

Focus-on-Trade is a regular electronic bulletin providing updates and analysis of trends in regional and world trade and finance, with an emphasis on analysis of these trends from an integrative, interdisciplinary viewpoint that is sensitive not only to economic issues, but also to ecological, political, gender and social issues. Your contributions and comments are welcome.

Focus on Trade

Number 72, December 2001, Part I

IN THIS ISSUE

THE AMERICAN WAY OF WAR

By Walden Bello

PACIFIC ISLANDS TROUBLED BY TRADE

By Nic Maclellan

THE ISLAND OF DIEGO GARCIA, B 52'S AND YOU AND ME

By Lindsey Collen

WEAPONS OF THE POOR

By Supara Janchitfah

NEOLIBERALISM THROUGH THE EYES OF WOMEN

Joo-Yeon Jeong & Seung-Min Choi

THIS is the last issue of Focus on Trade for 2001, an incredible year by any measure.

In our reports and articles we have covered the major (at least from our viewpoint!) events of the year: from the exhilarating success of the first World Social Forum in Porto Alegre where 15,000 activists gathered to show that “Another World is Possible” to the G7 summit in Genoa where, despite the state of siege and police brutality, 300,000 non-violent protestors demonstrated their absolute rejection of neo-liberal globalisation.

Throughout the year, we sensed that the mood was changing. In the face of growing opposition and with the shadow of recession stalking the “new economy” the titans of globalisation were no longer striding with such certainty. And it seemed to us – in the brief Indian summer after Genoa — that the media was finally getting the message. Politicians and the media started looking beyond the violence to the issues — of unfair trade, of illegitimate

debt, the devastating power of footloose capital and the lack of democracy in the global system. What’s more, establishment opinion leaders, such as the Financial Times and the Economist were conceding that globalisation’s glitter may not all be gold.

In the short term, September 11 changed all that. Not only did the astonishing attacks on the World Trade Center and the Pentagon overshadow everything that had gone before, but the subsequent US-lead “War against terror” has totally (if not permanently) shifted the way in which the world interprets and responds to events. The results for the “anti-globalisation” movement are ambiguous. On the one hand, the criminalisation and zero-tolerance of dissent will make it incredibly difficult to reactivate the kind of protests that greeted the IMF and World Bank meetings in Washington and Prague and the G7 in Genoa (although even before September 11 the elites were showing a preference for remote, demonstrator free loca-

Please contact us c/o CUSRI, Wisit Prachuabmoh Building, Chulalongkorn University, Bangkok 10330 Thailand.
Tel: (66 2) 218 7363/7364/7365, Fax: (66 2) 255 9976, E-Mail: admin@focusweb.org, Website: <http://focusweb.org>.

Focus on the Global South is an autonomous programme of policy research and action of the Chulalongkorn University Social Research Institute (CUSRI) based in Bangkok.

tions). On the other hand, the (arguable) proposition that “poverty is the breeding ground for terrorism” may force the rich countries to respond more generously to injustice and inequality, even out of self-interest.

This makes the work of the international movement for social justice both more complicated and simpler because while there is now a general agreement that the world is divided by deep cleavages of inequality and injustice, there is no agreement of the causes or the solutions. The pro-globalisers – characterised by US trade representative Robert B. Zoellick – see the problem in typical neo-liberal terms, arguing that more trade, more openness and more growth are the “tools against terror” and that liberal democracy is the solution to isolationism and fundamentalism. We must be able to show that simply doing more of the same is not the solution.

While the space for protest and dissent in the US may be getting smaller, massive job losses and the effects of the recession are stirring the social movements and trade unions and in many other parts of the world anger is growing. In the past week, mass street demonstrations against the government’s economic policies forced Argentina’s president and finance minister to resign. (And while Buenos Aires burns, the IMF is hiding in the corner, washing its hands of the whole affair and insisting in the most unconvincing manner that the whole disastrous economic plan was the idea of former Finance Minister Cavallo, who is neo-liberal to his bootstraps. Several months

ago, the IMF congratulated Argentina for having the first genuinely “nationally-owned economic restructuring programme” not doubt seeing the wisdom of distancing itself from an utterly predictable disaster. The experience should send alarm bells ringing in every country with a “nationally-owned” PRSP.)

In Asia, the US bombing of Afghanistan has fuelled latent anti-US sentiments and national governments, faced with poor economic prospects due to the global recession, are looking for new solutions while in Europe, the wave of radicalism unleashed by Genoa continues to grow.

September 11 has been and will be used to justify anything and everything and post September 11; there is a temptation to re-interpret everything as though the world changed utterly in those few minutes. This is true, but only partly so and perhaps only to the extent that we allow it to be true. For the vast majority of people, the world kept spinning after September 11 and their future looks as grim now as it did then.

Part I of this issue of Focus on Trade, Walden Bello explores the wide-ranging implications of the war on Afghanistan. The other places visited in this issue rarely make the headlines: Nic Maclellan writes about the impact of structural adjustment in the Pacific, Lindsey Collen pleads for the US military base of Diego Garcia to be returned to its people, Supara Janchitfah describes the “weapons” of the poor farmers of Thailand and Joo-Yeon Jeong and Seung-Min Choi show how the women of

Korea bear the brunt of the wrenching post-crisis economic restructuring.

Part II contains articles by Walden Bello, Raj Patel, Aziz Choudry and Victor Menotti on what happened in Doha, why it happened and how we should respond.

Finally, we would like to wish all our comrades, colleagues, friends and readers every good wish for the coming year.

THE AMERICAN WAY OF WAR

By Walden Bello

By Washington's logic, firecrackers should now be going off everywhere, as the counter-terror crusaders zero in on Osama bin Laden's hideout in Tora Bora. However, Europe is cool, there is apprehension throughout the South, and outright despondency blankets much of the Arab and Muslim world.

The reasons are obvious: at least 4000 dead, a large number of them civilians, four million refugees, a return to tribal chaos with the dismemberment of central authority. What bin Laden and his organization did was horrific and inexcusable—but to do this to a country in the name of justice? Once again, the Americans have destroyed the town in order to save it.

Washington, however, will not allow these details to spoil its triumphalist mood. The Taliban and Al Qaeda have been obliterated, but this victory has a wider significance for the Pentagon. Massive, precision-guided air power can win wars, with almost no commitment of US ground troops, and thus with almost no casualties. Ground forces cannot, of course, be totally dispensed with, but they are needed not so much for assault but for mopping up operations against demoralized and shell-shocked survivors of the rain of flame and steel—a role that can be filled by local mercenaries like the Northern Alliance.

AIR POWER BURIES THE VIETNAM SYNDROME

What was first tried out in the Kosovo conflict in 1999 has now been affirmed in Afghanistan. This war was the last nail in the coffin of the "Vietnam Syndrome."

With this renewed confidence in what military historian Russell Weigley called "the American Way of War"—massive firepower, high technology, total victory—Washington is now seriously considering the same sort of intervention in other states that allegedly provide aid and comfort to the terrorists, with Yemen, Sudan, Somalia, and Iraq being the prime candidates.

And it would be surprising if the events in Afghanistan have not given a boost to plans for a strong US military role in the war against drugs in Colombia. Newsweek reports that Colombian authorities seeking a more decisive US role are now "trying to show the parallels between the Taliban and their own guerrilla movements..." There is, of course, the not insignificant difference that Afghanistan is desert and Colombia is jungle, but then, is this not a minor problem that American technology can resolve without too much difficulty?

THE NEW TRUSTEE-SHIP

Along with the return of confidence in the American Way of War, there is

emerging a renewed respectability in direct intervention in the affairs of developing countries. Even before September 11, many developing societies, particularly in Africa and the Middle East, were already being characterized as "failed societies." Robert Kaplan's 1994 essay in *The Atlantic* was but one of several influential writings to forcefully expound the view that decolonization had led, not to the emergence of stable polities in Africa and the Middle East but to a descent into "anarchy" that threatened to destabilize the whole world.

Post-September 11, respect for national sovereignty and self-determination has been further eroded in Washington and London, with conservative intellectuals giving voice to opinions that powerful states cannot articulate...yet. One influential formulation comes from Paul Johnson, author of *Modern Times*:

"...the best medium-term solution will be to revive the old League of Nations Mandate System, which served well as a 'respectable' form of colonialism between the wars. Syria and Iraq were once highly successful mandates. Sudan, Libya, and Iran have likewise been placed under special regimes by international treaty. Countries that cannot live at peace with their neighbors and that wage covert war against the international community cannot expect total independence. With all the permanent members of the Security Council now backing, in varying degrees, the American-led initiative, it should not be difficult to devise a new form of

United Nations mandate that places terrorist states under supervision."

Not surprisingly, few of these visions address the fundamental reasons for extreme responses like terrorism: colonial borders that ensured post-colonial conflict, continuing marginalization of the new countries in an inequitable global economic order, continuing Northern control of areas containing massive oil and gas riches to fuel the oil and energy intensive civilization of the West.

The next phase in Afghanistan is turning into the latest experiment for the New Trusteeship or New Mandate System, following the failure of the first major initiative owing to Somalian recalcitrance in 1993. The European Union is asked to provide—under British leadership, of course—a permanent occupation force, while the United Nations is brought in to broker a "representative government" among competing tribal groups to fill the political vacuum. Observing recent developments in Afghanistan, one cannot help but notice that Washington appears to be operating under the following principle: be unilateral in military action, but multilateral in political engineering—thus getting others to take the blame if the political structure collapses.

WAR WITHOUT BORDERS

The war against terror knows no borders, so the war at home must be pursued with equal vigor. September 11 was Pearl Harbor II and the Bush administration tells Americans that they are now in

the midst of total war like World War II. Not even the Cold War was presented in such totalistic terms as the War against Terror. Laws and executive orders restricting the rights to privacy and free movement have been passed with a speed and in a manner that would have turned Joe McCarthy green with envy. The United States is only nine weeks into this war, observes David Corn in *The Nation*, but already legislation has been passed and executive orders signed that establish secret military tribunals to try non-US citizens; impose guilt by association on immigrants; authorize the Attorney General to indefinitely lock up aliens on mere suspicion; expand the use of wiretaps and secret searches; allow the use of secret evidence in immigration proceedings that aliens cannot confront or rebut; destroy the secrecy of the client-lawyer relationship by allowing the government to listen in; and institutionalize racial and ethnic profiling.

The US's European allies have rushed to do the same thing—with many of them taking advantage, like Washington, of the anti-terrorist climate to try to push through a whole raft of legislation that had been waiting in the wings before September 11. Unlike in the US, however, citizens and parliaments are not going as gently into that good night—including, surprisingly, the British Parliament, which shot down Tony Blair's draconian proposal to allow prosecutors to apprehend and indefinitely jail any foreigner suspected of terrorism.

Post-September US legislation is worrisome not

only for its domestic implications but for its international consequences. What we see is the institutionalization of a regime of legal unilateralism: the latest package of laws and executive decrees self-endow Washington with the power to do almost anything abroad to bag terrorist targets—which US forces proceeded to display just recently, when, in an act indistinguishable from piracy, they boarded without consent a Singaporean ship in the Arabian Sea, overpowered the crew, and launched a fruitless search for terrorists.

Had a suspect been discovered in that shipboard search, the Pentagon could have shipped him to a US base in, say, Germany, tried him there in a secret military tribunal, and, had he been found guilty by a process significantly less rigorous than civilian justice, transported him to be shot or imprisoned in the United States, possibly anonymously. The cooperation of states in whose territory terrorists are apprehended would be nice, but it would not be necessary, thank you.

DEUS EX MACHINA

In classical drama, September 11 was the *deus ex machina*—an external force or event that swings a destiny that hangs in the balance in favor of one of the protagonists. The Al Qaeda New York mission was the best possible gift to the US and the global establishment in the pre-September 11 historical conjuncture. Just a few

weeks before, some 300,000 people had marched in Genoa in the biggest show of force yet of an anti-corporate globalization movement that had gone from strength to strength with demonstrations in Seattle, Washington, DC, Chiang Mai, Prague, Nice, Porto Alegre, Honolulu, and Gothenburg.

The Genoa protests underlined the fact that the legitimacy of the key institutions of global economic governance—the International Monetary Fund (IMF), World Bank, and the World Trade Organization (WTO)—was at an all time low, as was the whole doctrine of liberalization, deregulation, and privatization that came under the rubric of neoliberal economics or the “Washington Consensus.” This erosion of credibility had been brought about by a concatenation of disasters including the Asian financial crisis, the slow-motion disaster of structural adjustment in Africa and Latin America, and the spread of the financial crisis, first to Russia and Brazil and now to Argentina.

What made the crisis of legitimacy of the key institutions of capitalist globalization so volatile is that it intersected with a profound structural crisis of the global economy. The main features of this structural crisis were overproduction in industry, increasing monopolization to counter the loss of profitability, and unregu-

lated speculative activity in the financial markets. When \$4.6 trillion in industrial wealth—the equivalent of one half of the US GDP—was wiped out in late 2000 and early 2001, the so-called “New Economy” vanished and collapsed into recession. The global reach of the recession and its depth have given rise to the term “synchronized downturn,” which describes a process caused precisely by the greater interlocking and integration of economies brought about by the global liberalization of trade, investment, and finance.

With globalization's promise of prosperity, an end to poverty, and reduced inequality evaporating, it was not surprising that, as pro-globalization economist C. Fred Bergsten told the Trilateral Commission, the anti-globalization forces were “in the ascendancy.”

Before September 11, moreover, an erosion of legitimacy haunted not only the institutions of global economic governance but also the institutions of political governance in the North, particularly the United States. Increasing numbers of Americans had begun to realize that their liberal democracy had been so thoroughly corrupted by corporate money politics that it deserved being designated a plutocracy. In the US presidential campaign of 2000, Senator John McCain ran a popular campaign that was centered on one issue: reforming a

system of corporate control of the electoral system that, in scale, was unparalleled in the world.

The fact that the candidate most favored by Big Business lost the popular vote—and according to some studies, the electoral vote as well—and still ended up president of the world's most powerful liberal democracy did not help in shoring up the legitimacy of a political system that had been described by many observers as already in a state of being in a state of “cultural civil war” between conservatives and liberals, a polarization that had roughly half the country on each side of the divide.

REVERSAL OF FORTUNE

While understanding the deep sense of injustice that makes terrorists out of ordinary people, progressives have always condemned terrorism, not only because it takes innocent lives but also because it provides an opening for the counterrevolution. Indeed, post-September 11 events unfolded according to the historical script.

The smoke from the ruins of the World Trade Center was still acrid and thick when United States Trade Representative Robert Zoellick seized the opportunity it provided to regain the momentum for corporate-driven globalization. Arguing that accelerated liberalization was necessary to counter

September 11's blow against the world economy, Zoellick, European Union Trade Commissioner Pascal Lamy, and World Trade Organization Director General Mike Moore led the charge to stampede the developing countries into approving the launching of a new phase of trade liberalization during the Fourth Ministerial of the WTO in Doha, Qatar, last November. The Doha Declaration set the bicycle of trade liberalization that is the WTO back upright and in motion after its collapse in Seattle.

Horst Kohler, managing director of the IMF, and Jim Wolfensohn, president of the World Bank, also saw the war as an opportunity to reverse the crisis of their institutions. Kohler has cheerfully cooperated in turning the Fund into a key component of Washington's overall program for strategic states such as Pakistan and Indonesia, even as it left a non-strategic country like Argentina, which faces imminent bankruptcy, twisting in the wind. His presidency and his institution threatened by a pincer movement of criticism from the left and the right, Jim Wolfensohn, for his part, has seized on September 11 to project his institution as the key partner of the Pentagon in the war against terrorism, filling the “soft” role of addressing the poverty that breeds terrorism while the Pentagon plays the “hard” role of blasting the terrorists.

As for the crisis of political governance in the US, September 11 has turned George W. Bush from a minority president whose party lost control of the Senate into arguably the most powerful US president in recent times—and one with an overall job approval rating of 86 percent, according to a recent New York Times poll. Nearly eight in ten Americans support his policy of indefinite detention for non-citizens suspected of being a threat to national security, and seven in ten support government's listening in on conversations between clients and their lawyers.

Liberals have been thoroughly cowed, with Harvard liberal luminary Laurence Tribe condoning the use of military tribunals and the indefinite detention of over 1200 people, while his equally famous colleague Alan Dershowitz, *The Nation* reports, “has suggested that the use of torture may be justified, as long as it is authorized by a warrant.” Even Richard Falk of Princeton University, an icon of left liberalism, was initially compelled to justify Bush's war as a “just war,” though he has since retracted—thank god!

FROM LOCKE TO HOBBS

The damage to the American political psyche and political system may be far-reaching. Americans have often prided

themselves with having a political system whose role is to maximize and protect individual liberty along the lines propounded by John Locke and Thomas Jefferson. That Lockean-Jeffersonian tradition has been rudely overturned in the last few weeks, as Americans have been stampeded to giving government vast new powers over the individual in the name of guaranteeing order and security. Instead of moving to the future, America's limited democracy has regressed in its inspiration from the seventeenth century Locke to the sixteenth century Hobbes, whose master work *Leviathan* held that citizens owe unconditional loyalty to a state that guarantees the security of their life and limb.

The extent to which assaults on traditional liberties can now take place with impunity was shown recently when Attorney General John Ashcroft said that critics of the Bush administration's security measures were fear-mongers “who scare peace-loving people with phantoms of lost liberty [and] aid terrorists.” The fact that the liberal Democratic Senators he was directing these remarks at a Senate hearing dared not respond shows how skillfully the conservatives have used the anti-terrorist struggle to win the real war at home, which is the war against liberals and

progressives.

FIGHTING FOR THE FUTURE

The anti-corporate globalization movement that had been surging before September 11 is now fighting desperately to regain momentum. Three developments are particularly threatening:

First, the police, after being pilloried for provocateur-type tactics in Genoa, has regained its confidence in the new context marked by greater public acceptance of limitations on basic political rights. The police's new aggressiveness was in full display during the recent IMF-World Bank meeting in Ottawa on November 18-19, when with no provocation and in full view of the press, Canadian police in full riot gear swooped down on a peaceful anti-corporate globalization protest to apprehend young marchers who were doing nothing but marching peacefully.

Second, the definition of "terrorist" that is being used in both European and American legislation is so vague that it can be applied to non-violent groups that espouse civil disobedience, which is an essential weapon of the movement, or to groups that do some damage to property but in a symbolic fashion that harms nobody.

Third, the big anti-globalization events involve the massing of hundreds of thousands of people across borders, and this can now

be easily thwarted invoking the new legislation legalizing the arbitrary questioning, detention, expulsion, or refusal of entry to foreigners on the mere grounds of suspicion of their being terrorists, terrorist supporters, or terrorist fellow travelers—in short, anybody that can be conveniently tainted with the terrorist brush.

All this adds up to a chilling effect on mass protests, with the authorities and dominant media all too happy to have the digital images of terrorists attacks blend in the public mind with the militant but peaceful civil disobedience of anti-globalization activists.

DARTH VADER OR LUKE SKYWALKER?

Washington is savoring its triumph. But while the image it wants to promote is that of America being Luke Skywalker liberating Afghan people from a repressive Taliban Empire, in large parts of the Third World it comes across, as John Lloyd of the Financial Times points out, more as Luke's antagonist, the evil Darth Vader. Indeed, the American way of war reinforces this, with death raining down from an unseen, distant hand. This was war that was impersonal and terrifying to the nth degree, and there is a great deal of truth in Newsweek writer John Barry's comment that, with their unnervingly accurate bombing campaign, "to many

Taliban, the Americans must have seemed like creatures from another planet: out there somewhere, in the sky or across the horizon, powerful beyond comprehension."

George Lucas could not have managed a better script for the Empire striking back than the Afghanistan campaign.

There is one thing sure, however: empires always spawn resistance. It is, in fact, arguable that while the US may have won another battle, its strategic situation in the Middle East and South Asia has been eroded by this very conflict. A fundamentalist regime is now a possibility in Pakistan. The Washington-backed Saudi feudal elite is now more than ever isolated from the masses, with a critical mass of Saudi youths apparently regarding bin Laden as a hero—confronting the US with the prospect of Washington ultimately serving as a police force to save the elite from its people. With the bombing of Afghanistan and the Bush administration's strong tilt towards Israel, a deep anger against the US and the West is digging in from Muslim North Africa to Muslim Indonesia, providing fertile ground for the expansion of movements that will seek to wrest power from US-allied regimes.

Will it be advanced technology or popular mobilization that will be the decisive factor in this epochal struggle for

freedom, justice, and sovereignty of the peoples of the South against the empire? Will the outcome be Afganistan or Vietnam? Will the survivor be Darth Vader or Luke Skywalker? The jury is still out on these questions and will be for some time.

As for the anti-corporate globalization movement, Sept. 11 may yet turn out to be a temporary reversal from which it can draw more strength. The massive street mobilizations paralleling big assemblies of the global elite, like the meetings of the IMF and the G-8, have now reached the limits of their effectiveness, and this may well push the movement to come up with innovative approaches combining mass, legal, and parliamentary strategies.

Indeed, if there is a clear silver lining in the post-September 11 situation, it is that three movements that had formerly gone their independent ways—the peace movement, the human rights movement, and the anti-corporate globalization movement—now find it critical to collaborate more closely with one another. This is a potent alliance that can make a significant contribution to changing the correlation of forces in medium and long term, as the exclusionary, marginalizing, and repressive thrusts of the global system inexorably assert themselves.

The guardians and propagandists of the empire are proclaiming victory too soon. To borrow the World War II imagery that George W. Bush, Donald Rumsfeld, and John Ashcroft are so fond of invoking these days, we are not in 1945, folks, but 1941.

* Dr. Walden Bello is executive director of Focus on the Global South in Bangkok, Thailand, and professor of sociology at the University of the Philippines.

PACIFIC ISLANDS TROUBLED BY TRADE

By Nic Maclellan

Most Pacific island states are reliant on overseas development aid, although foreign trade and investment is taking on greater importance in their economies. As part of a broader global trend, trade policy is a new arena of debate between OECD countries and developing nations in the region.

Australia, New Zealand, Fiji, Papua New Guinea and Solomon Islands are currently members of the World Trade Organisation (WTO), while Tonga, Samoa and Vanuatu have applied to join. Only Australia, New Zealand and Papua New Guinea are members of Asia Pacific Economic Co-operation (APEC), though the Secretariat of the Pacific Islands Forum (PIF) has observer status. With the growing importance of these bodies in the Asia-Pacific region, all island nations are affected by global trends on trade and investment. Many are undergoing "structural adjustment", under conditions set by multilateral institutions such as the World Bank and Asian Development Bank (ADB).

A major impetus to develop trade agreements in the Pacific has been the growing importance of the European Union (EU) as a trade and aid partner in the region. The EU is

one of the largest donors for Forum island countries, and the 14 Pacific member states of the African Caribbean-Pacific (ACP) group are to receive 29 million Euro (A\$50 million) for regional development over the period 2001-2005, in addition to EU bilateral grants to individual countries.

A new EU-ACP agreement was signed in June 2000 in Cotonou, Benin (the original site – Fiji – was ruled out by the May 2000 coup). The new agreement comes into force in 2002 and replaces the longstanding Lomé Convention between the 71 ACP Countries and the EU. Since its inception in 1975, Lomé has given non-reciprocal trade preferences to ACP exports into the EU market, with more than \$1 billion Euro provided over the past 25 years (One major beneficiary is Fiji, which sells over 40% of its sugar crop to the EU at heavily subsidised prices). However, since these preferences favour only ACP countries, rather than all developing countries, they are discriminatory and may contravene the EU's obligations to the WTO – as shown in recent EU-US disputes over bananas. To overcome this problem, the Cotonou Agreement requires the negotiation of new WTO-compatible trade arrangements, to enter into force in 2008. This

development has strengthened Pacific island efforts to create a regional trade agreement.

REGIONAL TRADE AGREEMENTS

The concept of possible trade integration was first discussed at the inaugural South Pacific Forum (now Pacific Islands Forum) in August 1971. The need for an actual agreement was taken up more recently as part of the region's response to global trends towards trade liberalisation, including preparation for the planned launch in December 1999 of a new round of WTO trade negotiations in Seattle. In 1999, Forum leaders from the 16 member nations "endorsed in principle a free trade area among Forum members noting that this would be implemented in stages over a period of up to 2009 for developing Forum Island Countries and 2011 for the Smaller Island States and Least Developed Countries."

Over the past year, Forum trade officials have negotiated the draft texts of new trade and economic cooperation. In June 2001, Forum Trade Ministers met in Apia, Samoa to endorse the legal text of two new agreements (which can be found on the Forum Secretariat website at www.forumsec.org.fj)

1) The umbrella Pacific Agreement on Closer Economic Relations (PACER), setting out how the island countries will trade with the two developed Forum members Australia and New Zealand, and

2) Pacific Islands Countries Trade Area (PICTA) agreement for the fourteen island countries (excluding Australia and New Zealand).

The PICTA and PACER agreements were endorsed at the Forum Heads of Government meeting in Nauru in August 2001. PICTA provides for the phased elimination of tariffs between island countries. The larger island economies should have abolished most tariffs by 2009 and the smaller ones by 2011. The phasing in of the agreement over this period should be accompanied by strategies to help governments' adopt alternative taxes and economic reform measures to compensate for the revenue they will lose from tariff reductions. The Trade Agreement will enter into force after six countries have ratified it. Through PACER, Australia and New Zealand, while not being included as members of the Pacific Islands Trade Area, will be treated on at least the same negotiating basis as the European Union.

Changes to the regional trade regime are part of a larger restructuring of Pacific economies, being driven by multilateral institutions. In Papua New Guinea, the World

Bank has been the lead multilateral agency involved in public sector changes, through structural adjustment programs. In other countries, the Asian Development Bank (ADB) has financed such "reform" programs: the Marshall Islands, Federated States of Micronesia, Samoa, Cook Islands, Fiji and the Comprehensive Reform Program (CRP) in Vanuatu. The process has been co-ordinated through donors' meetings and the Forum Economic Ministers' Meetings (FEMM). The ADB acknowledges that the FEMM Action Plan is based on "market friendly policies widely accepted as economically sensible, albeit politically difficult to implement."

The World Bank issued reports in the early 1990s that became key texts for donors concerned about low economic growth rates in the islands. Between 1991-3, the World Bank and USP co-hosted a series of policy workshops, funded by AusAID and other donors, on private sector development, public sector reform, "making government more effective" and reforming government finances. Australian academics and journalists also contributed to the ideological push for economic policy change in the Pacific, through the Pacific 2010 project. This "new doomsdayism" from Canberra was sharply criticised by community groups in the Pacific,

which were concerned about the social and cultural impacts of these "reform" policies.

A significant turning point for these structural adjustment programs was the 1994 South Pacific Forum in Brisbane, where the then Labour Prime Minister Paul Keating and Minister of Pacific Island Affairs Gordon Bilney stressed that Australia's aid to the region would not increase and that priority would be given to governments seen to be addressing structural reform. The 1995/6 Budget announced the Policy Management and Reform Fund (PMR) to allocate grants "competitively between island countries on the basis of demonstrated commitment to reform". Policy Management and Reform remains a central focus of AusAID programs in the Pacific. From \$4.6 million in 1995-6, the PMR budget has increased steadily – in the 2001 budget, \$20 million is allocated.

Since 1995, Australia has supported the Foreign Investment Advisory Service of the World Bank and International Finance Corporation, to "provide support for the establishment of policy and regulatory environments to stimulate trade and support private sector development and investment in the islands." The 2001 budget announced that a further \$2.3 million would be provided for a new phase of the project. Under its Economic Reform and Governance program, AusAID

provided \$1.2 million in 1999-2000 for the AusAID / World Bank Pacific Facility, to support the Bank's engagement in the region through technical assistance and feasibility studies.

Regional aid and trade policies have been influenced through the Forum Economic Ministers' Meetings (FEMM), which first met in Cairns in July 1997. The FEMM Action Plan adopted by the Forum sets out a neo-liberal agenda for regional economic restructuring, including: liberalisation of trade and removal of tariffs; reduction of staffing in the public sector; flexible labour markets; corporatisation and privatisation of government agencies in transport, communications, energy, water and other sectors; introduction of Value Added Taxes; and removal of some controls on the finance sector. FEMM meetings highlight the private sector as having a central role in the stimulation of the economic environment to initiate growth.

The FEMM process was initially dominated by a push to integrate the Pacific Islands in line with broader APEC and WTO regimes. The July 2000 FEMM meeting noted: "We will, to the extent practicable, implement domestic measures consistent with WTO and APEC provisions and obligations, and co-operate in responding to and taking advantage of multilateral trade developments."

AusAID, the World Bank and the ADB have been major supporters of the restructuring program, with the ADB providing US\$ 100-150 million a year in loans to its 12 Pacific islands members and another US\$ 15 million in technical assistance grants. Through the 1990s, the ADB proudly explained the impact of its reforms, especially significant cuts in public sector employment in some countries: a 57 % reduction in the Cook Islands (March 1996 – October 1998); 37 % in FSM (1996-January 1999); 33 % in the Marshall Islands (October 1995 – March 1999).

OPPOSITION TO STRUCTURAL ADJUSTMENT

Such cutbacks have been resisted by public sector employees and university students, as the restructuring hits hard at working people. In the Marshall Islands, the reforms involved a three-year wage freeze. In Papua New Guinea in 2000, the government rejected recommendations from the Minimum Wages Board to increase the basic wage by 160 percent (the current level was set in 1992). Popular anger rose however, because the Salaries and Remuneration Commission increased the basic salary of judges, civil servants and Members of Parliament by between 33 % and 100 %.

From 1995, the Pacific Concerns Resource Centre (PCRC), the

Pacific Island Association of NGOs (PIANGO) and other church and community groups organised NGO Parallel Forums at the time of the annual Forum meeting, to analyse the impact of the FEMM process and discuss alternatives. NGOs such as Development Alternatives with Women for a New Era (DAWN) have analysed the impact of WTO policies on Pacific women and young people – in the Cook Islands, the budget for education dropped from \$10.6 million (1993-4) to \$5.5 million (1996-7), while housing and community services were reduced from \$9 million to \$1 million in the same years.

Another group working to challenge neo-liberal ideology is the Suva-based Ecumenical Centre for Research, Education & Advocacy (ECEA). ECEA was founded in 1991 by a group of concerned theologians from different Christian denominations who came together to talk about what it means to be a Christian in Fiji. In 1996 the Group was formally accepted as part of the Fiji Council of Churches (FCC) changing its name to the FCC Research Group. The group contributed to public education on globalisation, such as sponsoring a 1999 lecture series at the USP on “Globalisation, Faith and Culture”. In 2001, ECEA developed its own constitution as an independent organisation while maintaining and nurturing relations with the Fiji Council of Churches.

In April 2001, ECREA hosted a “Regional Consultation on Globalisation, Trade, Investment and Debt” at Nadave, Fiji, which spoke out against the new neo-liberal policies. The meeting noted: “These economic models and policies enrich a few people while impoverishing most others. There is growing evidence that current economic policies ‘operate above the heads’ of the people, marginalising many from the decision-making processes of governments, and particularly those shaping and directing our economy and its impact on our lives. All of these trends present major concerns for churches and non-government organisations.”

Father Kevin Barr of ECREA has noted that the islands have countervailing influences to global markets, that challenge the World Bank and ADB template: “The communal ownership of land is still strongly adhered to, the subsistence economy continues to complement the cash economy and provides livelihoods for many, and communitarian values of caring and sharing still motivate most people. Moreover, many who are unemployed in the formal sector of the economy create livelihoods for themselves (self-employment) in the non-formal sector. Thus in the Pacific alternatives to an export-oriented, market-driven globalised cash economy continue to exist and sustain small participatory

communities...The modern formal cash economy devalues the traditional economy because, being money-based and reliant on production for cash, buying and selling and earning wages, it cannot comprehend or measure production for consumption, reciprocity, sharing and communal work without wages.”

In Fiji, the Rabuka government established a Commercialisation, Corporatisation and Privatisation Committee (CCPC) in 1993 to implement its structural adjustment program, with a sweeping agenda over electricity, ports, airport, public housing, timber and media. Church, union and NGO activists in the Campaign Against the Privatisation of Water campaigned against the government’s 40% rise in water rates in January 1998 and challenged the sell-off of public assets. Union activists at the Civil Aviation Authority (CAA) resisted the sacking of 500 CAA employees at Nadi airport in 1999, as part of the privatisation of government services. These campaigns and the introduction of a Value Added Tax contributed to the massive swing to the People’s Coalition in the May 1999 elections (the Labour-led Coalition removed VAT from essential foodstuffs and halted privatisation of government services, but many of these policies have been rolled back since the May 2000 coup).

In Tonga, the

privatisation of government departments into Boards and Commissions was meant to provide better services at low cost. In 1997, the Crown Prince became Chairman of the Tonga Electric Power Board (TEPB). Promising that the tariff for electricity would be greatly reduced, he obtained the approval of the TEPB for his own company to generate electricity and sell it to the TEPB. He then invested T\$14 million in a new generating plant, and his company was issued with a "Development Licence", exempting it from paying duties and other government charges on imported diesel oil. Today, Shoreline Power Ltd's monopoly over the production of electricity has caused a huge increase in the cost of power. However, as the TEPB has owed more than T\$6 million to the government since 1995, no dividends have been paid back to the government.

Donors have lauded Samoa for its efforts in implementing the ADB economic reform program, though Samoa has not been unaffected by political fallout from the process (as shown with the assassination of Minister of Works Luagalau Levaula Kamu on 16 July 1999, and government attempts to muzzle Apia's lively media).

In September 2000, the ADB updated its Pacific regional strategy as a framework for the next five years. During 2001-2003, the ADB will

provide US\$386.8 million to the islands. The strategy document develops a sub-regional approach for the first time, recognising that different needs, priorities and strategies apply between Melanesia, mid-level states (Tonga, Samoa, Federated States of Micronesia, Cook Islands, Fiji) and atoll states (Kiribati, Marshall Islands, Nauru and Tuvalu).

The strategy shows continued focus on economic management, governance and public sector reform, through the promotion of private sector development, improved physical and IT infrastructure and stronger financial sector management. At the same time it suggests that the strategy will allow a more active role for women and civil society, support environmental management and use poverty reduction as unifying theme. The ADB program was debated at its 34th Annual General Meeting in May 2001 in Honolulu, Hawai'i, surrounded by anti-globalisation protestors.

PROTEST AGAINST PRIVATISATION IN PAPUA NEW GUINEA

Protest over structural adjustment has been sharpest in Papua New Guinea, which is the only Pacific country that has had an in-country World Bank office and regularly access funds from the World Bank and International Monetary Fund (IMF). Structural Adjustment Programmes were forced on Papua New Guinea because it was unable to meet the

payment schedule on its debts to the international banks, first in 1989 and then again in 1994. Most of these debts were accrued because of: 1) the rapid increase in the cost of energy, food and commodities imported from industrialised countries in the 1970s; 2) a series of 'big project' loans, which have been marketed by the World Bank and other international banks since 1976; 3) the sharp rise of interest rates on loans and the simultaneous collapse of the prices of commodities produced by island countries in the 1980s; and 4) Papua New Guinea's lack of control over the exploitation of its labour, land, and resources by foreign companies who repatriate huge profits through mechanisms such as transfer pricing.

In its second SAP, the World Bank introduced a 27 point "policy matrix, including land registration, require the ending of price controls, a freeze on wages, increases in health and education fees, and the abolition of the minimum wage". The Bank proposed environmental controls to regulate logging, and increased spending on health and education. The SAP also sought the completion of land registration in two of the most populous provinces, East Sepik and East New Britain. World Bank policies in Papua New Guinea have been centrally connected to the forestry sector, as it is one of the few countries where the World Bank has sought to use structural adjust-

ment loans to promote environmental policy reforms – with mixed results.

In March 2001, troops of the Papua New Guinea Defence Force (PNGDF) rebelled and seized arms in their barracks in the capital Port Moresby. The protest was triggered by a Commonwealth review team recommending significant cuts to the size and operations of the army. The rebellion came at a time when there is growing anger in Papua New Guinea over the impact of government privatisation policies, and highlights the crisis in the army after the Bougainville war. The soldiers made explicit connections between their plight and the structural adjustment program. The rebel soldiers called for the expulsion of World Bank and IMF advisors from the country, together with Australian military advisors. Spokesperson Captain Stanley Benny stated: "Their foreign ideas have completely destroyed the nation. The World Bank, IMF and Australian influences – I repeat, Australian influences – have denuded the nation's vast resources under the guise of assistance."

Hundreds of students took to streets of the capital, protesting against the government's economic policies. They argued that the defence cutbacks were one part of an overall economic strategy imposed on Papua New Guinea by foreign agencies. In March 2001, a joint

statement from the PNG Trade Union Congress and Melsol stated: "The soldiers' struggle here is part of the people's global fight against the wanwol gavman" (global government). Protesting students and soldiers also highlighted corruption in government, and the way that government cost cutting under World Bank programs hit the poor hardest.

In June, a five-day peaceful protest commenced against the government's privatisation policies. On 21 June, several thousand students and their supporters had marched from the university campus to Parliament House, closing schools and the public transport system and shouting "Rausim [kick out] World Bank, Rausim IMF, Rausim Australia". The aftermath of the protest led to a mobile police assault against the University of Papua New Guinea, with four shot dead and many more wounded (Such mobile police squads were developed in the 1980s and 1990s, in part to protect enclave development projects such as mining and timber).

Papua New Guinea is caught in a debt trap, owing the IMF, World Bank and other multilateral institutions some US\$906 million (its total annual debt servicing of US\$211 million is about 40% of the government's whole budget). The growth of domestic debt has accelerated since 1992, especially during recent years when the PNG

government was unable to access Bank funds, due to the sour relationship between the Bill Skate government and the multilateral agencies. As a condition on both existing loans and a further pending loan, the PNG government is attempting to implement the IMF and World Bank structural adjustment program. The Morauta Government is cutting back the public sector and introducing privatisation of public assets such as Air Niugini, Post PNG and Telikom PNG, in return for further loans from the international financial institutions.

The Australian government has endorsed the importance of an ongoing "economic reform" program in the region, even though some Pacific government leaders – especially from the smaller island states – have expressed concern at the pace and social and cultural impacts of economic adjustment. At the sixth Pacific Islands Conference of leaders, held in Hawai'i in February 2001, Niue Premier Sani Lakatani noted: "Small island nations are vulnerable and are practically of no consequence when it comes to combating the adverse effects of globalisation and what is emerging as the new order of colonialism. The uneven distribution of power and wealth points to the potential loss of sovereignty by national governments as the control of their economies become more subject to global forces

such as multinational companies and the pressures of the select global brotherhood. Globalisation is good for some, not for others." Former Fiji President Ratu Sir Kamisese Mara also noted that: "Colonialism was usage of power by strong nations against weaker ones, while globalisation is the use of power by multinationals against the weaker."

Some Forum leaders are aware of the fundamental link between the social and cultural impacts of globalisation and regional security crises. As President Teburoro Tito of Kiribati noted at 2000 Forum meeting in Tarawa: "There is a new consciousness in our region to address social and cultural issues as important issues for development. There has been too much emphasis on economic development and very little on social and cultural development. This gap is widening over the years and producing the things we see now with social and economic crisis."

Policy makers and technocrats have underestimated the social costs of the current restructuring, but are reluctant to acknowledge the influence of past or present policy errors (it is a salutary lesson to reread old predictions from Canberra about how resource rich Melanesian countries would do well in a globalised economy, while small island states in Polynesia would suffer – a far cry from

Canberra's current lauding of Samoa and angst over Solomon Islands and Papua New Guinea). There has been remarkably little self-criticism about how a generation of Australian consultants promoted the expansion of government bureaucracies in the Pacific, but are now touring the region saying government is an impediment to development!

However, Pacific governments reliant on foreign aid, investment and markets are constrained in adopting alternatives. International debt leaves little room for maneuver or dissent: although island countries have relatively small external debts in comparison to Asian countries, the per capita debt as a percentage of per capita Gross National Product (GNP) is much higher than of China, South Korea and Malaysia.

Samoa with a population size of approximately 200,000, at the end of 1997 had an external debt/GDP ratio of 72% and the external debt servicing percentage was 11%. With management of economic reforms, at the end of 1998, the per capita debt as a percentage of per capita GNP was 102%. In Solomon Islands, overall public debt increased from US\$135 million in 1997 to US\$152 million in 1998 which was 52% per capita debt as a percentage of per capita GNP. Since the recent crisis, Solomon Islands is on the brink of economic collapse as a result of the political

instability. A reduction in domestic and external debts was planned on the assumption that necessary funds could be raised through privatisation, borrowing from the National Provident Fund and also externally. Debt and non-debt arrears were reduced by USD \$13 million, which was made possible in the first instance by grants from Papua New Guinea and Taiwan, which allowed for the clearance of outstanding ADB loans and thus made a new ADB program loan feasible. In Fiji, the national debt as at June 1999 was 52% of GDP (approximately 75% of this debt is owed by the national government with the statutory authorities owing the rest). After the May 2000 coup, current indications are that the national debt will double by the year 2004, largely to finance the national budget.

While Melanesian nations have sold their natural resources for low return, the export of labour and the return of remittances have been important for many Micronesia and Polynesian countries. SIDS like Tuvalu have also tried innovative revenue generation methods, from the creation of trust funds, to philatelic and dot.com deals. The sale of passports has been a much-criticised money-spinner, while many smaller countries like Nauru, Cook Islands, Vanuatu and the Marshall Islands have established tax havens, offshore banking

facilities and flag of convenience shipping registries.

* Nic Maclellan is a long-time researcher and activist for an independent and nuclear free. This article is excerpted from "A Changing Role for Australian NGOs in the Pacific", a discussion paper for the Australian Council for Overseas Aid (ACFOA), published in September 2001. For further information, contact Jim Redden at ACFOA in Canberra, Australia, email jredden@acfoa.asn.au

THE ISLAND OF DIEGO GARCIA, B-52'S AND YOU AND ME

By Lindsey Collen*

Dear people of Britain and the USA,
I write from Mauritius. You may not remember quite where that is. Although, then again "The Overcrowded Baracoon" by V.S. Naipaul, especially since he has just won the Nobel Prize for Literature, may just stir a memory, if ever you came across his biting accurate travelogue where Mauritius is depicted as a lousy hell-hole of a place. His story was banned by the Mauritian government at the time.

Or the word "Mauritius" may evoke the equally accurate tourist brochures showing luscious green islands, where it never rains of course, a place so perfect for visitors to holiday in, that there are no people actually living there. No factory workers on piece rates, no sugar cane workers in that hot sun, no computer workers linked to satellite, not even hotel workers as human beings. Maybe just as stage props for dreams.

But there are people living here. In all the contradictions. And some of us have a link with you. Through our shared history.

That's how it is that I come to write to you, who vote in and are citizens of Britain or the

US? I, who vote here and am a citizen of Mauritius.

It's all because of an island.

It's a particular island that you, over there, and us, over here, share responsibility for. Only maybe you don't know that you share this responsibility. And while we know we do, we can't do enough about it so long as we are on our own.

This island is being used for waging war.

In Mauritius, it is hard to find anyone who agrees to the island, part of our country after all, being used for B-52's to set off from to go bombard the cities of Afghanistan. Our hearts ache to see the children in the rubble the next morning. Maybe there is someone here who agrees, but I haven't met the person yet.

The Mauritius Foreign Affairs Minister did publicly "give assent". So he agrees. But he only says it in his formal speeches as representative of the state. At a political party rally, he would certainly not try it. The people are too angry with "America". I'll share the story with you, the story about the island. It is a "small story". But it is one that will perhaps help understand the deepness of the

rage felt in so many places against the powers that be in your countries. A rage often wrongly projected on to “Americans” as a whole. A rage that sometimes makes it hard for people world-wide to pardon the ignorance amongst ordinary folk in the US and Britain about the role of their elected governments in “the rest of the world”. (The rest of the world is such a big place.)

And this rage here, and I would think elsewhere in the rest of the world, too, has somehow got mixed up with the horror that spread on the day of the attack on the World Trade Centre, an attack by missiles made up of passengers and aimed at the level of the hearts of the Twin Towers. Causing collapse. And the terrible emptiness left at Ground Zero. Giant in rubble. Enough to cause everyone on the planet insomnia. And yet somehow the recurring image, no matter how much I try to wipe it from my mind, is that of Goliath being felled by the hand-made sling of the new millennium, a carpet-cutter.

And then? As if bombing Kabul from B-52's could rout out young men with carpet cutters.

But, I am speaking today, in particular, of an island. The island of Diego Garcia. And the role of the Diego Garcia military base on it. A US base it is, in the Indian Ocean. In the Republic of Mauritius, more specifi-

cally. And curiously, just one week before the 11th September came and changed everything, the Bush administration announced that Diego Garcia was being expanded to take in all the hardware and troops from US bases in Europe that, they added, would from then on be gradually phased out.

The story I will tell is so evocative that you may not have believed it, were it not for all the articles in November last year on the High Court in London's stinging judgment against the British state in a case brought by people from here. The time had come around for a court action for the right of inhabitants to return to the island, when all the relevant facts, after a 30-year period of being held under secrecy laws, were “declassified” in Britain, in 1998.

The story is another story of a terrible emptiness.

In 1965, in the preparation for the Independence of Mauritius, the Harold Wilson Labour Government in Britain decided to act illegally and to cut out a part of Mauritius and hold on to it, as a condition for Independence, which was to be “granted” in 1968. This kind of blackmail is against the UN Charter. A colonizing power cannot impose conditions on a part of itself, that is to say, on one of its colonies, in exchange for Independence.

Britain then tagged on

some of the Seychelles Islands (Seychelles was still a colony too), and made up a new fiction of a “colony” on 8th November 1965 and called it the British Indian Ocean Territory. The Seychelles government has since fought and got its islands back. But Britain has continued to hold on to the “goods” stolen from Mauritius.

The British State, at the time, conducted this maneuver under pressure from its big-brother ally, the United States. The US state badly wanted what they called a “de-populated” island for a military base. Their words are sometimes too accurate to bear. They needed it, they said, for the Cold War.

So the British government proceeded, with full US government knowledge, with the “depopulation” of the Archipelagoes concerned.

All the people were spirited off all the Chagos Islands: Diego Garcia, Peros Banos, and Salomon.

These were forcible removals.

The families who had been living there for generations were shoved into ships' holds against their will and transported to Port Louis and dumped on the quayside. Homeless and lost, mothers and fathers and grannies and children and grandfathers wandered into the slums of the Mauritian capital. By the thousand. The poor of Port Louis took

them in. But many people from Diego Garcia died. Others ended up in prison. Children ate green mangoes and salt. That is rock-bottom poverty in Mauritius. Emptiness in their hearts.

“This act of mass kidnapping” is how an editorial in the Washington Post described the forcible removals. The editorial was published in 1975 on a strangely eerie date, 11th September.

And there were heroic struggles here, mainly by the women from the Chagos, fighting to put Diego Garcia on the agenda. Petitions and meetings. Night vigils. Marches. Hunger strikes and street demonstrations. Hand-to-hand fights with the riot police. Arrests and trials. I was myself one of the eight women arrested and put to trial for illegal demonstration in 1981.

So, Diego Garcia had become a US base. The British government leases it to the US government. Maybe for a lot of money. At the time, in exchange for bargain prices on Polaris missiles. But whatever the price, the US Government is the receiver of the stolen goods.

We want to close this base down.

We want the terrible emptiness of the tarmac runways out! And the concrete docks out! We want the emptiness of all the military hardware out, too. We want to

regenerate the coral around these islands. And the palms. Living life. We want Diego Garcia to be declared a UNESCO World Heritage Site immediately on the closure of the base.

But, more than anything, we want to heal the terrible emptiness in the hearts of a people forcibly removed. We want to heal the tearing apart of a country. We want people to be free to go back home.

There have been UN resolutions, year after year, for the reunification of Mauritius through the return of Diego Garcia and the whole of Chagos. Only the US and UK governments voted against. But these two votes have, so far, been enough.

The 1995 UN "Pelindaba Treaty for a Nuclear-Weapons Free Africa" was signed by all the countries concerned, but on the insistence of the representatives of your two countries, there were the infamous "dotted lines" scribbled in around Diego Garcia.

So Diego Garcia is not "nuclear free". And nor are Pakistan and India.

Which is all the more reason for all of us to say "no" to war. And "yes" to the closing down of the base.

I write to ask if perhaps you could start by writing to your MBPS and Congressmen to inform them that the theft of the islands and the receiving of stolen

goods was done without the knowledge of the people of your lands, that the forcible removals of our people were done behind your backs, that your people would never have condoned this ultimate violence, that you want the people of Diego Garcia to return to their homes, that a Court judgment has granted them the right to return, that the base is illegal and must be closed down.

That the base must be closed down in any case.

We ask this to be included as part of the movement towards ending the war. As part of the movement for peace.

And as we all know, peace only comes with justice. And justice only comes when we find out about injustices being committed near and far, and all over the rest of the world, so we can put a stop to them. It is these injustices that sometimes breed the ideas that sometimes breed terrorism. At other times, the injustices breed rioting. In Los Angeles and in Mauritius. In Harare and in Northern Towns in Britain. In Algeria and in Indonesia. And whether it is terrorism or rioting, it brings in its wake, repression.

So, we need coherent, conscious movements against the war, and for justice worldwide.

And justice, as we all know in our hearts, is only born in the move-

ment towards equality. The e-word. You are not allowed to say it in good company anymore. It is only permissible in reference to past revolutions. But it is, curiously, precisely the e-technology that may help now.

We live in a world of sufficient technological advancement to permit a much better form of democracy than we ever dared dream of before. Democracy at the work place. Democratic control over finance. Where democracy will be much more than casting a vote to choose between two political parties, both financed by private companies, once every five years, where you live or where I do.

Democracy in which human rights in all spheres - political, civil, economic, social, cultural - gain broader and broader definitions through our struggles, wherever we are.

Democracy where human beings gain in dignity. Democracies from which guns and land-mines are not exported to prop up dictatorships in countries unknown, nor to make profits from warring factions in countries elsewhere in the world. We have to inform ourselves and act. Together.

So that dog stops eating dog. And horse, horse.

* Lindsey Collen, LALIT, Mauritius 16th October
lalme1@intnet.mu

WEAPONS OF THE POOR

By Supara Janchitfah

THE LONG MARCH: Where there is little hope for institutional redress, villagers affected by state and private projects resort to rituals and ceremonies as instruments of political resistance – not very powerful tools for policy change perhaps, but at least they open up a public space that is their due in a democratic society

Mrs Son Darakhum is on the road again, this time on a Long March to demand that the government permanently opens the sluice gates of the Pak Moon and Rasisalai dams.

The Long March began with people who were directly affected by the Pak Moon Dam's construction. Their plight was heard wherever the marchers passed. "We need some support from the public," said Son.

"We want them to understand why we have to protest, why we had to have this long march."

The peaceful march began on October 9 this year, as decided by all the core members of the Assembly of the Poor (AOP).

Son said she agreed to march with them, as she wanted to convey a message to the public. "We have no other channels to tell the people why we have to

protest."

After more than a month of braving the heat, the rain, and now the cold wind, Mrs Son had used up two pairs of slippers. She also found out how many Thais received biased information from the media and state agencies.

She noted that while state agencies have various ways of bringing their message to the public, the AOP has only a few difficult channels.

Mrs Son said the public believes that the AOP is too demanding. To her surprise, however, many understand why the poor are marching.

MOTIVATED BY HARDSHIP

Mrs Noo Ngamdee, resident of Baan Talad in the Satuk district of Buri Ram province, understands why the AOP must go on a protest march.

A Thai-Hmong spiritual leader performs a ritual to punish wrongdoers. "We, Isan, are peace loving people who would rather stay at home than move around," said Mrs Noo, who came to offer some fermented fish and sticky rice to the rally. "These members of the Assembly of the Poor are marching because they are very unhappy about their way for life."

Mrs Noo agrees that the sluice gates of the Pak

Moon and Rasisalai dams should be opened permanently. Her village near the Moon River has been affected by the Pak Moon Dam as well.

"The floods in our village subside quite slowly. In the past, floodwaters drained away very fast," she said.

Some 130 village representatives facing various problems gathered at the Pak Moon Dam and started marching on October 9. These locals have established a new village called Mae Moon Muan Yuen (Long Live Moon River) and occupied the dam site since 1999. They joined the Long March from Ubon Ratchathani province, about 629 kilometers away from Bangkok.

Most of them walk for five days and then go back to the dam site and a new group comes in. Some walk all the way.

DUBIOUS ELECTRICAL VALUE

After an 11-month protest by villagers near Government House, in June this year the government ordered the Electricity Generating Authority of Thailand (Egat) to open the sluice gates of the Pak Moon Dam to allow the fish population to resume their migration habits.

Four months later, local residents were joyous when at least 119 species of fish returned to the Moon River. Many villagers resumed their occupation of catching fish, earning as much as

500 baht a day and more.

The locals use the forest ordination ceremony as an instrument to assert their rights to environmental protection. Egat claimed it had to shut down the sluice gates so that the Pak Moon Dam can continue generating electricity.

Local residents countered that the hydropower dam generated a measly 40 MW of electricity, too little to be commercially viable for Egat.

According to economist Decharat Sukkumnerd of Kasetsart University, the cost of generating electricity at the Pak Moon Dam is about 2.59 baht per kilowatt per hour (kwh).

"But if the government uses Demand-Side-Management (DSM) as a measure, the cost comes down to only 50 satang per kwh."

He suggested that the government should not only secure the demand but also adopt DSM.

"DSM is cheaper than other measures. The government should find new ways to save electricity, use it effectively, and minimise losses in the delivery lines between sub-stations," he said.

RIVER OF LIFE

For the locals the Moon River is more than a source of energy.

"It's our whole life," said Udon Thongnoi, who joined the Long March for a month. Every day, she and her group wake up at about 2-3 a.m. to steam rice. At 4 a.m. they start packing up the night's camp which

could be in a temple or Tambon Administration Organisation (TAO) meeting hall.

At about 5 a.m., they start walking. As they walk, they distribute leaflets that list the reasons for their march. Reactions vary: some receive the leaflets, some talk, some turn away.

After three or four hours - 10 to 15 kilometers a day - they stop at another temple or TAO office, which is informed in advance of their arrival.

“Mostly, we are welcomed by the local leaders in each village,” said Vanida Tantivittayapitak, an AOP adviser.

After breakfast at about 9 a.m, they rest a little before visiting village homes, explaining to the locals why they have to do the march. At the same time, they study the problems of people in each village. They also collect signatures of locals who support their call to open the sluice gates.

They speak the same language and the suffering of both sides is shared.

But while some locals give them rice and wish them luck, some feel the Long March is absurd.

“The AOP members should go back and work in the fields,” said one.

The protesters say they cannot return as they

have no other means to earn money. They have neither land nor river to sustain their livelihood.

“Give us back a free-flowing river and we will go home and fish,” said Udon.

RITUAL POWER

Unable to tap into the powers of the state to solve their problems, the poor marchers resort to other means: rituals and ceremonies. When they pass by rivers, canals or water sources, they pray for the long life of that river or water source, with flowers, candles and incense. In some cases, they pay respects to or worship the river with some betel nut.

These and many other rituals come from their rural ways of life.

Different local groups are fighting injustice by using their own traditions.

In July this year, when Hmong tribesmen in the North were accused of separatism by a Chiang Rai newspaper, they invited their spiritual leader to pray together with Hmong from different groups in the northern provinces. The ceremonial prayer called on a spirit to pinpoint a culprit in the village.

“The spirit usually punishes and curses the wrongdoer and protects those in the right,” said Vachiraporn Patrakeha, a Thai-Hmong.

The locals do not rely on the ceremonies and wait

for miracles to happen. Aside from praying against the Chiang Rai newspaper, they also filed charges.

“For justice to come, we need to ensure the spirit will take care of the matter. The process in the real world is rather slow,” said Vachiraporn.

When small-scale fishermen in the south rallied to ask the government to enforce the three-kilometre Coastal Zone Law, the locals also prayed for Allah’s blessings on those involved in the struggle.

The same ceremony was observed by those who protested against the Thai-Malaysian gas pipeline project.

During the recent World Trade Organisation (WTO) meeting in Doha, local Thai farmers and labourers burnt chili pepper and salt to curse countries that became rich at the expense of the poor.

“We curse America for exploiting poor Third World countries like us. We want America to look at their policies on drug patents again, particularly Aids drugs. We want them to stop stealing our jasmine rice and using agricultural agreements to exploit us,” said Mr Veerapol Sopha, an adviser to the Isan People Network.

Since they could not go to Doha, the protesters staged the rituals in Bangkok. Veerapol said

he hoped the US Embassy will understand the meaning of their rituals and ask the US government to adjust its policies.

The locals ordained the forest during various struggles over the Community Forest Bill, as well as during the anti-Yadana gas pipeline protest.

“To fell an ordained tree is a sin, equivalent to killing a good monk,” said Pinun Chotiroserani of the Kanchanaburi Environmental Group.

Thai-Karen leader Jorni Odochao said that forest ordinations and praying for the long life of rivers are traditions that mobilise parties concerned with environmental protection and bring them together.

“When all concerned agencies cooperate, we get the chance to discuss things and understand them better,” said Jorni.

In the past, the locals resisted central government directives by organising armed groups. During the 60s and 70s when the Communist Party was alive and well, some locals joined to fight the government.

“We are still struggling but in different ways,” said Udon.

“We no longer fight to overturn power but to have a chance to speak, to be listened to, and to have the government implement its promises,” she said.

This new social movement has its own network that goes beyond the geographical boundaries.

The AOP's nationwide and worldwide networks have members who are aware of their rights. They are educated by experience in rallying and in negotiating with government agencies.

"We want policies that suit our needs," say many AOP members.

They struggle to have a chance to participate in policy changes which respond to their needs.

LAST HOPE OF THE DISENFRANCHISED

"Each ritual and culture has its own meaning for the people's struggle," said Songyote Waeohongsa of Silapakorn University.

"When the locals perform a forest ordination, they adopt a religious perspective as a medium of resistance," he said.

Culture and ritual is recognised as an important form of social practice and symbolic struggle for locals to express their opposition towards a State that dominates their beliefs and controls channels of communications.

"If they had channels to communicate their difficulties and disagreements with State policies, they wouldn't have to use these rituals and ceremonies," said Songyote.

He said the burning of chili pepper and salt was originally used in ancient times to curse people who committed wrongdoings, such as those who exploited them.

AOP adviser Vanida interprets the rituals as an institutionalised opportunity to negotiate for power and redress perceived social injustices.

Political scientist Dr Chanthana Banprasirichote of Chulalongkorn University believes that when popular movements employ rituals, they are trying to communicate something beyond their original meaning.

"They want to tell the public that their ways of life are engaged with nature in ways much deeper than the general public perceives.

"They are saying that they respect nature, and that they have their norms which the public should also learn about," said Dr Chanthana.

The lecturer said the use of rituals and ceremonies is integrated with other forms of resistance.

"This is a symbolic struggle to resist conventional political groups. They protest to ask the government to allow them to participate in policy-making," said Dr Chanthana.

Although the rituals and ceremonies have little, if any, direct effects on changing policy, it does

have its purpose.

"Such ritual activities raise the awareness and consciousness of the protesters and open a channel of communication with the public," said Dr Chanthana.

Rituals and ceremonies are part of the new social movement, and protests have become an almost permanent feature of the contemporary political landscape.

Dr Chathana asked why the underprivileged have to invest or pay up for any policy change.

"Why doesn't the State respect the rights of the locals. It is in the Constitution. Why do the locals have to protest or use various methods in order to get what has already been promised to them?"

*Supara Janitchifah is a journalist with the Bangkok Post.

NEOLIBERALISM THROUGH THE EYES OF WOMEN

Joo-Yeon Jeong & Seung-Min Choi, PICIS*

There is no place on Earth where neo-liberalism has not poisoned. It has allowed a handful of private interests to control as much as possible of social life in order to maximize personal profit. It has poisonous effects especially in the Third World, where imperial powers continue to pirate natural and human resources to fill the pockets of transnational capitalists. Initiated by Reagan and Thatcher, for the last two decades, neo-liberalism has become the dominant economic and political trend for much of the leftist (so they identify themselves) governments as well as the right.

However, as women fighting against global capitalism and its new phase, as women yearning for a better world where we will not be exploited and abused, we must go a step further into looking into this 'neo-liberalism' through the experiences of women. And it is not just about how women linearly experience it - we must go into the depths to manifest how neo-liberalism operates in a very gender-biased way.

WOMEN WORKERS AS SCAPEGOATS

In Korea, the process of being absorbed into

global capitalism began earlier than the economic crisis, during the economic 'hyper'-development era of military dictatorship of Park Jung-Hee, with quite a bit of help from the US. Fluctuating together with global economic crises, the Korean economy started to show signs of a recession from the early 90s, as rate of profit decreased. Thus, capitalists started to adopt policies of introducing flexibility to the labour market. It was 'experimented' on women workers first before taking full force on the entire working class at the end of the millennium.

Jobs where women were predominant started to be transformed in the 1980s, beginning in the form of dispatch labour and eventually expanding to generalisation of irregular labour. However, this process was mainly targeted at women workers and the male-oriented labour movement did not give much importance to it, even though women worker's movement consistently called for the address of the issue.

Although the incorporation of Korean economy into the global capitalist system had already started around a decade ago, Korean people came to experience its destructive nature during and after the economic crisis of 1997. The

structural adjustment program of the IMF shook the labour market and massive lay-offs were implemented. In particular, women workers were laid off first, and the working conditions of women workers fell to the ground.

The methods that the management used was subcontracting or abolishing those production lines and business sectors where women were predominant. Women in these places were usually typists or clerical assistants, who were considered not important and cumbersome, and thus provided the logic and justification for the lay-offs. Many companies would lay-off these women, and instead employ workers from dispatch companies - thus providing the management with ways in which to decrease labour costs and evade provision of insurances and benefits. Or in the case of banks, the same worker would be reemployed, but on a contract basis as irregular workers, again to decrease labour costs. Another method of laying off women workers or transforming them into irregular workers, was targeting foremost women who were married to someone in the same workplace, and also those who were pregnant or were on their maternal leave. They provided the management with strong justifications based on patriarchal values of 'women's place is at home'. This process of unjust and discrimina-

tory lay-offs at the onset of the economic crisis saw the deterioration of maternal protection and women worker's rights in general. The achievements that the women worker's movement had accomplished over the last couple of decades were undermined.

"FLEXIBILITY" OF WOMEN WORKERS

The massive lay-offs that occurred after 1997 was obviously not 'inevitable' on the part of the management, but was a calculated process of increasing the rate of profit through flexibility of the labour market. Because the need for lay-offs did not come simply from decrease in production, workers who were laid off were re-employed, but as irregular workers. And because flexibility measures were implemented foremost on women, women were also absorbed again in masses into the labour market, but this time as irregular workers with low wages and low protection.

Attaining flexibility of women workers was backed up by the patriarchal ideology of 'male as breadwinner' [1]. Through this ideology, women workers are considered not really as workers, but as 'assistant income providers', the ideology that contributes to devaluation of women's work. And this in turn provided the justification for the primary lay-offs of women and transforming women's jobs into irregular jobs - a

justification that quelled the possibility of resistance from the working class. Recently, capitalist institutions and mainstream media elaborate that the rate of women's employment is increasing faster than the rate of men. On one hand, this is due to the increase in absolute number of jobs-irregular jobs for women, but also due to the fact that women do not have much choice than take up highly unstable jobs without any hesitation to earn a living, whereas men can afford to be more 'selective'.

Now, the percentage of irregular workers is risen to higher levels than regular workers. In analyzing a census on the economically-active workforce implemented by the Korean Statistical Office in August 2001, the Korea Labor & Society Institute (www.ksli.org) estimated the number of irregular workers to be 7.37 million, constituting 55.7% of the total workforce. [2] According to studies made in 2000, out of entire irregular workers, the percentage of women is higher than that of men at 53%, and within the entire women workforce irregular workers take up 70%. These official statistics exclude specially employed labour (for example, the type of jobs that capitalists characterise as self-employment) such as private tutors, insurance sales, golf caddies etc., so if these jobs are included, the rate of irregular women workers will definitely rocket.

Irregular work pertaining to capital's flexibility measures has brought deterioration of working conditions and impoverishment for workers of both genders. But it has affected women workers more severely. At the moment, most of irregular women workers are employed in small enterprises of less than 10 employees. It has driven women's work into the ditches and has also increased mental stress from lack of self-confidence and the fear of losing their jobs. One feminist scholar was interviewing irregular women workers and told of how the interviewees were in constant fear of being seen throughout the interview. Many social psychologists point out that the increase of irregular work and the mental stress that comes from it is becoming a serious social problem that is bound to affect the whole society.

Moreover, with the automation of production lines and transfer of factories in capital's constant search for cheaper labour, many women workers who had originally constituted a large proportion of the workforce in the manufacturing sector are now being absorbed into the service sector - in areas such as the so-called 'entertainment' businesses and as domestic workers. The service sector has rapidly expanded over the last few years in Korea, and many women are being employed as narrator models, telemarketers, and as servers and

entertainers in bars. These jobs are not only unstable, low waged and physically strenuous, but they also enforce the use of 'femininity' and sexuality to raise sales, making women more vulnerable to possibilities of sexual abuse and exploitation. Also, because the service sector has always shared a very thin borderline with the sex industry, it is not very surprising that more and more women workers, both young and aged, are being drawn into the sex industry. For example, many married women in their 30's and 40's are employed in the so-called 'telephone rooms (jeon-hwa-bang)' and are forced to have phone sex with men. Many other married women were employed as 'pager women', who are paged to come to bars to 'entertain' men. This became a very heated issue when Daewoo Motors unionists went to a bar, paged women, and came face to face with familiar faces. When Daewoo workers were laid-off, the wives had to find jobs to sustain their families and the only ones available were as 'pager women'. The ruling elite and the conservative media are enthusiastically deploring the moral collapse of Korean women, but the reality is that it is the capitalist system that is corrupting the people.

The situation is not much different on the international arena. Neo-liberal globalisation has paved the way for increase in migrant

women workers, international trafficking and enforced sex work in the Third World. In Korea, many women from the Philippines and Russia come to Korea as domestic workers and 'entertainers', and then are tricked into providing sexual services to Korean men and the US military.

WIDENING GAP BETWEEN WOMEN

Neo-liberal globalisation has also impeded the widening of gap between different classes of women. The living standard between women in the developed countries and those in the Third World is now incomparable, as is the situation inside Korea. Rich women of the bourgeoisie can afford to wear fur coats that cost tens of million won, shop in department stores in their imported cars, buy US produced baby food, send their children to expensive private English language schools so that they are reproduced as the minority elite who rule the world of globalisation, and employ women from South-east Asia as housemaids. This is how the minority of women in Korea live, and furthermore, they are not living on the wealth that they had accumulated themselves, but on the wealth accumulated by their husbands. And this in turn is the wealth accumulated from exploiting women workers in Korea and elsewhere in the Third World. In contrast to the minority of women who enjoy the outcome of neo-liberal domination in

a good part of the world, majority of women cannot find a proper job no matter how hard they try, and when they do find a job, it is an unstable job in slave-like conditions that can get snatched away from them. They cannot afford domestic help or a nanny - they work for long tiring hours outside and then come home to find piles of dishes to be washed and children to be fed. Also, studies by women's organizations have found that domestic abuse has increased, as husbands and fathers who have lost jobs turn to expressing their anger at their daughters and wives, and resort to violence.

CULTURAL AND IDEOLOGICAL BACKLASH

To quell mass resistance against economic globalisation that has brought about increase in unemployment, decrement of public services, downfall in wages and deterioration of quality of life, the ruling elite has manipulated cultural conservatism to solidify its dominance over society. Cultural conservatism in Korea is represented by Confucian patriarchy. The economic crisis of 1997 saw the rise of this ideology that came together with the capitalist form of 'male as breadwinner' model, and acted to cover up the oppression of women while highlighting the need for women to make more sacrifices for the sake of saving the crumbling economy. In the meanwhile, unemployment of men was

highlighted as a serious social problem. Thus the role of women was limited to that of 'comforting' the suffering man in the family, while the sufferings of women both as wage workers and non-wage workers were ignored. The Korean mainstream media and the conservative ruling elite alike have neglected the seriousness of women suffering from sexual abuse on the basis that women should have perseverance, but has spotlighted those desperate women who left home after losing all hopes as destructors of family values. Women who had replaced their husbands as the breadwinners end up in the sex industry, after being rejected from any other type of work, but then are stigmatised as being morally corrupt. The severity of unemployment of male youths appear in the news everyday, whereas female students are not only ignored but are blocked altogether from the labour market. Many right-wing sociologists and economists actually suggested that marriage for women should be more emphasized by the government so as to block women from entering the labour market - and thus lowering the official unemployment rate. The media focuses evermore on the fantasies of marriage, and the 'marriage business' is now enjoying its 'Belle Epoque'.

A CRITIQUE OF KIM DAE-JUNG'S POLICIES ON WOMEN

Kim Dae-Jung's govern-

ment has been portrayed as being democratic and pro-feminist in and outside of Korea. There were high hopes for this president with his long history of fighting for democracy, and from the beginning, many civil and women's organizations decided to give him 'critical' support. However, his promise of establishing a ministry specific on women's issues was replaced by the Special Committee On Women's Affairs with no legislative powers, much to the disappointment of women's groups. As his presidential term is coming to an end, he did launch the Ministry of Gender Equality during the first half of this year, with a prominent figure from a major women NGO seated as the Minister. However, the policies that the Ministry is adopting are those that will hardly benefit majority of women suffering at grassroots levels.

This was recently manifested in the revisions that were made to the maternity clauses in the Standard Labour Laws in June. The Ministry had announced that it will expand public childcare so as to decrease the burden on working women. With support from major women NGOs [3], the Ministry proposed revisions to maternity-related clauses in the Standard Labour Laws, and the clauses were changed for the first time since 1953. There were basically two major improvements - maternity leave was increased

from the present 60 days to 90 days, and prohibition on employment of women in hazardous workplaces was expanded. This may seem like a big step, but the fact of the matter is, these laws came in exchange for further flexibility of women's labour. In exchange for increase of maternal leave, the Ministry also agreed to abolish the clauses restricting overtime work and night work, paid familycare leave and menstruation leave.

In a situation where 70% (or perhaps even higher and ever increasing) of women workers are irregular workers, how many women workers will actually benefit from the revision? The majority of working class women are outside legal boundaries. The Ministry and women NGOs argue that they will fight for the application of the laws to irregular workers, but without questioning the neo-liberal characteristics behind the legislation, there is really no chance that this will actually take place. Many women activists had fought hard for these laws for the last decade and they are congratulating themselves in finally achieving their objective, but in the meantime, a vast majority of women workers have fallen into the ditches of irregular work and the demands of the majority have been neglected to benefit a few. Capitalists have learnt to 'sacrifice' a few laws for the sake of obtaining further flexibility. Despite the argument

that these revisions will open new opportunities for women, without questioning the essence of Kim's government and its support for neo-liberalism, the revisions that were recently made will only expedite the flexible usage of women workers and thus further deteriorate the working conditions of irregular women workers. The Ministry and the NGOs do not realize that the laws, along with others that were made during the recent years [4], are all in compliance with neo-liberalism.

It has only been one year since the Ministry of Gender Equality took off, but those benefiting from it are middle-class, elite women, and only the minority of women workers who are lucky enough to be in a regular job. The presidential elections take place next year. Despite that the Ministry is conforming to neo-liberal policies and trying to confuse the workers about the essence of its policies, it does have some significance amidst the severely patriarchal political scene of Korea - which may well be undermined by any of the major right-wing political parties that take office - including the ruling New Millennium Democratic Party of Kim Dae-Jung, which still receive a lot of support from NGOs. This will merely lead to more lack of hope for state-led labour policies.

FIGHTING AND ORGANISING

Neo-liberalism was not

something that hit Korea suddenly in 1997, but is a historical development of capitalism that has gradually taken form during the last few decades. It had been women workers who had felt the effects of globalisation first and thus were the first ones to resist. It was the women workers of Korea, who fought militantly during the 70s and early 80s for a democratic union and worker's rights. Women workers formed the foundation for the modern labour movement, although this fact often tends to be forgotten. During the late 80's, the Korean economy reconstructed itself into focusing on export-oriented heavy industries, whose workers were predominantly men, and women workers were left behind.

The onslaught of neo-liberal globalisation and the impoverishment that came with it was also felt first by women workers. Just after the economic crisis, the women worker's movement moved a big step forward when independent women's trade unions began to be formed [5]. The unions came out of the need to address the specific issues of women workers that could not be properly dealt with in a general union - organising irregular workers, the unemployed, domestic workers and those women who worked in small companies where there are no unions. The percentage of women

participating in unions still remain at a meagre 5%, due to the fact that general unions do not accommodate workers who are not regular workers. It was only in 1997, when the IMF enforced austerity measures and structural adjustment programs also affected male workers, that the people's movement in Korea fully realised the destructive nature of neo-liberalism. From then on, flexibility of labour has become the main target of struggle for the working class. Spotlight was finally thrown on the fact that neo-liberalism attack women workers foremost, but unfortunately the longtime demands and struggles of women workers are being put aside, as the struggles against 'irregular labour' is again being organised in a male-oriented fashion.

The establishments of these unions are very significant in the history of the Korean labour movement and also in the women's movement. Just as the strategies of capitalists change, the organisation of the working class also much change to resist effectively. The essence of neo-liberalism and its gender-bias cannot be resisted through the traditional method of organization concentrating on male, regular workers from big enterprises.

However, these newly formed women's unions still have further developments to make and many obstacles to

overcome, in their struggles against national and international capital. The unions must question the role of neo-liberal globalisation and its strategy of incorporating flexibility measures into the labour market, for a full understanding of the situation of women workers and organizing of more radical struggles that go into the fundamental core. And at the same time, the worker's movement of Korea must go through structural changes to accommodate the ever increasing irregular workers, and must also make more effort into overcoming the patriarchal values that are still prevalent inside people's movement. Many women activists and unionists have started to address the issues of gender discrimination and sexual violence inside the people's movement, which up until now had been covered up. Over the years, many fervent and militant women activists have had to leave the movement because of discrimination and violence. It was always considered women's fault, or victimized women were forced to 'forgive' for the 'greater cause'. Many women activists, workers and unionists are uniting themselves and are calling upon the movement to tackle the problem of hierarchy, discrimination and violence.

TOWARDS ORGANIZING GLOBAL RESISTANCE OF WOMEN

As we have seen, neo-liberal globalisation affects all areas of society, to attain flexibility of the labour market solely for the interests of transnational capital. In the case of Korea, this process of enforcing structural adjustment and flexibility has devastated the lives of the people, especially women. Capitalist industrialisation has brought about the rise of the women's proletariat and neo-liberal globalisation has further feminised the proletariat while at the same time impoverishing the proletariat into the verge of slavery.

This is not a matter of women merely being affected 'more' - we must look at the mechanisms of neo-liberalism that operate in a gender-biased way. Indeed, neo-liberal globalisation itself feed upon gender discrimination and effectively use traditional patriarchal values to exploit women further. Patriarchal ideologies act to crush any attempts of women to politicize and form resistance.

However, the essence of neo-liberalism is slowly being manifested and women have begun to fight back. Feminisation of labour and feminisation of poverty signify increased exploitation of women, but precisely because of that, provide the possibility for organization and resistance, nation-

ally and internationally. Women must now go forth as subjects in uniting the people in our fight against neo-liberal globalisation. Instead of being incorporated into a ready-made movement of men or middle-class elite women, instead of taking the problems of discrimination for granted, women workers, farmers, indigenous peoples, migrants and other grassroot peoples of the Third World must form a broad solidarity. We must analyse globalisation from women's perspective, plan strategies that conform with the particular needs of women, propose alternatives that include women as equal subjects, keep to the principle of internationalism, and unite with other oppressed groups in the mass resistance in the fight against neo-liberalism - and go beyond in creating a world based on equality.

* Joo-Yeon Jeong & Seung-Min Choi are with the Policy & Information Center for International Solidarity (PICIS), Korea. This paper was presented at the International South Group Network (ISGN) Asian Workshop on Women and Globalisation, 22-24 November, Manila.

[1] This is merely an 'ideology', because despite the fact that the state supports this perspective, in reality many men had lost their jobs during the economic crisis and many women are now the sole income providers in their families.

[2] The interesting thing is that government funded institutions analysed the same statistics and came up with the percentage of 27-28%.

[3] This refers to Korea Women Associations United, an umbrella organization of women NGOs. They identify

themselves as being 'progressive' but after Kim Dae-Jung came into power, they participated enthusiastically in his policies and have become more middle-class oriented than ever.

[4] In Korea, already a whole series of revisions were made to the Standard Labour Laws after the economic crisis, more than any other time in Korean history. The illegitimate passage by ruling party members of the bill allowing layoffs and the introduction of transformational working time system in December of 1997 was first in the series that forecasted massive neo-liberal attacks on labour. The passage was so explicitly impudent that Korean workers went on a massive general strike and militantly struggled throughout the winter. Now capitalists are willing to throw a few carrots while pushing forth their interests. Then came the maternity-related clauses, and now another revision is about to take place that will exchange reduction of working hours for more deterioration of working conditions.

[5] Three unions were formed almost at the same time: Korean Women's Trade Union, Seoul Women's Trade Union and Seoul Regional Women's Trade Union