

By Diana Johnstone

THE '80S PROVIDED ENOUGH LESSONS IN modesty to make anyone hesitate to predict where anything is leading. The meaning of the '80s will ultimately depend on where they are leading...heaven help us.

The '80s were a decade when nothing worked—when some two centuries of optimism about humanity's ability to determine its fate ran up against a series of failures that put the whole project in doubt.

Third World "development" didn't work. Poor countries sank into irretrievable indebtedness and famine, suffering a breakdown of social structures as masses of uprooted peasants turned cities into provisional encampments. Reckless pillage of natural resources began to threaten the planet's long-range habitability. But the failure of the Western capitalist development model was obscured by the ballyhoo over another.

Soviet-style socialism didn't work. There is no need to dwell on this widely celebrated failure.

The space shuttle didn't work. Several rockets didn't work. The B-2 bomber didn't work. Terrorism didn't work. Anti-terrorism didn't work. The anti-drug crusade didn't work. Efforts to make peace in regional conflicts didn't work. Liberalization in China didn't work.

The Soviet threat didn't work. The real Soviet threat turned out to be the nuclear power plant at Chernobyl, which spectacularly didn't work—the top failure of a decade of failure.

Now the good news: The arms race didn't work. The Cold War didn't work.

The first half of this clumsy decade was dedicated to voluntarist capitalism, presided over by a third-rate movie actor whose election bore witness to the American people's desire not to face reality if there can be money in make-believe.

Reality was up for grabs, and strangely enough, in the middle of the '80s, to the total surprise of everyone, somebody came along and grabbed it: Mikhail Gorbachov. Gorbachov stunned the world, arousing an enthusiasm worthy of a Messiah simply by admitting the obvious truth—that things weren't working.

The Soviet leader decided to shut down the Cold War as an economic measure. This deeply annoyed U.S. strategists who believed the Cold War was an all-time hit that could play just as well for another 40 years. But without the Russian bear as co-star, there was no way to keep the show on the road.

The end of the Cold War let the German cat out of the bag. With the vanishing of the Soviet threat, the Cold War's structural function stood out like a stripped skeleton: to keep Germany divided. So the Cold War was replaced on editorial pages by "the German question."

For Europe, the '80s saw the end of the Cold War and the political comeback of the Germans—of the "Germans" rather than of "Germany." The '80s were politically marked not so much by the German state or states as by the new movements that developed with special vigor and intellectual force in West Germany—especially the ecological movement and the movement against the nuclear arms race.

The failure of the arms race was the failure

Hopes lie with Germans as old models flounder

of the military Keynesianism practiced by the U.S. for 40 years. It was killed, both politically and economically, by the Reagan overdose.

The arms buildup of the early '80s against the "Evil Empire" was too much for Western public opinion, which began to rebel against the permanent dangers of nuclear annihilation. The cutting edge of this rebellion came from the Germans, assigned to the front lines of nuclear confrontation between East

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and West. The German peace movement had a special political significance precisely because it was German. It was the occasion for the political self-assertion of a postwar generation of West Germans whose striking shift of values away from military power toward peaceful values of ecology, feminism and democracy effectively undermined perceptions of "the German threat" in Eastern Europe and made it possible for Soviet leaders to contemplate radical changes in their own European policy.

The arms buildup was also too much for the Evil Empire. The new Soviet leadership under Gorbachov took drastic measures to forestall the prospect of a new high-technology phase of the arms race that was beyond the Soviet economy's means. To this extent, the Reagan policy of "spending them to death" was admittedly a success. However, the success of this extremist edge of U.S. policy destabilized and undermined the long-term prospects of the U.S. military-industrial complex itself by weakening its geopolitical rationale.

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At the same time, its economic rationale was undermined by the growing awareness of the inadequacy of the "spin-off" effect of military spending on overall U.S. industrial performance, especially in relation to its main competitors, Japan and West Germany. However, the Reagan binge left a heritage of debt that weakened U.S. capacity to lead a fundamental change of economic policy. American politics also remained skewed in favor of the lobbies interested in perpetuating military spending, despite the increasingly lamented "depletion" of the civilian economy by the military sector.

As economist Richard DuBoff points out, what Reaganite military spending really depleted was the U.S. public sector. Public services and infrastructure are in terrible shape. This depletion seems also to have weakened the political forces connected with a healthy public sector, making a shift toward constructive spending that much more difficult. During the '80s, the American left has obviously not found a political answer to this dilemma.

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No French model: In the early '80s, oddly enough, the Reaganite bluff seemed to have some success in Europe. The greatest success came where it was least expected, in France. The election of Socialist François Mitterrand as president of France only a few months after Reagan took office seemed at first to offer a countermodel. For the European left, the French left's inability to develop a countermodel was one of the first big failures of the '80s.

A fundamental reason for this failure was the nature of the French economy, whose productive apparatus was not geared to profit from the modicum of social Keynesianism introduced by Mitterrand's first government. To oversimplify, the consumer goods whose sales rose when low-income French consumers had a little more money to spend tended to be imported from Germany. French industry had been officially encouraged to concentrate on such prestigious sectors as aerospace, nuclear power and armaments. Whatever the egalitarian rhetoric of the French left, it took over a country whose industrial structures were extremely hierarchic, both in personnel management and in choice of products. This could not be changed without an upheaval that the French were in no way prepared to undergo.

Paradoxically, the very fact that French free enterprise proved unable to respond to Keynesian stimulation helped persuade French Socialists to preach in favor of "free enterprise" values, traditionally neglected in France in favor of appeals for government subsidies of one sort or another. For a few years, French propagandists pointed to the supposed successes of Reaganism as proof of the wonders of "liberalism," meaning free enterprise.

France also had a military-industrial com-

plex that went on alert when a couple of Communists entered the government, pressing Mitterrand to align with the Reagan administration against the German peace movement in the controversy over new Pershing and cruise nuclear missiles.

A less obvious factor in the French alignment with Reagan's America was the expansion of the U.S. import market during the years of the big spenders, when the dollar was at an all-time high and the rich were getting richer. Reaganites were good customers for French luxury goods.

But the Bush period risks being as much fun as a hangover. The growth of the U.S. trade deficit suggests that the spending spree cannot go on forever, and protectionism is in the air—disguised, of course, as righteous retaliation against the protectionism of others. It is no longer prudent to count on the American market.

The later '80s saw a revision in French policy much more discreet than the early-'80s contest between "socialism" and "liberalism." The two-year interlude of conservative government under Prime Minister Jacques Chirac added the failure of "liberalism" to the earlier failure of "socialism." Mitterrand's re-election in 1988 marked an end to the whole debate.

Two lessons concerning the state have been widely drawn from the French story of the '80s. The first is that the nation-state, or at least a nation-state on the scale of France, is no longer a unit large enough to set macroeconomic policy that conflicts with its major trade partners. Economic interdependence challenges the nation-state as the principal level of political decision-making.

The second lesson is merely the reaffirmation of a general social consensus. What most people want is neither "socialism"—so long as no one knows what it is—nor "liberalism" on the American model, but rather a mixed economy able to support a social welfare state.

The German model: In short, at the end of the '80s, the French left had come around to what it despised in the '70s, "the German model" of social democracy. Eastern Europe was looking in the same direction. This year, the Hungarian ruling party abolished itself as a Leninist communist party and vowed to cultivate social democracy on the model of the West German SPD.

For most of the world today, if there is any model people would like to follow, it is social democracy, West German style. However, the chances of their being able to do so look dim. Indeed, there is no guarantee that social democracy can survive in Western Europe itself. The dire misery of Africa to the south and the unpredictable upheavals to the east make the maintenance of a little island of relative well-being extremely problematic. The standard of living in north-western Europe is out of the reach of most of the world, and it is precisely in that part of the world that the heavy-consumption way of life is being most sharply questioned.

A completely new model of development is required for a world where the old models are not working. Germans have been the first to raise consciousness of the environmental crisis. Moreover, Germany has investment capital, know-how and an industrial capacity that have not been completely sold out to a military-industrial complex. And so at the end of the '80s, the European left tends to focus whatever hopes it can still muster on the Germans. What a surprise. □

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KID stuff

By Tom Engelhardt

I WAS BORN ON JULY 20, 1944, IN NEW YORK CITY; my daughter, on July 27, 1979, in the same city. I passed into the '50s staring with fascination at *Life* magazine photos of haggard, begrimed, desperate-looking GIs retreating from a reservoir in a distant country called Korea; my daughter lives in the '80s, trying not to stare at people in no uniforms at all but no less haggard, begrimed and desperate-looking on our block.

Two wishes, no presents: I remember a '50s wish of mine. Money was short, my parents warned me in the winter of 1953 or '54, and there might be no Christmas presents. I never prayed more fervently for anything in my life than I did then for a game called ProHockey. I must have made that prayer fervently known, for I got my thing that Christmas morning—with the clear knowledge that my parents had purchased it at a cost called "sacrifice."

My daughter wishes for things too. But she has another sort of wish, a candle-blowing-out birthday wish that hasn't varied since she was three or four, a wish told to us, until recently, only in a whisper. She wishes that all the poor people in the world would have a home and some money.

The flinch and the squeezed hand: As a boy, I thought I was poor. My daughter could never make such a mistake. For much of the '50s my parents were in debt. For some of the time, my father was either out of work or drifting from job to job (and, it turned out, bar to bar). As soon as I was "asleep," my parents fought violently over how the bills would be paid (especially "my" bills). It was pardonable that I would not grasp the difference between being poor and living a middle-class life without the money fully in hand; pardonable because I had probably never seen a truly poor person. Yes, there was a "panhandler" (Shorty, my father called him) in our neighborhood. But he was a "bum." Yes, under the El on Third Avenue, where the shadows fell darkly and you passed flophouse after flophouse, you could see the



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IN THESE TIMES

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In the Jewish religion, one's 13th birthday marks a coming of age, an entry into the community no longer as an apprentice but as an equal. That's how we feel about *In These Times* on our 13th anniversary.

Like all new publications in the world of non-commercial media, we have had to go through a period of learning and establishing our place in American journalism.

We believe we've succeeded during a particularly difficult period for the American left.

Now, as Cold War tensions dissolve and our leaders can no longer mask America's problems through the rhetoric of struggle between democracy and Communist totalitarianism, we are entering a new age, one in which Americans will have to look at ourselves and our nation's social problems more honestly and rigorously.

That is a job for which *In These Times*, unlike the commercial media, is well suited. That makes our anniversary serendipitous.

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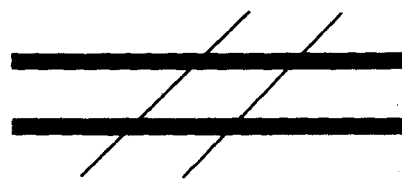
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