



*Anniversary
Issue*

Journal of the
Edinburgh
Conference of
Socialist
Economists

Common Sense

Alfred Mendez

An Uncommon View of the Birth of an
Uncommon Market

Alejandro Raiter & Irene Munoz
Zapatista Discourse: What is New

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The Autonomy of the Economy and
Globalisation

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Notes on Anti-Semitism

plus Review Article & Book Review

Number

21

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*Number 21
10th Anniversary Issue*

Published by **Common Sense**, c/o Werner Bonefeld,
Department of Politics, University of York, Heslington, York,
YO1 5DD.

Printed by Clydeside Press, Glasgow.

Typeset in 9pt New Century Schoolbook.

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ISSN: 0957 - 240X

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Common Sense

A Journal of a wholly new type



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10 Years of *Common Sense*

This issue of *Common Sense*, the 21st, marks the 10th anniversary of the journal's appearance in Summer 1987. Since then the journal has gone through several transformations in both form and content. Initially an A4 stapled, photocopied magazine/pamphlet (see the reproduction of the cover of the first issue on page 4), the journal moved to being an A5 printed paperback in the spring of 1991. The subscription and distribution networks have also grown throughout the decade and *Common Sense* is now read all around the world; on all continents.

However, perhaps the most surprising feature of *Common Sense's* ten years of existence has not been the journal's growth but its *survival* in an era of iconoclasm. We remain a journal of and for social revolutionary theory and practice, ideas and politics. Our project is class analysis and we aim to provide a platform for critical debates unfettered by conventional fragmentations of knowledge (either into 'fields' of knowledge or 'types' of knowledge, e.g. 'academic' and 'non-academic'). This continuity in the concepts of class struggle and social change flies in the face of most interpretations of the last 10 years.

When the journal first appeared the 'traditional' representatives of the working class found themselves in severe crisis. The Labour Party had just lost its third election to Margaret Thatcher, the trades unions were in decline (especially after the defeat of the miners in 1985), and many so-called 'revolutionary' political parties were making a bee-line for electoral respectability in the hope that some form of 'rainbow coalition' (with liberals, greens, and Labour) could stem the tide of what appeared to be an 'inevitable' right-wing onslaught.

Common Sense refused to accept such an apathetic and reified interpretation of the class struggle. We believed that such 'bowing' to the power of the electorate (including the legitimacy of union ballots) actually reinforced rather than questioned the concept of self-interest as a mode of existence. It placed the abstract 'political' citizen, and as such the Neoclassical concept of *homo economicus*, at the heart of the socio-historical process *rather* than the politics of emancipation.

This *denied* power was not long in making itself felt. By October 1987 the stock market crash indicated the underlying weakness of capitalism in spite of its apparent 'political' success. The crisis of capital accumulation that first burst onto the world stage in the late 1960s and early 1970s was still not over. Indeed, it was deeper than ever. Thus, it was to the analysis of this crisis and its source in the contradictory power

of labour (that is, labour's creative and destructive power in and against its own commodified existence) that many of *Common Sense's* page have been turned over – leaving the neurotic analysis of the dead world, the autopsy of the Keynesian welfare state, to others.

And one only has to thumb through the pages of *Common Sense* to witness the power of labour in the on-going class struggle of the last decade. From the poll tax rebellion in Britain (1988-1992) to the Zapatista uprising in Mexico (1994-1997), from resistance by women workers in Malayan high-tec factories to self-valorisation in American high-tec universities, from workers compliance with Nazism to their insurgency against it, from the fall of the Berlin Wall to the rise of new social subjects, the journal has attempted to connect class struggles in a way – that is, give them a common sense – which does not reduce one to the other nor deny any their importance within the crisis of accumulation.

However, the journal rejected an understanding of all forms of struggle as inherently, in and of themselves, positive. The aim has always been to reflect on the relationship between revolutionary theory and practice and keep each 'on the boil', realising that reification does not cease to be a problem merely because someone reads Marx whilst, of course, seeing the reading of Marx as an important part of the struggle to overcome reification.

Whether the journal has been successful is not for us to judge. What we can offer is a platform from which to carry on debate. What we can try to do is to improve consistently the quality of the journal and keep the price down. Currently we recognise the need to make *Common Sense* more interactive and would therefore welcome shorter comments, letters, more conference reports and short book reviews, and notices of up an coming events. So let us know what you are up to!

Finally, it only remains to say thanks to all those who have helped *Common Sense* over the years. The following is a by no means exhaustive list of people that require our recognition: Bob Goupillot, whose contribution was significant; Ed Emery, for translating numerous articles; Rebecca Willner, for distributing CS in London; Andy Duncan, Mario Piccinni and Hugo Whitaker, who were involved in editing issue 10; all those involved at AK Distribution; Tommy and others at Clydeside Press; and Bob at Edinburgh Make-up Services. Our greatest thanks are to those who keep reading *Common Sense*, especially through subscriptions.

The Common Sense Collective

An Uncommon View of the Birth of an Uncommon Market

Alfred Mendez

Introduction

Any research into the subject of the Common Market is immediately confronted by a veil of confusing acronyms: E-this, E-that and E-the-other. True, the Common Market – or the EEC or the EU (it transpires that they are all the same at different stages of evolution) – must be one of the most complex, if not the most complex bureaucracy ever created. But complexity invariably fosters unaccountability and inefficiency (to say nothing of corruption) - so why this complexity? Surely, the very concept of economic unity, of integration, as propounded by the creators of this body implies the very opposite of complexity? Can it be that the concept was not implemented as propounded? Can it be that the web of acronyms and unnecessary changing of titles was a diversionary tactic? After all, why are aliases used if not to divert attention?

Certainly, the current constant political bickering over the Common Market tends to distract public attention away from a proper understanding of its *raison d'être*, and to achieve this understanding it is therefore necessary to recapitulate the events leading to its birth – viewed from within the context of the politico-economic situation of the post World War Two period.

The political situation was one of an ideological confrontation between the West and the USSR: between Capitalism and Marxism (the question as to whether the USSR was a marxist state or not is irrelevant here inasmuch as the West – and particularly America – perceived it to be such). Again, the term 'confrontation' may at first seem to be an overstatement inasmuch as the West and the USSR had just emerged from a war in which they had been allies, but it must be remembered that this alliance had been one of circumstance and convenience. The intellectual dichotomy between Capitalism and Marxism of the late nineteenth century had become political confrontation with the advent of the Bolshevik Revolution in 1917 which, of course, invalidates the popularised view of the 'Cold War' as being a post-World War Two

phenomenon.

Another popular misconception is that at the end of the war it was the USSR that had reneged on decisions reached by the Allies, the 'Big Three', at the Yalta Conference of February '45 - particularly over Poland. Indeed, this was precisely the reason given, more than once, by the West for their subsequent policy of 'going their own way', one of the results of which was the Common Market. It therefore calls for a closer look. The American Secretary of State in '45, Edward Stettinius, who was Roosevelt's right-hand man at Yalta later records: "The Soviet Union made more concessions to the United States and Great Britain than were made to the Soviet Union". On the 27th of February '45 Churchill, in his speech to the House of Commons, stated: "I know of no government which stands to its obligations, even in its own despite, more solidly than the Soviet government". Given this background, it is extraordinary that, on the 23rd of April '45, a fortnight after Roosevelt's death and while Molotov was in America en route to the Founding Conference of the UN, Truman summoned Molotov to the White House and berated him (in "Missouri mule driver's language", to quote the columnist Drew Pearson), accusing the Soviets of failing to adhere to the Yalta agreements - agreements that had been reached only two months previously - and the war was still being fought! (It is not difficult to imagine what Truman's response to the Russians would have been had the roles of the protagonists in this situation been reversed. Mule-driver's language would most certainly not have been used!). Moreover, the following month, immediately following VE Day, Truman cancelled Lend-Lease aid to Russia, a country that had pledged at Yalta to declare war against Japan three months after Germany's defeat, namely, on the 8th of August '45. On the 6th of August the Americans dropped the atomic bomb on Hiroshima - without previously notifying their Russian ally of their intention so to do.

So why this switch in American attitude? It must be appreciated that America was then (as it still is) a corporate state. In his first two years in office, of the 125 key administrative posts appointed by Truman, 49 were bankers, industrialists and financiers, 17 were corporate lawyers, and 31 were high-ranking military officers. True, he had inherited a similarly oriented administration from Roosevelt, but the war had been profitable enough to sedate the latter's corporate cohorts - and Roosevelt an excellent diplomat. Now: the European war was over, Roosevelt dead, and a successfully tested atomic bomb to hand, and when it is recalled that in July '41, on learning of the German invasion of Russia, Truman - then Vice-President - had stated "If we see that Germany is winning the war we ought to help Russia; and if Russia is winning we ought to help Germany and in that way let them kill as many as possible" (as reported in the *New York Times* on 24th July '41) then the Americans' actions noted above are comprehensible. Certainly there would be no more cooperation with the 'red enemy'!

Talk of international unity was relegated to the posturings of diplomats and officials within the halls of the United Nations - as it had been under the League of Nations. European integration was the call heard more frequently in the real world outside. This idea was not a new

one, but before 1939 it had been of an amorphous nature with religious, Catholic overtones – hardly surprising, given the Vatican's centuries-long dominion over Europe under the banner of the Holy Roman Empire, which, in an historical sense, had not long ended. The Pan-European Union (Pan-Europa) formed by the Habsburgian Count Richard Coudenhove-Kalergi in 1923 was such a one.

During the war there had been other instances of movements towards European unity or federation which, because of their common aim, contributed something towards the eventual birth of the Common Market, even though it may not have been of a direct nature. After all, there would be the inevitable intermingling of ideas of those participating within the various groups formed. The call by André Malraux and Georges Bidault in '41 for a post-war federal style European New Deal – excluding the Soviet Union – was such a one. There were others, but there was no possibility of fulfilment until war's end anyway.

At war's end, economically, the West European nations emerged bankrupted, the USSR with its infrastructure decimated, and America with three-quarters of the world's invested capital and two-thirds of the world's industrial capacity (thanks in no small measure to the war). On the one hand a group of nations in desperate need of reconstruction; and on the other a rich nation with the capacity to satisfy that need. On the face of it, the problem so posited carried within it a built-in solution – but there was one main obstacle to a quick resolution: namely, one of those nations in need was the USSR. The problem here for Corporate America was that, although it had no intention of acceding to the USSR's request for assistance, both countries were still part of the Big-Three alliance. Indeed, at the Potsdam Conference in mid-July '45 the USSR had acceded to the American's call for the establishment of a Council of Ministers which was duly set up, and although relations between West and East became more strained with each subsequent Foreign Ministerial meeting, Peace Treaties with the ex-Nazi-satellite nations (Italy, Bulgaria, Finland, Hungary and Romania) were signed by the Big-Three in October '46.

To appreciate more fully the events that followed it must be recalled that Britain, at the end of the war, had, by military intervention, supplanted the popular left-wing Greek movement EAM with the right-wing dictatorship of Tsaldaris, and had thereby found itself enmeshed in a civil war which it was no longer able to afford. On the 24th February '47 it notified America of its intention to withdraw, and Truman immediately set Clark Clifford, a corporate lawyer (later special attorney to Du Pont, G-E, Standard Oil, TWA and RCA) to draft what was subsequently known as the 'Truman Doctrine'.

The next Foreign Minister's meeting in Moscow, beginning on the 10th of March '47, turned out to be a critical one in East/West relations. In the afterglow of the Satellite Peace Treaties signed some five months previously, the negotiators and staff met in Moscow in a hopeful mood to discuss such questions as German unity and disarmament and an end to the Austrian occupation by Russia. As eye-witness correspondent Howard K. Smith wrote: "Molotov proved uncommonly conciliatory in

the opening discussion on rules and procedure and yielded his own suggestions first to those of Marshall, then to those of Bevin. The Russians had undoubtedly assumed that all was well and that things would go according to prescription. Stalin even told Secretary of State Marshall that 'these were only the first skirmishes and brushes of reconnaissance forces'. Right on top of the Conference, two days after it had opened, burst the bombshell of the Truman Doctrine speech in which President Truman had said 'nearly every nation must choose between' the two worlds; it sounded like an ultimatum to the rest of Europe to be with us or to be counted against us. That wiped the smiles off the Russians' faces".

That had indeed been Truman's message to his Congress – and the Russians. Now the main obstacle to the flow of American capital investment into Europe had been removed, and was now to be activated by means of the Marshall Plan as proclaimed by Marshall at Harvard University three months later on the 5th of June '47. This speech called upon the Europeans to draw up plans for economic recovery, which the Americans would then finance. He had also stated in his speech that: "Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation and chaos". But, in saying this, had Marshall forgotten that two months before, as later revealed by Walt Rostow (Special Assistant to the Executive Secretary of the Economic Commission for Europe from '47 to '49) ... "On April the 29th, the day after his report to the nation on the failure of the Moscow Conference, Secretary Marshall instructed the Policy Planning Staff to prepare a general plan for American aid in the reconstruction of Western Europe"? No mention here of Eastern Europe or the USSR.

But in any case, had not the United Nations been created with just such a scenario in mind? So why by-pass it? Again, to quote Walt Rostow: "...there was even in being an organisation dedicated to European economic cooperation – the Economic Commission for Europe – the ECE was, however, an organisation of the United Nations, with Soviet and Eastern European countries as members. Its very existence posed a basic question. Should an effort be made to embrace all of Europe in a new enterprise of reconstruction, or should the lesson of the Moscow conference be read as indicating that the only realistic alternative was for the West to accept the split and to strengthen the area still outside Stalin's grip?" Remember: Rostow had served in the ECE. This decision to by-pass the UN aroused the suspicions of the Russians, suspicions that were confirmed at the Paris Conference of the Committee of European Economic Cooperation (CEEC) called in July '47 to discuss the administration of Marshall aid. Molotov walked out of the conference after two days attendance.

A closer look at Marshall's 'Planning Staff' mentioned above is revealing. The committee charged with formulating the Marshall Plan was as follows: Chairman, Henry Stimson (ex-Sec. of State & War, Wall St. lawyer, Director of Council on Foreign Relations); Executive Committee Chairman, Robert Patterson (ex-Sec. of War); Executive Committee, Dean Acheson (Under-Sec. of State, Corporate lawyer of Covington & Burling); Winthrop Aldrich (Banker & uncle of Rockefeller

bros.); James Carey (CIO Sec. Treasurer); Herbert Lehman (Lehman Bros. Investment); Philip Reed (General Electric Exec.); Herbert Bayard Swope (ex-editor & brother of former G-E Pres.); David Dubinsky (Labor Leader). The composition of this planning group confirms what has already been referred to: namely, that the American executive administration had, since the mid-thirties, been heavily staffed with – and therefore controlled by – corporate executives: men who, precisely because they were unaccountable to the democratic interests – interests, moreover, that were coordinated to a high degree by interlinked membership of numerous 'advisory councils', 'foundations' and other forms of quangos whose common affinity was obedience to Profit.

Here, two points need to be noted: the importance that America attached to the Marshall Plan; and the fact that the Common Market could not have evolved into the form it eventually adopted without Marshall aid. The US Congress duly authorised this aid by passing the Economic Cooperation Act (ECA) on the 3rd of April '48, and Paul Hoffman (of Studebaker, Ford Foundation, and co-founder of the Committee for Economic Development in '42) was subsequently appointed Administrator of the aid program, and since ECA approval was required before such aid funds could be supplied, this allowed US planners to influence directly the direction of economic change in Europe.

Meanwhile, as a result of the above-mentioned CEEC Conference in Paris, the Organisation for European Economic Cooperation (OEEC) was formed in order to determine the allocation of Marshall aid. The American desire was for a more integrated organisation than the Europeans were prepared to accept. As Paul Hoffman put it: "The substance of such integration would be the formation of a large single market within which quantitative restrictions of movement of goods, monetary barriers to the flow of payments and eventually all tariffs are permanently swept away." This was a scenario within which Corporate America could move its capital at will, and, as such, a statement reflecting blatant self-interest. Indeed, this message was further driven home by another ECA official, Richard Bissel, at whose instigation the OEEC set up the European Payments Union (EPU) in September '50 in order to facilitate intra-European trade and provide a basis for European integration and monetary union. (One interesting point here: good economist though he may have been in '50, Bissel was no military strategist when, in '60/'61, as CIA Deputy Director of Planning, he oversaw the Cuban Bay-of-Pigs fiasco!) The Europeans, some of whom were still in the time-warp of Empire and reluctant to relinquish any of their individual sovereign rights, opposed further integration. This not only meant that the aid became a scramble for dollars but, more crucially, posed an obstacle to the American's aim as laid out by Hoffman. This called for a change of mind on the part of the dissident Europeans, which eventually would be accomplished, primarily through economic necessity; but also by 'a little help from my friends'. Help that, initially, would necessarily be of a non-governmental nature, given the already-noted opposition of governments whose hands, in any case, would be full coping with their day-to-day, short-term problems. Use

would be made of the numerous lobbying groups formed in the aftermath of the war as a result of earlier calls for European union.

The earliest of these groups, and one which was to play a significant role in alleviating any discord among the Europeans, was the Independent League for Economic Cooperation (ILEC). This lobby group, ostensibly motivated by its desire to find an economic solution to Europe's problems – as implied by its title – was responsible for the subsequent establishment in May '49 of the Council of Europe (COE) which, contrary to the aspirations of those who had laid the foundations for it at the Congress of Europe the previous year, ended up as a purely consultative body with no economic mandate, due primarily to the reluctance of Britain and the Scandinavians – as noted above. Be that as it may, the COE was established in Strasbourg with all key Europeans onboard – and is still in existence today. Indeed, it is sometimes referred to as the 'mother' of the Common Market – with some justification: was not its flag adopted by the EC – or Common Market – in May '86? To gain a clearer understanding of the above, it is necessary to take a closer look at the means by which the ILEC evolved into the COE. ILEC was the brainchild of a 60-year-old Pole, Dr. Josef Hieronym Retinger, a man with a history intriguing enough to warrant a biography – suffice it to say here that, as a result of comprehensive political dealings in both Europe and the New World, stretching from pre-World War One to post-World War Two, he had become the archetypal broker, an *eminence grise*. In Sir Edward Beddington-Behrens' words: "I remember in the US his picking up the telephone and immediately making an appointment with the President; and in Europe he had complete *entre* in every political circle as a kind of right." Having set up ILEC with the assistance of Paul Van Zeeland (Belgian Prime Minister-to-be), Retinger went to America at the end of '46 seeking financial backing for the group. In his own words (as reported by his biographer and Personal Assistant, John Pomian): "At that time I found in America a unanimous approval for our ideas among financiers, businessmen and politicians: Mr Leffingwell, senior partner in J.P.Morgans; Nelson and David Rockefeller; Alfred Sloan, Director of the Dodge Motor Company;" – et al – "... and especially my old friend Adolph Berle jnr. were all in favour, and Berle agreed to lead the American section." Berle was a prestigious corporate lawyer.

In March '47, ILEC was established at a meeting in New York, with Van Zeeland as President of the Central Council and Retinger as General Secretary. In December '47, as a result of Retingers' approaches to a number of other groups with similar aims of European unity – either of a cooperative or federalist nature (Churchill's UEM, Coudenhove-Kalergi's IPU, the Catholic NEI, the CFEU, and the UEF) – the International Committee of the Movement for European Unity (ICMEU) was formed, with Duncan-Sandys (Churchill's son-in-law) as Chairman and Retinger as Honorary Secretary. This committee – more commonly known as the European Movement (EM) – convened the Congress of Europe in the Hague in May '48 which, in turn, established the Council of Europe (COE) by the Treaty of Westminster in May '49 (as already noted).

In July '48 Retinger and Duncan-Sandys went to America to seek financial backing for the EM, accompanied by Winston Churchill and Paul Henri Spaak, the Belgian Prime Minister. This resulted in the launching of the American Committee on a United Europe (ACUE) at a luncheon in honour of Churchill on March 29th '49. The significance of ACUE lay in its stewardship: Chairman, William Donovan (ex-Director of the wartime American Intelligence Service, the OSS); Vice-Chairman, Allen Dulles (Deputy Director of the CIA); Secretary, George Franklin (Director of the Council on Foreign Relations); and Executive Director, Thomas Braden (Head of CIA division on international organisations). Funds for the EM, by now transformed into the Council of Europe, were soon flowing into Brussels - most of it from State Department secret funds.

ACUE was also the channel subsequently used to fund the Youth Campaign for European Unity, formed in '50 by Retinger and Duncan-Sandys as a result of a deal they had made with John McCloy, US High Commissioner for Germany (later Chairman of Chase Manhattan Bank), and Robert Murphy, US Ambassador in Brussels (later Consultant on Foreign Intelligence Advisory Board). Between '51 and '59, this group received approximately £1.5 million (Sterling).

Perhaps the most intriguing of Rettinger's contacts during this period was Dr. Hermann Josef Abs who then set up the German section of ILEC. Abs, as Director of the Deutsche Bank during the Third Reich, had been responsible for laying out the economic base the Nazis would adopt on attaining hegemony over Europe and Russia. Arrested for war crimes in January '46, he was released three months later on the intervention of the British who then appointed him economic advisor in their zone! More pertinently, in March '48 Abs was appointed Deputy Deputy Head of the Loan Corporation as well as President of Bank Deutsche Länder, and as such was in charge of the allocation of Marshall aid to German industry. Another fascinating link was that, among the 40 directorships he had held, one was in the I.G. Farben conglomerate which had been a client - before America's entry into the war - of corporate law firm Sullivan & Cromwell, whose senior partners were the Dulles Brothers.

The end result of the foregoing was the Council of Europe which, although it had failed to create an economic climate in Europe amenable to the free flow of American capital, was nonetheless the first post-war organisation of European unity, and, as such, of political importance. From now on, in order to create the necessary economic climate, the dissident British and Scandinavians would be by-passed. This was accomplished by the formation of the European Coal and Steel Community (ECSC) in April '51, the result of the French Prime Minister Paul Schuman's call the previous year for the placing of French and German coal and steel production under the control of a supranational body, by which means the French hoped to gain some control over the future of Germany and thus, at the very least, hinder the Americans' plan to re-arm the latter. Schuman, born in the Alsace region, served in the German army in World War One and subsequently adopted French nationality, later joining the right-wing group 'Energie' of Professor

Louis Le fur who was to serve under Petain in the Vichy regime.

In July '67 the six ECSC members, Belgium, France, Germany, Italy, Luxembourg and Holland, formed two more analogous bodies: the European Economic Community (EEC – or Common Market), and the European Atomic Energy Committee (EURATOM). Thus, in spite of the non-membership of Britain and the Scandinavians, the Common Market was born (later to evolve into the European Community [EC] in '86, and finally into the European Union [EU] in '92).

The ECSC (Schuman Plan), which entailed a close Franco-German relationship, exemplified, on the one hand, the important role played by the coal and steel industry in their respective countries, and, on the other hand, the role played by post-war American aid in the resurrection of those industries, but it must be remembered that such aid was being distributed from as early as '46, primarily in the form of grants and two years prior to the distribution of Marshall aid. The popular conception of this aid is that it was primarily for the reconstruction of West European democracies ravaged by the war. This was not so. From '46 to '51 five right-wing dictatorships (Greece, Turkey, South Vietnam, South Korea and Formosa), with a total population of 75 million, received more American economic aid in grants than Western Europe, which had a larger population. Again, the five dictatorships received \$7.9 billion in military aid (excluding such aid to South Korea during the war there) – whereas Europe received \$7.5 billion in military aid, of which \$4 billion went to France (\$2.5 billion of which was for her war in Indochina), and \$0.5 billion for fascist Spain (which had received \$1 billion in economic aid). From '46 to '53 West Germany received \$3.6 billion in economic aid. It is thus hardly surprising that it was debtor France who formulated the idea leading to the ECSC, an organisation whose federalist structure conformed to America's wishes – and that fellow debtor Germany was a willing accomplice.

The aid so allocated reflected Corporate America's political orientation in a nutshell, and a further example was the warning given by Secretary of State Marshall – aimed primarily at Italy and France – that no aid would be forthcoming if communists gained any positions of political power. Result: The Italian communists lost the general election in '48 (which they were expected to win); French communists were removed from cabinet posts. Then, one year after the implementation of the Marshall Plan, NATO was created. During the formative stages of NATO George Kennan had been Director of the recently created State Department Planning Staff, and for years he was considered the expert on Soviet affairs. Now, ten years later, a disillusioned man, he was giving the annual BBC Reith lectures at the end of '57, and deploring the fact that the military instrument they had initially created as a shield behind which the West could "meet the communist danger in its most threatening form – as an internal problem, that is of Western society, to be combated by reviving economic activity" – had now become "the major vehicle of Western policy". Incongruous, to say the least, that a man who had helped to formulate the politically motivated policy of military containment

should now be deploring its consummation! Be that as it may, Kennen had succinctly spelt out the *raison d'être* of NATO. After all, the Americans were well aware that the Soviets posed no serious military threat in the post-war period: had they not for the last three years of the war been supplying the Soviets, under the Lend-Lease program, with military equipment that the latter lacked? Moreover, it was inconceivable that they were not aware of the devastation caused by the strategy of 'total war' waged by the German army on Soviet soil: a cursory glance at the statistics of that devastation would have been enough to convince them of the improbability of any military aggression from that quarter.

The passage of time has proved that NATO's purpose was political, not military: had it been the latter it would have been made redundant on the collapse of the USSR. Its political role assumed two functions: primarily, to ensure the hegemony of American capital – or 'American leadership' as propounded by all post-war US Presidents and most recently by the new Secretary of State, Madeleine Albright, in her address to the House; and secondarily, to satisfy the more immediate need for an organisation that would embrace all the key European nations, including Germany and dissident Britain.

The Truman doctrine of containment of the USSR having struck a sympathetic chord amongst some key European governments, and Marshall aid having bolstered that sympathy with the added sense of indebtedness, NATO was the logical outcome. This would be an ostensibly military organisation with a command structure fenced with statutory clauses that ensured American control – to say nothing of the financial largesse that would accompany it, but the Americans' plan to induct Germany into the organisation and thereby re-arm her, met with stiff European resistance, and the setting up by the French of the ECSC and its supplementary European Defence Community (EDC) did not help matters. Enter one Josef Retinger: as a result of his approaches in the early '50's to the most influential West European leaders, he and Prince Bernhard of Holland went to Washington in '53 to lobby support from Walter Bedell Smith (Director of the CIA) and Charles Jackson (National Security Advisor to Eisenhower) for a group that would serve as a forum for lobbying at the highest political level in order to ensure that consensual policies were adopted by the members of NATO – in particular. A US committee was formed: John Coleman (Chm. Burroughs Corp.), David Rockefeller (Chase Manhattan Bank), Dean Rusk (Rockefeller Foundation), Henry Heinz II, Joseph Johnson (Pres. Carnegie Endowment for International Peace) and George Ball (Corporate Lawyer, Partner Lehman Bros.). This, in turn, resulted in the formation of the Bilderberg Group in May '54. Since that date, all doors to the seats of power in the West have been accessible to the Bilderberg. George McGhee (ex-US ambassador to West Germany), who attended all Bilderberg meetings from '55 to '67 has revealed that "The Treaty of Rome which brought the Common Market into being, was nurtured at Bilderberg meetings." Germany joined NATO on the 6th May '55.

The movement of American capital into Europe could now be facilitated. Proof of this calls for the asking of that very commonsensical question: "Who benefited most from the Common Market?"

The answer to this question was spelt out clearly by the French newspaper owner Jean-Jacques Servan-Schreiber in his well-researched book *The American Challenge* of 1967 (in fairness, it should be noted here that the message of the book was the somewhat naïve one that Europe should copy the American's way of doing business). The following facts and figures are taken from that book, and, unless otherwise noted, are as of the year 1967:

(1) America had invested \$14 billion, in fixed assets, in Europe – working capital being as much again (US Dept. of Commerce).

(2) From '58 to '67 "American corporations have invested \$10 billion in Western Europe – more than a third of their total investment abroad. Of the 6000 new businesses started overseas by Americans during that period, half were in Europe."

(3) "The US Department of Commerce finds it 'striking' that from '65 to '66 American investment rose by 17% in the US, 21% in the rest of the world, and 40% in the Common Market."

(4) By 1963 "American firms in France controlled 40% of the petroleum market, 65% of the production of films and photographic paper, 65% of farm machinery, 65% of telecommunications equipment, and 45% of synthetic rubber." (*Foreign Investment in France* by Gilles Bertain).

(5) "As early as '65 the Commerzbank estimated American-controlled investments in Germany at \$2 billion, while the gross capital of all firms quoted on the German stock exchange was only \$3.5 billion."

(6) "More than half of the US subsidiaries in Europe belong to the 340 American firms appearing on the list of the 500 largest corporations in the world. Three American giants are responsible for 40% of direct American investment in France, Germany and Britain."

(7) "During 1965 the Americans invested \$4 billion in Europe" (*Survey of Current Business*) "This is where the money came from:

1. Loans from the European capital market (Euro-issues) and direct credits from European countries – 55%
2. Subsidies from European governments and internal financing from local earnings – 35%
3. Direct dollar transfers from the United States – 10%.

Thus nine-tenths of American investment in Europe is financed from European sources. In other words, we pay them to buy us."

(8) "In the words of M. Boyer de la Giroday of the Brussels Commission, 'American investment in Europe has its own special nature. When we set up the European Economic Community (EEC) we did something useful, but simple and still incomplete. So far its major result has been to

speed our economic prosperity by creating the most favourable climate for a growing invasion of American industries. They are the only ones that have acted on the logic of the Common Market'."

Implicit in the truism that the child is a product of its parents is the equally valid truism that in order to know the child well, one must know its parents. In the case of the Common Market, in view of the incestuous nature of its parentage – to say nothing of the strange midwives attending its birth – it is hardly surprising that it turned out to be a most uncommon market.

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Zapatista Discourse: What is New*

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Preface

The uprising in Chiapas has been qualified as a postmodern political movement. For example, Burbach (1994) argues that it is not a peasant political movement focusing on taking land, nor an indigenous revolt characteristic of past national liberation movements, nor a 'fence' of poor people against 'rich' cities. They do not call themselves 'guevaristas' nor 'foquistas' nor consider themselves as the *avantgarde*.

Some commentators, like Holloway (1996) assert that the Zapatistas use a 'new language' to argue against the discourse of globalised capitalism. Others, like Laclau (1992, 1996) propose the concept of 'empty significance' – defined as the 'critical presence of that which is absent' in the social formation – as the key concept for the analysis of a postmodern emancipatory policy. The term 'postmodern' is ambiguous: for Jameson, as well as Burbach, it refers to the cultural condition of late capitalism. However, Laclau uses it to disclaim that politics has a direction and goal.

The aim of this paper is to analyse Zapatista discourse production and to ask where its originality, if any, lies and to compare it with other left discourses. Our focus is on the question of whether the Zapatista discourse belongs to a postmodern 'ideological formation' (Pecheux, 1969) and whether it is possible to consider the Zapatista discourse as an emergent discourse (Gimenez Montiel, 1983). Within this context, we will assess Laclau's concept of 'empty significance'.

Introduction

Paraphrasing Foucault (1971), the first task of a political addresser – before undertaking discourse struggle for power – is the struggle for a public voice, the struggle to become a recognised addresser. This task is not a simple one: even if heard, there is the risk of becoming just one amongst the chorus endlessly repeating the same ideological signs (Voloshinov, 1926), each scarcely attempting to change a few of the features that determine their value in social exchanges, and to

