

Political Crisis, Economic Crisis: Challenges for the Radical Left

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LeftViews is Socialist Voice's forum for articles related to rebuilding the left in Canada and around the world, reflecting a wide variety of socialist opinion. In this article , a central leader of Britain's Socialist Workers Party [1] discusses the challenges facing the British left in face of the global economic crisis, the decline of the Labour Party, and the weakness of left wing parties across Europe.

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(Socialist Review, July 2009) Crises aren't made of whole cloth. They have multiple causes and are explosive precisely because they represent the coming together of the major contradictions in society.

Thus the political meltdown in Britain isn't just about a massive popular revulsion against what the media call the "political class." Its intensity arises from the way in which it has coincided with the global economic and financial crisis.

As Jonathan Raban writes of the parliamentary expenses scandal in the *London Review of Books*, "In another year or season, the story might have had less explosive force, but its publication last month was one of those miracles of timing that are as much a matter of luck as of design. With the recession deepening beneath its feet, jobs evaporating overnight, houses repossessed, retirement portfolios dwindling, the public was in a state of fury at fat cats and hungry for revenge."

What the scandal revealed was that MPs identify themselves not with their constituents but with the bankers. Compared to median earnings of just under £20,000 a year, an MP's annual salary of £64,766 is very good money. But the parliamentarians were looking up, not down - not just at the vast takings not just of investment bankers and private equity bosses, but even of top civil servants and journalists. They wanted their share of the hog-fest of neoliberal bubble capitalism.

Labour has suffered more than the Tories over the expenses scandal. There are at least three reasons for this.

The first is that Labour supporters still expected better of their MPs. No one is surprised that Tory grandees should claim for cleaning their moats or building servants' quarters. The residual traditions of working class solidarity in Labour ranks mean that its leading figures are held to a higher standard.

The second factor is Gordon Brown's astonishing ineptitude. If he had defenestrated Jacqui Smith

and Hazel Blears early on in the scandal then he might have got some credit for trying to clean out the stables. As it was, Brown's cowardice and procrastination meant their eventual resignations – and the more calculated departure of James Purnell – almost brought him down. David Cameron was, as usual, much faster on his feet, ostentatiously taking action to force out some of the worst malefactors.

Thirdly and most importantly, the expenses scandal has accelerated the decay of Labourism. This is a long-term process, dating back to well before the weakening of trade union organization in the 1980s. Since at least the 1960s the Labour leadership has increasingly detached the party from its roots in the organized working class, transforming it into an apparatus of professional politicians focused on waging media battles with the rival apparatus run by the Tories.

The decay of Labourism

This process speeded up under Tony Blair, who used the defeats workers suffered under Thatcher to gut inner-party democracy and embrace neoliberalism wholesale. Incidentally, Blair shouldn't be denied his share of the credit for popular disillusionment with official politics. After all, he lied his way into war with Iraq and, when this was exposed, rather than being booted out of 10 Downing Street and locked up for war crimes, was allowed to hang on to office for another four years. The spectacle of Blair today, posturing as the Palestinians' friend and accepting grand prizes for his good works, is a standing condemnation of the British political system.

But it's important to see that this dimension of the political crisis isn't a uniquely British affair. Labour's appalling 16 percent of the popular vote in the European parliamentary elections was matched by the centre-left social democratic French Socialist Party. More generally, the past decade has seen an astonishing reversal.

In the late 1990s the centre-left held office in the four biggest member states of the European Union – Germany, Britain, France and Italy. Today social democratic governments cling desperately to office in Britain and Spain after bad defeats in the European elections. Elsewhere, from France to Poland, the incumbent centre-right claimed victory – though in fact their score wasn't that impressive.

The *Financial Times*' Blairite columnist Philip Stephens gloated over the discomfiture of the left: "Pace the doomsayers who predicted imminent Armageddon, liberal market capitalism has survived... Predictions of a return to the 1930s have proved as misjudged as the reckless complacency of policymakers and economists during the boom years... In Europe the imagined crisis of capitalism has turned into an implosion rather than a resurgence in the fortunes of the ideological foes of the free market."

This is pretty silly, in more than one way. First, Stephens is joining in the hubbub of commentary announcing the end of the economic crisis. While economic prediction is always highly uncertain, he is very probably wrong.

In early June two eminently mainstream economists, Barry Eichengreen and Kevin O'Rourke, published a detailed statistical comparison between the present crisis and the Great Depression of the 1930s. This shows that "world industrial production continues to track closely the 1930s fall, with no clear signs of 'green shoots'" and that "world stock markets have rebounded a bit since March, and world trade has stabilized, but these are still following paths far below the ones they followed in the Great Depression." They conclude, "This is a Depression-sized event."

What has happened is that the financial markets have got over the terrible fright they suffered with last autumn's crash. They are now excited about evidence that the rate at which some big economies are shrinking has slowed down and that China's growth rate is rising. This has led to intense speculation in commodities markets, which is pushing up the price of oil in particular. All of this looks more like another round of bubblenomics than the end of the crisis.

At some point the world economy will stop shrinking. But it is more likely than not that this will lead not to a new boom but to a prolonged period of stagnation. The crisis happened because of the way in which the US ruling class came to rely on letting the financial system rip to compensate for underlying low profitability. But now – for all the flurry of good news stories – the banks are bust. It is going to take a long time to fix the financial system. As the Keynesian economist Paul Krugman put it, “The risk for long stagnation is high... The idea that we sort of bounce along the bottom is all too easy to imagine.”

Secondly, only the most vulgar of Marxists would predict that a serious economic crisis necessarily favours the left. Everyone knows that Adolf Hitler was the main political beneficiary from the Great Depression of the 1930s. In the Guardian another Blairite columnist, Martin Kettle, offered a more sophisticated take: “As in the 1930s, recession has hurt the parties of the left rather than strengthened them, while benefiting a range of parties of the right. National paranoias have not sprung up again in the virulent form they did in the fascist era, any more than communism has, but they are prospering modestly in new ways. The frequently expressed hope, including by [David] Miliband, that the financial crisis ought to generate a ‘centre-left moment’ has proved elusive. If anything, this is a centre-right moment. The social market, with a dash of protectionism, is today's winning formula.”

Both Stephens and Kettle offer the same cure. As the former puts it, “What was missing last week was a centre-left prospectus recognizing the benefits of globalization while promoting wider distribution of its opportunities.” Now who does that sound like? Kettle is more explicit, demanding that the centre-left “rediscover the instinct for creative adaptation that Blair taught it.” In other words, back to Blairism.

This is remarkably cheeky, given that it was Blairism that got us into this mess in the first place. The social democratic victories of the late 1990s were the historical moment of social liberalism. In other words, centre-left governments brought to office by popular revulsion against neoliberalism continued with free market policies.

Blair was brashest pursuing this political course, but Lionel Jospin's Plural Left government in France privatized more between 1997 and 2002 than its six predecessors combined.

In Germany the Red-Green coalition that held office under Gerhard Schroder between 1998 and 2005 forced through Agenda 2010, which was designed to make labour markets more “flexible.” This helped German capitalism sharply to force down real wages. Even Brown's apparent conversion to Keynesianism in response to the economic crisis hasn't stopped him plodding on relentlessly with the program of privatizing public services that he inherited from Blair.

The advent of social liberalism is an important factor in the popular withdrawal from mainstream politics that is evident right across Europe (participation in the European elections fell to a record low of 43.24 percent). All the major parties embracing the neoliberal “pensée unique” (single thought) deprived voters of a genuine choice. The revulsion against economic and political elites has found expression in the referendums rejecting the European Constitutional Treaty in France and the Netherlands in 2005 and the Lisbon Treaty in southern Ireland a year ago.

But social liberalism has also been a catastrophe for the social democratic parties themselves. Successive defeats have fragmented the French Socialist Party: in the European elections it lost votes both to the Front de Gauche, an alliance of breakaway Socialists and the Communist Party, and to the left Greens. The German Social Democratic Party, squeezed between the centre-right and the more radical challenge from Die Linke, saw its share of the vote fall to a historic low.

The historic parties of the Italian left have simply vanished from the political scene. In the Spanish state the Socialist Party under José Luis Rodríguez Zapatero, brought to office thanks to popular revulsion against the Iraq war, has used its efforts to dismantle the historical legacy of Francoism to give a left spin to its version of social liberalism. But the impact of the economic crisis, especially severe in Spain, seems to have hit the Zapatero government hard.

The great 'moving right' show

Social liberalism, in other words, is the disease, not the cure. Nowhere is that more evident than in its homeland – Britain. But what the decay of New Labour has produced is a political shift to the right that has set David Cameron firmly on the path to 10 Downing Street and has pitched two British Nazis into the European Parliament.

It's important not to overstate this shift. The British National Party's (BNP) vote actually fell in the two constituencies where it won seats. The Nazis got in thanks to massive abstentions by Labour voters.

One can certainly find in popular opinion ugly attitudes towards migrants and asylum seekers. These are fed by the mainstream parties – think, for example, of the odious remarks frequently made by Phil Woolas, minister of state for borders and immigration. And the disastrous decision of a section of the trade union bureaucracy, and even parts of the radical left, to embrace Brown's slogan "British jobs for British workers" has further reinforced anti-immigrant attitudes.

Nevertheless, there is very little sign of the kind of generalized shift to the right in British society that brought Thatcher to office 30 years ago. Cameron has modeled himself on Blair, using the same kind of soft media skills to reposition the Tories in the centre. And his victory in the next general election, even if highly probable, will be by default. Winning a 28 percent share of the vote in the European elections, barely up on the Tories' performance in the previous elections in 2004, is hardly evidence of an imminent landslide.

All the same, the left and the workers' movement had better get ready for a Tory government. Brown may stagger on till the autumn or even next spring, held in place by Peter Mandelson's dark arts and Labour MPs' fear of a wipe-out if a coup forced an earlier general election. But whenever the election comes it will almost certainly usher in the Tories.

And their government will be a nasty one, less out of ideological conviction than because of the expectations the City will place in it. The financial and political elites have convinced themselves that the government's massive borrowing to prevent economic collapse is creating an enormous fiscal crisis that can only be addressed through drastic cuts in public spending. Whichever party wins the next election it will be expected to act in the light of this judgment. The government's budget figures assume that, after taking into account inflation, debt repayment, and social-security payments and the like, departmental spending will fall by 7 percent between 2011 and 2014.

But the Tories are preparing enthusiastically for the task. George Osborne, Cameron's shadow Chancellor of the Exchequer, has boasted to business leaders, "After three months in power we will

be the most unpopular government since the war.” According to the Financial Times, “Mr Osborne is indeed preparing for an eye-watering budget within weeks of a Tory election victory, imposing the cuts – and probable tax rises – he feels are necessary to rein in borrowing of £175 billion...a year. No wonder he expects to be unpopular.”

Workers, in other words, must expect vicious attacks. But this is no reason to opt for the flipside of the idea that economic crisis always favours the left, and assume the worst. The experience both of the 1930s and the 1980s is that major recessions tend to polarize society politically. The Great Depression saw, not just the triumph of Hitler and Franco but, partly in response, great working class insurgencies – France in 1934 and 1936, the sit-down strikes in the US in the mid-1930s, the Spanish Revolution of 1936-7.

In the end the right won, but there was nothing inevitable about this, any more than there was about Thatcher’s victory over the miners and other groups of workers in the 1980s. Because the crisis is not over, we can expect social and political polarisation and major struggles produced by the bosses’ efforts to restore profitability.

There is absolutely nothing predetermined about the outcome of these conflicts. As Gramsci pointed out, in the kind of “organic crisis” with which we are now confronted, the ideological and political cohesion of the contending social forces and the quality of leadership they receive will be decisive: “A crisis occurs, sometimes lasting for decades. This exceptional duration means that incurable structural contradictions have revealed themselves (reached maturity), and that, despite this, the political forces which are struggling to conserve and defend the existing structure itself are making every effort to cure them, within certain limits, and to overcome them. These incessant and persistent efforts (since no social formation will ever admit that it has been superseded) form the terrain of the ‘conjunctural’, and it is upon this terrain that the forces of opposition organize.”

Challenge for the radical left

But, if we are brutally honest about our own strengths and weaknesses, it has to be admitted that the radical left is in pretty bad shape. Across Europe there emerged in the past decade a radical left that sought to offer a principled alternative to neoliberalism and war. Particularly in the wake of the giant anti-war demonstrations of 2002-4, it looked as if it was really going places.

Things are different today. The situation in Britain is particularly shaming. The net result of a decade’s sustained efforts at socialist regroupment was that the two main fragments of Respect (once the most promising product of these efforts) – namely the Socialist Workers Party and the supporters of George Galloway and Salma Yaqoob – chose not to stand candidates in the European elections. A third fragment participated in the No2EU slate along with Bob Crow of the RMT and the Socialist Party, which got even fewer votes than the perennial Socialist Labour Party backed by the rump of the once mighty miners’ union.

In Italy the picture is even grimmer, with none of the fragments of the old Communist Party succeeding in gaining a seat in the European Parliament. Even more striking were the disappointing results of three very different formations in which much higher hopes were placed – Die Linke in Germany, the Nouveau Parti Anticapitaliste (NPA) in France, and the ex-Eurocommunist Synaspismos and its far-left allies in Syriza in Greece.

Is there an objective explanation of this failure? The low level of popular participation in the European elections and the fact that they don’t determine the fate of national governments – which still have the lion’s share of power in the EU – no doubt makes them accident prone and peculiarly

liable to become the vehicle of protest votes. This helps to explain the strong performance of UKIP in Britain in both 2004 and 2009.

But this kind of explanation doesn't seem satisfactory. Why should it be only the populist right that picks up protest votes? The anti-war movements and the social struggles of the past decade represent a significant popular constituency for the radical left.

Moreover, two countries bucked the trend. In Portugal the Left Bloc continued its steady electoral advance, winning 10 percent of the vote and three seats. And in southern Ireland Joe Higgins of the far-left Socialist Party became an MEP, while the People Before Profit coalition made an important breakthrough in Dublin's local elections. Southern Ireland experienced one of the biggest financial bubbles in the mid-2000s and is now suffering a brutal economic squeeze. Here at least the radical left was able to articulate some of the immense popular anger that this has provoked.

In France, where social resistance to the crisis has been particularly intense, the three fragments of the radical left – the Front de Gauche, the NPA, and Lutte Ouvrière – got around 12 percent of the vote between them. This isn't a bad combined result, but it would have been a lot more impressive had it been achieved by a single unified political force rather than by three rival slates.

What can only be described as the failure of the radical left in the European elections demands of its different sections the most serious and self-critical examination of their strategies. The diversity of the different political formations and their national situations means that there is no general recipe that can be offered.

At most one can say that what is required of us is two things. First, a determined effort to support and strengthen resistance to the effects of the crisis and to make it as focused and sustained as possible. Secondly, a readiness to practice the art of politics in the style of Lenin and Gramsci, which means combining a strong principled stance with the tactical flexibility and willingness to compromise necessary if we are to concentrate the maximum of forces against the common enemy and to seek to fracture its own ranks. Once again, Gramsci put it very well: "[Marxism] is not the instrument of government of the dominant groups in order to gain the consent and exercise hegemony over the subaltern classes; it is the expression of these subaltern classes who want to educate themselves in the art of government and who have an interest in knowing all truths, even the unpleasant ones, and in avoiding the (impossible) deceptions of the upper class and – even more – their own."

We are going to need these qualities very much here in Britain. In the first instance, we need to build the broadest possible unity in action to isolate and drive back the BNP. The wave of protests that greeted the election of Nick Griffin and Andrew Brons to the European Parliament was magnificent, but it was only the start of the sustained effort needed to build a mass movement that can start to reverse the Nazis' advances.

But, secondly, we need to get our act together electorally. This requires, on the part of the different fragments of the radical left, an acknowledgement of our collective failure. This isn't important for reasons of moral uplift, but because all the different currents need to recognize that they lack an electoral project of their own that can offer the needed alternative to New Labour. Only then can we begin to explore the possibilities of unity seriously. As long as we each harbour the illusion that we can make the breakthrough on our own, we are sunk.

The reason why, between about 2004 and 2006, Respect captured a real mood was that, amid the great anti-war mobilizations, it represented the coming together of very different political forces to try to build a more united left. That moment cannot now be recaptured, and all those involved need

to learn the lessons of the experience of Respect's rise and fall.

Any future project of left unity will no doubt take a very different form. Achieving it won't be easy. We are divided by past conflicts and also by important political disagreements - for example over the strikes against foreign workers. But a more united radical left must happen. It would be simply criminal to allow the Tories and the fascist and populist right to benefit from the decrepitude of Labourism.

P.S.

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Footnotes

[1] <http://www.swp.org.uk/>