Amidst divisions, G8 meeting pledges austerity and war

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At the end of their two-day summit in the French resort city of Deauville, G8 leaders demanded an intensification of austerity programs across the globe. They also reiterated their resolve to overthrow uncooperative regimes by means of war.

There is a profound connection between both agendas. Confronted with the most serious economic crisis since the 1930's, the major imperialist powers are wiping out all the gains achieved by workers in the post-war period. They are well aware that such a program will provoke the types of mass opposition already seen in Egypt, Tunisia, Greece, Portugal, and most recently Spain. The working class in the US is also once again on the move.

In response, governments across the globe are beefing up their own military apparatus to deal with the increasing domestic opposition to their policies, while also conducting a growing number of open-ended colonial wars aimed at re-dividing the world and its resources.

The militarisation of social life was expressed in the massive security operation surrounding the summit itself. At a cost of 200 million euros, the armies of police, soldiers and special agents deployed at Deauville had the task of shielding the summit participants from the outside world.

At the same time, while leading imperialist governments agree on the need to impose an agenda of austerity and militarism, they are sharply divided over how to reconcile such measures with their own, national interests. Behind the official tableau of smiles, kisses and handshakes were fierce conflicts. This was evident from the talks at the summit devoted to the international finance crisis.

European leaders faced intense pressure from non-European countries to put their own house in order and take effective measures to stem the intensifying crisis of the Euro.

The Japanese deputy chief cabinet secretary, Tetsuro Fukuyama told journalists: “Many leaders pointed out that Europe's debt problem, the price hikes of oil, food a nd commodities, and the overheating of emerging economies are among factors putting downwards pressure on the global economy.”

For their part, US delegates at the summit warned that the continuing European debt crisis was driving down the value of the euro against the dollar and threatening the American export industry.

European leaders reacted to the international criticism by stepping up pressure on the Greek government for yet another round of austerity measures and privatisations. Concern about the worsening debt crisis in Greece—the weakest link in the chain of highly indebted European countries—comes after warnings from leading members of the European Central Bank that a default or restructuring of Greek debt would inaugurate a chain reaction with catastrophic effects for the European and international banking system. A large proportion of the debts of Greece, Ireland, Portugal and Spain total about $2 trillion, with a large proportion held by European banks.

Earlier this week, Greek Prime Minister George Papandreou was unable to win support from opposition leaders for a new slate of austerity measures. Against a background of almost daily protests and demonstrations in Greece in opposition to further cuts in living standards and jobs, investors are worried that the Greek government may back down on its pledge to carry out additional attacks on the working population.

Greece has become a testing ground for the type of austerity measures European governments are intent on implementing in their own countries. Equally, the

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example of Greece demonstrates that such policies are driving the country into deeper recession and only worsening its economic problems. European elites are divided on how best to proceed, with layers of the German financial and political elite pushing hard for a restructuring of Greek debt.

European debt is dwarfed both in absolute and relative terms by US debt to the rest of the world. The American government, for its part, is determined to implement historic cuts in health care and retirement programs, including Medicare and Medicaid. Behind the backs of the American people, the Democratic and Republican parties are working out the precise mechanism for how these cuts will be achieved.

Growing tensions between leading G8 countries were also exposed with respect to the second main item on the G8 agenda—imperialist policy in northern Africa. At the end of the summit, US President Barack Obama, his French counterpart Nicolas Sarkozy and British Premier David Cameron all expressed their determination to pursue their ruthless campaign to force Libyan leader Muammar al-Gaddafi from office.

Last Tuesday, NATO forces headed by British warplanes carried out their most intensive bombing campaign in Libya since the start of the NATO campaign over two months ago. Britain is currently preparing to send Apache attack helicopters, and France has said it will follow suit. According to a report in the *Guardian* newspaper, the Apache helicopters are the most effective means for the NATO allies to liquidate Gaddafi.

In statements made at the end of the summit, however, both Obama and Cameron made clear that they expect other nations, including Germany, which refrained from supporting the Libya campaign, to foot the bill for their military adventures and help bankroll US and British commercial interests aimed at opening up the economies of major countries in North Africa and the Middle East.

The emergence of a US-British-French military axis as the leading force in the NATO campaign against Libya has shifted the balance of international forces. German commentators were quick to point out that in the course of his recent trip to Europe, Obama deliberately left Germany, the continent's largest economy, off his schedule.

Obama began his trip in Ireland before moving on to Britain, where he praised the traditional "special relationship" between the two transatlantic partners. Following his trip to France and photo ops with the French president at the Deauville summit, Obama flew over Germany in order to reach his last port of call, Germany's nearest eastern neighbour, Poland.

In order to satisfy the interests of the international finance elite, the world's leading imperialist powers are increasingly resorting to a policy of social counterrevolution at home and colonial war abroad. This was the message to emerge from the latest meeting of G8 countries. In the course of implementing their program, the major powers and power blocks are increasingly coming into confrontation with one another.

The international fissures which led to two world wars in the past century are re-emerging against the background of an intensification of the international economic crisis. The only progressive alternative is the unification of the European, US and world working class on the basis of an international socialist perspective.

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