

LOOKING LEFT

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'No use to start from the usual good things,
but instead from new and bad ones.' *Bertold
Brecht*

ABSTRACT

In this beginning of the 21st Century, a succession of electoral victories places the Latin American left facing the challenge of governing democratically, as the Europeans had done in the second half of the 20th Century. But presently, after an increasing succession of electoral defeats and internal divisions, the European left is now going through an identity crisis. Would the European experience nevertheless, continue to be a decisive reference to rethink what is a "socialist administration" of a National society and a peripheral capitalism that lives in the North American power's immediate shadow? To unblock its ways the left needs, however, to resituate the historical and theoretical problem of the relations between the processes of power and capital's globalization with the peoples' political struggle, and the uneven growth of the nations' wealth.

1. The span of the left

In this beginning of the 21st century, something unheard of is happening in Latin-America, a continent that moves continuously in a synchronous manner in spite of its gigantic internal heterogeneity. One only has look backwards in order to perceive the remarkable convergences of its history during its 'formation wars' in the first half of the 19th century; after 1870, at the time of, its 'primary-export' integration to the European industrial economy; or even, in the period of its defensive and developmentist reaction, in face of the 1930s world crisis. A 'convergence' that grew even more after World War II, with the support of the United State's foreign policy in systematically combating every party that was or had any sort of inclination towards the left.

Right after the beginning of the Cold War, still in the 1940s, almost every country in the continent simultaneously placed their Communist Parties in illegality. Despite the fact that only in a few instances, the persecutions of Communists reached the Chilean extreme, where they have been arrested and confined in concentration camps in the coldest and most deserted regions of the country. In the 1950s, this same 'Latin-American convergence' reappeared in the simultaneous overthrowing of several democratically elected governments as, for instance, in Guatemala, Brazil, Argentina and Colombia. Although, only in the case of Guatemala, was there a direct North-American intervention and the repression and murder of more than 200 thousand people. Many more than Colombia's dictator Pérez Jimenez, and the Nicaraguan and Cuban dictators

Anastasio Somoza and Fulgêncio Batista that were also supported by the United States. Soon afterwards, in the 1960s and 1970s, this old continental synchrony increased even more, after the frustrated attempt, in 1961, to invade Cuba, followed by a series of military coups that instituted dictatorial regimes in almost all Latin America. In spite of the fact that not every dictatorship had the same level of violence of Chile's, where it is estimated that more than 20 thousand people were killed, and of Argentina's where approximately 35 thousand people were murdered or were reported missing. In the 1980s, the simultaneous re-democratisation of the continent took place at the same time in which the violence of president Ronald Reagan's '2nd Cold War' (1982-1985) hit Central America and the Caribbean like a hurricane. Even though it didn't affect every country with the same intensity of El Salvador, where, within a few years, more than 75 thousand Salvadorians were killed or murdered.

With the end of the Cold War, in the decade of 1990, the North American 'induction' and the 'Latin' convergence dislocated themselves to the economic policies field. As a part of the renegotiation of their external debt, practically every government of the region adopted a common program of political and liberal reforms that opened, privatised, and deregulated their national economies by 'cloning' the neoliberal governments of Carlos Salinas, in Mexico, Andres Perez, in Venezuela, Carlos Menem, in Argentina, Fernando Henrique Cardoso, in Brazil, and Alberto Fujimori, in Peru, amongst others. However, as time went by, the new economical model instilled by the liberal policies did not meet its alleged promise of economical growth and of diminution of social inequality. At the turn of the new millennium, the frustration of these expectations contributed decisively to the new synchronic inflexion of the continent that is in full course: a democratic turn to the left of almost every South American countries and soon, perhaps, of Mexico.

The presidential election in Bolivia, of the native and socialist leader Evo Morales at the end of 2005, and of the socialist militant Michele Bachelet, in Chile at the beginning of 2006, were merely two points of a victorious trajectory that began in Brazil, in 2002, which then continued in Argentina, Venezuela and Uruguay, and which may still reach Peru, Ecuador and Mexico in 2006. A veritable political-electoral revolution, unprecedented in the Latin-American history, that places the left face to face with the challenge of governing democratically and co-habiting – in general – with the ill will of the 'markets' and the permanent hostility of the leading newspapers. A challenge that was endured by the European left in the 20th Century, but only tangentially experienced by the Latin-American left in the last century.

The great paradox is, that these victories and new Latin-American challenges appeared at the same time in which the European left has been undergoing successive electoral setbacks and political divisions. The defeats began in Italy and France in 2001 and 2002, and more recently repeated themselves in Germany and Portugal, in 2005 and 2006. But the division and the loss of direction became much clearer in the 2005 Referendum about the European Constitution, which was rejected by the French and the Dutch, and in the case of the revolt of the young people from the periphery of the larger French cities at the end of the same year. Not to mention the decision of the German Social-Democracy in participating of a coalition government with their adversaries of the Christian Democratic Union and the Christian Social Union. It is true that

during that same period the Spanish socialists won the 2004 general elections, but that happened with the indisputable help of an 'external' tragedy that inverted the favourable electoral expectations for the conservative party up to the day before the elections. And it is also true that the British re-elected the Labour Party's First Minister, Tony Blair, in March 2005, but his government and his party have been showing signs of becoming more and more fragile and divided about every issue in the British and European political agenda. Further east in Central Europe, however, the electoral results and the tendencies of the public opinion have been equally negative for the forces of the left. In Poland, the Social-Democrat alliance, which had 41% of the votes in the 2001 elections, has just been defeated by an extreme-right coalition. In the Czech Republic there have already occurred 3 first minister changes since its entry in the EU, but its government is more and more divided, and the social-democrats who once had 2/3 of the probable votes now only have 11% of the probable votes. The same has been going on in Hungary and is beginning to announce itself in other countries of the region.

In this context, the Latin Americans are forced to discuss their new paths at the time in which the European left has lost its direction, and is going through a profound identity crisis.

No one doubts that the left's 'world of ideas' has been on the defensive and that nowhere at the moment, are there new 'theoretic syntheses', 'pre-packaged utopias', or finished projects, like certain intellectual would like to have. It is perhaps on account of this that, in Latin-America, the people who are opening or trying to open new paths are men who do not belong to intellectualised elites and who are in general unfamiliar with the classical debates of the Socialist left or the European Marxists. They are men who defend ethical and social values, and are democratic and patriotic equalitarian politicians, who criticise neoliberal policies (at least rhetorically), and the Imperial interventionism of the United States, and who, at the same time, defend a South American political and economical plan. But nevertheless, the European experience of the 19th and 20th centuries continues to be a decisive reference to whom might want to rethink – in the beginning of the 21st century – the following question: what is or should be a democratic government of the left, or a 'socialist administration' of capitalism, once excluded the possibility of a revolutionary rupture of contracts and institutions, all of this in an extremely unequal society and in a peripheral economy, in the height of financial globalisation and of the North American power?

2. The debate and governmental experience of the European left

From the propositus point of view the originating factor of the European left was, without a shadow of doubt, the debate of the 'popular democrats' from Oliver Cromwell's revolutionary army in 1648. In one hand there were the political and juridical propositions of the 'Levellers', John Lilburne and Richard Overton, which were the sources of the 'revolutionary liberalism' and of the 'radical democracy' of the 18th and 19th centuries, and in the other Gerrard Westanley's economical plan of the 'Diggers', which is at the origin of every 'utopian socialisms' of modern history. The first, demanded reforms that would guarantee juridical and political equality for each single person of the English

nation. And the second propounded an 'agrarian communism' which became the first revolutionary program composed for parliamentary and republican government. It was impossible, for Gerrard Westanley, to conceive the existence of freedom and political equality without economical equality, and there would be no economical equality as long as private property continued to exist. He was referring to the private property of the land and its fruits, and for this he proposed its collectivisation. But, at the time he presented a thesis that went far beyond the matter of land, and which, since then, became in fact the fundamental aporia of the left and of all and every socialism in any time or place.

In the following century, the French Meslier, Mably, Morelly, Marechal and Babeuf repeated, in different keys, Gerrard Winstanley's same argument and propound: there could only be social equality with the extinction of private property of the land. Meanwhile, Rousseau opened a new 'programmatic' path in defending the plan that the State should assume the collective property of the lands, in his 'Constitution Project for Corsica'. A suggestion that was retaken by Marx in his minimal governmental plan, at the end of the 1848 Communist Manifest, in which he proposes the progressive estatization of private lands by the State, and definitely parts from the 'Utopian Socialists', who remained faithful to Winstanley's 'agrarian communism'.

The 'Utopians' did not ask themselves about the problem of conquest of power, because they were always favourably inclined towards communitarian, cooperatives or interdependent economical experiences, and towards local political experiences of direct or participative democracy. For different reasons, the problem of a socialist and state like administration of capitalism was neither raised by the communist revolutions of the 20th century, which collectivised private property and built economies of central planning. The recent crisis of these experiences eliminated them from the debate of the left, in spite of the fact that up to today no rigorous evaluation of the results was made. Anyhow, they didn't propose themselves to solve or faced the problem of the 'socialist administration' of capitalism. After Marx, this subject was only effectively discussed, by the European Socialist, Social-Democrats and Communists parties, which participated of 'national unity' governments and popular fronts constituted during World War I, and the 1920/30 crisis, before the first governments of socialist majority were formed, almost every one of them after World War II.

In order to reconstruct the history of this European left parties' debate about electoral strategies and government programs, it will be best to separate the government experiences in particular from doctrinaire debates. It was in 1917, during World War I, that the Social-Democrats participated, in Denmark, for the first time in a coalition government. Afterwards, during the entire 20th century, the governing experience of the left parties can be agglutinated into three great periods: i) from 1917 to 1938, between the two Great Wars, during the 'catastrophe era'; ii) from 1964 to 1983, in the middle of the Cold War, during the 'golden age' of capitalism; iii) and finally, from 1992 to 2005, after the fall of the Berlin Wall, at the peak of the globalisation utopia and the neoliberal policies.

On the other hand, the doctrinaire and strategic debate of the European left-wing parties, can also be organised in three fundamental moments, starting from the three great revisions to which the Marxist matrix was submitted that became the official ideology of the German Social-Democrat party, the strongest and most successful of Europe until the beginning of World War I.

The first and best known of the 'revisionisms' – headed by Edward Bernstein – proposed, in 1894, a first 'adjustment' of Marx's ideas to the 'new forms' assumed by capitalism at the end of the 19th century and an adjustment of the programmatic objectives of the Social-Democrats to democratic demands of the electoral competition and of the parliamentary struggle. According to Bernstein, technical progress and the internationalisation of capital had changed the nature of the working class and of the capitalist system, whose concrete historical development would no longer be pointing at the direction predicted by Marx, i.e. the 'increasing pauperisation' and of the 'final crisis'. Consequently, Bernstein had proposed as a final objective the abandon of socialism and the option for an endless, permanent, transformation from within capitalism itself. The essential, in that first moment, had been the option by electoral via, with all its strategic and programmatic consequences, as it became clearer and clearer through the 20th century and particularly in the new 'revisionist cycles', of the 1950/60 and 1980/90 decades.

Between the two Great World Wars, and during the economical crisis of the 1930s, the European Social Democrats and Socialist parties participated with a few 'national union' governments in the 1920s, and with the 'popular front' in the 1930s. Always in national or international emergencies in which the left-wing parties had to face immediate challenge and give up their reformist projects. The great problems raised by the wars and by the crisis were economical collapse, unemployment and inflation, and the Socialists, Social-Democrats and Communists did not have a stand of their own about the subject, and did not even rigorously know what to do about a situation that hadn't been predicted in their theoretical and doctrinaire discussions. This is why they invariably ended up following they proposed ideas and policies of the Conservatives themselves, including their pioneer experiences of war planning. With the huge exception of the Swedish Social-Democrats who reacted to the 1930s economical crisis with the original and daring proposal of economical growth incentive and full-time employment through anti-cyclic policies developed by Wicksell and the economists of the Stockholm School, and implemented by their Chancellor of the Exchequer, Ernst Wigforss. With the combined and simultaneous use of 'social agreements' between capitalists and unionists, for the control of the evolution of the prices and of the wages. But this was a rare case of success, amongst the Social-Democrats' countless fiascos in command of the economical policy in Germany, between 1928-30; in Great Britain, between 1929-31; in Spain, between 1928-30, and in France, between 1936-37.

The 'anti-cyclic policies', social pacts and the war planning experience were used by the first post-war labour government, between 1945 and 1950, and also by the various Social-Democrat governments of small European countries such as Austria, Belgium, Holland, and the Scandinavians, who continued, after the war, to be governed by the Social-Democrats. But besides that, these ideas and experiences would decisively influence the two great governmental

strategies and propositions that were experienced by the left after World War II. The first and most successful was the 'welfare state', which was adopted, between 1964 and 1983, by every Social-Democratic and Labour government. It combined Keynesian prosperity and full-employment economical policies with a fiscal policy for the construction of state networks of infrastructure and universal social protection. And the second proposition was the 'capitalism of state', adopted by the French Communist Party, but which had a spreading influence on the left in several parts of the world. It started from the concept of 'organized capitalism' – formulated by Hiferding – and from the hypothesis that the centralization of capital, which accelerated from the end of the 19th century, facilitated a planned administration of capitalism, as long as the state could count on a nationalised 'strategic economic nucleus'.

The option of the majority of the European Social-Democrats for the state project of social welfare took place in the 1950s, accompanied by a second great 'revisionist round' that culminated in the German Social-Democratic Congress, in Bad Godesberg, in 1959. It was during that second 'revision' that a significant part of the European left definitely abandoned the classical proposition – which still reappeared, from time to time, in the rhetoric plan – of the socialist revolution and of the elimination of both private property and the state. The most important, however, was the 180 degrees turn that was achieved at that moment within the socialist mentality. As we have seen, the modern left concept begins with a thesis and a very clear proposition, even though the equation might be utopian: 'political liberty = economical equality = the end or the diminution of the burden of private property'. From that point of view, the essential fact that took place in the 1950s was the transformation of the originating proposition into a new equation, that can be resumed in a much simpler form: 'political liberty = social equality = economic development = capitalistic success'. It was then, that Socialists and Social democrats stopped hoping or wagering on a capitalism 'final crisis' and started to fight for the success of capitalism itself, the largest possible victory, as a means to generate employment and finance distributive policies. It was in this precise moment that a significant portion of the European left abandons the 'final socialist objective', even on the rhetorical level, and takes a definitively pro-capital position. In the first equation, formulated by Gerrard Winstanley, socialist freedom would only exist when there would be economic equality between people, and this could only happen when the burden of private property would be eliminated or diminished. But from the 1950s revision there would only be an increase of liberty and equality if there were more jobs and more fiscal resources, and, therefore, more economical expansion or accelerated capitalistic development. Consequently - in strictly logical terms – the achievement of capitalism came to be an indispensable condition for the success of the left itself. What was supposed and legitimised this great change of position was the hypothesis that at least in mid-term, 'pro-capital' policies would have 'pro-employment' and 'pro-equality' consequences. This may have been the theoretical and doctrinaire alteration that had the more radical effects in the entire history of the left since the debate between 'popular democrats' and 'utopian communists', from Cromwell's armies. In this new context, estatization of large companies – common in post-war England and France – lost their importance and were only recommended in indispensable cases, for the sake of 'economical efficiency',

and not of the creation of a 'strategic state nucleus', as in the case of the French Communists' 'state capitalism'.

Three decades later, another 'revisionist round' starts at the time when European Socialists and Social-Democrats abandoned Keynesianism and their own defence of the welfare state and adopted the new theses, reforms and neoliberal policies, proposed initially by the conservative governments of Anglo-Saxon countries. This happened almost at the same time in which Soviet Union and Central European countries were undergoing the final crisis of their 'real socialism' of revolutionary origin. This new doctrinaire 'revision' was less startling and disruptive than the two former ones. After all, it was only a matter of following the 1950s option, of accompanying and stimulating the 'ways of the capital'. Therefore, Tony Blair was able to declare with genuine pride, in an interview in January 1997 for the *Financial Times*, that the Labour 'had turned into a *pro-business* party'. This new change of course happened in an almost continuous way in the 1980s -- in Felipe Cortez's Spain, in François Mitterrand's France, and also in Bettino Craxi's Italy and in Andreas Papandreu's Greece. However, in the 1990s all winds blew in the same liberalizing direction, and one and all were already repeating as something completely obvious the mantra of the 'necessity of neoliberal reforms' to increase the international competitiveness of Europe. And a good portion of the left no longer felt the obligation to qualify the reforms or to discuss who were their main beneficiaries and distressed. As if they were neutral or completely turned in the direction of the 'common benefit'. It was the time in which was born the 'Third Way', an English systematisation of the new theses, propositions and programs, justified with arguments that were very similar to those of Edward Bernstein at the end of the 19th century: According to English Labours of the Third Way, Global changes that are altering class structure and the capacity of action of the national state are once again in course, which demand an adaptation of ideas and programs from the left to this new globalised and deproletarianised world, as explained by Anthony Giddens in his book, 'The Third Way', a small introduction to revisionism.

In this 1980/90 neoliberal turn, the Spanish 'case' was the one that had the largest repercussion and influence on the Latin American left, turning into a sort of paradigm of the new 'European Socialism'. González was elected with a Keynesian-like government program, along with a negotiated plan of economical development and stabilisation towards full employment and social equity. But right at the beginning of his government, he abandoned his Keynesian program, and swapped the 'social conciliation' -- as a sort of price and wage coordination -- for fiscal rigour and unemployment, as commended by the neoliberal model.

However, at the end of the 20th century, it was getting more and more clear that the new policies and reforms had diminished the participation of wages in the national income, restricting and conditioning social expenditure, retrenching the worker's security and had promoted a concentration/centralisation of capital and income in every European country. It became clear that it was a set of 'pro-capital' reforms and policies that did not produce the same mid-term results in favour of work and full time employment, as in the case of the Keynesian policies during the 1864-1983 period. Therefore, it is not surprising that the European left has been enduring, after 2001, successive electoral defeats and

even more serious political setbacks. In spite of its enormous diversity, it is possible to identify a certain recurrence in all these European instances: they are Socialist, Social Democrats, Communists, or Green parties and governments that, on their own or colligated, adopted the neoliberal agenda and policy in the 1980s or 1990s, and that now are being defeated by their own traditional electorate. What is more disturbing, however, is the fact that the left is lately being defeated by conservative parties of different nuances, but who defend the same neoliberal policies, at times in an even more radical way, such as the recent case of the German Christian Democracy, which reinforces the ideological convergence and the loss of identity. It is as if the old European left, in this beginning of the 21st century, had arrived at a dead end. But when one looks at its history in a long-term perspective, one realizes is not merely going through a conjectural and circumstantial crisis, it is passing the logical limit of a project that was gradually born of successive strategic decisions and that has completely exhausted its 'conceptual' capacities. From one revision to another, the European left-wing parties first gave up the idea of the social revolution and then of socialism itself, as an objective, or as the 'final-state' to be reached at long-term. Further on, they left aside the project of the socialisation of private property, and in the end of the 20th century they even relinquished the development, full employment and the universal welfare policies that had been their main contribution to the 20th century.

3- Ways and paradoxes

It's not impossible to identify a few tendencies and paradoxes in the history of the European left, those must be the starting point of any discussion about the future of socialism in the 21st century, and they are also a lesson to the Latin-American left that begins to govern almost a century after the Europeans:

i. The unity and the identity of the European left were dismantled in the 20th century by successive doctrinaire and strategic revisions of its original Marxist inspired matrix. After the 'deconstruction' of the historical materialism, no other theory emerged with the same logical capacity of defining actors, interests and strategies starting from a conjunctural diagnostic of the critical tendencies of capitalism. Even less in the matter of the contemporary combination of the globalisation theory, 'network societies' and 'progressive governance', it is a veritable jelly, amorphous from the theoretical viewpoint of and inconclusive from the political viewpoint.

ii. With the progressive erosion of the theoretical and logical unity of historical materialism, the internal division of the left grew more each time. Its doctrinaire discussions about its own identity, its judgement about the 'correction' of its political and conjunctural positions had become a veritable game of 'blind man's buff'. A permanent and inconclusive polemic, and due to the absence of any kind of boundary or a unanimous point of reference, from the ethical or theoretical point of view, became an impossible consensus. The definition of the 'official positions' of the parties or left-wing organizations became even more hermetic and authoritarian and was, until 1991, more and more contested by militants and by the intelligentsia and, after that, the left definitively transformed itself into a 'tower of Babel'.

iii. On the other hand, these successive doctrinaire revisions began to create a veritable theoretical 'Frankenstein', an authentic amendment of decisions and pragmatic convictions, getting each time more contradictory until they turned into the straight jacket which today imprisons and paralyzes the left of 21st century. The first revision, from the ending of the 19th century, had been a strategic and long-term option by the 'electoral via', with all its consequences, from the point of view of partisan organization, of the political competition and of parliamentary and governmental alliances. But at the same time, it inevitably meant the abandonment of the project or of the hypothesis of a revolutionary rupture of contracts and of institutions responsible for the unequal functioning of capitalism and, therefore, abstaining from touching private property. The second revision, from the 1950s, was, from the immediate point of view, a mere programmatic change, but from the long-term point of view, it represented the definitive abandon of the idea, of the project and of the objective of a socialist society that would differ from capitalism. To the extent that the third neoliberal revision of the 1990s ended up by merely being an inevitable consequence of the former decisions, in particular, the decision to actively promote the capitalistic development and to adjust permanently to the 'innovations of the capital'.

ii) Perhaps, for this very reason, there was never any sort of absolute originality in the three great government experiences of the European left. And it has become more and more difficult to define what was a left-wing government program, or a specific economical or international policy. There was, in fact, during the entire 20th century, a permanent 'dialogue' and a mutual influence of ideas and projects between conservative governments and the left, starting with the relationship between the Social-Democratic ideas from the Economical School of Stockholm and Lord Keynes's liberal ideas. In a first moment, in the in the 'period between the wars', the left participated in emergency or national unity governments, and practically accompanied or replicated the conservative's policies. But, after World War II, this relation became more complex and creative, because the dispute took place in a common field and from a hegemonic thought that was more inclined to the left, at the same time in which the conservatives also defended the Keynesian policies of full employment and universal welfare. There will be also in some cases, such as in Germany, where the conservative also supported the idea of 'social pact' between capital and labour. But, as a matter of fact, it was after 1991, in the golden period of neoliberal hegemony, that the left-wing governments merely repeated, or replicated, once again, and without the slightest creativity, the policies and reforms that were commended by the conservatives.

iii) This relation becomes quite obvious in the fields of political economy and international relations. In the macro-economical field, governments of the left were almost always conservative and orthodox, as it was in Rudolph Hilferding's classical case, when he assumed in 1928 Germany's Ministry of Finance. But also in the case of the English Labour Party, which opted in 1929 for the 'vision of the treasury', against John Keynes and David George's liberal opinion, the same option that was made by Leon Blum in France in 1936. Even after World War II, the Social-Democrats and the Socialists continued to be orthodox, and only converted to the Keynesian policies in the 1960s. Nevertheless, during the 1966 and 1972 monetary crises, Harold Wilson's and

Helmut Schmidt's governments quickly turned back to the conservative trails of monetary orthodoxy. The Swedish monetary experience of the 1930s was the exception within this history, a genuine Social-Democrat innovation made against the tide of the orthodoxy of the time.

iv) The same can be said about the European foreign policy of the left-wing governments in the 20th century, which was never homogenous or innovator. As one knows, its first great internal division had already begun with the voting of the 1914 war budgets. But later, in the decade of the 1930s, government coalitions with the Socialist or Social-Democrat participation also divided in face of Spanish Civil War and during the first steps of the Nazi escalate. During the Cold war they were, as now, once more fragmented in the discussions of the relations between the European Union with the United States and, after the ending of the Soviet Union, with Russia. During the entire 20th century, one of the rare, really original and autonomous initiatives of the left in the international political field, apart its generic solidarity with the 'Third World', was the 1969 Willy Brandt's Social-Democrat government Ostpolitik, which made possible the disarmament agreements of the 1970s and 1980s and started the great 'Eastward' movement in Germany that remains up to today.

This permanent lack of initiative or originality in relation to explicit conservative policies explains the fact that it was during its own governments that the left divided in a more profound and radical way. It was at that point, that the 'functional' division within the left crystallised in a definite and irreversible manner between i) the 'international criticism', ii) the 'social mobilisation', and iii) the government 'administration'. A division that reached the limit of the definite rupture after the 'revisionist overturn' in the 1950s, and during the Social-Democrat governments that began in the 1960s decade. It was the period of the great social and unionists uprisings that questioned the strategy and the organisation of the 'old left' and created the bases of the new social movements through its propositions of making a comeback to the anarchists and communitarian roots of 'utopian socialism', and its refusal of partisan policy and of government participation. But in spite of all the criticism and divisions, and of the little experimental originality of the 20th century Socialist and Social-Democrat governments, they gave an absolutely decisive and definitive contribution to the development of more democratic and equalitarian European societies. This may have been the great paradox of this whole history of the European left: its partial policies and initiatives always had a strong conservative component, but, in the end, the ensemble of the work was creative and contributed decisively to the increase of economic equality and to the deepening of the European political democracy.

vi) It was perhaps for this very reason that after the 1960s the European left became a more and more faceted and a global phenomenon. Its identity and strength were no longer found in any of its factions or groups and national governments, individually taken, and only existed in the perception and in the movement of its ensemble and of its worldwide insertion. The Socialist and Social-Democrats governments were more and more nationally criticised, but continued to be considered by the 'foreigners' as constitutive and important parts – in some cases – of the European and global left. In this sense, radicalising this argument, one may assert that these Social-Democrat parties

and governments were only able to sustain their left-wing identity in the ensemble of the global movement point of view. That is, as long as there existed Communist parties that had not governed and that went on being the bearers of 'utopian catastrophism' of the original socialism and Marxism. And, as long as they also continue to exist in 'the Third World', victorious national liberation movements, in almost every European ex-colony. And finally, which is more paradoxical, as long as the Soviet Union that, during all this time, fulfilled -- as the only European power who carried Gerrard Winstanley's and Karl Marx's original propositions of abolition of private property and of estatization of the economy, including the Marxist clause of proletarian dictatorship, to the last consequences, the role of 'limit case' -- existed. To the extent of, that in spite of the general criticisms, it continued to be, in the collective and global imaginary, the reference mark for the rest of the left-wing experiences and governments.

vii) In this sense, one may add a complementary analysis of the present crisis of the Socialists, Social-Democrats, Communists and Green European parties. From the strictly programmatic point of view, they are in not in a very different situation since the 1960s. But presently, they no longer count on the 'silent partnership' of the 'real socialism' of the old communist parties and of the national liberation movements from the 'Third World', that always contributed to the preservation of its left-wing collective identity. And, in this sense, its present lack of identity is in a large measure also a sub-product of the dismantlement, after 1991, of an extremely complex 'global' political-ideological architecture, which was responsible for the preservation of the vitality of the international left between 1968 and 1991. But it is not impossible for that architecture to be slowly rebuilt, starting with the new experiences of the Latin-American left-wing governments.

4. The Latin American experience on debate

The Plan of Ayala, which was formulated in 1911 by the peasant leader of the Mexican Revolution Emiliano Zapata, can be considered as the Latin American equivalent of Gerrard Winstanley's 'agrarian communism', who was the popular leader of the 'Diggers' in 1648 during the English Revolution. Zapata's Plan called for the collectivization of the land possession and its devolution to the community of Native Americans and Mexican peasants. Zapata was defeated and murdered, but president Lázaro Cárdenas, an officer who governed Mexico in the 1930s and created the National Revolutionary Party (PRI), retook his agrarian reform program some years later. Cárdenas's government was a nationalist one; he undertook the agrarian reform; nationalized the foreign-owned oil companies; created the first Latin American industrial development state banks and foreign trade; invested in infrastructure; had a policy for industrialization and protection of the Mexican domestic market; created a labour law and took measures of social protection; and kept an independent and anti-imperialist foreign policy. Broadly, and with small variations, this program became the common denominator of many 'national-popular' or 'national-progressive' Latin American governments, as in the case of Perón, in Argentina, Vargas, in Brazil, Velasco Ibarra, in Equator and Paz Estenssoro, in

Bolivia. None of them were socialist, communist or social democrat, but their political guide lines and international positions, became basic government program supported by almost every Latin American reformist left, until at least up to 1980. It was this very same program that inspired the 1952's Bolivian peasant revolution; the left wing democratic government of Jacobo Arbenz, in Guatemala, between 1951 and 1954; the first stage of the Cuban Revolution, between 1959 and 1962; the military and reformist government of general Velasco Alvarado, between 1968 and 1975 in Peru, and Salvador Allende own government, between 1970 and 1973 in Chile. In the case of Cuba, however, the invasion of 1961 and American pressures accelerated a more radical socialist option, for collectivization of the land and the nationalization of economy and central planning. A model that also guided the first initiatives of the 1979 Sandinista revolution in Nicaragua.

In spite of its fragility, the Communist parties have been, between 1920 and 1960, in most of Latin American countries, the left main organization and doctrinal reference. They were a sort of a 'poor relation' of the European and Asian Communists, and never had an independent strategy from the Communist International. Their theoretical production was not very innovative, and they remained, in general, within the narrow limits of Lenin's imperialism militant theory, and Kautsky's theory of the 'democratic-bourgeois revolution'. But it was precisely this 'gradationalist' vision of capitalist development and socialist revolution that allowed and legitimised the democratic strategy and the Communists' precocious attachment to the logic of the developmentist project, which the Europeans only accepted and adopted after 1950. That is, since the beginning in Latin America the equation was always the same: transition to socialism and equality = economic growth and capitalist development. With the difference, in relation to the Europeans, that the Latin American left considered the full development of the capitalist productive forces as a path of transition to socialism, which continued to be the final objective. This strategic vision of the Communists, also allowed a fruitful dialogue with the convergent ideas of the Economic Commission for Latin America's (Cepal) 'political economy', an United Nations' organ, created in 1949, and hosted in Santiago, Chile. Since the beginning of the 1950s, the Cepal suggested for Latin America, a national project of industrialization and development, led by the state, but having the support of foreign private capital. It also defended the necessity of a long term strategic planning of investments in infrastructure, and a policy of supporting the industrialization. A more elaborated technical version of the 'Mexican model', although not having precisely its same anti-imperialist content.

This intellectual and politic relation of the Communists with the 'national-development' existed in almost every country in the region, but it was more original, fruitful and lasting in Brazil and in Chile.

In Brazil, this relation was marked, since its beginning, by two basic events of the 1930s. The first one was the precocious disappearance of the Aliança Nacional Libertadora (ANL) - a sort of embryo of the Spanish, French and Chilean Popular Fronts - that collapsed after the failure of a communist military rebellion in 1935. And the second was the 1937 coup d' état, which gave birth to the New State (Estado Novo) dictatorial regimen and transferred to the conservatives the leadership, in Brazil, of the developmentist project of industrialization, and the first urban social and labour policies. Perhaps, it was

precisely due to this, that the Brazilian Communist Party (PCB) only abandoned its 'National Democratic Liberation Front' revolutionary strategy in the 1950s, when it adhered to the democratic reforming policy and the 'democratic-bourgeois revolution' strategy, which had already been adopted by almost every communist party of the continent. It was at that moment that the Brazilian Communists started their 'grammatical' approach to Getulio Vargas' 'conservative developmentism'. Further on, in the beginning of the 1960s, this pro-developmentism left considered a program of reforms that would accelerate the democratization of the land, wealth and the educational and political systems, which were partly synthesized, in the Triennial Economic Plan, formulated by the economist Celso Furtado, in 1963, and aborted by the military 1964 coup. However, before the military putsch and the emergence of the 'armed left', this approach and the 'national-developmentist' program supported by the PCB were the object of a systematic theoretical criticism, on the part of a group of Marxist intellectuals belonging to the University of São Paulo (USP). However, this theoretical criticism did not immediately produce any kind of alternative program to developmentism. And to complicate things even more, the military regimen, installed in 1964, although radically anti-communist, take a national-developmentist path in the seventies, increasing the embarrassment of the developmentist left. Maybe it was precisely for that that reason, when the Brazilian left returned to the democratic political scene in the 1980s, most of its young militancy had a strong anti-state, anti-nationalist and anti-developmentist bias. Only a small minority group of intellectuals proposed at the time, a new version of developmentism, which was in fact a combination of 'organized state capitalism', from the French left, with the 'welfare state' project, common to the remainder of the European social democracy. But the great majority of the new left-wing militants, movements and parties took another course. An important group chose the social movements and the 'base communities' that had retaken the utopian socialism path and its increasingly harder criticism of the traditional left and its option for the state. And yet another group took the direction of social democracy, maintaining itself in the field of the traditional political struggle to be in power, and announcing the abandonment of developmentist policies and the immediate implementation of neoliberal reforms and policies. This project materialized in the Brazilian Social-Democrat Party (PSDB), created in the end of 1980s and led by a few Marxist intellectuals who had participated, during the 1960s, in the movement condemning national-developmentism. But their ideas have also influenced a good deal of the younger intelligentsia in the Partido dos Trabalhadores' (Labour Party), which was also born in the 1980s, and headed by a group of trade unionists from São Paulo.

In Chile, this relation between the left and developmentism was totally different and has an unique place in Latin American history. In the 1930s, the socialist and communist Chileans formed a Popular Front with the Radical Party that won the 1938's presidential elections, and was re-elected three times, before being dissolved in 1947, due to North American pressure in the beginning of the Cold War. The Chilean Popular Front governments basically followed the same Mexican model, particularly in the planning and financing of the industrialization policies, the protection of the domestic market and the construction of infrastructure, besides labour laws and the universal education programs and public health. In 1970, this coalition policy was revived in Chile under the name

of Unidad Popular (Popular Unity), now under the socialist and communist hegemony, and with a new proposal for the democratic transition to socialism'. In practice however, Salvador Allende's government program, radicalized the 'Mexican model' towards 'state capitalism', conceived by the French Communists. Allende accelerated the speed of land reform and the nationalization of the foreign-owned copper producing companies, but at the same time, he considered creating a state-owned 'strategic industrial nucleus', that should have been the embryo of a future socialist economy. That was, by the way, the bone of contention that divided the left during the whole administration of the Popular Unity, until it reached the breaking point amongst those who wanted to limit the industrial nationalizations to the economy's strategic sectors, and those that wanted to extend them, until a new 'mode of production' under state control was born. Salvador Allende's 'democratic transition to socialism', was interrupted by the North American intervention and the military coup led by general Augusto Pinochet. Therefore, the Chilean left debate on the 'organized capitalism of state' as a form of transition to socialism remained inconclusive. In 1989, the Chile Socialist Party returned to power, in an alliance with the Christian Democrats, but at that moment, it had already changed its position and accepted the new theses and neoliberal policies that were dominant amongst European socialists and social democrats. Its objective was no longer 'to make a passage' to socialism, but to efficiently manage capitalism and a set of 'focused' social policies, following the neoliberal model.

In May 1995, the *Financial Times* welcomed this conversion of Latin America's intellectual, political and economic elites - particularly the ones of the left - to the new consensus that was, since the previous decade, being disseminated in the world. The truth, however, is that general Pinochet's Chile, had become - after 1973 - the first world-wide laboratory of experimentation of the new economic model, which was called by Paul Samuelson 'market fascism'. But it was doubtlessly in the second half 1980s, and during 1990s, that the new policies promulgated by the 'Washington Consensus' had been generalized in the continent, and induced through the renegotiation of the external debts of the region's main countries. An orthodox program for monetary stabilization was followed by a package of *structural* or institutional reforms directed towards the opening, deregulation and privatization of the region's national economies. In the case of Mexico, the neoliberal change occurred in the 1980s, and was led by the PRI, the party created by Lázaro Cárdenas, the 'father' of national developmentism. In Argentina's case, the change started in the beginning of the 1990s led by Carlos Menem's Peronists. In Chile, it was the Socialist themselves, allied to the Christian democrats, who came to power in 1988 and who broadly maintained, the liberal oriented policy that came from the military period. Finally, in the Brazilian case, where the dismantlement of developmentism was conducted by a centre-right coalition led by the PSDB's Social Democrats. In all the above cases, the new policies were justified by the same arguments employed by the European Social Democracy: the globalisation was a new, promising and irrefutable fact that imposed an opening policy and unrestricted interdependence, as the only way to protect national interests, in a world where national borders no longer existed, nationalistic ideologies or policies would therefore, be justified. With the difference that in Europe, the neoliberal left governed societies that, in spite of unemployment, remain rich and homogeneous and that already had excellent networks of

universal social protection in the beginning of the process of deregulation and/or privatization of their economies, and part of their social protection systems. As opposed to Latin America, where the same policies had been applied in extremely heterogeneous and unequal societies, with gigantic pockets of misery and very limited social protection networks.

Anyhow, one can say that at the end of the 1990s the Latin American left had also made a 180° degrees turn in regard to its original project, which proposed land reform, and infrastructure and industrialization state policies, that had been replaced by a policy of deregulation, privatization and opening of the markets. In the theoretical field, again in Latin America, a good portion of the left replaced the concept of a 'class society' for one of 'network society'; and changed the critic approach to imperialism for the defence of an 'associated development'.

After a decade of neoliberal experimentation, the global balance is negative, and in some cases, such as Argentina, the effects have been catastrophic. The results have been the same in practically every country, pointing in the direction of low economic growth, and the increase of social inequalities. The frustration caused by the expectations that had been created in the 1990s, by the globalisation utopia and the new neoliberal policies, contributed to the multiplication and strengthening of the anti-state social movements that refuse, more and more, the task of governing. But, at the same time, it also contributed to electoral victories of leaders who consider themselves apt to govern and to innovate the Latin American left; although one may not yet see clearly what this new 'post neoliberal' way will be.

5. The Projects and theoretical border

The theory of the 'bourgeois-democratic revolution' has, in Latin- America, lost historic credibility since the 1960s, and 'dependency theories' never had a political consensual strategy, and inclusively in some cases, acted as a theoretical 'umbrella' for armed combat. It was on this account, that in the 1991 crisis and at the time of the neoliberal hegemony, the Latin-American left was caught off-guard, and was an easy prey for new ideas. And today, there is a common denominator between the 'neoliberal left' and 'post-modern left' positions: their compliance with the designs of the globalisation. The arguments are different, but both interpret the 'capitalist globalisation' in an analogous way: as a necessary and unavoidable product of the expansion of the markets, or the 'capital in general', and both refuse to understand or bestow in their political considerations, the impelling role of the Great Powers- especially Great Britain and United States - in the opening the economic borders and in the accelerating of the financial globalisation at the end of 19th and 20th centuries. An analysis, if it was not hiding a much more complicated sleight-of-hand trick of the facts, would only be one more theoretical viewpoint among others. However, by eliminating the political power role in the process of economic globalisation, this liberal-Marxist vision of history unpoliticizes the recent changes of capitalism, and, by doing so, transforms many things that are the political decisions or impositions of the Great Powers into an undisputable imperative of the Markets. Consequently, all political acts of submission by peripheral governments began to be considered a manifestation of realism and common sense in relation to the Markets or the Capital designs; and all the acts of resistance by the less

favoured peoples automatically became signs of irresponsibility and of 'economic Populism'. This was and continues to be the position of the 'neoliberal left', which was hegemonic in the 1990's, and still occupies an important position in the Latin American academic and political debates, in spite of the mediocre, and often catastrophic, results of the liberal policies in the Continent. But that very same position reappears – in a different form, employing other arguments - within social movements and 'nongovernmental organizations', which have multiplied since the 1980s. Also, amongst several intellectuals who criticize the 'neoliberal globalisation' and propose a 'cosmopolitan democracy' – such as, for instance, the case of Immanuel Wallerstein, the North American sociologist, and the Italian philosopher Antonio Negri – but they also consider, as a matter of fact, that globalisation eliminated the economic borders and the power of the national states. In that sense, they almost repeat Rosa Luxemburg's same 1908's theses and arguments about the irrelevance of the national political struggles for left movements. Rosa Luxemburg spoke of a 'supranational state', in the imperialist age, and Antonio Negri speaks of a 'post-national empire', in the age of globalisation. Negri goes even further and considers that 'the construction of the Empire is one step ahead in order to get rid of all the nostalgia in relation to the old structures of power that had preceded it, and to refuse any political strategy that implies in the return to the old devices of power, as in the case of those who would consider resuscitating the State-Nation, to protect themselves against the worldwide capital.' (Hardt and Negri, 2000, p: 73). Wallerstein's argument is different: it presumes that a terminal crisis of the 'modern world-wide system' and a 'transition' for a new post-modern world, or 'universe', which he foresees for 2050, is in course. Consequently, for those who wish 'to influence in an effective way in this general transition of the world-wide system, in order that it might advance in a specific direction and no other, the State is not the main vehicle of action. It is, as a matter of fact, a great obstacle (...) This is why the objective should no longer be the taking over of state power, but to assure the creation of a new historical system, acting at the same time in the local and global level' (Wallerstein, 1995 p: 6 and 7). In short, the arguments would vary but the conclusion is just one: everybody considers useless the political struggle by the left in taking over power in the national states.

From a strict and pragmatic political point of view, this anti-state and refusal of government proposal, faces the same difficulty of all the previous 'internationalisms': it congregates a very large and heterogeneous number of demands that can only advance when confronted with a power capable to resist or fulfil them. And this power remains organized in a territorial and national way, the states have not yet disappeared, on the contrary, they continue to multiply. How can it be maintained that the globalisation is bringing the national states to an end, when on the contrary, it has been a great multiplying factor of the states themselves. In the beginning of 20th century, the national states were not many more than 30 or 40 and today, they are approximately 190, generated in the form of three great waves: the first, right after WWI, when the Austro-Hungarian and Ottoman empires break up; the second, after the WWII, when the European empires break up in Asia and Africa; and, finally, the third when, right after the end of the USSR, the old Russian empire territorial limits collapse. In this sense, if the original national states were born in the 16th century Europe, and were not been more than seven or eight, it was during the 20th century that

they became an universal or global phenomenon. It is rather difficult, in that sense, to announce the 'death of the states' in the precise time when they are multiplying and intensifying their competition, most of all if we consider that the majority of the two hundred existing national states were almost born during the golden period of globalisation, that is, during the second half of 20th century? (Fiori, 1997, p: 133). This was perhaps precisely why, despite the global rhetoric, the struggle for the democratization of capitalist societies and for the conquest of citizenship continues to take place in the space controlled by the national states. In other words, there are 'causes' and 'claims' that are internationalists, but the basic struggles and conquests continue to be fought in one territory at the time, state by state, where destitute and 'excluded' people of the land are 'stored', and where the accumulation of resources capable of modifying the unequal distribution of wealth and power amongst social groups is generated. Besides, there are no signs that economic globalisation and new communication technologies may on their own merits, achieve some sort of 'cosmopolitan democracy', which continues to be an improbable and very distant hypothesis, a true utopia, almost metaphysical. Finally, globalisation did not modify some of the conditions and basic contradictions of capitalism; therefore, if one can speak in the rhetorical level about 'reciprocal globalisation' it is because it's a form of protestation. But actually, it is impossible to think about a capitalist globalisation that is 'fraternal', because 'globalisation', is after all, merely a new name for a secular trend of unequal development of capitalism, in the same way as with the polarization of wealth amongst nations and social classes.

On the other hand, from the viewpoint of the 'left globalist's' argument and economic proposal, one must acknowledge that there are many national states and economies that have neither real sovereignty, or citizenship, and have no great difficulty in furthering their economic development. However, there are, at the same time, other countries that, due to their dimensions, have no other choice but to fight for their own development. And in these matters, the question that is still to be answered is what this new utopian socialism and this globalist left can offer in the case of these economies and states that are neither inclined, nor able to disappear? The simple multiplication of local economic experiences of the reciprocal kind or of the 'tertiary sector' would not end up by becoming a permanent project creating 'islands of solidary happiness', true autarchies that would become, in mid-term, some sort of 'micro-tribes' or urban and rural sects, waiting for the end of capitalism?

It seems sometimes like some ideas and controversies are frozen and forgotten for long periods to reappear later, from time to time, almost identical, clearly showing that the problem persists and was not theoretically solved; such as this argument about the historical processes of the power and the globalisation of capital, and their relation with the people's national and political struggles. The Socialist International, in 1896, and the Russian social democracy, in 1903, imparted in their programs, for the first time, the nations universal right to self-determination. But in the same time, Rosa Luxemburg, Karl Rádek, Joseph Strasser, and several other members of the so called 'left-wing opposition', a minority within the International, refused to recognize this right, or to participate in the struggle for the autonomy of nations, that according to them, was going against the general movement of capitalism and proletarian internationalism.

They also thought -- in the beginning of the 20th century -- that the 'time for national movement had passed, and that the oppressed peoples had no longer any economic and national political solutions. This conflict has old theoretical roots and in the case of the Marxists, it may go back to Marx himself and his accumulation of the capital theory and the globalisation of the 'bourgeois mode of production', where the political power and national states do not appear, which would become the central subject of imperialism of the 'Marxist theory'. But nevertheless, in Rudolf Hilferding's and Nicolai Bukarin's theory of the 'financial capital' and 'global economy', the ambiguity remains. Both speak of a trend in the capitalist development that points towards the financial capital 'global empire'. And at the same time they recognize the decisive role of political power and National States in 'the global' success of their financial capitals (Fiori, 1997, p:141 and 142). Soon afterwards, came the 'Austrian' Marxism's debate about the importance of the 'national question', and, further on, the Soviet apology of the 'national liberation' movements in Asia and Africa, but the basic theoretical and historical question remains without a definitive answer. Therefore, it is not surprising that the subject matter of the relations between the left political struggle with the national states, the empires and the capitalism globalisation has reappeared with such intensity after the 1991 debacle. Furthermore, from our point of view, this is the true theoretical border that divides the international left today, imposing itself, therefore, a historical and theoretical retaking of the problem, as a condition to raise the blockade for ways in the future.

Charles Tilly, the North American sociologist who did a long research about the formation of the European states, supplies an important historical clue to rethink the origin and the permanent ambiguity of these relations between capitalism and the Inter-state system. At the end of his research, Tilly concludes that 'at the moment in which the empires were breaking up within Europe, the main European states were creating non- European empires, in the Americas, Africa, Asia and the Pacific. Therefore, the building of these new external empires propitiated some of the means and part of their impetus to mould, within the continent, relatively powerful national states, centred and homogenized, while the European powers began to fight amongst each other in these imperial zones '. (Tilly, 1996 p:244). This historical fact allows one to speak of the existence of a true paradox in the state system's origin: 'when they were born, its first states expanded immediately outside their own territories changing into hybrid beings, a sort of 'minotaur', half state, half empire. While they fought to impose their power and their internal sovereignty, they were already expanding outward their territories and constructing their colonial possessions. In that sense, one may say that the 'empire' was an essential dimension of these first national European states that became the European state system 'competitive central nucleus', the core of 'state-empires or Great Powers'. (Fiori, 2004, p: 38). When researching this same process of formation, Max Weber identified a type of indissoluble relationship between the states' political competition and the simultaneous process of accumulation of capital: 'the competing national states lived in a situation of perpetual struggle for power, in peace or war, but this competitive struggle created the largest possibilities for the modern western capitalism... (in that sense) it was the well delimited national State that provided capitalism with its chance for development (...)'. (Weber, 1961: 249). The winners of this competition have always been the ones who managed to go the

farthest to guarantee the control of 'supranational economic political territories' larger than the ones of their competitors, either in the form of colonies and dominions, or as independent peripheries. 'In that sense, one can understand better why the expansion and globalisation of the capitalist system was not an isolated achievement, it was and it will always be the result of the competition between the 'national state-economies' that succeeded to impose their currency, their 'public debt', their credit system and their 'taxation system', as a monetary reserve for their financial capital within these supranational economic territories in continuous expansion' (Fiori, 2004, p:46).

To summarize our point of view: the worldwide economic and political system is not the product of a simple and gradual aggregation of territories, markets, countries and regions. From the historical point of view, the world-wide system was a creation of power, of the expansive and conquering power of some European states and national economies, which have constituted and transformed themselves, during the 17th century, into the small group of Great Powers. Until the 19th century, the worldwide political system was restricted almost exclusively to the European states, and the new independent American states that associated with them in 19th century. But it was only in the first half of the 20th century that the System incorporated in its central nucleus, two extra-European and 'expansive' powers, United States and Japan, a little before the national state became generalized, in the second half of the 20th century, as the dominant political and territorial power form of organization throughout the world.

Moreover, from our point of view, if the marriage between the states and the national economies had not taken place in Europe, the worldwide system wouldn't exist in its present form. From that moment on, what is often called globalisation, is the process and the result of many centuries of competition between these national states/economies. The hierarchy, the competition and the war inside 'the Worldwide System' central nucleus, sets the rhythm and the trend of the whole ensemble towards an empire or a universal state, and a global economy. But this movement does not have anything to do with the progress of a sort of 'Hegelian reason' of global and convergent nature. On the contrary, it is a movement that always advances, led by a particular state and national economy. And this is precisely why it is never complete, because it ends up meeting the resistance of the other 'imperial vocations' within the system. The transitory winners of this competition have always been the ones who have succeeded to arrive the farthest, and to secure in the most permanent way the control of supranational 'political and economic territories', kept in the form of colonies, dominions or independent peripheries, but with little sovereignty. Only two of the Great Powers have succeeded, however, in imposing their power expand the borders of their national economies almost reaching the limit of constituting a worldwide empire: the United Kingdom and the United States. This process took a huge step after the generalization of the gold standard and the financial deregulation, sponsored by the British, in the 1870s. And it took yet another gigantic step after the generalization of the 'dollar-flexible' standard and the financial deregulation, decided by the United States since the 1970s (Fiori, 2005).

In 1944, Karl Polanyi formulated an original and provoking thesis about this world system contradiction and its impact within national societies. Polanyi

identifies a 'double movement' in the history of capitalism, provoked by the action of the system's two universal principles. The first one would be the 'principle of economic liberalism' that moves the globalisation, or the permanent universalization, of self-regulated markets. The second would be the principle of 'social self-protection' that appears as a defensive and national reaction of 'social substances threatened by the markets'. (Polanyi [1944], 1980: 164). Many have interpreted the 'double movement' of Polanyi as if it were a sequence in time, or as if it were a pendulous movement following history. From our point of view, however, it deals, once again, with a dialectic relation between national and International, economic and political, between short term social struggles and the great worldwide long term transformations (Fiori, 1999, p:63). The resistances that end up by paralyzing and correcting the self-regulated markets' entopic expansion, are born within the mercantile expansion itself, and reveal themselves in the interstices of the liberal world, fortifying themselves with the long term destruction produced by the deregulated markets in the world of the work, the land, the money and the nations' own productive capacity. According to Polany, this was what occurred in Europe, between the 19th and 20th centuries, when a simultaneous national and social defence movement against the 'satanic mill' of deregulated markets was born and expanded, the very movement that is in the macro-historical origin of the great post-World War II democratic, social and political progresses.

Polanyi did not foresee the return, at the end of the 20th century, of the 'liberalism principle' and the blind belief in the self-regulated markets. From our point of view, however, it is not impossible that Latin America is living the beginning of a new stage of convergence between the national and social fights of the less favoured peoples. The liberal euphoria cooled down after 2000, and the war and the 'power of the arms' have returned to the epicentre of the Worldwide System, at the same time that multiplies the Great Economic Powers' new forms of protectionism. But on the immediate shadow of the United States' global power, a new space could be in the process of opening with a great chance for a 'virtuous' convergence between the national or regional 'self-protecting' action of the new Latin American leftwing governments, and the social movements and leftwing parties' vindicate and mobilizing action that are fighting in the region, against the wealth and the private property inequality and polarization. At least, in this beginning of the 21st century, this is the hope that circulates in the Continent's 'open veins'.

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