The Tide is Turning

Just as the neo-liberal juggernaut sweeps through the world arrogant and seemingly triumphant, its momentum is suddenly waning.

While dissent is dispersed and fragmented, and 'alternatives' seem to be far removed from displacing the mainstream, the solidarity and coalescence of protest seems to be gaining ground.

In quite a few places faith is being put in the hands of the 'left'. Latin America has chosen its own path to travel. And though the reaction is fast and furious, the 'left' is able to stand its own ground. Hugo Chavez is holding his ground in Venezuela.

Maybe the tide is already turning!



Promise of the Chavez offensive

by C. P. Chandrasekhar

If Venezuela President Hugo Chavez builds on his recent victory against a covert coalition's attempt to unseat him and moves ahead with his egalitarian development programme, the global war against the neo-liberal offensive would witness an advance.

On February 2, the two-month-old, private sector-led strike in Venezuela was lifted. That general strike had come as the culmination of 18 months of unrest, in which a mainly capitalist opposition attempted to dislodge President Hugo Chavez. Clearly, Chavez has won a major victory, despite the fact that the domestic industrial sector, international capital, the governments of developed countries and the mainstream international media had all joined the covert coalition to displace him from power.

But long used to dominating the system with autocratic rulers, Latin America 's elites have not been known to adjust to the needs of democracy or accept the popular verdict when it moves to the Left. Among the many moves they adopt, one which has gained currency since the time of Allende, is a strike by the owners of capital against a government biased in favour of the workers and the poor. This is precisely what has been attempted in Venezuela where besides a failed coup aimed at displacing him, Chavez has faced four major strike actions on the part of capital. The most recent, which began on December 2, has, however, pushed sections of capital into bankruptcy, leading to a gradual end to the strike. That end would have come earlier, but for the strength the strike action gained because of the alliance of managers and workers in the oil industry, who in Chavez's view constitute a labour aristocracy which has joined the elites in the drive to bleed the system.

What is most noteworthy is that in the midst of all this Chavez has won out by sticking to his radical agenda, which includes land reforms, regulation of goods and capital markets and nationalisation.

What is surprising is that Venezuela's elite had bought its own propaganda, and believed that Chavez actually had the support of only a few lumpen elements. Even when this was proved wrong by the quick reversal of the April 2002 coup, which momentarily brought Pedro Carmona to power, the business-led opposition was not convinced, leading to the strife that has

followed. As has been commented by a number of political observers, including Cuban President Fidel Castro, what is surprising is the fact that, on return to power in April 2002, Chavez refrained from seeking revenge, and allowed the plotters of the coup and their supporters in the oil industry to continue with their campaign. He even joined negotiations, led by the secretary-general of the Organisation of American States, to seek a peaceful end to the stand-off between the government and the business-led opposition.

Chavez held out and having won the battle is putting in place new leaders and workers in the oil industry, and refusing to take back 5,000 sacked workers, is working to restore oil production levels that are inching towards 2 million bpd and has suspended currency trading as a first measure to stop the fall in reserves and the decline of the bolivar. But things are not going to stop there.

If Chavez does move ahead, in a context when Left-leaning regimes have come to power in a number of Latin American countries, the war against neo-liberal policies and corporate globalisation would witness an advance and the geo-politics of the region is bound to change.

Chavez and his supporters are conscious of this. Eliecer Otaiza, an adviser to the President, is reported to have declared: "The happy society we want to create is in order to change... the system of production and trade and the international political system." With the U.S. being a neighbour and dependent on the region, as Venezuela's contribution of close to 15 per cent of U.S. oil imports suggests, this shift would not go unchallenged. The battle has only just begun.