

tion) than Germany.” The average gross monthly wage in the Czech Republic, for instance, was \$337 in 1997, and in Bulgaria, \$94—while in Germany last January, it was \$2,706.

More than half of Germany’s gross national product (\$2.1 trillion in 1998) is spent by the federal government, the *Länder* (states), or local authorities. Because of global pressures, this massive public spending must be reduced, Langguth says.

Taking a first step in that direction after eight months of economic muddle, Schröder and new finance minister Hans Eichel in

June unveiled a package of budget and tax cuts. It would slash state expenditures by \$16 billion next year, freeze pensions for two years, end many subsidies, and reduce the state’s share of national income to 40 percent over the next several years.

Many of Schröder’s fellow Social Democrats deem this “New Center” move a betrayal of their party’s traditions. But political scientist Lutz Erbring told the *New York Times* (July 25, 1999) that, in essence, Schröder “is gambling that a majority of Germans have the common sense to see that he is right.”

The End of Islamic Revolution?

“The Decline of Revolutionary Islam in Algeria and Egypt” by Fawaz A. Gerges, in *Survival* (Spring 1999), International Institute for Strategic Studies, 23 Tavistock St., London, England WC2E 7NQ.

Though Islamic extremists in Algeria and Egypt continue to mount terrorist attacks, they no longer pose a serious threat to the survival of the pro-Western regimes there, contends Gerges, a professor of international affairs and Middle East studies at Sarah Lawrence College. “Unable to face or subvert the superior forces of the governments they opposed, militant Islamists in Algeria and Egypt instead terrorize the civilian population and deter foreign investment.”

In both countries, as elsewhere in the Middle East, Gerges says, the Islamic movements have been fractured by factionalism. In Algeria, the Groupe Islamique Armée (GIA) since 1996 “has targeted civilian areas inhabited by supporters of its rivals, particularly the mainstream *Front Islamique de Salut* (FIS).” Many of the civilians slain in this oil- and natural gas-rich land of 29 million “are partisans of various Islamist groups,” Gerges points out—a fact often overlooked by the news media. “Algeria’s Islamist revolution is devouring its children.”

Now headed by President Abdelaziz Bouteflika, the military-dominated Algerian regime, which began a crackdown on the Islamic Front umbrella group in 1992, seems to have won the war, Gerges says. In 1997, the Army of Islamic Salvation (AIS), the armed wing of the FIS, declared a unilateral, unconditional peace, and began collaborat-

ing with the Algerian army in its fight against the GIA. The GIA guerrillas have been reduced in number to a few hundred, Gerges says, “and the arbitrary and irrational nature of GIA violence has alienated an outraged public.”

In Egypt, the violence has been intermittent rather than protracted, but since the early 1990s, thousands have been killed or injured, and the tourist industry badly damaged. By 1995, however, President Hosni Mubarak’s government had limited the threat posed by militant Islamist groups such as al-Jama’a and Jihad, killing most of their effective leaders and confining most of the violence to gun battles between the authorities and militants in central and upper Egypt, away from Cairo and most tourist sites. In 1996, the government declared victory.

But the destruction of al-Jama’a and Jihad as organized movements, Gerges notes, “caused them to splinter into radical cells and factions,” which it was difficult for the government to control. Just how difficult became clear in September and November 1997, when al-Jama’a and Jihad made terrorist attacks in central Egypt, Luxor, and Cairo itself, leaving more than 100 Western and Egyptian civilians dead. In Egypt and in the wider Muslim world, the Luxor massacre turned public opinion against al-Jama’a, which is now only “a shadow of its

former self, with its rank and file in exile or on the run.”

The fall of the Egyptian or Algerian regimes to Islamic militants, Gerges points out, would have suggested “a new, expansive

stage in an ‘Islamic Revolution’ that began with the overthrow of the Shah’s regime in Iran in 1979.” But 20 years after that event, he concludes, “the Islamist revolutionary movement seems to be a spent force.”

Mexico’s Trial by Fire

“Mexico’s Coming Backlash” by M. Delal Baer, in *Foreign Affairs* (July–Aug. 1999), 58 E. 68th St., New York, N.Y. 10021.

As Mexico moves toward a presidential election next July, proponents of democracy can take satisfaction in the fact that for the first time in 70 years, the long-dominant Institutional Revolutionary Party (PRI) could lose. But they shouldn’t be too satisfied. So far, writes Baer, of the Washington-based Center for Strategic and International Studies, “more democracy has brought renewed political infighting, assassinations, and guerrilla violence.” If a minority government comes to power, the result could be chaos.

Mexico, which had a history of succession by assassination until 1929, achieved stability then by opting for one-party rule by the PRI. Regional chieftains agreed to submit to a powerful presidency in return for a share of the political and economic action. “Only when this system of power sharing broke down was Mexican democracy born,” notes Baer. In 1987, after President Miguel de la Madrid Hurtado named Carlos Salinas de Gortari as his successor, a host of young, free-market *tecnicos* (technocrats) held sway in Mexico City, much to the dismay of old-line PRI politicians. Cuauhtémoc Cárdenas Solórzano then formed the dissident, center-left Democratic Revolutionary Party (PRD) as a refuge for exiled PRI populists.

Today, Mexico essentially has a three-party system, with the PRI, the PRD, and the center-right National Action Party (PAN) vying for

power. The winner next July possibly could draw less than 40 percent of the vote. Mexico “could become ungovernable,” warns Baer.

“Mexico has spent billions of dollars creating technologically sophisticated and credible electoral institutions, revamping voter ID cards and registration lists, and establishing the nonpartisan, autonomous Federal Electoral Institute,” Baer says. “But the cultural values needed to underpin democratic governance—tolerance, compromise, and civic participation—remain weak.”

“In their 11 years in power” under Salinas and Ernesto Zedillo Ponce de León, she notes, “Mexico’s young technocrats have led a restructuring that has produced the privatization of state-owned industries, fiscal discipline, and [the North

American Free Trade Agreement]. But a backlash is in the air.” Mass protests erupted this year when President Zedillo proposed electricity privatization. To the public, Baer says, the shadow over the self-exiled former president Salinas, who has been linked with various shady dealings, “has made privatization synonymous with corruption.”

The 1994 assassination of PRI presidential candidate Luis Donaldo Colosio, which ended seven decades of peaceful presidential successions, still hangs over the political scene, Baer says. “The specter of political violence has become very real. . . . The post-Colosio landscape is populated with angry



Is the ruling PRI, often derisively portrayed as a snake, coming apart?