take place.

3. As for the foreign debt, the PT reaffirms that it is opposed to its payment and proposes the suspension of its repayment.

Land reform

By failing to tax non-productive land, the government's economic reforms favour the interests of the big owners and those who keep land idle....

The PT proposes the following alternative measures:

1. The establishment of a national programme for agrarian reform with public funds and support from the national bank in credits that have been blocked;

2. The putting in place of an agrarian policy that gives priority to the production of foodstuffs and raw materials necessary for the making of things needed by the mass of the population;

....The PT will not allow, in the name of fighting hyper-inflation, the government to take a series of illegal measures, for, tomorrow, and using other pretexts, it will be ready to violate individual and collective rights and public liberties.

The PT does not believe that the fight against inflation can only be conducted via a recession. Without a democratic policy that fights inflation and the economic crisis and which attacks their structural causes, the country will not reach a level of development where the revenues can be distributed — which must be the aim of any democratic economic policy.

The NEC of the PT calls on its militants and sympathizers along with all popular and democratic forces to mobilize in the Congress and in the social movements to defend these alternative propositions. ★

Free enterprise didn't sell

THE WRITER Mario Vargas Llosa, a champion of free enterprise and anti-Communism, has just experienced a colorful episode. While the polls predicted he would get more than 50% of the vote for president, he just edged ahead of an obscure candidate, the son of Japanese Immigrants, Alberto Fujimori, who got 30% in the April 8 elections.

THE ELECTION CAMPAIGN was started by Vargas Llosa two years ago. The prominent writer had the help of the best public relations experts in the United States, and he spent millions to inundate the media. All this labor crumbled in the space of a few hours, for the benefit of an unknown candidate, a political newcomer, Alberto Fujimori.

Nonetheless, everything had indicated that Vargas Llosa would win the election, with the support of the extreme right Frente Democratico (FREDEMO) coalition. The FREDEMO was made up of the two old parties that represent the ruling class in Peru, Acción Popular and the Partido Popular Cristiano, along with the movement formed by Vargas Llosa, "Libertad."

From one nightmare to another

Born out of the big bourgeoisie's revolt against the nationalization of the banks proposed in 1987 by outgoing president Alan García, FREDEMO presented itself as the alternative to the nightmare that Peru lived through under the aegis of the Alianza Popular Revolucionaria Americana (APRA)¹. In denouncing the populist phrasemongering of APRA, Vargas Llosa tried to show that García was dragging Peru down into crisis with a "left" program. The writer's line was to try to put the responsibility for the hyperinflation (3,000% in 1989), unemployment and rampant corruption in the administration not only on APRA but on the left as a whole.

No political force was able to resist

FREDEMO's steamroller. The Peruvian people did not want to vote for APRA, which had starved them. It could no longer throw its votes to the left. The latter had gone through a period of internal warfare and divisions that led to its breaking up. Thus, its forces were split in the elections between the United Left and its former leader, Alfonso Barrantes, who formed his own coalition, the Socialist Left.²

The events in East Europe and the defeat of the Sandinista front in Nicaragua certainly had an impact on the voters. Finally, the municipal governments run by the left had brought no substantial improvement in the lives of people and tarnished its image. It was in this context that Mario Vargas Llosa's candidacy emerged.

Peruvian voters tired of politicians

FREDEMO exerted itself to project a promise of "change." At the beginning, the voters looked sympathetically on Vargas Llosa's candidacy, because they were tired of "politicians." The writer tried to present himself as different, claiming to be "independent."

But the backing of the classic parties of the right (including the party of former president Belaunde Terry) for Libertad detracted from his image. What change could be expected from the old hands of the right? Then, the big capitalists gave their support to FREDEMO, spending millions on its propaganda.

At this point, Peruvians began looking for a "real" independent candidate, and

they found "Cambio [Change] 90 and its standardbearer, Fujimori. He also talked about "technology" and promised "capital" to bail out Peru, like the FREDEMO. But he was careful not to give any hints of attacks on unemployment and the social gains of the masses.

APRA and the left, for their part, strove to expose FREDEMO's governmental plans, denouncing the arrogant speeches of Vargas Llosa, whose overconfidence led him to talk too bluntly. He made no bones about his intentions — economic "shock" treatment for the country, privatizing the national enterprises and firing half a million workers in this sector, abolishing security of employment, "regulating" the right to strike, splitting up the peasant communities, abolishing free education after the third year of high-school and so on.

Llosa spends millions on campaign

Most of all, Peruvians saw the millions the rich spent on this campaign in a country ravaged by hunger. That is what repelled them from Vargas Llosa and then attracted them to another candidate. The writer's public relations experts were unable to understand this phenomenon.

FREDEMO has accused Fujimori of not having any program. But APRA did not have any more of one when it took over the government in 1986. Moreover, Fujimori's line was more reassuring than that of the literary man. He did not want to privatize the nationalized sector, and he talked about social inequalities that stoked the fires of the Shining Path guerrillas and which had to be combatted.

Fujimori promised that education would remain free, that security of employment would be protected and, above all, that he was not going to apply any "shock" therapy to the Peruvian economy. This line reassured the Peruvian masses, but also some sections of the



bourgeoisie and traders who feared that excessive Llosa's "free enterprise" program would bring them to an economic situation similar to the Chilean or Bolivian one.

Vargas Llosa recognizes that he is poorly placed for the second round, and nearly decided not to run. He knows that on June 5 he will have a hard time topping 30%, while Fujimori can count on getting the APRA and left vote (respectively 20% and 11%), regardless of what the leaderships of these forces call for. He also knows that in order to apply his economic policy, he will need an absolute majority and full powers, which he will not get.

United Left pays heavily for split

The left came out of this election in a still more weakened state. First of all, it suffered a rebuff by the voters, with the United Left getting 7% and the Socialist Left, 4%; while before the split it got 30% in the 1983 municipal elections and 23% in 1986. Its administration of city governments did not involve any break with the system. It was not able to develop elements of direct democracy or attack the rich. Today, it is asking nothing more from Fujimori in order to call for a vote for him in the second round than that he clarify his program. As for the Maoist guerrilla organization Shining Path, its sectarianism (it is more and more often attacking left activists) is isolating it. Its call for a boycott of the vote had very little impact.

APRA's defeat and the results of this election reveal the impasse in which Peru finds itself. If he wins, Fujimori will not be able to stand up to the pressures of imperialism or those of the big Peruvian capitalists. But the defeat dealt to Vargas Llosa has shown the mass opposition to the ultra-free-enterprise schemes.

The Peruvian state is getting weaker by the day. Shining Path controls some areas of the country. The mass movement is resisting in important sectors. The army rules in whole regions (the number of deaths has risen in these last years to 18,000, and that does not include the "missing"). In other areas, the drug traffickers rule the roost. This disintegration of Peru will continue if Fujimori wins, and it can wear him out very quickly. ★

*Hugo Blanco, is a leader of the Mariateguista Unity Party (PUM) and also has leadership responsibilities in the Peruvian Peasant Confederation (CCP). He was a deputy in 1983 and between 1980 and 1985. He ran in the elections for the Senate on the slate of the United Left (a coalition including the PUM, the Communist Party of Peru and the National Union of the Revolutionary Left, a formation of Maoist origin).

1. APRA, the party of Alan García, who was president of Peru between 1986 and 1990. This formation belongs to the Socialist International.

2. The Socialist Left was formed by Barrantes, a former mayor of Lima and by the Revolutionary Socialist Party (PSR), which left the United Left.

Kohl and Mitterrand speed up plans for European unity

ON APRIL 18 the Brussels-based Commission of the European Economic Community (EEC) put forward a plan for the phased integration of East Germany into the EEC. The following day France's President François Mitterrand and the West German Chancellor Helmut Kohl proposed speeding things up so that "economic and monetary union as well as political union could be achieved by January 1, 1993." These two events demonstrate the ways in which the majority of the EEC's members are trying to overcome the existing difficulties and contradictions.

CLAUDE GABRIEL

THE EVENTS in Eastern Europe and above all the collapse of the Stalinist regime in the GDR are being read as dangers for the European unity project.

In reality, despite all the restructurings, far from embodying a coherent, rationally structured and centralized economy, the EEC today remains a field for intense competition between firms and financial companies enjoying the support of the individual member states.

In such a context and given West Germany's economic power, it might have been expected that Bonn would make its priority imperialist expansion eastwards rather than West European integration. The priority given to absorbing the GDR and the West German chancellor's brief period of hesitation over support for European economic and monetary union seemed to give credence to such an expectation.

Drive to integration still powerful

However, in fact, the new problems for the EEC project arising from the dramatic developments in Eastern Europe do not necessarily call into question the powerful tendencies towards integration, as is shown by the Brussels' Commission proposals and the Kohl-Mitterrand statement.

At stake in the immediate future in Eastern Europe is commercial expansion, the opportunities for relocating production to a region of low wage costs, and a

controlled transfer of technology financially underpinned by the states and international financial institutions. At stake in the long term in the EEC, however, is the centralization of capital, the creation of a vast united market with 323 million inhabitants, and the establishment of institutional and financial tools for overcoming the obstacles to modernization of production and the employment of new technologies, in the face of American and Japanese competition.

It is not just a matter of a difference in quantity between the potential of the East and the perspectives of the West. The difference is qualitative.

This is not to gloss over the difficulties lying in the path of European capitalist construction, but, even so, it is an essential factor for understanding what the real policies at work are. Spending on mergers and purchases of enterprises involving European actors was \$11.1 billion in 1988.

FRG plays preponderant role in EEC

Furthermore, more than half of the FRG's foreign investments are in the EEC, which means that the FRG plays a preponderant role in the EEC, whatever the competition between the individual EEC countries with regard to expansion in the East. Such facts determine capital's main needs.

The choice being made in Brussels, Paris and Bonn to deal with the new problems is thus to move faster towards economic and political union. The most interesting

aspect is the attempt to combine the most rapid possible carrying through of economic and monetary integration (EMU) and political union.

In their joint statement on April 19, Mitterrand and Kohl propose launching "preparations for an inter-governmental conference on political union." "The aims of this are to reinforce the democratic legitimacy of the union; make its institutions more effective; ensure the unity and coherence of the union's actions in the economic, monetary and political spheres; to define and put to work a common foreign and security policy." The slump in Mrs. Thatcher's domestic popularity is also a factor working to the benefit of a project that horrifies the British government.

Obstacles to European state remain

There is, of course, a gap between desire and reality. A European state will not come into being because the Brussels Commission gets some executive powers, the European Parliament the right to make more decisions or the Council of Europe gets stronger. Surmounting the contradictions between the internationalization of capital and the maintenance of "national" states remains a hard task.

But even in this realm, the objective needs are becoming more and more pressing. How, for example, can there be monetary union without central control of monetary and fiscal policies to establish rigorously fixed rates of exchange between the national currencies?

The *Financial Times* of January 17, in an article not at all favourable to Mrs. Thatcher's "nationalist" theses explained: "The liberalization of the flow of money will greatly weaken the good functioning of the exchange mechanisms...."

"If exchange rate stability is to be maintained, the liberalization of capital movements has to go hand in hand with substantial efforts by the monetary authorities on two fronts. In the first place, it is necessary to coherently formulate the monetary targets of the individual countries so that the direction of the evolution of the money supply is compatible with fixed exchange rates. In the second place, a firm and well-structured support is needed for the bilateral parities, in order to convince the markets that the stability of the exchange rates is going to last."

Transfer of authority to EEC Implied

These processes therefore imply a growing transfer of authority from the national governments to community institutions.

In order to cope with the asymmetry between the Deutschmark and the other currencies, and between the German economy and that of the other countries in an

open market, the EMU has to be accompanied by a corresponding political and institutional project.

It goes without saying that this transfer of power will pose important problems of "legitimacy". There is a gulf between popular perceptions of the existing states and of a technocratic administration in Brussels.

This is why Kohl and Mitterrand are so preoccupied with giving democratic legitimacy to the political union. They have a lot on their plate. There are other problems that have to be solved at the same time — in the first place, the reorganization of the Atlantic Alliance, the march towards European defence and, as a consequence, the integration of the European armaments industry. There is also the need to define a common coherent policy towards Eastern Europe, where the risk of political crisis and social collapse is very real.

This is why the Brussels Commission is also keeping a close eye on economic and financial interventions in the East. There will be an increasingly closer connection between the economic and industrial perspectives of these countries and their political evolution.

The final overcoming of these problems will involve a centralized intervention by the EEC states and regional financial institutions.

As far as East Germany is concerned, the Commission states that it is necessary to "pass from information to consultation, and this demands appropriate procedures, ensuring the best possible transparency in the development of the interim phase of adaptation."

In other terms, the Community will get its oar in since it will also be intervening there, including at the financial level. The GDR operation carries important risks for the whole of the EEC and the stability of the European Monetary System (EMS). Inflationary pressures risks being very strong.

But on the other hand the European governments hope that the possibilities for extra growth in the FRG (estimated at 1%) will permit Western Europe as a whole to avoid following the United States, not to say Japan, into recession. There is thus not at the present time a big contradiction between the maintenance of the EMU and the political and economic opening to the East (at least in terms of *starting* both processes going at the same time for in the long term the overall costs will begin to bear down).

Things might however be different if the whole of the imperialist world went into recession. To avoid such a scenario is another reason why Paris and Bonn have decided to make a dash for the finishing line. ★

Invest in the new Europe!

AT A TIME of great upheavals in the Soviet Union and Eastern Europe, at a moment when the world is changing so quickly, the ideologues of the free market and capitalism are rushing into the breach to substitute a new mystification for the old Stalinist poison.

Their methods are those proper to "really-existing" capitalism — the weight of the multinationals, state blackmail, the power of money, and so on. Social democracy has not hesitated to offer its services to this new crusade.

Our goals are entirely different. We remain, today as yesterday, faithful to the fight against all oppression and exploitation, revolutionaries against both Stalinism and capitalism! Despite their arrogant bluster, those who wish to pass off the Stalinist caricature as the inevitable outcome of socialism have not succeeded. Democratic socialism will remain an ideal for oppressed humanity, and, in reality, represents the only way out of the crisis facing the human race.

The collapse of Stalinism in Eastern Europe brings new hope, but also new responsibilities, for revolutionary socialists. Our voice must be heard in the great debates taking place in these countries. It is necessary to ensure that the advocates of capitalism do not have a monopoly of the press.

For this reason the United Secretariat of the Fourth International is launching an international financial campaign to gather the means to respond to the new situation, to make known its opinions and analyses, and to help its supporters in Eastern Europe and the Soviet Union to organize themselves.

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