
**“I want to be a good shareholder”:
Lessons about consciousness and the global economy from Serbia-Montenegro
Presentation by Lisa VeneKlasen, Just Associates**

The “Economic Education for Action” initiative works closely with 15 labor educators and organizers belonging to unions that are affiliated with three labor federations in Serbia and Montenegro. The aim is to enable workers and their unions to gain more influence on the local to global economic policy processes and issues shaping their lives.

Part of the former Yugoslavia, Serbia and Montenegro are among the newly independent countries emerging from the devastating wars in that region over the last 20 years. When the project began in 2003, people in this region were struggling to recover from the loss and dislocation produced by the war. Many people remained traumatized by the loss of family members and friends, their homes and jobs, and their cultural and historical connections to Bosnians, Croatians and others that used to be part of their country. Equally jolting, the World Bank and International Monetary Fund were carrying out an accelerated economic restructuring process led by expert teams from Price Waterhouse and other powerful consulting firms. This created intense pressure on a barely functioning government that was still under the control by the corrupt behind-the-scenes forces associated with the brutal strongman, Slobodon Milosevic. Three-quarters of the loans that Serbia-Montenegro was receiving from the IFIs were structural adjustment loans as compared with the standard limit of just one-quarter. It became clear during this project that this type of accelerated transition is increasingly common for post-conflict countries, thus taking advantage of the window of opportunity created by the temporary paralysis of people recovering from war who would otherwise resist. The restructuring included a rapid privatization process affecting hundreds of small and large firms each month and the liberalization of labor and social policies. In 2004, the unemployment rate hovered at 35%, corruption and political violence continued and workers were striking at the steel plant against their new employer, US Steel, who’d bought the plant at a rock-bottom price but refused to meet the workers’ demands for \$10/day.

“Information provision about the global economy alone will not change or engage the workers in a way that helps them take hold of their situation.”

Against this backdrop of stark local economic realities so concretely shaped by global economic power, the union leadership and individual workers were struggling to figure out what was happening and how to engage. They blamed themselves for the state of the economy and unemployment. Seasoned unionists with a sharp sense of politics and economics described themselves as “backward” and “ignorant”, and felt ashamed of the economic losses people were suffering. They hoped to learn about the “free market economy” so that they could “modernize” and “conform better to corporate culture”. They wanted “to be better shareholders”. In this context, the project coordinators were concerned that information about economic policy alone would only reinforce the myth that the economic policy choices people were enduring were “scientific” rather than a question of power and interests.

The first step of the Education for Action project was to create a process where unionists could recover their rich political and economic understanding of the last ten years of their history. Many of the participants perceived the market economy as “an inevitable force of nature”. Through the process, workers constructed an in-depth analysis comparing the dynamics between the state, the market and civil society over time against key historical events. Gaining confidence in their own knowledge, they later produced a detailed timeline of privatization laws against the backdrop of economic downturns they experienced – using their cell-phones to call colleagues and friends who might provide more accurate information for its construction. Within a short-time, unionists were working together in self-selected groups and individually to monitor, gather and weave together information about economic policy with what they knew about national and EU politics. Information emerged that the EU and the US government had made the privatization of water and electricity a condition for accession and loans. Moving beyond a narrow understanding of their interest solely as workers, unionists explored alternative economic and political ideas and hopes through consultations with family and community.

As this project continues today, one of the many challenges facing the increasingly active unionists is their own union leadership and structures that may not accommodate the activist and questioning nature of the labor educators. Federation leadership are often invited by global and national policy actors in the Balkans to participate in policy “dialogues”, creating the impression that their views are being heard. “Although we attempted to mitigate this inevitable resistance (to a more activist rank and file) at the top by carrying out short sessions with leadership and exploring the possibilities of linking the education to a larger federation campaign on water, electricity or another key economic issue,” Lisa explained, “it was clear that there were much more complicated obstacles blocking action.”¹

¹ For more information about this project, see www.justassociates.org.