

A Dialogue on globalization between The Reformist Left and Inclusive Democracy

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Apologists for the reformist Left attempt through their misreading and misinterpretations of History, Marx/Class, Globalization, neoliberalism etc. to force the System into accountability and humaneness. Their taking for granted of the System of the market economy and representative “democracy” reveals the reformist Left’s non-systemic perspectives. In other words, the reformist Left argue that globalization is reversible as if the globalised economy is an exogenous policy change. They insist that neoliberalism and globalisation are not structural changes of late modernity and therefore are not inevitable.

In what follows is an encounter between the non-systemic reformers of the Left (R-L) and anti-systemic Inclusive Democracy (ID). The dialogue begins with an accusation from the reformist Left that ID has prejudged and written off other “radical” perspectives, such as those written by Hardt and Negri, and in particular Panitch and Gindin in their essay “Global Capitalism and American Empire.”

R-L: Panitch and Gindin’s essay is concurrent with the ID thesis about marketisation, globalization, and liberal democracy and that history is not subject to laws, tendencies, nor teleological interpretation, and therefore is not predictable, but an interaction of praxis and structure. The essay offers a detailed and plausible explanation for the deepening of US style corporate capitalism and the internationalization of markets worldwide.

ID: The differences between the reformist Left’s approach and that of the ID on globalisation are fundamental and refer both to their respective analyses, as well as the consequent political implications. We talk about two completely different paradigms:

1. Panitch simply attempts to renovate the old Marxist theory of imperialism which is in no position at all to capture the new phenomenon of globalisation and the consequent creation of a new transnational elite. His analysis is completely obsolete because it is based on the fundamentally flawed idea that there is nothing new in the present globalisation which is still assumed to be based on states rather than on multinationals —something that Marxists like Leslie Sklair (and to some extent Hardt & Negri) did understand.

2. According to the ID approach (and unlike Panitch and the reformist Left) globalisation is both irreversible and inevitable within the capitalist system. This has nothing to do with ‘laws’ etc. but simply expresses the change in objective conditions which are reflected in the institutional changes adopted by the elites.

History is still of course an interaction of praxis and structure but as praxis is non-existent or ineffectual lately, particularly after the emasculation of the labour movement and the decimation of the working class following the technological revolution, it is mostly determined by structural changes, which usually start from below (by the multinationals) and are then institutionalised by the elites.

3. That means that neoliberalism is not just “a *political* response to the democratic gains that had been previously achieved by subordinate classes and which had become, in a new context and from capital’s perspective, barriers to accumulation” but a *structural* phenomenon reflecting the change in the objective conditions and the non-development (for the moment at least) of strong antisystemic movements to challenge neoliberal globalisation.

4. At the political level, it is not surprising given the above that the reformist Left adopts the view of reversibility and non-inevitability of neoliberal globalisation. This is absolutely consistent with the fact that in the post Cold-war period this Left has indirectly adopted the New World Order based on the market economy and representative “democracy” and effectively abandoned any idea of an antisystemic struggle, simply aiming to achieve reforms within the market system economy

5. No wonder that the reformist Left and Panitch adopt the clearly reformist anti-globalisation and anti-war movements, which are controlled by the World Social Forum and —through it— the ‘progressive’ parts of the French and German elites, and argue in favour of pressure from below and the creation of ‘anti-US imperialism’ movements that will lead to “a fundamental change in the domestic balance of social forces and the transformation of the nature and role of those states can bring about their disarticulation from the empire”. In other words, they adopt the disorienting approach that there is a ‘bad’ US empire on the one hand and ‘progressive’ forces within the EU elites on the other that potentially could create a new ‘progressive’ pole!

R-L: The essay is critical of the postmodern approach Hardt and Negri's take in analysing empire.

ID: In fact, the only common element between H&N's analysis and ID is the one Panitch explicitly rejects when he refers to them, i.e. that we cannot analyse present globalisation on the basis of the state, which was at the centre of the Marxist theory of Imperialism!

(Quote from Panitsch):

“But their insistence (reflecting the widespread notion that the power of all nation states had withered in the era of globalization) that ‘the United States does not, and indeed no nation state can today, form the centre of an imperialist project’ was itself bizarrely out of sync with the times”.

R-L: Gindin and Panitch are explicitly critical of a Marxism that is based on “laws” and “tendencies”.

ID: Again, they are critical for the wrong reasons i.e. because they wish to draw the conclusion that globalisation is neither inevitable nor irreversible, whereas in the ID analysis the view of History as creation is made perfectly compatible with the view of neoliberal globalisation as a systemic phenomenon which is irreversible within the market economy system.

R-L: Furthermore, Gindin and Panitch take a great deal space to explain how neo-liberalism differs from past Marxist explanations of imperialism.

ID: We referred to an attempt to RENOVATE the Marxist theory of imperialism. Renovate means modernise not just repeat the old theory!

R-L: They argue that in the post-War period the development of multi-national corporations (initially US based and then internationalised with the recovery of Western European and Japanese capitalism) were instrumental in internationalising markets along with a host of other factors.

ID: Yes, and then they go on to analyse globalisation using the state (the US empire in this case) as a basic tool of analysis rather than multinationals! Here is a quote from them: “Moreover, by spawning the modern multinational corporation, with foreign direct investment in production and services the American informal empire was to prove much more penetrative of other social formations.”

R-L: To suggest, that it was inevitable that the internationalisation of markets would occur under capitalism not only sounds deterministic, but more importantly misses the point!

ID: The periodisation of history followed by ID (liberal/statist/neoliberal modernity) has always been examined in terms of the continuous struggle between the elites controlling the market economy, which wished to ‘marketize’ the economy as far as possible, and the working-class and the rest of society who tried the opposite. This sounds very much ‘deterministic’ indeed!

R-L: What Gindin and Panitch clarify in their essay is how concrete conditions changed due to concrete historical events. Moreover, how particular political and economic elites conspired to overcome the quagmire that resulted in the Great Depression.

ID: This is the conspiracy view of History developed by the reformist Left, of which Panitch is a prominent member, in order to justify the (politically convenient) conclusion that globalisation was not inevitable

R-L: And it was this closer, larger state involvement in the US and subsequently in all industrialised nation-states (state capitalism) that created the foundation for the internationalisation of markets.

ID: A central theme of ID is that the internationalisation of markets proceeded from below (Eurodollar markets etc —which were OPPOSED by states) and that it was when statism became incompatible with this informal internationalisation that Reagan-Thatcher

proceeded to institutionalise these changes.

R-L: Contrary to your “belief” Gindin and Panitch are not suggesting in this essay that the internationalisation of the market economy is reversible in any “reformist” way.

ID: If this is so, what is the meaning of the following quotes?

“But affirming Marx’s prescience in this respect runs the risk of treating what is now called globalization as inevitable and irreversible”.

“What this erratic trajectory from the nineteenth to the twenty-first century suggests is that the process of globalization is neither inevitable (as was conventionally assumed in the latter part of the nineteenth century and as is generally assumed again today) nor impossible to sustain (as Lenin and Polanyi, in their different ways, both contended)”.

“Only a fundamental change in the domestic balance of social forces and the transformation of the nature and role of those states can bring about their disarticulation from the empire, but the ideological space may now be opening up for the kind of mobilization from below, combining the domestic concerns of subordinate classes and other oppressed social forces with the anti-globalization and anti-war movements, that can eventually lead to this”.

ID Question: Does the “disarticulation from the empire” mean the overthrow of the capitalist market economy itself (with the help of the well known antisystemic World Social Forum!) or it simply means the creation of a ‘progressive’ pole against the US empire, through ‘pressure from below’?

R-L: Then explain why representative “democracy” and the nation-state figure so highly in the ID critique. It seems that to ignore the importance of the state, and in particular the role of the US state as regulator for the reproduction of international capitalist relations is a significant omission. Furthermore, it is a serious misreading of history to ignore this role from the beginning of the liberal democratic state in the US 200 years ago. Why then would national economic and political elites even bother with supra-national bodies like the WB, IMF, WEF’s and G7 summits?

ID: As stressed in the book *ID* the role that the state played in creating the market economy institutions was stressed (although the marketization process had started from below, when the Industrial Revolution took place in conditions of private property of the means of production). It was through the state that the marketisation process was advanced whenever the ruling elites had the upper hand in the social struggle (liberal modernity) and it was through the state again that the checks on the marketisation process were introduced when the working class had the upper hand since the Great Depression (statist modernity). However, although the state has created various institutions in the post-war period (IMF, WB, GATT, etc.) in order to help the expansion of the market economy, still, as long as markets were relatively closed, it was the state which was the main agent of economic growth in advanced capitalist states. Things changed radically when the expansion of multinationals created a new form of internationalised market economy from below (Eurodollar, Euro-yen markets, etc.) which made statism incompatible with this new form of market economy. It was then that the neoliberal movement flourished, which led to the institutionalisation of neoliberal globalisation. This had nothing to do with conspiracies

etc. (as Negri, Panitch, et al in the reformist Left argued) supposedly aiming to reverse the previous conquests of the working class, since the working class was already in a process of decimation and trade unions were being emasculated in the 70s, as a result of the information technology and so on.

Conclusion: There can be no real ‘commonalities’ between antisystemic and reformist approaches on globalisation.