

# 1. Low Intensity Democracy

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By evoking the American counterinsurgency catch-phrase 'Low Intensity Conflict', it is our intention to show that perhaps more than at any other time in the recent past, it is now that the struggle to define 'democracy' has become a major ideological battle. 'Democracy' has replaced 'development' as the buzzword for the 1990s. Democracy seems to be sweeping the globe, driving before it both communist party dictatorships and rightist military regimes on every continent. Yet the paradox of this new wave of democratisation is that its 'success' is built upon the failure of 'development' both in the Third World and the former Second World.

Some have tried to explain this wave of political change as the historical triumph of an idea/ideal, heralding the dawn of a grand new age of global democracy (cf. Fukuyama 1992). Alternatively, there are grounds to be sceptical of both the purported causes, and the ends, of this putative democratic New World Order. Whereas some regard formal democracy as sufficient in itself, if the content of this new democracy is critically examined it may be found to be seriously flawed on many counts.

This book constitutes a critique of the democratic claims of the large majority of new civilian elected democracies in the Third World. Although they may have formally instituted some of the trappings of Western liberal democracies (for example, periodic elections), in a real sense these new democracies have preserved ossified political and economic structures from an authoritarian past. Not only have they not come close to operating a political structure modelled on actual Western liberal democracies, this is not part of a long-term agenda for the future. In short, these transitions do not even represent a movement towards present forms of bourgeois democracy. We are not judging the new Third World democracies against some unrealised ideal of Western pluralism, but in relation to real, flawed liberal political forms. In the West, full participatory democracy is profoundly limited, though not to the same extent as it is in the Third World, by domestic inequality and the exigencies and strictures of global capital.

This book began as a project involving a series of case studies of transitions from authoritarian to democratic regimes in the Third World. In these studies, the contributors discovered that the institutions of formal democracy that have recently re-emerged in many countries of the Third World have failed to broaden popular political participation in a very meaningful way. They found little evidence to support the widespread assumption that formal electoral democratisation alone would bring about a lasting progressive breakthrough in these societies or that it is capable of solving their fundamental social and especially economic problems. What should more accurately be called 'elite democracies' in effect coexist with tacit military dictatorships. Social reform agendas that could have established the basis for broader popular participation and greater social justice have been abandoned. Human rights violations continue virtually unabated. The new regimes are more readily manipulated by external forces such as the International Monetary Fund (IMF) or via bilateral political and economic pressures, particularly from the United States. Economic policies often mandate austerity for the majority without, in most cases, bringing about significant economic growth. Progressive movements find it virtually impossible to implement an agenda for reform when powerful domestic and international groups opposing such change, not least the military, remain in place.

The case studies undertaken in this project – Argentina, Guatemala, the Philippines and South Korea – all share the common characteristic of a history of significant US influence in their affairs. These countries have different resource bases, different histories and different types of social development. But there are also important similarities, indicating that there are common structural sources of political developments cutting across national borders. This realisation reinforces the conclusion that state-centric analysis is not sufficient to understand these similarities. Rather, an analysis of political economy on a world scale is necessary to determine the main lines of development. This book is an attempt to contribute to an alternative critical interpretation of the current drive towards democracy, viewed as an integral aspect of the economic and ideological restructuring accompanying a new stage of globalisation in the capitalist world economy, and as a consequence of a shift in US foreign policy after the onset of serious economic and hegemonic crises. In this sense the new formal democratisation is the political corollary of economic liberalisation and internationalisation. It may also be viewed, in a number of cases, as the political consequence of a prior period of foreign intervention. Such interventionism could take the form of

either a shift in external support away from overt authoritarianism, or Low Intensity Conflict strategy, such as in Central America.

The analysis here goes against much of the mainstream of scholarship on Third World politics, especially in the United States. This mainstream has three intellectual and ideological biases.

- Firstly, 'political democracy' *per se* is a goal worthy of attainment, even at the expense of foregoing alternative paths that would seem to promise more immediate returns in terms of socialisation (social reform)' (O'Donnell and Schmitter 1986, pp. 13–14). However, without combining political democracy and social reform, one could argue that democracy itself is undermined in the medium to long term. Formal democracy without social reform increases economic inequality and thereby intensifies unequal distribution of power in society. The first and most important task of democratic regimes is social reform. In the absence of progressive social reform the term 'democracy' is largely devoid of meaningful content. Indeed, it is in danger of becoming a term of political mystification or obfuscation, serving as a euphemism for sophisticated modern forms of neo-authoritarianism. As such, the structures of democratic institutions and the social base of democratic regimes must, from the beginning, assure the pursuit of such reform.
- The second bias is that 'all democracies (in our sense) are to some degree capitalist; production and distribution of goods are determined mainly by competition in the market, rather than by the state, and there is significant private ownership of the means of production.' (Diamond, Linz and Lipset 1989 p. xxi). While Diamond, Linz, and Lipset, *et al.* go to great lengths to show that this was not an *a priori* assumption, the identification of capitalism with democracy is a not very well-hidden ideological bias of certain Western studies of Third World democracy. Today, the particular forms of democracy promoted by the West in the Third World are specifically tailored to serve the interests of global capital in these countries. Here, a political economic orthodoxy of hegemonic power holders is presented as being a matter of natural law, whether economic or developmental, rather than as a specific product of historical conditions, conflict over the pursuit of interests, and class struggle.
- The third bias, found in a much wider range of studies of politics in the Third World, is that *external* factors do not play a significant causal role in Third World political economic development. Intellectually, this bias is ultimately derived from modernisation

theory's Eurocentric linear view of development, whereby the future of the peripheral countries is supposedly represented by the present modernity of the core countries, but change is determined by endogenous factors. On the contrary, external factors, ranging from IMF-World Bank adjustment policies, to foreign support for the military, to direct forms of foreign military, political and economic intervention, are often decisive in determining the outcome of sociopolitical conflicts in the Third World. At a minimum, in a world increasingly dominated by an ubiquitous international capitalist system, national politics in the Third World – or in any other part of the world for that matter – cannot be properly understood in national isolation.

### The Struggle for Meaning

Everyone applauds democracy, and those who in practice oppose it applaud most loudly. As a slogan it is very effective, yet democracy is a contested term. Like so many terms employed in modern political discourse, its meaning varies with the context in which it is being used. It is undesirable to oppose 'democracy', but 'actually existing democracy' should and indeed must be criticised. At this moment of world history, 'democracy' is extolled as the best of all possible worlds both by the holders of global power and by 'the people', not least by those struggling for social justice and self-determination in a world of inequality. Those invoking the Goddess of Democracy use the same language but do not convey the same meaning. As Noam Chomsky argues, 'the guardians of world order have sought to establish democracy in one sense of the term, while blocking it in a different sense' (Chapter 4, this volume).

Chomsky argues that now, as in the past, power holders use democracy as justification for their power and as an ideological instrument for keeping the public quiescent and out of decision-making processes.

Samir Amin points to another trend that has accompanied democratisation,

a kind of generalised offensive for the liberation of 'market forces,' aimed at the ideological rehabilitation of the absolute superiority of private property, legitimisation of social inequalities and anti-statism of all kinds ... The coincidence of these two trends makes ours an era of intense confusion ... The 'market' – a euphemism for capitalism – is regarded as the central axis of any 'development,'

and such development is seen as part of an 'ineluctable worldwide expansion.' The desirability of total openness to the forces governing worldwide evolution and simultaneous adoption of an internal system based on the 'market' are taken to be self-evident. *Democratisation is considered the necessary and natural product of submission to the rationality of the worldwide market.* A simple equation is deduced from this logic: capitalism equals democracy, democracy equals capitalism.' [emphasis added] (Amin, chapter 3, this volume; see also Frank, Chapter 2).

This is a compelling argument which points out a central characteristic, and perhaps even captures the real essence, of the ongoing democratisation process in the Third World.

In the recent past, and for most of this century, the principal dichotomy of meaning was between socialist democracy and capitalist democracy. The two meanings competed for legitimacy. Now one meaning, the capitalist, is emerging as globally hegemonic. The idea that this form of politics is universally valid and as applicable to the periphery as it is to the states of the core of the global political economy is as doubtful now as it was in the past, and for all the same good historical (as opposed to ahistorical) and 'structural' reasons.

The political forms existing in the world are being restructured to reflect and accommodate the present realities of the global political economy. It should now be obvious to everyone that there is only one capitalist world economic system and not two separate contending world systems: one socialist and one capitalist. In the ideal New World Order as conceived by present hegemonic power holders all states will be 'capitalist' and incorporated in the capitalist world economy to a greater or lesser degree. In the ideal New World Order all these states will also be 'democratic'. This 'crusade' for democracy is the new ideological agenda of global capitalism.

However, why should one conclude automatically, without critical reflection, that the present economic reality of the capitalist world system will be any more conducive to genuine democracy in the Third World than in the past? It is also equally possible to conclude that, on the contrary, this new democratic facade will cloak new forms of authoritarianism, repression and conservatism, and legitimise further incorporation and subordination to global capital.

### The Origins of Low Intensity Democracy

The case studies reviewed below affirm that the overthrow of these authoritarian regimes was first and foremost the result of popular

impetus. Except in a few isolated cases when the trend towards democratisation was well under way, as in Chile in 1988, the US did not actively push against authoritarian regimes and for democracy until the authoritarian regime was already in the midst of domestic crisis, usually brought on by its failure to resolve deep economic and political problems or stem the rapid development of popular anti-dictatorship forces. In most cases, the US response was based on the realisation that authoritarianism could not sustain itself indefinitely and that democratisation was inevitable in the long term. Therefore, it was preferable for the US to gain a guiding influence in the process of democratisation before it developed along lines out of US control, as had occurred in the latter part of the 1970s in the Iranian and Nicaraguan revolutions.

By the early 1980s, the US realised that conditions were favourable for an 'apertura', a democratic opening, in many Third World client states given that years of military rule had greatly reduced the organisational power of the Left, labour and other popular forces. The Carter administration policy on human rights can be viewed as the direct predecessor of the more overt US policy of democratisation that followed under President Reagan. The United States wanted stable viable 'democratic' regimes that could pre-empt more radical change by incorporating broad popular forces in electoral participation, yet guarantee continuity with the anti-communist and anti-reformist traditions of their military predecessors. If the new democratic processes were to get out of hand and allow the Left too much social power, the military would always be available as an alternative to democratic 'ungovernability'. Thus, Low Intensity Democracy was conceived as a halfway house between previous 'unstable' representative democratic systems in the Third World and the moribund and counterproductive military dictatorships of the 1960s and 1970s which had often been established and maintained with US support.

Democracy as defined by the US was in fact a component of Low Intensity Conflict. Democracy was thus used as a form of intervention. Its intent was to pre-empt either progressive reform or revolutionary change. Beyond seeking to mobilise popular forces, it also sought to legitimise the status quo. Authoritarianism was thus discredited and delegitimised. The new 'democratic' regime, which temporarily enjoys increased legitimacy, can in fact undertake economic and social policies of 'adjustment' that impose new hardships on the general population and compromise economic sovereignty. The paradox of Low Intensity Democracy is that a civilised conservative regime can pursue painful and even repressive social and economic policies with more impunity and with less

popular resistance than an openly authoritarian regime. From the point of view of the US and conservative domestic elites in these countries, this quality must make it an interesting and useful alternative to traditional overt authoritarianism.

In 1982, President Ronald Reagan announced a 'Crusade for democracy' in a speech to the British Parliament in London.

From then on, the US, long a staunch supporter of anti-communist authoritarianism in the Third World, adopted a more positive attitude to facilitating democracy. From the mid-1980s, the US found itself increasingly forced to take sides against political clients in their moments of crisis: Marcos in the Philippines, Chun Doo Hwan in Korea, Duvalier in Haiti, Pinochet in Chile and Stroessner in Paraguay. Paradoxically, Jeanne Kirkpatrick, former US Ambassador to the United Nations, established a doctrine of double standards on authoritarianism which justified US support for capitalist authoritarianism in the context of Cold War rivalry. This doctrine eventually gave way to a pragmatic preference to replace certain client authoritarians with 'democratic' successors. US policy was most successful in its own sphere of interest, that is, its so-called 'backyard' in the Caribbean, Central America and indeed throughout Latin America. By the end of 1989, the dictatorships of Latin America, many originally put in place with US help and afterwards supported by it against their own people, had virtually all been replaced by 'democratic' governments. In Central America, by 1990, there had been an overall consolidation of power by conservative civilian governments: Cristiani and the Nationalist Republican Alliance (ARENA) in El Salvador, Chamorro and the United Nicaraguan Opposition (UNO) in Nicaragua, Callejas in Honduras, Calderon in Costa Rica, and Serrano in Guatemala.

Still, the new sympathy for democracy was only one aspect of a larger policy shift. The Reagan Doctrine exemplified an aggressive foreign policy posture designed to halt any further progress of revolutionary forces anywhere in the world and, beyond that, to roll back revolution wherever feasible through various forms of covert or overt intervention (cf. Halliday 1987). The 'Second' Cold War, during which the US greatly increased military spending (and in the process national debt) was partly aimed at achieving victory in superpower rivalry through Soviet default. The US correctly reasoned that the Achilles heel of the Soviet Union was its economic base. After decades of 'stagnation', the Soviet economy could not stand the strain of increased military competition at home and abroad. It was eventually compelled by circumstances to make deep and thoroughgoing changes, as well as important political concessions to the

United States, particularly on a range of strategic issues and in ongoing Third World conflicts.

Taken together, these strands of policy form a coherent whole. The US was on the defensive throughout the 1970s, as a wave of revolutions swept the Third World and American economic and political leadership came under challenge from rivals and partners alike. Few perhaps realise how threatened the US felt as the international system in the mid-1970s seemed to be on the verge of a radical shift in the relations of power. The New International Economic Order (NIEO) was the Third World's reform programme aimed at improving the terms of trade and achieving the 'democratisation of international relations'. US Secretary of State Henry Kissinger first formulated the US response in an attempt to drive wedges into the Group of 77 (G-77) and the Non-Aligned Movement, the vanguard Third World organisations in the battle for a NIEO. However, the initial thrust of the US counteroffensive was somewhat blunted during the years of the Carter presidency, with its tolerance for sustaining a North-South dialogue and the policy of 'human rights'. In the 1980s, under Reagan's leadership, the US returned to the offensive. Reagan unilaterally pronounced the definitive death of the NIEO at the summit with selected Third World leaders held in Cancun, Mexico. The global economic reform agenda proposed by the G-77 and the Non-Aligned Movement was defeated and replaced by an agenda of resubordination of the Third World to the First World, relying on austerity measures, debt servicing, privatisation, economic liberalisation and structural adjustment, promoted by the US via the IMF, the World Bank, and the Group of Seven Industrialised Countries.

The US jubilantly greets the new democratic governments and hails them as milestones or triumphs, but its support does not come free. The new regimes must satisfy certain conditions if they expect continued smooth relations with the US. The US applies continuous monitoring and pressure *vis-à-vis* these governments. Low Intensity Democracy regimes may actually be more susceptible to US pressures than their predecessors, particularly where economic policy is concerned.

With 'legitimacy' achieved, US aid may be increased or restored and new opportunities may open with other diplomatic and trade partners. For Central American regimes, democratisation meant rehabilitation in the US Congress and renewal of American aid. For South Korea it smoothed the way to expanded diplomatic and trade relations with the communist states and entry into the UN, but South Korea was also subject to heavy US pressure to open its markets and liberalise controls on financial services.

Low Intensity Democracy complemented the economic policy offensive managed principally by the IMF, one of the key goals of which was to break down political barriers to the further transnationalisation of capital. IMF policies replaced the prospect of debt relief with that of perpetual debt service, despite the fact that many debtors repaid the amount of the principal several times over. In the process, much of the Third World lost an entire decade, and a human generation, to servicing the debt. The social and political results in many parts of the Third World were a toxic cocktail of absolute decline in living standards for the majority, growth in inequality and social instability, and massive transfer of wealth from the poor to the rich both within the countries of the South and between them and the rich in the North (cf. George 1988). The global economic crisis extended to the former Second World. The fall of communist party governments at the end of the 1980s can be understood as a political culmination of some 20 years of gradual economic re-incorporation of these countries into the capitalist world economy (Frank, 1980; Chase-Dunn 1982), and as the political preparation for a final stage of reincorporation.

Thus, when US Secretary of State James Baker defined the post Cold War mission of the US as the 'promotion and consolidation of democracy' in March 1990, he presumably included both the old Third World and the newly Third-Worldised former Second World. According to Roger Burbach (Burbach, Chapter 5, this volume) 'the United States is caught in a fundamental dilemma between its declared support for democracy and its perception of its economic needs and interests abroad.' Whilst the Cold War still raged, Reagan's support of counter-revolutionary movements in the Third World in the name of democracy, such as the Contras in Nicaragua, succeeded in 'wedding the concept of democracy to anti-communist campaigns around the globe'. The US went a step further under President Bush, by moving from a limited policy of acting through proxies, to that of direct US military intervention, though still within the constraints imposed on interventionism by the Vietnam Syndrome. The invasion of Grenada and the air raid on Libya established the momentum for the dramatic invasion of Panama during Christmas 1989. The success of the military campaign against Noriega, in turn, set the stage for Operation Desert Storm in Kuwait and Iraq.

Yet, the 1980s were a decade of economic failure and largely pyrrhic victories for the US in its quest for democracy. The new democracies of Latin America remain extremely fragile and threatened by political upheaval. Burbach argues that 'If there is one lesson that emerges from the 1980s in the countries to the south of the United

States, it is that the much lauded policy of neoliberal economics has not strengthened democratic institutions' (Burbach, Chapter 5, this volume). The IMF's policies of austerity and liberalisation were an ideological ploy that, in the name of economic efficiency, had the real effect of spreading economic disorder and fomenting social and political upheaval, thus sowing the seeds of a future crisis of 'ungovernability'. The coup in Peru in April 1992, the earlier aborted coup in Venezuela in February 1992, and the overthrow of President Aristide in Haiti in 1991 all illustrate the potential for reversal in such a serious crisis environment.

The next item on the neoliberal economic agenda is the 'Initiative for the Americas' announced by President Bush in December 1990. This is what the US calls its plan for a free trade zone, or dollar bloc, that will encompass the whole of the western hemisphere. Critics argue that the implications of the free trade zone for democracy in the hemisphere are largely adverse (cf. Cavanagh *et al.* 1992). Economic bloc formation is antithetical to real democratisation because of the underlying logic of capitalist economics as

US capital unfettered in the hemisphere will seek out the cheapest labour markets, undermining already weak trade unions, and decimate many industries that are now located in the more advanced countries ... The Initiative will concentrate economic power even more throughout the hemisphere, lead to the intensified exploitation of workers, and undermine rather than sustain whatever democratic institutions may exist. (Burbach, Chapter 5, this volume.)

Like the other global manifestations of US neoliberal economic policy, the free trade zone/dollar bloc is conceived to promote US economic interests and not to build democracy or alleviate poverty and economic deprivation.

Economic and political reform and restructuring of bank debt in several Latin American countries in the later part of the 1980s and early 1990s has produced very mixed results. It is true that capital has begun to flow back to some major Latin American countries since 1990, much of it returning flight capital attracted back home by high domestic interest rates resulting from tight monetary policies, widespread implementation of privatisation plans and austerity budgets. Trade liberalisation has further undermined the basis of the old national protected import-substitution industries. This has been accompanied by liberalisation of controls on capital movement. The upshot of these measures has been stimulation to capital to return

on the one hand, and a move towards continental free trade arrangements on the other. Thus, these free trade arrangements presage the transcending of the limitations of national markets on economic growth in favour of continental markets. This trend seems to favour far-reaching corporate restructuring in order to exploit these new market conditions. All this amounts to what the *Financial Times* refers to as 'an investment bankers' paradise' (*Financial Times*, 6 April 1992), which is already being expressed in heightened investor expectation of higher economic growth, and thus higher profits, following the economic reforms. President Bush's administration interpreted these reforms as welcome prerequisites for fulfilling the ambitious goals of the hemispheric free trade zone. As of spring 1992, the US had signed framework agreements with 31 governments in the hemisphere, envisaged as possibly the first stage on the road to the hemispheric free trade zone after consolidation of agreements with Canada and Mexico. However, the real signs of economic recovery in Latin America are weak. Despite the trend since 1987 for an increase in foreign direct investment and portfolio investment in the region, and the initiatives of James Baker to reduce the debt burden and renew capital flows, the debt service burden (the ratio of debt service payments to exports) has begun to increase again, from 26 per cent in 1990 to 30 per cent in 1991. Average per capita output in Latin America remains at the level of the late 1970s, reflecting over a decade of steady economic decline. Modest economic growth of an average of 2.7 per cent in 1991 has indeed been stimulated, but is hardly sufficient to warrant great enthusiasm given population growth rates and the long term economic decline mentioned above.

The Inter-American Development Bank recognised in its 1992 annual report that Latin America continued to suffer 'severe social problems' stemming from high levels of unemployment, depressed incomes and poor provision of social services. The region suffers from decline in demand from a recession-ridden industrial world, continuing decline in commodity prices on the world markets and still worsening terms of trade. Hardly the preconditions for stable democracy.

Africa too is in the midst of a wave of popular unrest that may lead to democratisation. The demise of one-party states of all ideological persuasions and the dismantling of large public sectors is firmly on the agenda. The attraction of multiparty systems has emerged as a potential continental trend as a series of dictatorships have been either toppled or forced to share power with opponents. When the Berlin Wall came down in late 1989, some 30 out of 45 sub-Saharan African states were under either one-party rule or military government. Though initially it looked as though perhaps most of these regimes

would be toppled, by mid-1992 the momentum of the democratisation wave seemed to be lessening. In West Africa, for instance, in two years of constant popular unrest only four authoritarian regimes were removed from power, and in only one of these, Kerekou in Benin, did rulers lose power through elections.

Africa's economic crisis, carried over from the 'lost decade' in the 1980s, is probably the most acute in the Third World. Africa, more visibly and sharply than elsewhere, suffered an absolute decline in living standards. Despite the checkered instances of 'success' in privatisation, liberalisation and stabilisation under IMF auspices; despite the five-year special UN economic recovery programme for Africa; in August 1991, the then UN Secretary-General Perez de Cuellar sparked off a new debate on the failure of African development. His report predicted Africa would descend yet further into an 'unrelenting crisis of tragic proportions' due primarily to adverse *external* circumstances – unless drastic measures were taken to relieve the pressure of debt and provide new capital for investment. The report chronicled a worsening crisis: collapsing real wages, acute deterioration of social services, rapidly rising unemployment, falling foreign exchange earnings due to downward pressure on commodity prices of African exports, and so on. Most surprisingly, the UN cites the IMF/World Bank austerity and adjustment policies as key factors accelerating the general deterioration they were supposed to reverse. Yet, by late 1991 the US had rewarded eight African states that fully accepted adjustment programmes, writing off several hundred million dollars of their debts.

Indeed, the past two decades of economic failure under authoritarian regimes in Africa are a direct cause of the present wave of political rebellion throughout the continent under the slogans of democratisation and multipartyism. Ironically, whereas Western powers were long complacent about and often supportive of authoritarian regimes in Africa, they now generally view their removal as a prerequisite for the success of the economic liberalisation and stabilisation they promote. Yet, the overthrow of established regimes in Africa (and elsewhere) is not always followed by stability. For instance, the US tolerated the overthrow of Samuel Doe in Liberia, leaving that country in a state of near anarchy. And nowhere has the spectre of anarchy in the aftermath of the Cold War been more pronounced than in Somalia. Rather than a transition to democracy and progress, Somalia after the overthrow of Said Barre has descended into nightmarish chaos. A number of other African countries must be wary to avoid a similar descent into chaos and political disintegration in the future.

However, in some cases Western powers are less enthusiastic actively to promote democratisation and are more keen to preserve

their interests and stability. For instance, though the US cut aid to Mobutu's embattled regime in Zaire and France sent a small military force there in September 1991 and made progress toward democratisation a precondition for further aid, Mobutu successfully delayed the progress of the national political conference. Zaire remains important to the US and the West, both in terms of geopolitics and by virtue of its natural resources. It is doubtful that the US or other Western powers would like to take the risk of Zaire descending into a crisis of ungovernability or disintegration after the overthrow of Mobutu. By contrast, in nearby Angola the US, then still tacitly backing the National Union for the Total Independence of Angola (UNITA) against the Marxist Popular Movement for the Liberation of Angola (MPLA) regime, continuously pressed for early national elections.

France initially favoured national conferences to be convened to establish new multiparty systems in Francophone countries, and suggested that progress towards democratisation would influence France's aid policies. Such national conferences have now taken place in many of the Francophone countries. France exerted direct pressure on recalcitrant rulers such as President Ratsiraka in Madagascar, but was less forthright in places such as Togo or the Ivory Coast, or anywhere else France felt vital interests were at stake. By mid-1992 France reconsidered the policy of active promotion of national conferences as the preferred avenue to multipartyism, in favour of a policy openly preferring the virtue of stability. France's about-face was a reaction to the instability already created by previous national conferences, including increased tribal conflict and military unrest, leading to the prospect of ungovernability. The remaining repressive regimes in former French colonies in West and Central Africa were thereby given a signal that repression of the democratic opposition might be seen as preferable to the risk of instability.

An initially reluctant Britain publicly chided Kenya's President Daniel Arap Moi, stressing that he should 'respect popular aspirations for democratic participation'. In November 1991, Western donors suspended US\$800 million in aid to Kenya, which resulted in Kenya announcing multiparty elections. However, President Moi set no date for these elections and continued harassment of the opposition, especially the main party, the Forum for the Restoration of Democracy (FORD). In Nigeria, the military government of President Baban Gida arrested leaders of the new Campaign for Democracy in mid-1992, and refused to accept the outcome of elections in October 1992.

The trend in Africa seemed by mid-1992 to be back towards repression of the democratic opposition. The outcome of the

democratisation process in Africa is very much in doubt and it is far too soon to predict whether multipartyism may be eventually consolidated or whether political conflict and instability will increase. Partly as a consequence of this political situation, the prospects for sustained economic recovery in Africa are equally uncertain and perhaps even more bleak.

The democratisation of Pacific Asia is in a different category since its economic base is quite distinctive from the Latin American and African cases. With the exception of the Philippines, recent democratisation in East Asia has come on the heels of rapid economic growth. This is certainly the case in South Korea and Taiwan, which have both gradually retreated from open authoritarian rule on the strength of sustained economic growth over the past three decades. The case of Thailand, however illustrates how fragile formal democracy remains in South-East Asia. Reversal from 'democracy' to military coup and then back to 'democracy' still characterises politics in Thailand, where the real power remains the military elite, aided by corrupt politicians. In Indonesia, only the most transparent of formal democracies has been tolerated by the ruling elite, as illustrated in the national elections of mid-1992. The military remains the real power. In the Philippines, formal democracy has produced a new quasi-military regime in the shape of the presidency of General Fidel Ramos, a former Marcos loyalist who previously headed the Philippine Constabulary. Thus, the progress of democratisation seems far from advanced in East Asia, and continues to embody deep compromises with the military establishment throughout the region along with a commitment by elites to preserve the status quo. Foremost in that status quo is the commitment to economic growth and to protecting the vested interests of powerful domestic and foreign economic elites. Another distinctive feature of the region is the fact that communist party regimes have not succumbed, and thus there is no post-communist democratisation along the lines of Eastern Europe and the former USSR. Economics is in command, however, in the communist as well as in the capitalist states of Asia, and so democratisation and multipartyism are firmly ruled out in such countries as China, North Korea and Vietnam.

### **Democracy, Global Capitalism and the New World Order**

Where some see a sharp turn in events in the dawning of the so-called 'New World Order,' others see continuity. President Bush's attempt to deploy this concept seems to have met with little success. The reality of the Old World Order remains, now largely devoid of the old

rhetorical framework of Cold War ideological rivalry. In the Old/New World Order, under the auspices of American hegemonic power, the Third World is subordinated in the international division of labour as a source of raw materials and cheaper manufactured commodities, and as a market. The elites in the Third World – the oligarchies, the business community and the military who serve US and foreign interests (as well as their own) – are relied upon to control their local populations (Chomsky, Chapter 4, this volume). Repression is often acceptable to the United States just as 'stability' is preferred by Western bankers. In the past, both the global hegemonic power holders and the international financial elite agreed that a repressive anti-communist regime in the Third World was normally preferable to reformist governments that were 'soft on (domestic) communism.' In reality, the primary threat to US interests was not communism, but rather any nationalistic regime responsive to popular demands for immediate improvement in standards of living and which therefore interfered with US efforts to encourage private investment and repatriation of profits. Thus Arbenz in Guatemala in 1954, Mossadeq in Iran in 1953, Sukarno in Indonesia in 1965 and Allende in Chile in 1973, to name only a few, all fell under the CIA's ambit to destroy nationalistic regimes and replace them by compliant authoritarian regimes.

Yet, the US eventually embarked upon a 'crusade for democracy'. Especially in Central America, this was accompanied by state-sponsored campaigns of murder, torture and general barbarism. In most cases this war was waged from 'within' by the military and paramilitary death squads. The main exception was Nicaragua, where the US waged a war of terror across borders to destabilise democracy in the name of anti-communism. In reality, the US viewed Nicaragua's form of democracy as a threat to the region, while it heaped fulsome praise on the elite conservative 'democracies' that it promoted in the rest of Central America. Now Nicaragua is descending further into a crisis of ungovernability, while the US seems largely uninterested. At best, the US tolerated, and at worst directly promoted the most grotesque abuses of human rights in recent history throughout Central America. Probably no other region on earth has suffered as much economic and social damage in the past decade as Central America during this decade of pacification and so-called 'democratisation'. The extreme concentration of wealth and widespread abject poverty that characterises the region remains, as does the institutionalised power of the military behind the new democratic facades. By 1991 the region was in the happy state wherein all five Central American presidents revealed in the Declaration of Antigua that



they were 'committed to free-market economics' and have abandoned land reform or welfare policy for the poor in favour of a trickle-down approach that does not threaten the basic economic power structure.

In reality, the so-called 'New' World Order began to emerge some 20 years ago as the bipolar configuration of global power (the US and USSR) gave way to the emerging tripolar configuration (the US, Germany, Japan) and the world economy entered a period of crisis. With the recent fall of communism in Europe the '70 Years' Crisis' may be over (Cumings 1991) but this does not mean that US interventionism will now cease. During the Cold War the US and other capitalist powers used the threat of communism as a pretext for intervention in pursuit of their own interests. Now that Soviet power has collapsed, the deterrent to US intervention has disappeared. The existence of Soviet power was a restraining factor upon the uses of US military power in some if not all past instances. It is generally acknowledged that Operation Desert Storm in 1991 could not have occurred under the old Cold War relations of power. Nevertheless, although there is now only one superpower in military terms, multinational interventionism dominates the public debate concerning the future of Western security strategy. There is much discussion of 'turning NATO' to out-of-area operations undertaken by multinational rapid deployment forces. This American-inspired proposal is also being discussed by European powers seeking a new foreign and defence policy role for the European Community, perhaps via the Western European Union. The Gulf War caused a near constitutional crisis in both Germany and Japan over the question of foreign intervention. Its aftermath may witness an increase in Japanese and German participation in multinational interventionism. Japan has already passed legislation allowing its troops to serve in UN peacekeeping operations, and there has been serious debate over Germany's role in the civil war in the former Yugoslavia after 1992.

The policies of the IMF and the free trade agenda reflected in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) will have the effect of restricting Third World governments 'to a police function to control their working classes and superfluous populations, while transnational corporations gain free access to their resources and monopolise new technology and global investment and production' (Chomsky, Chapter 4, this volume). The bloated military budgets of Third World states are typically held inviolate from the cuts that ravage social expenditure under IMF structural adjustment programmes. While economic sovereignty is stripped away from the states of the Third World, the state itself, and particularly the apparatus of repression, is left intact as a means of

indirect rule by the North over the South. Where such indirect means of control prove insufficient to maintain the necessary 'order' either the new multinational or US unilateral intervention will be employed.

Economic sovereignty in the emerging world order is even more compromised than previously. In a world dominated by international capitalism, the most important decisions – those on the economy – are beyond the control of national power holders (Frank, Chapter 2, this volume). Under these conditions, democracy is impossible. Andre Gunder Frank argues that recent history illustrates the policy irrelevance of political ideology given the all-pervading realities of the world economy. For example, throughout the 1970s and 1980s many communist governments followed the same export/import led growth strategies and debt service policies as other authoritarian governments in the Third World and their 'democratic' successor governments. Rather than a sharp break in policy in the 'socialist' East, there is real continuity. The new democracies merely accelerate a process already over two decades in the making. This process can be explained by reference to the exigencies of competition in the world economy. None of the communist states was able to break away from or overcome the constraints of competition in the world economy through 'socialist national development' policies. Instead, the legacy was both an absolute decline in standards of living and a relative decline *vis-à-vis* Western capitalist states and the East Asian newly industrialising countries (NICs).

It is not wise nor necessary to conflate the democratisation processes of the post-communist regimes of Europe with those of the Third World, nor of these with the First World. These three zones of the global political economy still retain distinctive characteristics that caution against too much generalisation. Nevertheless, in a single global economic system their domestic political and economic processes become ever more interrelated. There is a 'crisis of democracy' in the world today as much as there is an opportunity for democracy. All states, in all three zones of the world economy, face increasing economic competition at the international level, and are beset by mounting social tensions with which they are less and less able to deal effectively, using the traditional national policy tools at their disposal.

Rather than advance in the GATT towards a fully liberal world economy, the more realistic prospect is continued growth of managed trade and growing tension in the GATT liberal trading regime between the emergent economic blocs. Politically this may mean the reconstruction of spheres of influence by each of the core powers in their

respective regions. For the periphery, this holds out the threatening prospect of new forms of incorporation and subordination to the core. Roughly speaking, this redivision of the world into blocs would entail appending Latin America and the Middle East to the US sphere; Africa, the Mediterranean and Eastern Europe to the German/EC sphere; and Pacific Asia to Japan's sphere. Areas that do not quite 'fit' into this neat scheme are Central Asia, South Asia and the emerging powerhouse known as 'Greater China', which includes Taiwan, Singapore, South China and the Chinese diaspora communities in South-East Asia. This is a portrait of a world divided into regional hegemonic spheres; quite distinctive in character from the previous Pax Americana.

Perhaps nowhere else at present is this particular crisis/opportunity problematic more poignant than in Eastern Europe and the former Soviet Union. Post-communist Eastern Europe is now faced with the real prospect of becoming a 'victim' of the imperative to achieve efficiency and competitiveness in the international division of labour within the capitalist world market. Poland, which led the way in the revolutionary wave that swept the region in 1989, has already been economically Latin Americanised and politically paralysed in a crisis of unmanageability. Poland, like most of the other East European states, now has no political or economic alternative to IMF austerity. The current 'privatisation craze' in Eastern Europe (and in the former USSR as well, particularly Russia), can be viewed as ideologically driven rather than economically rational. The net effect will almost certainly be an increase in real poverty and inequality, and an inevitable increase in social tension (Frank, Chapter 2, this volume). Politically, the panacea sought by virtually all the Eastern European regimes is membership of the EC, by which they hope both to get a better deal economically and to safeguard their sovereignty. This road is obviously attractive, but the question is how many will get it, and how soon? The delay of a decade, which seems likely, means that in the short term conditions may worsen and instability increase.

Will such an outcome be conducive to democracy? Burbach regards the revolutions of Eastern Europe as 'aborted revolutions' and maintains that 'in Eastern Europe the Bush administration did little to strengthen or build authentic democratic institutions' (Burbach, Chapter 5, this volume). Despite all the public assurance that the West will not intervene in the internal affairs of these states, the West may be accused of supporting conservative political forces in the region, and pushing those who support neoliberal economic policies. Beyond the immediate transition period, the severity of the economic, social, political and ideological crisis in Eastern Europe and the former

Soviet Union raises the spectre of neo-authoritarianism amid resurgent nationalism and regionalism. As in much of the Third World, which these countries are now joining, the current democratisation of Eastern Europe and the former USSR may prove in the end to be a phase rather than the ultimate destination of history. That is, *democracy may be a transitional regime* between one form of authoritarianism (communism) and another form of authoritarianism (Low Intensity Capitalism).

### **The Political Pattern of Low Intensity Democracies**

All four case studies (Argentina, Guatemala, the Philippines and South Korea) demonstrate that democracy as understood in the West is basically incompatible with societies characterised by extreme concentration of wealth in the hands of a tiny elite. In all four cases, the new democracy is compromised by, if not subservient to, the established power structure. Consequently, the status quo is protected while progressive reform is obstructed. Democratisation remains confined to the level of formal electoral participation. This cosmetic democratisation brings some limited change in civil and human rights and widens the legal space in which popular mobilisation for change can take place. But repression and abuse of human rights continue, usually against the familiar targets of labour, students, the Left and human rights activists.

Low Intensity Democracy is a fragile political system. Its fragility stems from two sources. On the one hand, the new democratic order widens the space for popular mobilisation and therefore raises the possibility of increased social instability as radical demands threatening the establishment are articulated. On the other hand, the military hovers over the scene as a grey eminence, always suspicious of the lessening of social control and the consequent threat to established interests. The military wields a silent veto over the extent of change permissible under Low Intensity Democracy. The conservative leaders of the democracies must constantly look over their shoulders to the barracks and the officers' club. Thus, the new democratic order is threatened with destabilisation from both the Left and the Right. It is therefore logical that these conservative regimes typically present themselves as moderates or centrists.

Their leanings are, however, distinctively to the Right and to ruling coalitions with the military. The civilian conservative government is usually a willing accomplice to the military. Together,

they and the business elite form a hegemonic bloc. The difference between the previous dictatorships and the new 'democratic' regime lies in the relationship between these three fractions of the elite. Whereas in the past the military may have been overtly in control of the ruling coalition, under democratic regimes conservative politicians take the lead, closely backed by the business community (including agribusiness) with the electoral support of the middle class(es). This change in the configuration of intra-elite power is also one of the causes of democratisation, as the business elite asserts increasing autonomy from the state.

In the Philippines, the military actually gained more power as a direct consequence of the democratic transition. In South Korea, 'civilianised' military governments have been the norm since the military *coup d'état* of 1961. The Noh Tae Woo government stood in this tradition, being presided over by a former general. In Guatemala the military remained in control throughout the 'democratic' period, and counterinsurgency and the suppression of the Left continue. Richard Wilson argues that there is a cycle of Low Intensity Conflict and war which operates independently of any regime type in Guatemala (Wilson, Chapter 6, this volume). The military remains the power behind the throne and retains full autonomy in dealing with the insurgency in the countryside. Indeed, so anxious are the conservative politicians in Guatemala to be the 'willing accomplice' of the military, that the military was allowed to proclaim its own amnesty and view 'democracy' as the 'final stage of counterinsurgency'. The civilian government defines its economic and social policies so as not to provoke either a military coup or a confrontation with the oligarchy. The ruling conservatives continued the repressive anti-labour policies of their military predecessors, while death squads declared 'open season' on trade unionists and student leaders.

A further distinction between these four cases is the extent to which the elite ruling coalition incorporates popular strata. In some, labour in particular continues to be excluded, as in South Korea and Guatemala, while in others, for example Argentina, labour is part of the ruling coalition. Miguel Teubal argues that the shift from the middle-class Radical Party government to the working-class Justicialista (Peronist) Party government in 1989 did not bring a change in policy parallel to the putative shift in class base of the ruling party (Teubal, Chapter 7, this volume). Instead, President Menem 'fell into line' with the establishment and followed a 'responsible economic policy' geared to maintaining 'stability'. Menem's promises of reform, made in the heat of electoral contest, evaporated in an abrupt *volte face* that included a blanket pardon or *indulto* for the military. Menem turned

his back on the popular sectors in favour of the economic and financial elite and foreign capital. He imposed harsh austerity measures and pushed liberalisation, while dropping progressive reforms. The IMF rewarded Menem with a new loan of US\$1 billion, citing the 'success' of his privatisation and austerity measures. Menem reciprocated by showing his eagerness to join the New World Order. He abruptly took Argentina out of the Non-Aligned Movement, declaring that Argentina now belongs to a 'single world ... a new juridical, political, social and economic order', led by the US. Few leaders have shown such unbridled enthusiasm. Despite certain exceptions, Latin America and East Asia have distinctive populist traditions. Whereas labour has at various times and in various countries been part of the ruling coalition in Latin America over a period of decades, the export-oriented national security states of East Asia, like South Korea and Taiwan, have permanently excluded labour from participation in power (Deyo 1989; Ogle 1990; Bello and Rosentfeld 1990). These separate historical experiences continue to differentiate the two regions under Low Intensity Democracy. In South Korea, labour continues to be excluded from full participation in the political system. In Latin American cases, democratisation had a much less dramatic impact on the potential political role of labour.

The onset of formal representative government changes the conditions under which labour and other popular movements must operate. The pattern emerging from the four cases can be summed up under the headings (mobilisation and realignment). Mobilisation consists of strengthening and broadening organisational work, outside the electoral arena. The growth of new popular organisations is facilitated by the political opening and the wider legal space available, despite continuing use of repression by the authorities. This may take the form of newly democratic and independent trade unions that break free of corporatist frameworks, as in South Korea, or extend into new social areas such as the environment and peace, 'citizens' rights' and women's issues. The growth and strengthening of these popular organisations are an indication of the emergence of a nascent democratic culture, but one which is in all cases peripheral to the centre of power.

As social movements grow and the opportunity presented by electoral competition widens, the progressive movement undergoes a period of realignment. Under authoritarianism the 'opposition' is often composed of a broad coalition of forces, in which the middle class(es) is usually allied with the working class, the urban poor and the peasantry. When formal democracy is achieved, the alliance between the middle class and other popular sectors usually comes

under considerable strain. The middle class is satisfied by limited formal democracy and demobilises, realigning its political support to centrist and conservative political parties and politicians. This realignment reinforces the position of the ruling coalition and the pursuit of conservative economic and social policies that preserve the distribution of economic power. A 'dictatorship' over the working class and other popular sectors continues under the form of democracy with the implicit blessing of the complacent middle class(es). This 'dictatorship' usually takes the form of a strengthened presidential office at the expense of greater power to the popularly elected parliamentary representatives. Real power and government authority continue to reside in the President and the administration, implemented through the bureaucracy and ultimately reinforced by the military and the police. This is because the legislature would be the locus of any attempt at reform.

The onset of formal democracy always challenges progressive social movements to choose whether or not to form political parties and participate in mainstream electoral contests. A political party is an entirely different political animal from a social movement. This dilemma inevitably leads to intense political debate and usually to splits. New coalitions are formed as realignment proceeds. Two broad wings emerge: one oriented to electoral competition, the other extra-parliamentary, usually allied either tacitly or openly to an underground movement. The strategy and tactics of these two wings of the popular movement differ considerably. These differences, augmenting the continuing ideological differences within and between the two wings, contribute to a fragmentation of forces. However, a countervailing trend emerges to form national and broad popular coalitions by both wings. Low Intensity Democracy can therefore be characterised as a new stage in the long war of position between the elite and popular forces preparing the ground for a new form of political competition between them; one in which the social power of popular movements will increasingly challenge the status quo dominated by the conservative ruling coalition. However, the real social power of the progressive movements still remains limited and circumscribed by the continued repressive power of the state. Risking open confrontation with the state and the elite from such a position of weakness is dangerous whatever the temptations to do so.

For the underground and insurgent movements, the effect of realignment may be profound. Armed struggle may come to be viewed primarily as a means of improving one's position in political negotiations with the government, rather than as a strategy to achieve state power. In this strategic shift, the armed struggle becomes

a means of forcing constitutional concessions from the elite that will widen the juridical space for the Left and thus break the mould of political culture, allowing the Left's political parties to compete on more equal terms with the conservatives. This is essentially what happened in El Salvador in 1992, when Farabundo Marti National Liberation Front (FMLN) leader Joaquin Villalobos led the insurgents into Copaz, a national commission responsible for monitoring the peace accords between the government and the FMLN. This is not a strategy of capitulation. On the contrary, it reflects the heightened politicisation of class conflict under the new conditions. For example, when the M-19 guerrillas in Colombia laid down their arms in early 1990 they immediately became the country's most popular political party in constituent assembly elections later in the year. In El Salvador, the FMLN hopes to emulate this achievement in time for the presidential elections of 1994. A negotiated political settlement to armed conflict poses dilemmas not only to revolutionary armed groups but also to ruling governments. In El Salvador, the Cristiani government had to overcome the opposition of the military in order to advance the peace process. A similar process is under way in Guatemala and, at a much earlier stage, in the Philippines, where newly inaugurated President Fidel Ramos promised fresh negotiations with the insurgents and a possible amnesty.

The realignment process also includes the Right, which seeks to exploit the democratic form and forge an electoral advantage that will keep conservatives in power. The Right always operates through political parties, since social movements are essentially antithetical to its aims. From the Right's point of view the ideal Low Intensity Democracy creates dominant conservative parties that retain power and thereby provide 'stability', that is, preservation of the economic status quo. The conservatives, however, are sometimes bedevilled by competition among themselves for the electoral spoils of power. Nevertheless, their access to political funds from business and their close ties to the state and the economic elite give them a built-in electoral advantage over their financially and politically marginal progressive rivals. This hegemonic position of conservatives usually elicits a paradoxical outcome of 'democracy' – widespread voter apathy and alienation. As people realise that the electoral road is limited in what it can provide under the circumstances of continued conservative domination of society, they drop out of the electoral arena. Initially immense enthusiasm for the prospect of electoral participation soon becomes equally immense disillusion with the system. Political parties do not lead to genuine popular participation. On the

contrary they usually encourage clientelism and operate as elite-run electoral machines.

Even so, the general legacy of political culture after decades of authoritarianism is a peculiar one. So much so that any electoral succession is itself considered as a great achievement of the new regimes – far preferable to the *coup d'état*. When one elected civilian succeeds another, it is hailed as nothing less than a historic triumph for democracy. When Menem succeeded Alfonsín in Argentina in 1989, it was the first such peaceful transition in decades. When Serrano succeeded Cerezo in Guatemala in 1991, this too was a first. In South Korea, when former General Noh Tae Woo succeeded former General Chun Doo Hwan in the office of President in 1988, this was hailed by the establishment as a historic first 'peaceful transfer of power'. This achievement of electoral succession is often presented as proof of the new 'maturity' of the political culture, rather than conservatism by another name.

The typical political pattern in these four cases is an early 'liberal' phase of the democracy, in which reform is promised and the level of repression decreases. Scores are settled with the old regime and the popular movements are encouraged to demobilise as the professional politicians take the initiative in 'normal' political culture. In the second, 'repressive' phase, promises of reform prove hollow and the regime imposes a conservative economic policy which protects the interests of the established elites, both domestic and foreign. Not only are socioeconomic reforms abandoned, but externally imposed structural adjustment policies intensify exploitation of the lower classes and widen the gap between the rich and the poor. The level of overt repression against popular movements and labour increases, and these forces are excluded from influence in government. New compromises are struck with the military and the Right, explicitly exonerating them from past misconduct and reassuring them of their role.

Low Intensity Democracy is designed to promote stability. However, it is usually accompanied by neoliberal economic policies designed to restore economic growth. This usually accentuates economic hardship for the less privileged and deepens the short-term structural effects of economic crisis as the economy opens further to the competitive winds of the world market and global capital. The pains of economic adjustment are supposed to be temporary, preparing the society to proceed to a higher stage of development. The temporary economic suffering of the majority is further supposed to be balanced by the benefits of a freer democratic political culture. But unfortunately for them, the poor and dispossessed cannot eat votes! In such

circumstances, Low Intensity Democracy may 'work' in the short term, primarily as a strategy to reduce political tension, but is fragile in the long term, due to its inability to redress fundamental political and economic problems.

In this volume, Rocamora (Chapter 8) describes how in the Philippines the failure of the democratic experiment can be attributed either to President Corazon Aquino's inability to break out of the confines of the existing power structures or to her own upper-class background. Her emergence as the figurehead of the anti-dictatorship movement signified a shift from Centre-Left to Centre-Right, assuring continuity with the policies of the Marcos era. Despite punitive measures against the Marcos-era 'crony capitalists', her regime revived the power of the traditional oligarchy, which dominates electoral politics at both local and national levels. In the initial, liberal, phase of her government, Aquino placed leading liberals and reformists in the cabinet, alongside conservatives in key positions, considered land reform and repeal of repressive labour laws, and sought negotiations with the insurgent New People's Army. In the following repressive phase, Aquino abandoned the liberals in the cabinet, dropped land reform and labour legislation, unleashed a wave of police, military and vigilante terror, and reversed course on negotiations with the National Democratic Front. Thereafter, her regime became hostage to the restive military (Rocamora, Chapter 8, this volume). National elections in spring 1992 demonstrated that though the power of the oligarchic families had been considerably revived it was still not sufficient to prevent the victory of General Fidel Ramos on a mere 23.5 per cent of the vote. Ramos, though a former Marcos man and more conservative and openly pro-American than Mrs Aquino, won legitimacy by having repeatedly 'saved' democracy and the Aquino presidency from military rebels and by timely posing as a 'democrat' supported by Mrs Aquino.

According to Gills' analysis (Chapter 9, this volume) of South Korea, economic growth was the indispensable prerequisite for 'democratisation' there. The transition from authoritarian rule to formal electoral democracy was accepted by the elite as being instrumental in upgrading the national economy to a skill- and capital-intensive structure capable of sustaining high levels of growth in an increasingly competitive international environment. Throughout the 1970s and 1980s, state-led economic development nurtured a powerful set of business groups, the *chaebol*, which dominate the Korean economy. Democratisation was part of the adjustment of power relations between fractions of the elite: the military lost its exclusive dominant position in the ruling coalition and was forced to share

power with big business and conservative politicians. General Noh Tae Woo successfully posed as a 'democrat' and announced the 'era of the common man', winning the presidency against a split opposition. This realignment in the ruling coalition did not, however, extend to incorporation of popular sectors, especially labour, which continued to be excluded from power. Predictably, most of the middle class offered its political allegiance to the new conservative parties. After the initial liberal phase, during which the regime promised greater freedom and improved living standards, the regime returned to repression, particularly against the Left, students and labour, and abandoned meaningful reform, including measures aimed at reducing the immense power of the *chaebol* in the economy. A realignment among conservatives produced a new ruling party, the Democratic Liberals, marginalising the remaining mainstream opposition and confounding the purposes of electoral competition in the quest for permanent hegemony (Gills, Chapter 9, this volume).

Despite what may seem to be major changes, precious little real change occurs under a regime of Low Intensity Democracy. The maxim of the 'enlightened' elite is that 'the more things change, the more they stay the same.' Low Intensity Democracy's effectiveness is its ability to implement limited and carefully selected agendas of change. It purports to open a hot pressure cooker without getting scalded. When steam is let off slowly and carefully it cools the whole thing down a bit and makes it manageable. Though on the surface the situation looks manageable, it is unlikely to remain so for very long.\* The economic and political conditions of Third World societies often generate more 'steam' than can be let off manageably. Samir Amin's comment about Africans applies to people in Asia and Latin America as well: 'Africans will not accept a meaningless pluralism, a semi-fabricated democracy to stabilise the unbearable' (*Guardian*, 8 July 1991).

### Participatory Progressive Democracy

Progressive democracy is the only answer to 'Low Intensity Democracy.' Democracy in most of the Third World is impossible under conditions currently imposed by international capitalism, with its extreme wealth and extreme poverty, its terror, repression, material and spiritual deprivation. The fight against these conditions defines the tasks of progressive democrats the world over.

\* If the lid is let off too quickly, the whole thing can blow up in one's face.

If democracy is not working anywhere, much less in the Third World, then we can rightly assert that there is a crisis of political power in the New World Order. What alternative is there to actually existing models of democracy? We would point towards several domestic requirements for a thriving democracy, including real reform of social inequality which abrogates the political and economic power of business and military elites. There will also need to be a reorganising of the political system itself and the judiciary to make them more independent and representative of the whole of society's interests.

Democracy requires more than mere maintenance of formal 'liberties'. The only way to advance democracy in the Third World, or anywhere else, is to increase the democratic content of formal democratic institutions through profound social reform. Without substantial reform and redistribution of economic assets, representative institutions - no matter how 'democratic' in form - will simply mirror the undemocratic power relations of society. Democracy requires a change in the balance of forces in society. Concentration of economic power in the hands of a small elite is a structural obstacle to democracy. It must be dismantled if democracy is to emerge.

The military should be significantly reduced in size and political influence and fully subordinated to civilian authority. This will require genuine adherence to the promotion of human rights, an end to terrorism and the dismantling of the state's repressive apparatus. Anti-labour laws and other laws restricting self-organisation of popular sectors should be repealed. Most important, structures of government must be changed by strengthening representative organs at the expense of the executive organs; devolving power from the centre to the localities and regions; and establishing an independent judiciary to guarantee human and civil rights. All political parties should be guaranteed equal electoral participation, including those of the Left. These reforms would strengthen, not weaken, the state. Strong governments are required to implement social reform and to negotiate effectively with powerful foreign governments, multinationals and international institutions like the IMF.

Most Third World governments today are weak because they lack the support of their own people. Civil society and popular organisations must grow in autonomy in order to build strong government and to articulate the interests of the majority - most importantly, workers, the peasantry, women and other oppressed sectors of society. Strong governments are possible only if they reflect the views and serve the interests of the majority. The weakness of Third World governments also lies in their connection with international capitalism

and, more specifically, the intervention of governments of advanced capitalist countries, especially the United States. International capitalism prevents the consolidation of Third World bourgeois ruling classes and fractionalises these classes. Government financial resources are limited by debt service payments and chronic balance of payments crises. Militaries built on foreign military assistance and training undermine government authority and often become the instruments of foreign intervention.

This leads us to the third requirement of democracy in the Third World, the achievement of genuine independence. The operation of the world economy in the present era subjects all to the same logic. But the 'free market' left to its own devices will never be the historical agency of genuine democratisation, and indeed it systematically undermines democracy by subjecting everyone to the 'objective laws of economics'. If the market is inherently undemocratic, then how can we expect the market 'naturally' to create a democratic world? The question of democracy in the Third World, and in the former communist countries now (re)joining the Third World, cannot therefore be separated either in theory or in practice from the question of democracy in the global system as a whole. The dilemma is that everyone, whether they like it or not, is caught within this global system. The question facing progressives throughout the world is whether any kind of 'delinking', in Samir Amin's terms, is possible. The other question, again using Amin's terms, is whether a 'polycentric' world is possible (Amin 1990).

Unfortunately, there is very little that Third World peoples can do about the ongoing transformation of international capitalism, or about whether warring trading blocs lie in store for the early twenty-first century. The global requirements for democracy are daunting. Democracy at the national level can only begin to become possible if the institutions of global capital can be made accountable. This would entail reining in the undemocratic free market proposed by GATT talks, opposing the North American Free Trade Agreement (NAFTA) and its anti-labour ethic, and contesting elements of the Maastricht treaty which project an unrepresentative bankers' version of Europe. Sooner or later, Third World attempts at democracy will have to organise a concerted defiance of IMF austerity plans and the agenda of World Bank programmes. There must also be a united opposition to the way in which the UN has been recently used as a vehicle for the North's foreign policy, such as during the Gulf (Oil) War. In short, there must be a new global participatory politics aimed at the hitherto unaccountable governing institutions of the international system.

In most Third World countries, popular organisations and other progressive forces do not, at this point, have the critical mass necessary for decisive internal reform. But this should not mean capitulation to adjustment in the form of intensified immiseration. If adjustment is inevitable under prevailing conditions, then every effort must be made to turn it around to more progressive ends. For example, progressive forces can call for slashing the military budget to reduce the public deficit rather than savaging health and education budgets, and fight to replace corrupt elitist regimes with truly popular governments dedicated to participatory democracy, while simultaneously building local democracy in the workplace, the communities and the regions.

The conditions in the real world call for a reformulation of revolutionary theory and practice. In the coming period it will be more necessary than ever to combine the organisational form of the political party with those of popular self-organisation and self-help. Political struggle through the Party with the sole or primary aim of achieving state power should no longer be the central focus. On the one hand, it remains essential not to default on state power to the forces of exploitation and oppression. Therefore, a 'defensive' political action by progressive political parties is always needed. On the other hand, it is imperative to go beyond struggles within the framework of bourgeois representative democracy by combining this level of struggle with workers and popular direct democracy.

On the domestic level the concepts of struggle that will guide progressive movements for participatory democracy will resemble well-known notions from the past, such as dual power, within a historical context of protracted war of position between social blocs. The paradigm of the Spanish anarchists earlier in the twentieth century should now be re-examined as an alternative model of revolutionary social transformation. From this perspective, democracy must be painstakingly built up and constantly defended through concrete popular organisations embedded in the workplace and the community, and then reinforced and extended by gaining at least a share of state power through electoral competition. This has in fact always been the bedrock of real democratic gains. We agree with Samir Amin (Chapter 3, this volume) that a national and popular response 'is even more essential now than in the past'. However, it is equally imperative that this domestic level of struggle be directly linked to larger regional and global terrains of struggle. The reality of the global economy, as Frank argues in this volume, largely 'precludes the exercise of real national sovereignty and the implementation of truly democratic decisions'. The struggle for democracy must therefore go directly to the local level and simultaneously transcend the tra-

ditional and dangerous limitations imposed at the national level. This is the great challenge of the future.

As Samir Amin points out in this volume, the ideology of Western liberal democracy sees the democratic transformation of society as 'largely the product of evolution; hence the functional role of the revolutionary process in history can be played down'. We disagree with this interpretation of history. With Amin, we affirm the 'crucial function of revolutions, moments of qualitative transformation and crystallisation of potentialities inconceivable without revolutions'. The wave of democratisation of the late 1980s and early 1990s was precisely a wave of popular 'revolutions' against corrupt and repressive regimes. However, in their wake, profound socioeconomic reform may seem to be less likely now than for most of recent international history. Even so, it is more objectively necessary than ever before. What has changed most are the conditions within which progressive movements operate.

If we have criticised the results of popular uprisings against business and military elites, it is not out of disrespect for the global struggles of peoples against authoritarian governments. In most/all cases, these have been authentic, well-organised and intelligent expressions of popular will against various sorts of tyranny. If democracy is going to come from anywhere, it is from popular struggles. These include revolutionary movements such as those of the FMLN in El Salvador, the Guatemalan opposition's 30-year war, the Sandinistas in Nicaragua and the National Democratic Front in the Philippines. Apart from the overt and publicised uprisings, there are also the everyday and often silent forms of struggle of women's and human-rights groups, indigenous peoples' organisations, and environmental movements around the world. The struggles of the labour movement are still central to all progress towards democratisation everywhere (Reuschmeyer, Stephens and Stephens 1992).

As in every crisis, the present situation has elements of both despair and hope, of destruction and reconstruction. As Gramsci said, 'The old order is dead, but the new order cannot yet be born.' The collapse of old authoritarianisms is truly a welcome historic event, and the democratic hopes and aspirations of the masses of people who made these revolutions should be recognised and fully embraced. Yet the danger exists that the enormous revolutionary energy of the past few years will be dissipated and the potential for genuine progressive transformation greatly reduced. We can expect the US, the West and the conservative elites of the Third World and the new post-communist governments to continue to seek to abort these popular revolutions in the name of economic rationality and stability. The challenge,

therefore, is to keep the momentum going in the right direction and to fight against the tendency for conservative elites to hijack popular revolutions in order to preserve their own interests.

There is a concrete reason for this book's analysis of the limits of change, the parameters of societies' transformations enforced by unrelenting domestic elites and the perennial iron cage of global capital. We make our critical theories in the hope that this reflection may serve to enhance strategies for the future, to avoid repetition of the past, and in order to break out of the transient and unstable Low Intensity Democracies towards that which all people deserve: authentic participatory democracy.

As the 1990s dawn the global system is descending deeper into an economic and political crisis, indeed a global crisis of democracy. This prognosis has nothing to do with 'pessimism' versus 'optimism', but rather with reality versus illusion. Instead of a bright New World Order of global democracy, we see the very real and dangerous prospect of a dark period of deepening economic chaos, deprivation and neo-authoritarianism in much of the world. The Gulf War supposedly heralded the rosy dawn of the New World Order, but it was precisely democracy – in both Kuwait and Iraq – that was quickly sacrificed by the US and its allies on the high altar of economic and strategic self-interest.

If such is the nature of the new 'democratic' world order, it is inevitable that there will be new forms of national-popular resistance, though not all of them may be 'democratic', as everyone struggles to compete and survive. The coming age will certainly be one of increased hardship and conflict. But out of this crucible may yet emerge new hope for progressive social movements and democracy. The best slogan for the 1990s may be found in the words of the Jamaican reggae poet Bob Marley:

Get Up! Stand Up!  
Stand Up for your rights.  
Get Up! Stand Up!  
Don't give up the Fight.

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## 2. Marketing Undemocr

ANDRE GUNDER F

'Democracy' is in and 'dev World. The very 'devel apparently terminal crisi: When Gandhi was asked he answered 'it would be opment and democracy 'democracy' is likely to 'development,' or Western Instead like the latter, 'd' figleaf - for continued ex the North.

In Abraham Lincoln's v democratic government b in any part of the 'Third v sibilities are limited and participation in the who North. Of course, there making decisions for the v As long as this lack of der a whole, political democ of limited scope at best.

### An Introduction to Precursor to 'Dem

'Development' ideology economic reality and pol Second World War. Yet, has partly even been aggr in the face of almost all r efforts to overcome it. Th oration here. However, which merit note in the