

Revolt Goes Global

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The period of weeks from the end of 2008 to February 2009 saw the fall of the Icelandic and Latvian governments at the hands of daily mass protests, a one-day general strike and millions demonstrating in France, a general strike in Martinique and Guadeloupe, mass protests in Russia, the strikes against social dumping in Britain, a factory occupation in Chicago (!), a semiinsurrectional uprising in Greece and almost daily localised protests in Bulgaria, Chile, India and China. Protest has gone global. And that happens at a time when in two countries, Venezuela and Bolivia, governments claiming adherence to socialism are already in power.

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France dramatically illustrates the political turnaround. When right-wing president Sarkozy was elected in May 2007 to thoroughly 'Thatcherise' the country, the media saw it as a spectacular defeat for the workers movement and the left. But when on January 29th 2.5 million demonstrated on the streets during a oneday general strike, Sarkozy's cabinet referred to it as 'Black Thursday,' well understanding the huge defeat for Sarkozy it represented.

As the global crisis deepens every continent is being engulfed by unrest, with panic buttons being pushed even by ultra-repressive governments such as those in China and Russia.

When the global justice movement started at the beginning of the decade socialists debated how to extend support for its anti-neoliberal politics in the labour movement in the west and worldwide. Global economic meltdown has provided the answer.

CAPITALISM'S BIGGEST ECONOMIC CRISIS

In all likelihood this crash is the worst economic crisis in the history of capitalism and while its duration cannot be predicted by anyone, a short-term fix is impossible. Because the engine of neoliberal globalisation was ever-larger amounts of credit, the current destruction of the mountain of fictitious capital means the system lacks a mechanism for stabilisation and regrowth. Cutting interest rates no longer works because they are effectively already zero; the only option left, particularly in Britain, is so-called 'quantitative easing' - printing money, stoking up potentially dangerous inflation.

Even if the global economy reaches a temporary stabilisation in two or three year's time, it cannot be a stabilisation at anything like the rates of economic growth seen in the last two decades, if only because of the huge debt mountain. A long wave with an undertone of recession is certain, and could last for decades, paralleling the long depression at the end of the 19th century. Meanwhile millions of people worldwide face life-ruining catastrophe. According to the *New York Times*:

"Worldwide job losses from the recession that started in the United States in December 2007 could hit a staggering 50 million by the end of 2009, according to the International Labour Organization, a United Nations agency. The slowdown has already claimed 3.6 million American jobs. "High unemployment rates, especially among young workers, have led to protests in countries as varied as Latvia, Chile, Greece, Bulgaria and Iceland and contributed to strikes in Britain and France."

In such a catastrophic economic and social situation political instability and mass protest is inevitable and unstoppable. The problem is what these protests will lead to. Who will take the leadership of them? What will be their demands? What will be the political outcomes? And how can the left respond?

INDIA AND CHINA CENTRE OF GLOBAL REVOLT

Understanding the way that global revolt is likely to unfold means looking at the context in which neoliberal globalisation went into crisis. Behind the nonsense about the 'nice decades' is the reality that economic expansion affected different social classes differently and that the gap between rich and poor grew exponentially almost everywhere in the world. Hundreds of millions of people understand this and anger is at fever pitch in many countries.

Economic deregulation from the mid-1980s onwards led to

the further enrichment of the super-rich elite whose philistine, narcissistic, wasteful and environmentally catastrophic hedonism is on show for all to see. From the new super-rich in China, the billionaire Punjabi yuppies (Puppies) in India, the drug-financed ultra-rich in Latin America, mafia-capitalists in Russia and the Balkans, gold-encrusted sheikhs in Dubai and Saudi, tax evading bankers in the U.S. to Britain's own tax-fiddling billionaires, the gap between rich and poor has never been greater.

Neoliberalism and corruption have gone hand-in-hand. But beyond corruption, the general workings of neoliberal globalisation have created a small percentage of winners and a massive percentage of losers.

In China economic growth has been achieved at the expense of millions of rural poor whose land has been seized or have been dragooned into becoming itinerant labourers in the big cities paid poverty wages. The abuse of power and corruption has become the norm, leading to violent protests. Three examples from 2008 show what's happening:

“ • a huge demonstration and riot in Guzhou province, southwest China. As many as 30,000 people mobilised in response to claims that police had covered up the alleged rape and murder of a teenage girl; cars and government buildings were set on fire (see Li Datong, “The Weng'an model: China's fix-it governance,” 30 July 2008).

• a three-day demonstration by hundreds of migrant workers in Zhejiang province, eastern China. The protest began on July 10th after the arrest of one of their number by police.

• an attack on a police station and local administrative offices on July 17th by more than a hundred people near Huizhou, Guangdong province. This was sparked by rumours that a motorcyclist had been beaten to death by the police. In the confrontation, one person was killed and ten injured.” (1)

This kind of incident illustrates the elemental, spontaneous nature of the China protests, targeting the police, party bosses and the courts, who always line up behind the increasingly gansterised rich.

In India economic growth has been massive but the beneficiaries relatively few. Anupam Mukerji points out:

“In the last 12 years, India's economy has grown at an average annual rate of about 7 percent, reducing poverty by 10 percent. However, 40 percent of the world's poor still live in India, and 28 percent of the country's population continues to live below the poverty line. More than one

third live on less than a dollar a day, and 80 percent live on less than two dollars a day. India's recent economic growth has been attributed to the service industry, but 60 percent of the workforce remains in agriculture.

"The rate of increasing disparity between the 'haves' and the 'have-nots,' is hard to miss in tech centres like Bangalore, Chennai and Delhi. Technology professionals are returning, having made their millions in the USA. They are driving expensive cars and living in luxury apartments. Cities are growing in all directions. Farmlands are being acquired to build luxury townships, golf courses, five star hotels, spas and clubs. Poor farmers get paid off, and are forced to move further away from the city. And while global leaders and businessmen wax eloquent about India's growing status as an IT superpower, everyone turns a blind eye to the majority of the population untouched by the economic growth." (2)

The result of this, massively under-reported in the West, is armed rebellion. According to Professor Paul Rogers:
"A striking and largely unexpected feature of these years, however, has been the continued and increasing vigour of the rebellion by the Naxalite guerrilla movement (see Ajai Sahni, "India and its Maoists: failure and success," 20 March 2007).

"The Naxalite rebellion, named after one of the original villages involved (Naxalbari in West Bengal) originated in 1967. Its political leadership developed its ideology and strategy from Maoism, though its appeal to its militants and supporters may often have owed more to its defence of their rights and interests rather than to its propaganda.

In any event, it was long regarded as being more a persistent but barely effective irritant rather than a serious threat - until a few years of surprisingly rapid expansion; to the extent that India's prime minister Manmohan Singh described the Naxalites in April 2006 as 'the biggest internal security challenge ever faced by our country'." (3)

Much of the Naxalite revolt is centred in rural areas outside the spotlight of urban-banned news agencies. However it is much more socially significant than, for example, the recent Mumbai terrorist attacks.

RUSSIAN BILLIONAIRES IN TROUBLE

Former Russian Prime Minister Mikhail Kasyanov, who heads a liberal opposition political party, has predicted mass protests in Russia this summer as the economic crisis worsens.

He said mass protests will begin “when people in Russia realize that they are in a deep economic hole...In less than half a year, when the current leadership has spent all the money, there will be nothing left in the arsenal to engage with the public except batons and the use of force.”

Russia’s economic crisis has been deepened by both world recession and then sharp decline in energy prices which a year ago were holding crisis at bay. Now, horror of horrors, the number of Russian billionaires has declined from 101 to 49. The situation is vividly illustrated by a Sky News investigation in the industrial town of Chelyabinsk, a city in the Urals built around the engineering industry, where unemployment is soaring. The report says:

“Inside the massive Mechel steel factory, one of the biggest in Russia, they have had to cut production. Some 70% of the steel it produces is exported around the world to markets in America, Europe and Africa. But as those economies sink deeper into recession the orders have been drying up. The plant’s managing director, Sergey Malashev, told Sky News everybody is worrying about how bad the crisis will get.

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“But as those economies sink deeper into recession the orders have been drying up. The plant’s managing director, Sergey Malashev, told Sky News everybody is worrying about how bad the crisis will get.

“ ‘We produced 360,000 tonnes of output per month on average but in the crisis months this came down to 290,000 tonnes – up to a 25% reduction,’ he said. ‘This is not the worst result other metal plants in Russia saw their output go down by 50 or 60%.’

“The Mechel plant has not had to make any staff redundant but other workers in Chelyabinsk have not been so lucky. Thousands have been laid off in the last few months and the prospect of finding new jobs is not good.

“A weary Oleg Kuznetsov told us: ‘I am a brick layer, out of work. My friends who still have work have their working hours and pay slashed in half, others are on unpaid leave. Almost everyone I know has been affected.’ ”

These same comments could be repeated for thousands of towns and cities across Russia. In dozens of Russia's monotowns (towns with one central factory or industry, it's the same story. The automobile and metal industries have been particularly hard hit as the crisis has taken hold, and monotowns are particularly vulnerable. If the factory closes down or experiences trouble, the future of the entire settlement comes into question.

It's because of this that protests and demonstrations have cascaded throughout the centre and east of the country. Although Western media chose to use photos of demonstrators from the National Bolshevik Party, a far right caricature of Stalinism, few of the protesters were from the organised far right, and many more from Communist and 'democratic' groups. But their influence is so far small. The road to cohering anything like a coherent political or social opposition will be a protracted one in Russia. But social desperation is likely to lead to mass protest and, given the nature of the Putin-Medvedev regime, vicious repression.

According to *Der Spiegel*:

"The real threat comes from another direction. The Kremlin fears that members of the middle class, loyal Putin supporters, will withdraw their support if the prosperity of recent years vanishes. In December alone, disposable income sank by 11.6 percent, and 5.8 million people are already officially unemployed. Arkady Dvorkovich, economic advisor to President Medvedev, believes that the unofficial figure is closer to 20 million."

EUROPE: CONFRONTING NEOLIBERALISM

Three governments in Europe have now fallen because of the crisis – in Belgium, Latvia and Iceland. In some ways the fall of the Iceland government at the end of January was the most emblematic event of the crisis so far.

With a tiny population of 320,000 Iceland is not a 'normal' European state – about the size of two London boroughs. But the bankruptcy of any state is a sensational event. Iceland went bust because the political leaders bet everything on the financial system, turning their state into a high interest rate lending bank.

The collapse of the Icelandic banks has been catastrophic for the Icelandic population. Thousands have had their savings completely wiped out and unemployment is now soaring. The government fell because of the outrage of the population and what was virtually a people's insurrection. On a small scale it paralleled the bankruptcy of Argentina in 2000-1 and the consequent collapse of the government there.

According to the *Washington Post*:

"Protests have mounted throughout Europe, where the political backlash to the crisis is growing. In Ireland, Britain, Spain and other countries where bankruptcies and home foreclosures are rising, polls show that approval ratings of leaders are sinking. In Eastern Europe and Greece, where there is less of a government safety net, protesters have spilled onto the streets by the thousands. Last month's collapse of the Belgian government, which had been wrestling with long-standing conflicts, was also hastened by the banking crisis, analysts said."

"Perhaps nowhere has the economic crash been more spectacular than Iceland, an island with 300,000 residents on the edge of the Arctic Circle. Last fall, its largest banks went bust and the value of its currency plummeted. In recent days, protests intensified as no leader took responsibility for the crash, prompting police to use tear gas for the first time in half a century."

Last year UNESCO ranked Iceland as number one in its international quality of life index, which seems now like a sick joke.

A NEW HISTORICAL PERIOD

With the onset of the credit crunch in 2007 the world entered into a new historical period. Every aspect of economics and politics will be shaken up, especially as the economic crisis combines with the ecological crisis to create a major crossroads in human civilisation.

The political dimension of the anti-neoliberal protest movement is uneven worldwide, but almost everywhere new spaces for radical and anti-capitalist politics are opening up. The U.S. and Britain, centres of neoliberalism, are lagging behind, but given the depth of the crisis and the numbers of workers and youth likely to be excluded from the workforce or victims of welfare cutbacks, some form of new radicalisation will certainly occur over time.

For the left, the key is to develop mass politics that goes in an anti-capitalist direction. This is a period that shows the bankruptcy of Keynesianism as well as neoliberalism. Leading British Keynesian theorist Will Hutton, a strong critic of neoliberalism and Thatcherism, can think of nothing better than to act as a cheerleader for Gordon Brown as his government robs billions from present and future taxpayers to bail out the crooks who run the banks.

We should remember however the global context in which

the crisis takes place – at end of a 25-year period of neoliberal offensive in which the workers movement and socialism as an ideology have taken a fearful battering. This means that in some places the left is not well placed – in the short term – to fill the vacuum left by the crisis of mainstream politics.

Bourgeois politics will doubtless swivel toward what Walden Bellow has called 'Global Social Democracy'; but mainly this will probably not be attempts at social concessions, but state intervention in the economy; Barack Obama's policies in the U.S. are a perfect example. After all, even Nicholas Sarkozy says "laissez-faire capitalism is dead."

Changing capitalist politics can lead to some odd results. In China for example the planned increase in the minimum wage has been postponed, but the government has been handing out 'red envelopes' of cash payment to the poor. On many consumer goods shoppers can now get a 13% discount to encourage them to buy. But none of this will do anything to help the millions made unemployed; those forced into casualised hire-by-the-day jobs where workers are picked out from pens for 10 hours at pittance wages in scenes reminiscent of the 1930s docks in Britain; the millions of graduates who will not get jobs, like many of the 6 million who will graduate this year; or the armies of migrant workers losing their jobs at a breathtaking rate and forced into homeless desperation.

Global Social Democracy may become an aspiration but social democracy needs huge resources to create social programmes. That's its problem; without social programmes it becomes mere government economic management without addressing the roots of the problem. Capitalist politics of any type cannot solve this crisis; only solutions based on national planning, social solidarity and ecological conversion banishing wasteful luxury 'consumerism' (including its close partner militarism) can face the crisis.

LEFT VERSUS RIGHT

Among the protests movements and hundreds of millions of enraged citizens major opportunities will be created for reactionary as well as progressive social forces. For example, in Hungary the crisis is impacting worse on the Roma population who are the victims of repeated pogroms in which more than a dozen people have been murdered and which is fuelling the growth of the farright Jobbik party (and its paramilitary wing the Hungarian Guard).

In Sarajevo ethnic conflict is being stoked up again by the rise of Islamism backed by millions of Saudi dollars. Anti-Turkish racism is on the rise again in Bulgaria.

In a swathe of the former Eastern Bloc nationalism and racism continue as potent threats. In France, by contrast, the crisis has not benefited the far-right National Front, a party whose economic programme concentrates on tax-cutting measures to suit its middle-class base. And in Germany the far right, while having some appeal among sections of lumpenised youth and reactionary middle classes, is weak compared with the left and especially Die Linke.

But the political shape of protest can change rapidly – we are at the beginning of the movement, not the end of it. As we have seen with the recent protests against social dumping by bringing in Italian and Portuguese contract workers to the Total refinery in Lincolnshire, a progressive movement can throw up reactionary or nationalistic sentiments along with progressive ones. That is inevitable in all major struggles in the real world and happens in many strikes and protest movements unequivocally supported by the left. For socialists it is important to be able to discern the real issues involved and contest with the right and reactionaries for leadership of the movement.

For the left to take the leadership at a national level means the creation of political parties that can have a state-wide political impact with a viable programme that favours the workers and the other popular sectors of the population. In some cases this means, for the moment, simply a political regroupment dominated by left social democratic ideas like Die Linke in Germany.

In other places where mass politics are more advanced it is possible to create anti-capitalist parties with broad support in the short term, like the New Anti-capitalist Party in France. The best instrument for this process in England and Wales is Respect, which, while taking the side of the workers and poor on decisive questions, is ideologically not yet a consistently anti-capitalist party with some sectors of its support conforming to a left social democratic approach, while allowing crucial space for class struggle and anti-capitalist politics.

ANARCHISM AND THE POLITICS OF RAGE

Almost nowhere however will the fight for political leadership simply be between the left, the far right and/or religious fundamentalists.

This global movement, prefigured by the movement in Argentina in 2001-2, will be powered by rage and desperation as life savings go up in smoke, purchasing power collapses and hundreds of millions head for the dole queue (or more likely in many places the soup kitchen).

Desperation and rage on their own create riots and social confrontation, not necessarily political programmes and parties

capable of inspiring millions over a long period. The explosions in Greece and Iceland demonstrate the power of spontaneous indignation and upsurge. The politics of anarchism – explicit or otherwise – can come to the fore in these situations. This can also be aided by the natural distrust among the abused and desperate of all ‘politicians’ and ‘parties,’ without making any distinctions. In Greece the movement, although supported by the left and workers movement, had anarchists among its important leadership groups. But without building a sustained left political party, anarchist leadership can lead to movements simply dying out after the latest explosion. Anarchist politics can be explosive, but modern anarchism, unlike some of its historical predecessors, is mainly a label given to the anti-authoritarian moods of the youth and lacks staying power. Upsurges, trashing elite shops and spectacular riots can be contained if they lead to no permanent political results.

THERE’S A STORM COMING...

In April 2007 a British military think tank published a report for the next 30 years predicting growing chaos as the environment degraded and people became exasperated by the huge gap between rich and poor. The report predicted the growing influence of Marxism as the middle classes became revolutionary, the emergence of ‘flash-mobs’ of criminals, protesters and terrorists and a growing centrality for the environmental movement. Some aspects of this report were certainly one-sided and exaggerated.

But like a previous and similar report by the Pentagon, this report revealed a lot about the thinking of the political and intelligence elites of Western capitalism. Their self-confidence for the long term has been shaken by emerging environmental catastrophe and now growing economic collapse. We are a world away from the self-confidence and self-satisfied smugness of the ‘Golden Age’ in the 1950s and ‘60s. Today everything is being shaken and thrown in the air. “All that is solid melts into air, all that is holy is profaned.” Capitalism’s crisis is a huge opportunity for socialist and environmentalist politics, with dreadful consequences if those politics fail.

Notes

1. www.opendemocracy.net/article/china-and-india-heartlandsof-global-protest
 2. Ibid.
 3. Ibid.
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P.S.

* From Relay, A Socialist Project Review, #26 April-June 2009.

* Phil Hearse is editor of www.marxsite.com