

# Political issues arising from the Genoa summit

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Unable to offer any perspective, much less a program, to meet the needs and aspirations of the mass of the people they claim to represent, the leaders of world capitalism, ensconced in a walled enclave, have delivered their reply to demands for social justice in the form of police baton charges, tear gassing, police raids, and murder.

A mere decade after their triumphant proclamations on the “death of socialism” and the “victory of the market,” the leaders of the world bourgeoisie increasingly take on all the well-known historical forms assumed by the representatives of previous bankrupt and decaying social orders. That is the significance of the G8 summit in Genoa.

The demonstrations, numbering up to 150,000, were the largest since the start of the protest movement at the World Trade Organisation talks in Seattle in November-December 1999. But even more significant than the numbers themselves is the fact that behind the protests lies the deepening hostility of hundreds of millions—in the advanced capitalist countries and poor nations alike—to the prevailing social order.

This hostility is at yet politically unformulated but palpable nonetheless. As the French president Jacques Chirac was forced to acknowledge: “There is no demonstration drawing 100,000 or 150,000 people without a valid reason.” In Portugal, Prime Minister Antonio Guterres was somewhat more direct. Calling on the G-8 to abandon “their egotistical, short-term vision of international relations” and for the process of globalisation to be more humane, he warned that “the rich should be concerned with the health of the poor, otherwise one day it will be the poor who will take care of the health of the rich.”

If the events in Genoa have laid bare the utter decay of the bourgeoisie, then they have no less decisively raised fundamental questions of perspective which must be addressed in order to develop a political movement against global capitalism. They can only be answered through an understanding of the historical significance of the process of globalisation and its relationship to the social relations of capitalism.

Marx once explained that the development of the productive forces under capitalism seemed to turn everything on its head. On the one hand, he wrote, “there have started into life industrial and scientific forces which no epoch of former human history had ever suspected” while on the other “there exist symptoms of decay far surpassing the horrors recorded of the latter times of the Roman Empire.”

“In our days,” he continued, “everything seems pregnant with its contrary. Machinery, gifted with the wonderful power of shortening and fructifying human labour, we behold starving it and overworking it. The newfangled sources of wealth, by some strange weird spell, are turned into sources of want. ... This antagonism between modern industry and science on the one hand, modern misery and dissolution on the other; this antagonism between the productive powers and the social relations of our epoch is a fact, palpable, overwhelming, and not to be controverted.”

A century and half after they were written these words have acquired even greater relevance. The great questions addressed by Marx in the development of the struggle for socialism remain.

How are these antagonisms to be overcome? How can the vast developments in technology and the productive forces, which have enormously increased the productivity of human labour, be utilised to meet human need instead of being subordinated to the insatiable demand of capital for the accumulation of profit, and the enrichment of a minority.

How can the new means of communication be developed in the interests of all? How can they be utilised to establish genuinely democratic forms of economic and political organisation? How can they be employed to replace the present political order in which millions of people are deprived of any control over their own lives and social existence, but instead are subordinated to an alien power in the form of the global market and for which their so-called democratically elected representatives are but the agents?

These are the burning issues of the day.

The historical crisis of the capitalist order ultimately resides in the fact that the productive forces it has developed come into conflict with social relations based on the division of the world into rival nation-states in which production is dominated by the drive to accumulate profit.

Either the existing social relations are overturned and a new economic and social structure that makes possible the rational organisation of economic and social life on a global scale is established, or mankind faces a disaster—the makings of which are already becoming increasingly apparent.

There is no “third way”. It is only through tackling this fundamental question that the development of a political movement against global capitalism can be taken forward.

While there is a growing recognition within the anti-corporate protest movement that the problem is not globalisation as such, but rather the domination of corporate and financial power, the basic outlook of the leadership, and to a great extent the participants, is that it is somehow possible to reconcile the global market with political controls exercised via the national state. In other words, the central political formation of the capitalist system, the nation-state, is accepted uncritically as an historically given phenomenon.

As the Genoa protests were about to get underway this perspective was summed up in a television interview with Naomi Klein, the Canadian activist and author of the best-selling book *No Logo*. According to Klein, while it was impossible to change the activity of corporations by convincing arguments, “the way you demand accountability ... is by finding international ways to regulate corporations in the same way that we found national ways to regulate corporations.”

But neither Klein nor any other proponents of such international regulation ever examine why the previous framework broke down. Insofar as they offer an explanation it is to maintain that the rise of the “free market” program was a product of the elevation of Reagan and Thatcher at the beginning of the 1980s.

This is to stand the real course of historical development on its head as an examination of the history of capitalism demonstrates. The post-war

economic order, based on the Bretton Woods monetary agreement of 1944 and the Marshall Plan of 1947-48, was a complex system of national and international regulation. While it provided for free trade, the post-war regime set in place controls over capital and currency markets which blocked the development of a unified international financial system of the kind which dominates every national economy today.

This system of regulation formed one of the central foundations for the national reformist policies followed by the bourgeoisie for almost three decades after the conclusion of the war. But it collapsed under the impact of falling profit rates which in turn drove forward the development of new technologies, accompanied by the globalisation of production processes, in order to increase the productivity of labour and profits.

At the most fundamental level, the abolition of the controls on currency and capital movements by the end of the 1980s was an expression of the inherent drive of the productive forces themselves to break out of the confines of the nation-state system. Reagan, Thatcher, and the proponents of the “free market” who followed them, did not so much drive this process but were themselves driven by it.

In other words, globalisation of production under capitalism is a contradictory phenomenon: it is the predatory expression of an objectively progressive historical tendency—the drive of the productive forces to break out of the constricting fetters of the nation-state system, the political framework of capitalist rule.

This has decisive political implications. It signifies that any historically progressive program cannot be aimed at trying to adapt the new productive forces to the old system of national regulation, or some rejigged version of it.

Rather a viable perspective must start from the recognition that, like feudalism before it, the capitalist nation state and its private property system have been rendered an historical anachronism by the growth of the productive forces themselves.

This historical perspective is by no means simply a theoretical abstraction. It must become the guiding thread for the program of political struggle against the mounting social and economic crisis which confronts the mass of the world’s people in the advanced and so-called underdeveloped countries alike.

This crisis cannot be resolved by the political representatives of the bourgeoisie, even if they had a mind to do so. This is because the globalisation of production, driven on by the desperate struggle for markets and profits, far from lessening the conflicts between the capitalist nation-states, intensifies them. This process was visible in the G8 summit itself.

Despite facing the most serious economic downturn since the summits began in 1975, no coordinated policies have been developed in response, no agreement was possible on greenhouse gas emissions, conflicts deepen over the US decision to establish a nuclear missile defence system and the divisions over world trade remain as deep as they were when the WTO talks in Seattle broke down.

The historical crisis arising from the globalisation of production cannot be overcome by a turn to the nation-state for it forms the key mechanism of the social and political relations of the capitalist order which must be overturned.

Nor can it be resolved by appeals to the bourgeoisie—no matter how heartfelt or militant—for social justice. The G8 leaders gave their reply to such appeals at Genoa.

Rather, it requires the development of the political movement of the international working class, the sole social force, created and forged by the process of global production itself, capable of challenging the global domination of capital.

Far from shrinking in size, the working class has grown both in absolute terms and in social weight—a fact of far-reaching political significance.

Throughout the turbulent 20th century, the bourgeoisie has been able to

remain in power by resting on sections of the middle class in the advanced capitalist countries and the peasantry in the backward countries as the chief props for its rule. But the very processes associated with globalised production have severely undermined this program.

In the advanced capitalist countries, far-reaching technological changes have meant that whole sections of the population which once considered themselves part of the middle class have been effectively proletarianised. At the same time in the backward countries the working class has grown by the hundreds of millions. This means that for the first time in history the working class—those who earn their livelihood through the sale of their labour power—constitutes the overwhelming majority of the world’s population.

At present the working class has yet to enter the scene. But the mounting contradictions of the global capitalist order mean it will do so sooner rather than later. The outcome of its struggles will be determined above all by the extent to which it is politically re-armed.

The experiences of the 20th century, above all the betrayals of the working class by all its old leaderships—the Stalinists, social democrats and trade union bureaucracy—have left a legacy of political confusion and a crisis of perspective. But the conditions are being created for a political clarification and re-orientation.

Above all, the very process of globalisation itself, is laying bare the utter bankruptcy of the nationalist programs which played such a destructive role in derailing the international socialist movement over the past century. Moreover, the advanced development of communications technology has created not only the objective conditions for the unification of the working class but also the means.

One of the most educative aspects of the Genoa summit was that it revealed the profound crisis of the entire bourgeois order. That crisis will be deepened, opening up new political possibilities, the more the working class is re-armed politically through the assimilation of the lessons of the 20th century and begins to develop its independent political movement on the program of international socialist revolution. The *World Socialist Web Site* is geared to facilitating this process and thereby bringing forward a renewal of the international socialist movement on higher foundations.



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