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the CPP has thrived since 1978 under Sison's protégé, Rodolfo Salas. The 37-year-old former engineering student has forged a formidable guerrilla network now active in 59 of the nation's 73 provinces.

Many U.S. and Filipino analysts blame the "corrupt and exhausted" Marcos regime for the Communists' rise. During his 20 years in power, Marcos has presided over the virtual collapse of the Philippine economy and the unraveling of Manila's authority. But Munro points out that "trashing the Marcos regime . . . fails to give proper attention and credit to the Communists themselves." From northern Luzon to southern Mindanao, the NPA's "Armed City Partisans" (i.e., hit squads) have been torturing and killing suspected informers in a manner "rivaling the [Cambodian] Khmer Rouge in savagery if not yet in scale." Official statistics show the NPA "liquidating" more than 130 civilians a month. Munro believes the actual figure is higher.

Ironically, he maintains, the NPA has gained respectability in the eyes of many Filipinos (90 percent of whom are Catholic) because of ideological support from some 1,200 priests and nuns who make up the clandestine pro-Communist Christians for National Liberation (CNL). These Church activists have sheltered wounded NPA guerrillas, transmitted CPP messages, even helped to organize sugar workers on the island of Negros.

Needless to say, the Communists do not look fondly upon Washington. The CPP has stated that it wants to take over U.S. military bases and nationalize all foreign properties. Lately the once-Maoist CPP has even spurned Beijing, instead soliciting arms from the Soviet bloc and the Palestine Liberation Organization.

In Munro's opinion, the CPP's future looks all too good—while the outlook for the country is bleak. Unless the Marcos regime is replaced by a competent reformist government, and the Communists are checked, the Filipinos might be "staring at a 'Pol Pot future.'"

Unconstructive Engagement

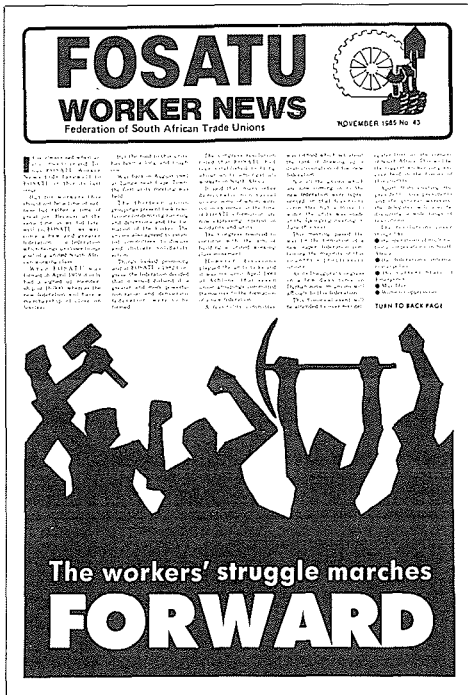
"South Africa: Why Constructive Engagement Failed" by Sanford J. Ungar and Peter Vale, in *Foreign Affairs* (Winter 1985/86), 58 East 68th St., New York, N.Y. 10021.

Viewed from almost any angle, the situation in South Africa looks grim: Cuban troops and military advisers are still in nearby Angola; racial violence plagues the nation of 4.6 million whites and 23.8 million blacks; moderates on both sides are losing ground.

Ungar and Vale, former managing editor of *Foreign Policy* and director of the Institute of Social and Economic Research at Rhodes University in Grahamstown, South Africa, respectively, put much of the blame on the United States. After more than five years, they say, the U.S. policy of "constructive engagement"—which sought to pressure the white South African government indirectly to reform its institutional racism—"has failed on every front."

In 1981, the Reagan administration said it would "underpromise and

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This final newsletter of the Federation of South African Trade Unions (November 1985) marked the voluntary demise of a black group that began in April 1979 with 16,000 members. It was merged into a larger national black labor congress with a membership of roughly half a million.

overdeliver" on its commitment to halt apartheid in South Africa. In fact, the authors argue, it has done nothing of the sort. Even as Western allies condemned the country's racist policies and actions, the White House lifted curbs on U.S. arms exports to Pretoria, provided training for the South African coast guard, and sided frequently with South Africa in the UN Security Council. Furthermore, by not opposing the 1983 creation of separate parliamentary chambers for "Coloureds" and "Asians" (or a whites-only constitutional referendum), the authors maintain, the Reagan White House tacitly supported Pretoria's "divide and rule tactics."

Not until September 1985 did Washington step up its efforts by imposing "limited economic sanctions" against South Africa, including a halt on loans to President P. W. Botha's regime. Yet, argue Ungar and Vale, these sanctions only amount to a stronger dose of an essentially ineffective policy. During the last year, South Africa has experienced the worst upheaval since its unification as a state in 1910. Saddled with a debt of \$23.7 billion, the country saw its gross national product drop by more than one-third between 1982 and 1984. (In some rural areas, the rate of black unemployment has neared 60 percent.) The only "concrete achievements" of constructive engagement, in the authors' opinion, were Pretoria's recognition of the nation's black trade unions (representing roughly 20 percent of the 7.5 million-member black labor force) in 1981 and the issuing of exit visas to key black leaders.

What should America do now? Among other things, the authors ar-

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gue, Washington should officially recognize the outlawed black African National Congress, support South Africa's black-led unions, and further restrict (or suspend) U.S. intelligence cooperation with Pretoria.

"Courageous efforts must be made," Ungar and Vale conclude, "to convince black South Africans that Americans identify with their plight and are willing to help."

Hungary's Malaise

"Hungary: A Malaise Thinly Disguised" by Ivan Volgyes, in *Current History* (Nov. 1985), 3740 Creamery Rd., Furlong, Pa. 18925.

Hungary stands out among the seven East European nations of the Warsaw Pact. Blessed by relative prosperity, the country has won the admiration of more than one Western observer.

But Volgyes, a Rutgers political scientist, warns of troubles to come. Outwardly stable, Hungary's "economic, social, and political life," he argues, "is very close to a major crisis."

In 1968, Hungarian Communist Party chief Janos Kadar launched a series of reforms known as the New Economic Mechanism. Stressing a flexible price structure, upgrading the role of the consumer, and minimizing central planning, this brand of "market socialism" gave the country's 10.7 million citizens a 1983 gross national product per capita of \$2,150—above that of most other Soviet bloc nations. And while careful to follow Moscow's lead in foreign policy, Kadar has not resorted to authoritarian political controls. Volgyes reports that "very few" dissidents are in jail; "nonofficial" candidates unseated five Central Committee members during last year's legislative elections.

But a variety of factors now threatens to undermine Hungary's stability. On the economic front, a reluctance to close down inefficient state-run factories (and create unemployment of "capitalist" proportions) has hampered attempts to modernize industries. Hungary must also rely on the USSR for oil and raw materials and rarely receives them in sufficient quantities. During the winter of 1984, while Europe and the United States were awash in cheap oil, Hungary suffered an "energy shortage." Finally, the same policies that have filled shops with French perfume, American jeans, and Czech crystal have also kept annual inflation rates at eight to 10 percent over the last four years. "Beyond the glitter of prosperity," observes Volgyes, "is a society deeply divided between the rich and the poor."

The state's economic difficulties have complicated the Communist Party's search for a successor to the 73-year-old Kadar, the nation's leader for the last 30 years. Members of one Party faction contend that economic survival demands a leader who will opt for even greater liberalization. Their rivals argue that current reforms have gone too far, that they have eroded the Party's power. Volgyes fears that the latter group will prevail. Dissatisfaction among the have-nots of Hungarian society may well fuel support of a "more orthodox, more egalitarian, and more dictatorial political course in the years to come."