

Thousands set to turn out for protest against World Economic Forum summit in Melbourne

The key political issues in the struggle against global capitalism

The Editorial Board
8 September 2000

The thousands of workers, youth and students who are expected to gather in front of Melbourne's Crown Casino on September 11 to protest against the Asia-Pacific meeting of the World Economic Forum (WEF) are part of what has become a significant movement against global capitalism.

The mere fact that the operations of the capitalist "free market" should be questioned, let alone challenged, has revealed a degree of nervousness in ruling circles. Responding to reports of S11 organisers campaigning among school students, Australian Prime Minister John Howard has demanded that education authorities "ensure the efforts of political agitators to involve school students in the protests do not succeed."

Likewise, leading spokesman for the opposition Labor Party, Martin Ferguson, has denounced the protest organisers for trying to use students as cannon fodder. Students, he declared, had to stick to their books, stay at school and concentrate on their studies "because more and more, the benefits of globalisation are going to those who get skills and face up to their responsibilities to study."

But the conditions for the Melbourne protest, like the Seattle and Washington protests that preceded it, have not been created by "agitators". They arise from the deep-going concerns of millions of people around the world over the impact of the increasing domination of economic and social life by vast transnational corporations.

Proponents of capitalism argue that the "free market" has produced unprecedented benefits. The reality is that the gulf between rich and poor has never been wider. The majority of the world's population is forced to embark on a daily struggle simply to survive.

While more than one billion people eke out a living on less than \$1 per day and at least 870 million go hungry every night, the combined wealth of the world's 475 billionaires is equivalent to the income of 50 percent of the world's population.

Each year the countries of the so-called Third World dispatch to the world's major banks and financial organisations three times more in debt repayments than they receive in aid. The repayments of sub-Saharan countries, now afflicted by an AIDS epidemic, amount to more than their spending on health care and education combined.

In Australia, the United States and other advanced countries, the social conditions of ordinary working people are declining, working hours have increased and life is marked by ever-greater economic and job insecurity. As the chairman of the US Federal Reserve Board Alan Greenspan explained last week, recent increases in productivity and profits through the introduction of new technology, have been dependent on the ability of firms to carry out downsizing and sackings.

Forced to acknowledge the widespread character of these concerns,

various spokesmen for the corporate elite have referred to the need to address the social consequences of globalisation. Indeed, one of the stated aims of the WEF meeting in Melbourne is to advocate "globalisation with a human face".

But the real face of the capitalist order has been demonstrated in government responses to the protest movement.

In Seattle and Washington, and more recently in Philadelphia and Los Angeles during the Republican and Democratic conventions, protesters have been met with capsicum spray, pepper gas and baton wielding police. The violence was either initiated directly by the police or instigated by police provocateurs in the crowd.

A similar scenario is being prepared in Melbourne. Police have undergone special training; previously condemned cells have been cleared in readiness, while special squads are to be brought into action. Moreover, the federal government, with the support of the Labor Party opposition, is pushing laws through parliament enabling the army to be called out to deal with street protests.

The press has been playing its own particular role in creating the climate for state intimidation, with daily reports warning of "violence" outside the WEF venue.

The inability of the state to countenance any form of opposition is the outcome of profound social tensions, generated by the development of economic inequality. This is a social order which, unable to mitigate the socially destructive impact of the market on the lives of ordinary people, automatically turns, in a knee-jerk fashion, to the suppression of democratic rights.

The most critical issue facing participants in Monday's demonstration is how to develop a political movement against the global capitalist system. On what perspective must such a movement be based? To answer this question, a critical examination must be made of the agenda of the S11 protest organisers.

The stated goal of the protest is to "shut down the WEF." But even if this were achieved, how would it advance the struggle against global capitalism? Not only do the organisers lack any viable political perspective, but their outlook is based on a totally incorrect analysis of the process of economic globalisation itself.

According to S11's organisers: "The WEF is the 'think tank' and driving force behind the global economy." In other words, the emergence of economic globalisation is the outcome of a series of decisions made by global business chiefs and capitalist politicians. Hence the WEF has been targeted because its meetings "allow the richest and most powerful corporations in the world to mingle with trade representatives from nations, and with each other, to make business deals."

However, far from being the product of some kind of conspiracy involving the leaders of global institutions, globalisation is the outcome of objective processes.

It signifies the historically-progressive drive of the productive forces themselves to overcome the constrictions of the nation-state system in which the property relations and political structures of the capitalist system are ultimately rooted.

Whatever the tactical differences between them, the organisations leading the S11 demonstration subscribe to a fundamentally false identification of the process of economic globalisation on the one hand, with the global capitalist system within which it has developed on the other.

The promotion of this confused outlook flows from their political goals, which are aimed not at the development of an independent movement of the working class against the capitalist order, but rather at protest campaigns to pressure the capitalist state itself. Hence they oppose globalisation as such, because it undermines the power of the capitalist state, rendering their entire perspective completely unviable.

In their publications for the Melbourne demonstration, the S11 organisers explain that the WEF has been targeted because it has played a key role in promoting the “free market” agenda advanced by the World Trade Organisation, which now, they argue, “has the authority to undermine legislation passed by sovereign nation-states.”

This defence of nationalism is made even more explicit in an article by Australian National University sociology lecturer Alastair Greig, posted on the web site of the Democratic Socialist Party (DSP), one of the radical tendencies involved in the S11 campaign.

According to Greig: “If we accept the claim that the forces of globalisation are so inexorable, and that economic and technological forces invariably force national governments to adopt unpalatable economic policies, then the inevitable political consequences are grim indeed, and ultimately they are disempowering for the left.”

This is quite explicit. The outlook of “left” radical politics, notwithstanding its denunciations of “corporate tyranny”, is based, in the final analysis, on the permanence of the capitalist nation state. Protest politics as a whole is rooted in a by-gone era when pressure on the state was able to win certain limited social reforms. According to Greig, the “focus of political action needs to be controlling the power of capital.”

But neither Greig nor the DSP ever attempt to explain why the very elaborate systems of “control” imposed on capital in the aftermath of World War II have completely disintegrated.

What an examination of the question reveals is that any prospect for social reform within the framework of capitalism has been shattered by vast changes in the processes of production. The only progressive program is not the futile attempt to “control capital” by means of the nation state, but the construction of an entirely new international social and economic order.

The indissoluble connection between protest politics and nationalism can be seen by the evolution of the protest movement that began 10 months ago in Seattle. There, what dominated was genuine anger at the role of transnational corporations. While nationalist tendencies were present, by the time of the Washington protests in April they had come to the fore. In Washington, the platform was dominated by the reactionary AFL-CIO trade union bureaucracy, which has lined up directly with American capital, campaigning against tariff reductions on imports from Africa and opposing the normalisation of trading relations with China.

Furthermore, the protest leaders solidarised themselves with the extreme right wing Reform Party representative Patrick Buchanan, who opposed globalisation from an “America first” standpoint.

In Australia, S11 organisers have fought to secure the participation of the trade unions, some of which have agreed to join the protest, attracted precisely by its nationalist orientation. The unions will march, as they did

in Washington, under the banner of “fair trade” not “free trade” and the demand for an increase in protective tariffs. The purpose of these policies is to advance the cause of Australian capitalism against its competitors in other countries.

A statement issued by the Victorian Trades Hall Council on the WEF meeting declares: “While other governments keep protection in place to help industry and jobs, Australia has cut protection to the bone—and the result is job loss and a growing balance of payments problem as our markets are swamped with imports.”

This campaign dovetails completely with the orientation of extreme right wing nationalist organisations in Australia. According to Scott Balson, former webmaster for the One Nation Party, “the Seattle experience over the WTO meeting last year is just a foretaste of what it is to come” with the radical right wing and “left” organisations agreeing on “common issues like globalisation and foreign ownership.”

Many of the radical groups participating in the S11 protest have insisted that no demands other than the call to “shut down the WEF” be advanced. Ostensibly aimed at attracting the largest possible turnout, including, it would seem, representatives of One Nation, the purpose of this stand is to prevent any discussion of vital political issues, and to ensure that the historical significance of globalisation remains shrouded in a fog.

In fact, the globalisation of production, based on vast advances in computer technology, scientific technique and communications is an historically progressive development, with the potential to open a new chapter in the history of mankind.

The new technologies and production processes that have developed over the past two decades have the potential to overcome poverty and disease, allowing all the world's people to satisfy their physical, material, intellectual and creative needs.

The socially destructive consequences that have resulted so far arise neither from globalisation as such nor from technology. They are the outcome of the subordination of world economy to the capitalist order, and to the outmoded system of rival capitalist nation-states.

Globalisation poses to mankind the great and urgent historical task of liberating the productive forces from the grip of capitalist economic and social relations. At the same time, it has created the social force necessary to carry this through.

Whole new sections of the working class have been forged out of transnational production on an international scale—in Africa, Asia and Latin America. Moreover, large sections of what was once considered the middle class, and which provided the key base of political stability for the maintenance of capitalist rule, have been effectively proletarianised.

In other words, by transforming the majority of the world's people into proletarians—workers who have nothing to sell but their labour power and who are driven into struggle, no matter where they live, against the same global corporations and financial institutions—globalisation has created a force whose objective social interests lie in the overthrow of the capitalist system.

But the development of a political movement grounded on this perspective will not arise spontaneously. It requires an intransigent political struggle against all forms of nationalism, a struggle to unify workers of all countries on the basis of a socialist program—that is, to re-organise world economy so that production is carried out to meet human need, not the requirements of profit.

This is a complex task, and one that cannot be accomplished on the basis of a few simplistic slogans and militant campaigns. It requires a thorough assimilation of the strategic experiences of the 20th century, above all an understanding of the significance of the Russian Revolution and its degeneration under Stalinism. Only in this way can the fraudulent identification of socialism with Stalinism—the basis of the claim that no alternative exists to the “free market” and profit system—be demolished. This will provide the intellectual foundation for the revival of a broad-

based and genuine socialist culture in the international working class.

Those who seriously want to develop a political struggle against global capitalism, and not merely protest against its various institutions, will feel the need to turn to a scientific world outlook and clarify themselves on the central historical, political and cultural issues of this turbulent epoch. They will find the necessary intellectual and political resources in the Marxist analysis and perspective provided by the International Committee of the Fourth International and its internet centre, the *World Socialist Web Site*.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact