

Living on oil under democracy From Texas to Patagonia and home

Owen Logan

Oil is “fluid and fugitive” says one geologist. The description could be applied to an almost endless network of industrial adaptations, influences and affiliations which link oil – in our minds at least – to power more than energy. To understand something about this demands journeys. Stepping away from greasy ladders I felt I knew a bit too well, I went to meet people who could add something real to the characterisations which haunt the North Sea industry – especially its UK sector, where the industry’s human resources have been described as “the same 50,000 arseholes who drift around the world”, and where the UK media discusses the oil business as seriously as the soap opera *Dallas* being turned into a movie. On my journey I fell in with a Marxist-run bank, spoke to trade unionists who want to recruit the unemployed, met oil workers who risked covert execution for defending the environment, and encountered others whose otherworldliness to us reflects the way successive UK governments have made us partners in the rise of an American empire which now sickens the citizens of its homeland.

Rosemary Ryan,
Houston, Texas.



Houston, USA

As a business and banking representative, Rosemary Ryan has spent a lot of time in places like the Hyatt Regency Hotel in Houston. It was an appropriate place to meet to talk about her life story interview recorded for the Oil Lives oral history project. Early on in her career she represented a special ‘Petroleum Industry Yellow Pages’ publication and this helped her to begin building an impressive range of international contacts. As a woman, however, she was an unusual presence in oil business circles and she dealt with this shrewdly. When entertaining clients, waiters knew her requests for a gin and tonic really meant only sparkling water with ice and lemon. The thought that Rosemary was drinking put the clients at ease, but as she says, “I had to be on my toes and they had to be comfortable and relaxed”. Similarly, her restaurant bills were put aside so she could pay them in private, so sparing men an awkward moment when they would have felt obliged to reach for their wallets.

Rosemary was born in 1927 into a cosmopolitan Catholic family living in Mexico and her outlook has been influenced by life in both Latin America and the United States. Her mother’s background was French and Spanish and her Swiss father, who had come to Mexico as a mining engineer, spoke seven languages. In 1930 the *Federales* came to their house where her mother was, against the law, celebrating Mass. The whole family was lined up to be shot. Her father saved them by arguing that far from adhering to the Mexican state’s regulation of church activities, the unlawful summary execution of foreign nationals would turn out to be an international incident. By the time she was six her father had been murdered; the culprits were never caught and the family suspected he was killed in an act of revenge by the same *Federales* or their agents.

Twenty years after marriage, Rosemary went to work to help support her seven growing children. She remarks humorously that the family she produced attests to the unreliability of the rhythm method but she says that Catholicism has been in her family, and her husband’s family, ever since they were “swinging from the trees by their tails”. The way she puts this gives a clue to her political beliefs at a time when Darwin’s evolutionary theory is countered in the United States by Christian fundamentalism in the education system. Government welfare is also being attached to ‘faith based’ projects which blur the difference between charity and what were once thought to be the duties of the state. However, Rosemary believes that there should be a firm separation between the functions of the state and religion, and she opposes the new conservatism in which a welfare state is regarded as an obstacle between the individual and God.

Rosemary feels it’s “totally wrong” that the burden of taxation has been shifted away from big business and the rich and put on ordinary people. Her own business makes much less sense under this “irksome” system and she continues mainly out of loyalty to an old client. One of the reasons Rosemary never drank on business is that she was worried her lisp would become more pronounced and might annoy people. Today, although she is only drinking milk with her lunch, she is not shy at all and quickly points to foolishness at the heart of government and arrogant policies long associated with the Texas elite. In 1954 Republican president Dwight Eisenhower, wrote to his brother:

“Should any political party attempt to abolish social security, unemployment insurance, and eliminate labour laws and farm programs, you would not hear of that party again in our political history. There is a tiny splinter group, of course, that believes you can do these things. Among them are H.L. Hunt (you possibly know his background), a few other Texas oil millionaires, and an occasional politician or businessman from other areas. Their number is small and they are stupid”.

In his famous 1961 farewell address, Eisenhower warned of the danger posed to US democracy by an oligarchy he eventually chose to call the ‘military industrial complex’. By the 1970s, in a country bearing the costs of the Vietnam war, and feeling the impact of greater competition in the international market, the kind of people Eisenhower thought stupid were becoming more influential. Many people would say that the Texas based Bush family most faithfully represents the aims of this elite today. For decades their preferred solutions to the problems of the US have been ever greater technology in warfare and more sophisticated financial mechanisms allowing for the seemingly endless extension of federal debt while at the same time protecting the dollar as the world reserve currency.

Rosemary went into the oil business in 1971, the same year Richard Nixon’s government abandoned the country’s commitment to backing the value of the dollar with a reserve of gold. Following Nixon’s default there were a series of momentous capital outflows from the US but by 1975 they had been brought to an end by an agreement with OPEC ensuring oil would be traded only in dollars. To one of its critics, the ‘petrodollar’ settlement, which compels all countries to hold dollar assets, means that the US prints dollars and the rest of the world makes the things dollars can buy. Ironically, the increasingly taught lifeline for the dollar bill is now an economic game of double jeopardy between China and the United States. If

such manoeuvring sounds like a bit of a swindle, Herman Kahn, the cold war warrior on whom the film character of *Dr Strangelove* was modelled, couldn’t conceal his delight. The system of ‘dollar recycling’ had originally emerged from the arms industry and according to Kahn it was “the greatest rip off in history – we’ve run rings round the British Empire!”

The labour movement was weakened by the sort of paternalistic corporatism that Eisenhower thought was unquestionable and McCarthyism did a great deal to bring trade unions to their knees organisationally and ideologically. In the absence of a mass base for socialist politics, it’s not surprising that the most audible criticism of the flaws in corporatism – the weaknesses that allowed it to subside under the weight of imperial ambition – come from a Texas Republican. In his February 2006 speech to congress entitled ‘The End of Dollar Hegemony’, Congressman Ron Paul said “unlike the old days, we don’t declare direct ownership of natural resources – we just insist that we can pay for them with our paper money. Any country that challenges our authority does so at great risk”. Paul argued that the war on Iraq and an aggressive stance against Iran and Venezuela, three countries which have tried to undermine the petrodollar system, will not prevent its collapse as more people understand that support of US imperialism is not in their interests.

Although not a proponent of Ron Paul, Rosemary also thinks her country is living on borrowed time. After her father’s death her family went through hard times yet in many ways her life epitomizes the American Dream of hard work rewarded by upward mobility. But the US has not lived up to the promises of its ‘manifest destiny’ and in comparison with others it is now at the low end of the scale in terms of countries providing opportunities for all. Hurricane Katrina revealed a desperately fragmented society and the unwillingness of the state to protect its citizens.

Rosemary lost a house in Tropical Storm Alison and is prepared for more turmoil. She is among the 85% of US citizens who according to polls conducted by Duke University support environmental policies. Yet the essentials of global warming, the cause of increasingly destructive weather patterns, are still refuted by a cohort of market extremists in the United States. To a range of people, including former President Jimmy Carter, they are imposing a ‘fundamentalist ideology’ on the world. It was NASA scientist who led one of the most important international investigations warning that climate change would spin out of control unless strong corrective action is taken. This would entail the sort of state-led intervention not seen since the days of the New Deal but very few politicians, anywhere, will discuss the sort of emergency measures that are required. At an economic level these would surely involve regulating speculative markets as was done during two world wars. Instead with oil reserves in decline, disasters and wars only increase the frenzied profits of speculation.

It is estimated that one New York speculator made \$15 million dollars from Hurricane Katrina. The United States has been called a vending machine democracy, shaped by the people with money to feed into the system and this may help to explain why a minority of Americans vote. Rosemary hopes that more ordinary people will vote but the sovereignty of the people in a democracy depends on more than their votes. It requires an egalitarian ethos in knowledge and communication (known to the ancient



Athenians as *Isegoria*) and a popular empowerment specifically resisted by the Federalists who rose to power in the wake of the American Revolution. Alexander Hamilton, who desired centralized power and the minimum participation on the part of ordinary citizens, won a battle of ideas which Thomas Jefferson, who wanted a republic built from the bottom up, clearly lost. Now delirious under the influence of a strikingly enriched political class, the representative system in the US is in a state of denial about the legacy of that defeat. However, that same defeat seems to have had much less bearing on Native Americans (only hastening their total persecution) and in this sense George Bush senior was quite right when he dismissed the Kyoto Treaty by saying that “the American way of life is not negotiable”.

Caracas, Venezuela

For “special meritorious conduct in the fulfilment of his high functions and anti-communistic attitudes”, Dwight Eisenhower awarded Venezuela’s dictator Pérez Jiménez the United States Legion of Merit in 1954. In 1957 Jiménez held a plebiscite to garner support for his rule at home. Rosemary Ryan was living in Caracas at the time and she remembers this because the vote was also extended to foreign residents. Translated from Spanish, her ballot paper read: “Yes, I do want to vote for Pérez Jiménez, or No, I will not vote against Pérez Jiménez”. If this seems laughable, the choices on offer in the world today won’t be seen any less absurd or outrageous in the future. With all the key decisions and most honestly educated discussion removed from the arena of citizenship, future generations have a high price to pay for our own round in the manufacturing of consent.

Much has been said about ‘oil rich’ Venezuela, its populist President Hugo Chávez Frías and the anti-imperialist insurrection in his country. Less is written about the hollow democracy that preceded Chávez’s election in 1998 as an ‘anti-party’ president at the forefront of a movement not dominated by any single party or organisation. Venezuela’s first ‘anti-party’ president, Rafael Caldera, a Christian Democrat who betrayed some radicalised election promises in 1993, no doubt helped turn decades of public disaffection with a corrupt and meaningless party system into the broad network of support for Chávez that still includes some of the president’s most serious critics. Nevertheless, if there is a single idea that connects the disparate groupings that have lent popular meaning to the Chávez presidency it is that of democratizing democracy. Whether this will be sustained in practice following Chávez’s 2006 re-election and his new call for a united party of the Bolivarian revolution is an open question, but the underlying shift towards democratisation began more than two decades ago. A two-party system of patronage politics had done little else but pave the way to economic collapse in 1983 and by 1989 had turned towards the enforcement of structural adjustment policies that typically reward those responsible for truly historic levels of mismanagement and further punish their victims.

In contrast, it is worth remembering that Norway was not the rich country it is today when the oil industry developed in the North Sea. With a nationalised industry its governments did not go on a spending spree but implemented depletion policies and saved revenue in a trust fund helping to protect the Norwegian economy from distortion. Regimes in countries like Venezuela did the

opposite by enriching the middle classes who were prepared to cling to oligarchic power and anything that might have passed for economic planning was delivered by imperial hands or, in the terminology of one confession, by ‘economic hitmen’, while their willing local collaborators doggedly followed the rationale of ‘trickle down’. Typically again, nothing of real worth did trickle down. When Chávez took office 45% of households were still living without potable water and 27% were without sewage services. His government has responded with traditional social democratic interventions (consistent with the reformist character of Venezuela’s historic figurehead, Simón Bolívar) but in the face of the ‘roll-back’ of the state’s social role going on everywhere, many people will argue that such interventionist policies now have a revolutionary significance. Nevertheless, it is perhaps an unhappy testament to the way state institutions are drowned in the upside down logic of capitalism that the most successful public interventions in areas like literacy and health in Venezuela have bypassed existing state structures, being organised instead as social ‘missions’.

Banmujer

Possibly the only consensus to be found across the borders of different oil economies is that ordinary people in different places with varying histories seem to expect oil income to support an equitable and sustainable form of development. This common expectation has been misplaced in all but a very few cases. It’s not so much that oil and democracy don’t mix, but more that the oil economy reveals the exceedingly dubious nature of modern democracy.

Nora Castañeda is the president of the women’s development bank, *Banmujer*. By 1957, when Rosemary was pregnant with her fourth child and was looking askance at her Yes Yes Jiménez ballot paper, Nora – fifteen at the time – was becoming politicised in a secondary school with a reputation for activism. At university, on her way to being an economist, she was active in student and staff politics and today Nora describes herself as a Marxist-feminist. Of course it’s difficult to imagine those two words coming together to describe the director of any other bank, and Nora has the capacity to confuse and surprise many of her adversaries. Asked by a representative of the World Bank what was the point of a woman’s bank, she replied simply that “men have controlled all the other banks in the world”. Indeed the bank’s goals are not confined to women, the tens of thousands of micro-credits it lends to co-operatives, and its strategy to encourage interchanges between co-operatives to build a ‘solidarity economy’, means that its policies are small scale and structurally ambitious at the same time.

The people at *Banmujer* will argue persuasively that if Venezuela is to escape its historic dependency on oil, in a way that doesn’t punish the people who were the victims of past economic squandering, then diversification should begin at the bottom and respond to ordinary people’s initiatives. The bank’s policy is geared towards building an economy based on co-operation rather than competition. Bearing in mind that, as a system of power, capitalism has a deep aversion to real competition, the bank’s ideal might be a good definition of socialism. Nora would argue that women have long been forced to rely on co-operative strategies because of patriarchal irresponsibility. As the daughter of a liberal

landowner who neglected his family but is revered for his public spirit, this kind of irresponsibility is very much part of Nora’s story, and she points to her mother-in-law as an exemplary figure who she says was as “a struggler” and “a woman of the people”. Perhaps an unexpected consequence of women’s extra burden in this respect can be witnessed in the way that the bank gives loans on the strength of a “woman’s word”, and, contrary to the expectations of unsympathetic journalists, have always repaid their debts. More concretely though, loans are recovered because the bank also promotes repayment with the direct supply of goods to public sector bodies like schools, universities or health projects, and it’s through the expansion of these and other non-monetary interchanges that a solidarity economy is conceived.

If solidarity emerges from social conflict, in the case of an economic strategy it will come from the competition to define the political arena and the character of a democracy. On a journey into the mountains West of Caracas, with Yadira Pérez and Aida Pompa, two of *Banmujer*’s local staff, Carlos Izquier, a local government official, remarks that it was once rare to find peasants who were socialists – now it is rare to meet one who is not. However there are no large co-operatives in the area and where they have been formed peasants have complained about the poor implementation of land reform.

Dorain Cadiz and her family live and work at a high altitude on a small-holding at Sanguijuela overlooking the hills that descend down to Venezuela’s coast. As a member of a co-operative, Dorain got credit from *Banmujer* to develop crops and livestock. In her own way she began with the purchase of a single cow and she explains that the five members of the co-operative separated amicably after one year to form individual enterprises. This is not unusual and many small businesses are founded as co-operatives on paper only. Yet the combination of agricultural development loans, mass literacy, health and welfare programs, and the greater fiscal responsibility now given to citizens’ assemblies, have all contributed to an obvious change in political consciousness. Although the redistribution of wealth may underpin this ideological shift, it is the redistribution of power that everyone on this journey thinks is the most important task now.

Although they are well attended here and women speak confidently in them, citizens’ assemblies have not always been successful as independent political arenas. Whether they can exercise a real counterbalance to the electoral and representative politics of the state is a question that preoccupies a range of people in Venezuela. They hope that the talk of a “revolutionary process” is not providing a new gloss for corrupt politicians and bureaucrats who, having exhausted all other possibilities, began to drape themselves in red.

UNT

Oil has fuelled corruption across the American empire’s ‘client states’, and Venezuela is no different. Without a purge of parasitical elements, different interests continue to operate behind the scenes of a popular movement for a more meaningful democracy. While the subversive intent of US foreign policy in Venezuela and its financing of vote buying there (through the fantastically misnamed US organization, the

Segundino Mamani, Las Heras, Patagonia.

US Presidents, sculptor’s workshop, Houston, Texas.

National Endowment for Democracy) is all well documented, less striking is the way petty everyday corruption can undermine citizens' assemblies as arenas of direct democracy.

Denny Torres, an organizer in the National Union of Workers (the UNT confederation), hopes that this will change as workers become more confident and demand more in return for the support they have given to the Chávez presidency. The strength of UNT has come from its organisation through workers' assemblies which Denny helped pioneer in the fertilizer company he works for. Emerging from the political wreckage of CTV, a notoriously corrupted union confederation whose leaders helped orchestrate



UNT offices, Valencia, Venezuela.

Denny Torres and Orlando Chirinos, Caracas, Venezuela.

Nora Castañeda at Banmujer, Caracas, Venezuela.

the typically unbeautiful military coup against Chávez in 2002, UNT has to a great extent replaced the old confederation and revealed its democratic vacuum. Many pundits habitually answer the shortcomings of liberal democracy with overarching accounts of a 'vigorous civil society'. However, the way media owners, managers, union bureaucrats and NGOs were instrumental in preparing the ground for what's been called a "civil society coup" to oust Chávez should expose the obvious: the notional civil society of so-called opinion formers only guarantees more political engineering, not more democracy.

The sort of dynamics that led to the coup are also played out against the new union, albeit on a smaller scale. In their Valencia office, under a portrait of a *companion* shot by the police under a previous government, UNT were holding their meetings last year to mobilise against what they described as a criminal frame-up of their activists. A factory owner is said to have employed gangsters in his company to perform his own kidnapping and in connivance with the local judiciary helped prosecute his factory's militants for the faked abduction. Demanding control in their workplace UNT called for the expropriation of the company, but, as in the state oil company, the avenues through which workers' control could develop in pursuit of a solidarity economy are deadlocked. This, and the issue of greater political autonomy from the government, is at the heart of some dramatic arguments within UNT.

Orlando Chirinos, who belongs to one of the Marxist currents in UNT, is a popular national co-ordinator often identified at the centre of the battles in UNT. He wants the confederation to be a clearly autonomous workers' movement able to challenge government and he has called for a new party to be formed at the moment Hugo Chávez seems to desire the consolidation of his own power through a mass party. Orlando can't remember at what point in his life he became politicised, even as small boy he was cycling to deliver pamphlets for his older sister who belonged to a guerrilla unit. Because of this depth of experience a great deal of faith is placed in the abilities of people

like Orlando to provide accountable national leadership for UNT whilst preserving an open grass-roots organisation. That sense of trust may not be misplaced, however, UNT can't effectively challenge employers or the state without also building links between people who have been divided by 'Third World' conditions where a vast underclass exists beneath the relative, albeit meagre, privileges of industrial workers. For this reason radicals like Orlando want the new confederation to also represent the unemployed and cut across the boundaries of traditional trade unionism.

Whether leaders like Orlando, and rank and file activists like Denny can help secure such a radical turn may be the most important question of all. Active solidarity between different workers has never been easily achieved and always hard to sustain over prolonged periods of struggle. With globalisation, capitalists have easily out-flanked workers' capacities with structural disinvestment from nations and the outsourcing of jobs being common threats wielded against organised labour. But in the creation of greater inequalities, globalisation also pushes exploitation and privilege into closer proximity, in turn ushering in new forms of segregation. To look at an emphatic example in Caracas one only needs to walk through the affluent district of Chacao, an opposition stronghold, and see the propaganda of an informal apartheid hinging on the fear of the poor and their forms of crime. Against this historically segregated reality, arguably the most radical feature that runs across the Latin American political landscape is the active desire to re-organise and create new spheres of unity.

Such radical responses may recall the ideas of people like Michael Bakunin in the 19th century, reigniting arguments about a limited scope of labour politics or indeed Leon Trotsky's theory of combined and uneven development with which he envisaged more advanced forms of solidarity emerging at the peripheries of advanced capitalism. In a more visceral recollection, Nora Castañeda points out that during the repression of the Caracazo, the 1989 popular rebellion, it was street criminals (*malodoros*) not the leftist parties who confronted the army and defended unarmed citizens at the cost of their own lives. Even with such chaotic scenes in mind, the by-product of the search for unity is the renewed attention to the practices of classical democracy. Without them, it is argued, there is little chance of extending the boundaries of solidarity and presenting an even more profound challenge to those who have long since perfected dispossession from above.

It is only too clear that the United States has projected its power abroad using the increasingly empty rhetoric of its representative democracy. The machinery of the state resists any duties to its high-sounding beliefs. The most popular official interactions with Jefferson's declarations on "life, liberty and the pursuit of happiness" are confined to putting people to death, mass incarceration and the pursuit of war. But what happens when people start taking democracy seriously may be the sting in the tail for an empire that enforces its downgraded modern version. Although it is not at all fashionable to remember it, and the political class on both right and left have either ignored or postponed its deeper implications, democracy depends on equality.



General Mosconi, Argentina

General Enrique Mosconi was one of the earliest advocates of a nationalised oil industry outside of the Soviet Union. In 1922 he became the first director of the Argentine enterprise Yacimientos Petrolíferos Fiscales (YPF), one of world's largest

public owned enterprises until its eventual privatisation in 1999. The oil town in Salta, in the North of Argentina, built by YPF and named after Mosconi, is also the place that many unemployed workers have looked to for an example of the possibilities of their self-organisation. The upper structure of a disused oil rig lies across a piece of scrubland not far from the town centre. Used as a shelter for a tree nursery, the saplings growing in its shade are part of a reforestation project and undoubtedly its image would be a green-washing coup for an oil company if the scheme didn't belong to UTD (Union de Trabajadores Desocupados), a *Piquetero* (*Picketers*) movement begun by redundant oil workers in 1996.

By collecting signatures across the town in support of their demands and blocking highways, UTD not only won the reinstatement of many of their jobs on full salary but like other *Piquetero* groups they went on to design and develop projects and co-operative enterprises including the construction of social housing projects. Two brothers, Pepino and 'Hippie' Fernandez, are among the most well known activists here, and Hippie is proud of the 'conceptual map' showing UTD's plans for the whole Mosconi area. Within a scheme for oil production and environmental protection the map includes housing, a popular university, schools, hospitals and sports facilities. It would be easy to dismiss what seems to be a rather romantically hand-drawn vision were it not for the fact that UTD are doing quite well in winning concessions to their cause.

At the base of all UTD's activism are the issues of the environment and public health. This goes back to UTD's foundations and the role of the Fernandez brothers in the organisation. It was the arrival of companies like Haliburton during the Vidella dictatorship in the 1970s that alerted Pepino and Hippie to the impact of the regime's drive for greater profits. New chemicals were used to speed up the production process and these seeped into the town's water supply with poisonous effects denied by the industry. When Pepino raised the issue as an employee in YPF he was told that he would be "cleansed" from the company – an ice-cold threat carried out against the many thousands of Argentinians who disappeared without trace over the years of military rule. Known for their persistence and courage in this respect, and a lineage of trade unionism in their family, the brothers were also among the first employees to join with unemployed workers at their roadblocks in 1998. At these blocks, several workers have been killed in confrontations with the full force of the militarised state. And although Pepino and Hippie no longer work in the industry, such gruelling episodes have helped UTD maintain and extend solidarity in Mosconi. The organisation has now returned to disrupting oil production in pursuit of their demands.

The extent to which *Piquetero* groups in Argentina have been successful in prising a wide variety of social projects from the government means that they have been accused of becoming incorporated into the logic of political pay-offs and of becoming a mere arm of the state. As a result some groups divided on questions of their democratic mechanisms and internal accountability. The Fernandez brothers are keenly aware of what Pepino says is "the prostitution of politics through welfarism" and in pointing to the rise of regressive taxes like VAT, he argues that UTD is concerned with "taking back what is ours". This attitude strikes a chord with other *Piquetero* groups who say that their best form of defence against corporatism is to always struggle for greater autonomy and not to cease militancy on different fronts. Of course were UTD a conventional trade union the scale of that ambition might become an obstacle, but in crossing between the unemployed and the employed by building a co-operative base for different workers, UTD is in a sense both legal and illegal. Indeed Pepino concludes a discussion about the questions of democratic organisation saying that you need "chaos and order in the same place".

After decades of suffering under both military and civilian governments, Argentina is a place where people from different backgrounds

are alert to the crucial difference between constitutional government and genuine democracy. If the country's popular rebellion in 2001 was overly celebrated (in part by those who ignore the profoundly undemocratic manoeuvring of international financial institutions) the hundreds of popular assemblies that sprang up, calling for



UTD tree nursery, Mosconi, Argentina.

Pepino and 'Hippie' Fernandez, Mosconi, Argentina

the entire political class to be removed from power, does attest to widespread public scepticism about the rules of the game for everyone not involved in high-finance. In 2002, polls suggested that 63% of the population did not believe in representative democracy. Of course this will include some who don't consider military dictatorship to be a manifestation of economic warfare but an answer to it. And as the return to minority government shows, pursuing democracy demands more than a convention of popular assemblies and requires the radical restructuring of the state through a permanent articulation of workers' and citizens' power. For the time being global financial institutions, the real home base of a cowardly, and therefore increasingly extreme form of economic domination are daily cancelling out the meaningful participation of all but the most confident and articulate citizens of any country.

Patagonia

If UTD in the far north of Argentina conjures a slightly romantic green tinged vision, of saplings grown under a disused oil rig, it's especially important to remember the obstacles to such a self-organised reality. In the south of the country the desolate looking Patagonian town of Las Heras is also monopolised by a near total dependency on oil. Indeed the industry has reduced the town's prospects so much that a local school teacher, Hector-Roul L'Euquen, blames it for an epidemic of teenage suicides. Segundino Mamaní arrived in Las Heras in 1984. Like other migrant workers he had heard about the money that could be made in the Patagonian oil industry but not the conditions or the bitter climate. He was elected as a trade union delegate in 2000. His union has pursued a popular campaign against the double taxation of pay – a consequence of a voucher system that makes up a substantial portion of workers' salaries. As a socialist, Segundino had comradeship relationships with radicals in his Santa Cruz based union, Sindicato Petrolero y Gas Privado, but this relationship broke down. Ignoring the fact that they didn't have support from the mass of union members still waiting for a tribunal decision on the taxing of their pay, Segundino saw the minority grouping piecing together an unrealistically hopeful agenda and going on to pursue *Piquetero* tactics in an attempt to widen the terms of the dispute and create a link with the unemployed. A move that succeeded in bringing the dissatisfaction of the unemployed out on to the streets broke out into fatal violence, ushering in state repression, further alienating most union members from a broader politics. However, at a

time when Argentina is alert to any shifts in the balance of power, what was in all probability an ill-conceived and poorly timed vanguard action was met by a media circus that sensationally greeted the symptoms of division as if another popular uprising was taking place. In fact the division between employed workers and the unemployed was driven home even more in Las Heras and the leadership of the union continues to be dominated by the mind-numbing corporatist logic articulated most tenaciously in Argentina by Peronism.

The frustrations in Las Heras could illustrate the truism that power structures are dismissed at one's peril, but this is a mounting problem for trade unions everywhere. As a young trade unionist in Chile says, "relationships are changing, people use each other, spend less time with their family. All they talk about is money, things. You have to be a Quixote to be a union leader these days!" Unlike several 'hard' *Piquetero* groups, the system in the vast majority of trade unions relies on the expertise of representatives on holding rather than sharing authority, and of course an emphasis on the micro-politics of the workplace that tends to cast a veil over the rest of life. This may well mean that unions are prone to the dwindling democracy that neoliberal governance enforces more generally.

It was impossible to find the union radicals in Patagonia to put their side of the story. But it's difficult not to conclude that instead of trying to jump-start a rebellion, had they been more concerned with the struggle for meaningful participation in their union and the sort of democracy evident in several 'hard' *Piquetero* groups, they might have found the broader basis for organisation that Segundino says was fabricated in great haste. Among the mass of union members who waited for 'due process' are people whose sons and daughters find the choice between life and death to be an ambiguous one. Facing the barren horizons of Las Heras the unemployed also commit suicide. However, as a preference to living pointlessly, suicide in fact places a very high value on life.

Coming Home

For the moment there are very few established labour movements that have taken the opportunity of the widespread democratic deficit to rethink how their constituency could be extended in the way that the story of UTD in General Mosconi might imply. Indeed it's the strength of that implication that really compelled a sobering visit to Las Heras at the opposite end of Argentina to see how conventional trade union and social movement tactics don't fit together with any ease. Writing about Brazil, Francisco De Oliveira says unions do not yet know how to operate in the restructured and atomised universe created by globalisation. Nevertheless, the political core of this problem for unions and social movements alike is still about the discomforts of representation and how they so easily hinder and corrupt the scope of politics in everyday life. As Oliveira jibes against Brazil's leftist political class, "All that is solid melts into jobs for the boys". Internally UTD may not be among the most rigorously democratic of *Piquetero* organisations, but their ambitious development helps to explain why it has been an example for others that are, and why trade union leaders like Orlando Chirinos in Venezuela look beyond the workplace to the mass of the unemployed, not simply to help them, but for their help in the assertion of an honest trade unionism.

It should go without saying that nobody need wait on the economic meltdown experienced in Argentina, or inspect the 'revolutionary process' spoken about in Venezuela, to consider the art of democracy and organisation. Less than half of Scotland's population voted in elections to their illustrious new parliament. According to polls however, almost 100% were against their semi-elected representatives voting themselves a £100 per week pay rise in 2002 when nurses were being told to accept the drastically less generous rise of £7 per week. Only one MSP voted against his own pay increase while another made the disarming aside that she was sure that 99% of the public would be in favour of beheading the members of the Scottish Parliament. Needless to say, that

option wasn't included in the pollsters' more orderly orchestration of opinion.

Paying little more than token attention to inequality on our doorstep, UK trade union leaders have entered into unholy alliances in and out of workplaces. The big unions in the oil industry are bogged down by the mantras of partnership as their leaders adapt to a range of suspiciously unenlightened policies in relation to their industry and segregation among its global workforce. The smaller, so-called 'deviant' unions, see the machinations of the labour movement serving the interests of its own bureaucracy, not workers. Given their poor democratic standards nobody can be confident in the recent formation of a Euro-American super union – is this really going to confront the divide-and-rule power of multinational capital, or is it more of an administrative response to some steep declines in union membership? At worst it will be a convenient element in a foreign policy scheme plotted out by Zbigniew Brezinski in which Europe props up US imperialism as Texan style 'domination' runs out of steam. This might be an overly conspiratorial suggestion but an increasingly managerial administration of trade unions goes well beyond their industrial activities and makes them ripe for all sorts of abuse.

Under the umbrella of Make Poverty History, UK unions teamed up with companies like the arms manufacturer BAE systems and were content enough to exclude the Stop The War Coalition from the campaign – the outcomes of which could have been designed by the International Monetary Fund itself. Needless to say that organisation could never have popularised its awards for compliance so effectively. Unfortunately there were few people like Stuart Hodgkinson of *Red Pepper* magazine who were alert and vocal about the dubious alliances behind such a diversionary pseudo-event as Make Poverty History, an event the head of Christian Aid remembers as "a celebration of celebrities".

In their own way, the development of grass-roots politics in Latin America is no less artful of course. But leaving aside the critical meaning of "chaos and order" to the UK where order prevails over more order, the classical issues of democracy have remained unanswered by both trades unions and parties of the left. The question of 'primitive democracy' was never simply regarded as an ideal by Marx and Engels, nor by Marxists who adapted their social theory whilst trying to keep faith with its philosophical basis. For Lenin it was the single most important form of power against bureaucracy so that "all may become bureaucrats for a time and that, therefore nobody may be able to become a bureaucrat". According to Jo Freeman, writing in 1970, the same ethos was re-founded in the women's movement which revived the ancient Athenian tradition of random rotation by lot as a response to the 'tyranny' of its informality – that deceptive openness that can be found today in 'horizontal' social forum politics. But ancient methods of democratic organisation have never survived well when removed from the world of work and practical needs.

Sadly, all the classical principles of democracy have now been put on hold by most self-declared revolutionaries in favour of centralised authority and fixed responsibilities, not to mention a fondness for leaders and gurus who are said to be required, however temporarily, for effective organisation and proper understanding. To a cultural critic like Susan Buck-Morss, the phenomenon of these 'mental labourers' is more like "a membrane that spans across the world like an oil slick, thin but tenacious, and capable of suffocating the voices of anyone speaking beneath it". Certainly, in mainstream circles much of the intellectual attention paid to the crisis of democracy has explicitly strived to dignify the growing 'non-sovereignty' of populations. However, if parties and trade unions were thought of as a couplet that might answer the political shortcomings of one another, coming home to Scotland, where leadership has fractured a lively socialist party and lost its trade union support, and where the trade union movement more broadly is withering on the branch of New Labour, one can't help wondering what the future really holds.

It is certainly worth pausing to consider the place of some old arguments. In 'State and Revolution', Lenin wrote:

Trade unions did not develop in absolute freedom but in absolute capitalist slavery, under which it goes without saying, a number of concessions to the prevailing evil, violence, falsehood, exclusion of the poor from the affairs of higher administration, “cannot be done without”. Under socialism much of primitive democracy will be revived, since for the first time in the history of civilised society, the mass of the population will rise to taking an independent part, not only in voting and elections but also in the everyday administration of the state. Under socialism all will govern in turn and soon become accustomed to no one governing.

Even Lenin appears naïve in his sheer faith in the future, but more dangerous was his confidence in the Soviets offering “a higher type of democracy”. It is doubtful they were sufficiently democratic and the opening they represented was certainly closed under the conditions of the Russian civil war. By 1920 Lenin was apologising for “a full-fledged oligarchy” by dismissing the arguments of the left opposition in the communist movement as “infantile” propositions. In Germany they were impatient with “a party of leaders” and called for a new union organisation, but, tellingly, Lenin argued that to try and break down divisions of labour through the working class movement and to embark on the “all-round development” and “all-round training” so that people can do everything as they would under “mature communism would be like trying to teach higher mathematics to a child of four”.

There are plenty of arguments for the necessary evils of concentrated power, fixed duties and other inflexible forms of representation which have nothing to do with the battening down of hatches during a civil war. However, the arguments also tend to hinge on the idea that socialism is a battle that one day can be won and in the meantime sacrifices have to be made. A different view is that socialism reflects a much longer historical trend towards the completion of democracy and as such it lives and breathes in the atmosphere of that movement. For instance, it’s very difficult to imagine enacting libertarian schemes like G.D.H. Cole’s Guild Socialism without a truly democratic

public consciousness. Time and again socialists have found themselves in an impossible position when having attained a measure of power through the means of existing democracy they face the impoverished political reality of its culture. And having made an uneasy pact with the system, they have few real policies against it. However, if socialism can learn anything from warfare, it must be that the most imaginative armies built entirely new roads in the heat of their battles and made their enemy’s maps quite meaningless in the process.

Observing the ideological success of advanced capitalism in the popular imagination, the US-Marxist writer Fredric Jameson observed that “it is easier to imagine the ‘end of the world’ than a far more modest change in the mode of production, as if liberal capitalism is the ‘real’ that will somehow survive even under the conditions of a global ecological catastrophe...” The truth here should cut both ways. In socialist politics and in the labour movement internationally, many on the left will also conceive of the end of the world more readily than fight for some relatively modest changes in our means of organisation.

End notes

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