

Marxist internationalism vs. the perspective of radical protest

A reply to Professor Chossudovsky's critique of globalization

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The World Socialist Web Site is publishing here the first part of a three-part article by Nick Beams, national secretary of the Socialist Equality Party of Australia and member of the WSWs editorial board, replying to an article by Professor Michel Chossudovsky, "Seattle and beyond: disarming the New World Order," which was posted by the WSWs on January 15, 1999. Beams is the author of numerous articles and lectures on modern capitalist economy, including Marxism and the Globalisation of Production and The Significance and Implications of Globalisation: A Marxist Assessment.

Part 2 of Nick Beams' article was posted on Wednesday, February 23 and the third and final part on February 25.

Part 1

The failed World Trade Organization (WTO) ministerial meeting in Seattle last December was a significant political event in two vital respects. In the first place, the collapse of efforts to launch the Millennium Trade Round marked a new stage in the deepening commercial and financial conflict between the major capitalist powers—the US, the European Union and Japan.

Secondly, the protests and demonstrations which took place outside the meeting—the largest such activities since the political upheavals of the 1960s and 1970s over the Vietnam War—revealed the explosive social tensions building up in the US and around the world as a result of increasing social polarization. They reflected a growing hostility to the domination of the transnational corporations and financial institutions over the lives of working people and society as a whole.

In the aftermath of the protests, the most decisive question is to draw a political balance sheet of these events and develop a program and perspective for the social and political struggles ahead. For this reason we welcome the contribution by Professor Michel Chossudovsky entitled "Seattle and beyond: disarming the New World Order," which was published by the *World Socialist Web Site* on January 13.

For a number of years Professor Chossudovsky has carried out important work in exposing the economic and social impact of the "free market" agenda of the transnational corporations and the banks, imposed through such bodies as the International Monetary Fund, the World Bank and the WTO. In particular, he has detailed how this program has led to growing world poverty and such disasters as the slaughter in Rwanda in 1994 and the conflicts produced by the carve-up of the former Yugoslavia.

Significantly, he took a clear stand against the NATO war on Serbia. He exposed the real nature of the Kosovo Liberation Army, in opposition to many sections of the middle class radical milieu who hailed the organization as a "national liberation" movement fighting against imperialism, while they lined up behind the NATO bombing campaign.

In his article on the WTO, Professor Chossudovsky again seeks to expose the real agenda of the big business organizations, the banks and the

governments of the major capitalist powers that lies behind the phrases about democracy, openness and participation. But the article as a whole is based on a fundamental confusion to which we drew attention in the November 30, 1999 WSWs editorial board statement "Political first principles for a movement against global capitalism".

There we wrote: "In today's restricted and largely uniformed political debate, 'global capitalism' and 'globalization' are essentially synonymous. It is, however, necessary to distinguish between the increasingly global character of the production and exchange of goods—in and of itself a progressive development fueled by revolutionary advances in computer science, telecommunications and transport—and the socially destructive consequences that flow not from globalization as such, but from the continued subordination of economic life to a system which is driven by the anarchic pursuit of private profit, and wedded to an outmoded national form of political organization."

Addressing the questions of political perspective and program flowing from this analysis, the statement continued: "The great question today is not to roll back development to some largely mythical age of isolated national economic life—it is this: who is going to control the global economy, whose interests are going to determine how its immense technical and cultural capabilities are utilized? The only social force capable of organizing the global economy in a progressive fashion is the international working class."

It is upon these fundamental issues that the differences between the views of the WSWs and Professor Chossudovsky turn. There is no question but that Chossudovsky is an opponent of the depredations of capitalism. But to the extent that his critique is not directed to the profit system itself, and the social relations upon which it rests, but rather to the process of globalization as such, he necessarily winds up supporting the restoration of previous forms of capitalist economy.

In short, whereas the program of the International Committee of the Fourth International and its web site, the WSWs, is directed to the development of the struggle of the working class for the conquest of political power and the reorganization of society on socialist lines, Chossudovsky's program, for all its criticisms of capitalism, ends up providing a theoretical platform for those who wish to refurbish and strengthen one of capitalism's central political mechanisms—the nation-state.

The program advanced by the WSWs is oriented to the future and the necessity of the international working class—itsself a product of the global character of modern economy—to harness the enormous potential of the system of globalized production to advance mankind as a whole. In opposition to this perspective, Chossudovsky turns his face to an idealized past, calling for the restoration of Keynesian-style policies of national economic regulation and social reforms which formed the basis of

capitalist rule in an earlier period.

Given the political confusion that is so prevalent today, these views no doubt reflect to one degree or another the outlook of the majority of the anti-WTO protesters in Seattle and the individuals and organizations around the world who followed and supported their campaign. That makes it all the more important for the WSWS to reply in detail to Chossudovsky's article. This discussion is vital because, in our view, the analysis and program outlined in Professor Chossudovsky's piece can in no way advance the emerging movement against global capitalism but will, on the contrary, tend to derail it.

In subjecting Professor Chossudovsky's views to detailed analysis and criticism, we feel confident that no matter the sharpness of our conclusions, the discussion will be welcomed by Chossudovsky and all those who are genuinely seeking clarification on what are the most important political issues of our times.

According to Chossudovsky, the "big divide" at Seattle was between "those who are genuinely opposed to the New World Order and those 'partner' civil organizations which have all the appearances of being 'progressive' but which in fact are creatures of the system" and which "serve to deflect the articulation of 'real' social movements against the New World Order."

While he raises some important points about government funding of so-called non-governmental organizations, their penetration by Western intelligence agencies and their role in providing a "human face" for the WTO, the real division is not where Chossudovsky places it. Of course, it is necessary to expose the connections between governments and NGO "opposition" groups and track the flow of funds and resources. But that is by no means sufficient. The key question to be answered in determining the role of any organization, and ultimately the interests it serves, is the political analysis and program which it advances.

Chossudovsky's attempt to establish the "key divide" on the basis of those who are "creatures of the system" and a "genuine" opposition—defined according to whether or not they are engaged in some kind of dialogue with the WTO—runs into contradictions from the outset. The so-called "partner non-governmental organizations", he writes, have "already committed themselves not to question 'the legality' or legitimacy of the WTO as an institution." Having made this point he continues: "This does not mean that 'dialogue' with the WTO and the governments should be ruled out as a means of negotiation. On the contrary, 'lobbying' must be applied vigorously in close liaison with constituent social movements" with the aim of "reinforcing rather than weakening grass roots actions."

But further on in his article Chossudovsky seems to reject the type of "lobbying" and "dialogue" which he sanctions in the above passage. In his examination of the formation of the WTO in 1994, he writes that "we must act in relation to the original 'iniquity' and 'illegality' of the Final Act of the Uruguay Round which creates the WTO as a 'totalitarian' organization. **There can be no other alternative but to reject the WTO as an international institution, to imprint the WTO as an illegal organization. In other words, the entire process must be rejected outright**" (emphasis in original).

The essential flaw in Chossudovsky's approach is that he turns the WTO into some kind of demi-urge of world history. He fixes its origins in the "illegal" activities of the banks and transnational corporations to take control of the world economy and thereby undermine the activities of national governments and institutions. But this approach only begs the question: why was the WTO only set up in 1994, why not at an earlier point? What were the driving forces which led to its formation? To examine the WTO and to call for its dismantling, without examining these issues is, as Marx remarked in another context, to seek to do away with the Pope without abolishing the Catholic Church.

There is no question that the formation of the WTO marked a decisive transformation in the system of rules and regulations under the General

Agreement on Tariffs and Trade (GATT) which had governed world trade for the previous half century. Established in 1948 as a 23-member body, GATT was aimed at progressively cutting tariffs on a range of industrial products and setting in place a system of rules to prevent the retreat to autarky and beggar-thy-neighbour trade policies which had led to the destructive trade wars of the 1930s Great Depression.

However, the very expansion of the global capitalist economy in the post-war epoch, in which GATT played a role, was to raise new issues. By the 1980s the framework of GATT was too narrow for the global economy which had developed. The era into which it was born, when international economic relations were comprised predominantly of trade connections between national economies, had passed. The development of global production systems and the growing importance of service and knowledge-based industries, accompanied by the increasing scope of international financial institutions, meant that new mechanisms had to be developed to regulate the affairs of an increasingly globalized capitalist economy.

The creation of the WTO represented an attempt by the major capitalist powers to create an organization in line with the globalization of production and finance arising from the revolutionary developments in transport and communications and the vast developments in the productive forces made possible by the application of scientific advances to production technologies.

The globalization of production under capitalism is undoubtedly a means for intensifying the exploitation of working people all over the world, resulting in worsening social conditions for the broad masses in the advanced and less developed countries alike. All the social reforms set in place in an earlier period have been placed under relentless pressure from the drive of global capital for increased profits and the removal of all barriers to its operations.

But this does not at all mean that globalization as such must be opposed. Capitalism, at every stage in its historical development, and above all in this latest phase, is a system of class exploitation. But more than that, it is also a form of organization of production, involving the continuous development of the productive forces, both through technological advances and through the development of the international division of labour. It is upon consideration of these issues that fundamental questions of perspective arise.

In the final analysis, the basis of society is not the specific form of class organization, but rather the productive forces, for it is upon their historical development that classes are formed, take shape and are reformed, and the relations between them are determined.

Of course, throughout modern history the productive forces have been deployed to ensure the domination of the capitalist class—from the class of factory owners and landlords at the beginning of industrial capitalism to the vast transnational companies and financial institutions which straddle the world today. But the productive forces in and of themselves are more than the means for the economic domination of the property-owning class: at a more fundamental level they also embody the economic and technical development of mankind, the materialized embodiment of social and economic progress.

While the productive forces have served under capitalism as a means of exploitation, they also embody the material pre-requisites for the abolition of that exploitation and the advance of mankind as a whole. It is upon this contradiction that Chossudovsky, like many others before him, has stumbled.

In his famous *Preface to the Critique of Political Economy*, Marx explained the dynamic relationship between the productive forces and the class organization of society as follows: "At a certain stage of development, the material productive forces of society come into conflict with the existing relations of production or—this merely expresses the same thing in legal terms—with the property relations within the

framework of which they have operated hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an era of social revolution.”

The historical significance of the globalization of production, to which the formation of the WTO is a response, can only be grasped through an analysis of this law-governed process of capitalist development. Globalization is not only a further development of exploitation arising from the incessant drive by capital to accumulate and appropriate surplus value. It also signifies a growth of the productive forces—the application of scientific advances and a further development of the international division of labour—and thereby an intensification of the contradiction between these productive forces, created by the labour of mankind, and the social relations of capitalism resting on private property and the nation-state system.

These theoretical considerations have profound implications for the formulation of a perspective and program for the working class. Ever since its origins in the late eighteenth century, industrial capitalism has advanced through a continuous revolutionizing of the productive forces resulting in, to use Marx's words, “uninterrupted disturbance of all social conditions” in which “all fixed, fast-frozen relations with their train of ancient and venerable prejudices and opinions, are swept away”.

These continuous transformations and their resultant social upheavals have, at every stage, seen the emergence of two fundamentally opposed political tendencies.

The response of the Marxist tendency to changes in the capitalist mode of production has always been to base itself upon the inherent logic of the development of the productive forces, which, in the final analysis, forms the driving force of the social transformations. That is to say, the response of Marxism has been to examine how these changes intensify the contradiction between the productive forces and the social relations of capitalism, and thereby develop a coherent program to advance the struggle of the international working class for the conquest of political power and the establishment of socialism.

This approach is based on the understanding that the working class is not merely an exploited class, but a revolutionary class in that it is the sole social force, created by the development of capitalism itself, which can free the productive forces from the constrictions of capitalist social relations and take forward the development of civilization.

The elaboration of this perspective has always taken place through a struggle against the political program advanced by sections of the petty bourgeoisie, and even portions of the capitalist class itself, whose response to the social crisis is to call for a return to the old order. Ever since the Swiss political economist Sismondi recoiled in horror from the impact of the industrial revolution in Britain at the beginning of the nineteenth century and called for the retention of the peasant-based village economy, the response of the petty-bourgeois opposition to capitalism has followed the same basic course.

At the end of the nineteenth century, the formation of large-scale capitalist combines and trusts—the outcome of what has sometimes been termed the second industrial revolution—saw the call for a return to free competition between smaller capitalist firms which characterized an earlier period. And now at the close of the twentieth century, the response of this tendency to the globalization of production is to call for a return to the policies of national economic regulation and social reform which marked the post-war boom of the 1950s and 1960s.

While he only saw the beginnings of this tendency in the petty-bourgeois formations of which Sismondi was the leading theoretical representative, Marx's analysis of its essential outlook has lost none of its relevance.

“This school of socialism,” he wrote in the *Communist Manifesto*, “dissected with great acuteness the contradictions in the conditions of modern production. It laid bare the hypocritical apologies of economists.

It proved, incontrovertibly, the disastrous effects of machinery and division of labour; the concentration of capital and land in a few hands; over-production and crises; it pointed out the inevitable ruin of the petty bourgeois and peasant, the misery of the proletariat, the anarchy in production, the crying inequalities in the distribution of wealth, the industrial war of extermination between nations, the dissolution of old moral bonds, of the old family relations, of the old nationalities.

“In its positive aims, however, this form of socialism aspires either to restoring the old means of production and of exchange, and with them the old property relations, and the old society, or to cramping the modern means of production and of exchange within the framework of the old property relations that have been, and were bound to be, exploded by those means. In either case, it is both reactionary and Utopian.”

More than 150 years after they were written, there could be no clearer summing up of Professor Chossudovsky's essential method and outlook than is contained in these lines.



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