

On the European Union's crisis and the dynamics of resistance

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This report was presented at an open session of the International Organising Committee (IOC) of the Asia-Europe People's Forum (AEPF) meeting held in Paris October 28 before the alternative summit to the G20 in Nice (south of France). The notes distributed in English at the time of the meeting have been completed here with some elements raised during the exchanges. The English has been revised by *International Viewpoint*.

The discussion was introduced by several reports either from Asia or from Europe. If we get their written version, we shall post them online as well.

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There is a strong continuity between the first financial crisis opened by capitalist globalisation (1997-98) and the present one. But we have entered a new stage in the multifaceted and combined global crisis (climate and ecological crisis, food crisis, socio-economic crisis...). One can also underline a continuity from the "other" or "anti" globalisation Global Justice Movement (GJM) initiated more than a decade ago, and the present *Indignad@s* wave. But here too, we have reached a significant turning point in the dynamics of mobilisations.

What I would like to look at here is the new rather than the continuities.

As always, when one speaks of "Europe", one has to remember that European countries are very diverse - it is a sum of exceptions to the rule. And the European Union is not seen the same way from Greece, Germany or Finland.

The dynamics of the EU crisis

I. Europe as the core of the international crisis. What was already new in 2008, with the "subprime" crisis, is that the centre of the international financial crisis was in the North - namely then the US - and not the South or Russia. Nowadays, the European Union proves to be the weaker link.

In addition to the internal contradictions of capitalist globalisation affecting the whole world, the EU crisis has its own structural roots. It is the result of a historical failure: the constitution of a unified

European imperialist power. The attempt to build it began long ago as a strongly state-led process (European Coal and Steel Community). But this was replaced by a market-driven one and later, in the 1990s, straitjacketed by the neoliberal paradigm [1] There was very little chance for such a process to succeed. It did give birth to a common market and to the Euro (which was not necessarily given in advance) but achieved no more. No formation of an organic European bourgeoisie, no creation of a European unified military capacity, no assertion of a real European government and common economic or diplomatic policies, no fully fledged European state. Instead, the process of integration of new countries (East Europe) and extension of the Euro Zone is today very much in question.

It is this failure that appears now in the open, under the pressure of the crisis. What was unthinkable for mainstream economists and politicians two years ago is now openly discussed: the possibility of a breakdown of the Euro Zone and disarticulation of the EU. This is a major turning point in the history of the EU, with a very unpredictable future.

II. Social onslaught. From the start, neoliberal policies aimed at rolling back the collective rights won in the post-war/pre-neoliberal period. This process began earlier in some countries (UK...) and was later expanded to others (France...) under capitalist globalisation. Beyond significant differences depending on countries, it has already deeply changed the European social landscape, with the generalisation of precarious work and the erosion of social protection in all fields (health, education, etc.). For the first time since the Second World War, the new generation faces worse living conditions than its parents.

The social onslaught is now hardening. There are objective reasons for this. Due to the failure in consolidating a unified European imperialism, the EU's capacity to face international powers' competition and to capture super profits from the South is very much weakened – each European bourgeoisie needs to turn against its own population even more. But the financial crisis and the spectre of the debt are also politically instrumentalised and used to legitimise the neoliberal destruction of social and democratic rights. The crisis is seen as an opportunity to decisively break down collective resistances.

Here too, we have reached a major turning point. The trend is to move from the erosion of public services to their destruction. What is happening in Greece illustrates in a dramatic manner how violently the social fabric can be torn apart nowadays in a European country and how brutal massive impoverishment can be. Even in countries where the neoliberal onslaught has been slowed down by social resistances, inequalities are on the rise, with the top 1% (or even more the top 0.1% and 0.01%) is getting wealthier and wealthier while poverty spreads. Successive quantitative reductions in the level of social protections are having qualitative effects: in France, for example, a growing number of people cannot be treated because of the increasing cost of health. And much worse is to come.

III. Political dead end. What is striking about the present crisis is that it does not give way to any alternatives. While austerity policies are announcing economic recession in (parts of) Europe, the EU remedies remain “more of the same”. While governments have been obliged to break with the European Treaties' financial obligations, they are still trying to make such rules constitutional duties. From the WTO to the EU, the neoliberal order has been imposed by interdictions – to the extent that governments cannot govern anymore. Most options are forbidden in the name of the sacrosanct “competitive market” and “freedom of capital”. One could think that the collective interest of the ruling classes would call for a radical change of course. But apparently no one can represent such a collective interest of the capitalist class.

Contradictions in the EU are very sharp and it is only able to move from one short-term stop-gap

measure to the next. Social Democracy offers no substantial alternative. For sure, in France the Socialist Party is in a winning position for the 2012 presidential and legislative elections, but its candidate (François Hollande) remains firmly within the neoliberal paradigm, as does his party. And in Spain (Zapatero, PSOE) or Greece (Papandreou, PASOK), it is Social Democratic governments that face popular wrath.

Not only is the radical Left too weak to be seen as an alternative, but it has not managed to consolidate itself and strengthen qualitatively more than it had in the previous period. Electoral results can be contradictory: a severe set back for the Portuguese Left Bloc, an unexpectedly big success for the Danish Red-Green Alliance. But for the time being, successes have been followed by setbacks rather than the contrary. The last example to date is the deep crisis of the New Anticapitalist Party (NPA) in France. The difficulties of the radical Left are all the more worrying that they leave the political field open to (false) anti-system alternatives from the xenophobic extreme right.

IV. Crisis of decomposition. A protracted crisis with no credible political alternatives or way out could give way to a crisis of decomposition in the European Union. There is already a deep crisis of institutions in the EU, which has been built top-bottom in a clearly non-democratic way. One can say that bourgeois democracy abdicated when national Parliaments voted that regulations adopted by the non-elected WTO would obligatorily be translated into national laws (the same with EU regulations). People feel that yesterday's democratic institutions – whatever their traditional flaws, lies and limits – have been decisively marginalised. Changes of government without substantial changes of policies – the succession of Left/Right governments all fitting within the neoliberal framework – have fed a widespread rejection of politics and high rates of abstention during elections (reduced when people want to use their ballot to take revenge).

The rise of xenophobic extreme right is not linear, as the recent Danish elections show. every time there are broad social mobilisations, racism recedes. But one should not underestimate the dangers inherent to the present situation. While it still varies very much from country to country, in some already, radically anti-democratic extreme right forces can win elections and form governments (Hungary).

V. The new centrality of the “divide and rule” policy. Dominant classes have always used “divide and rule” policies, but in the post-war period, in Europe, given the socio-political relationships of forces, they also integrated a wide range of collective solidarities into their system of governance (social security, pension funds, public health and education, protective labour laws...). In the 1990s, the generalisation of neoliberal policies meant an end of this period. Already, the “divide and rule” policies became more central.

These policies have many faces: criminalisation of the poor (the “dangerous classes”) described as lazy and profiteers (living on unmerited social benefits); demonisation as “privileged” of workers with stable employment and of civil servants, opposed to those with precarious jobs; an ideological undercurrent hinting that women's place could well be at home; scapegoating of communities defined in an “essentialist” way – often Muslims but also Romas (who are Christians); politicised manhunt (witch hunt) against undocumented migrants...

The politics of stigmatisation operates too at the European Union level. See for example how the acronym “PIGS” is turned against Southerners (supposed to be lazier than the Northerners) – “PIGS” is for Portugal, Italy, Greece and Spain as if the financial crisis did not hit other countries (Ireland, Iceland...).

With the deepening of the global crisis of the EU, the dynamics of the “divide and rule” policy can

become extremely dangerous and destructive.

VI. World impact. Up to now, the present crisis has hit the “North” and a wide range of countries from the “South” very strongly, but a number of others have escaped its devastating effects. This is especially the case for several of the “emerging powers” as China, India or Brazil.

We may enter a new stage of the crisis, the economic downturn in the US and the EU reducing significantly the export possibilities of the “emerging powers”. A “domino effect” could then affect southern economies, as in Africa, depending on exports to the Chinese market. If so, the financial/economic crisis will take a more universal character, which could have radical implications.

The dynamics of resistances

VII. A new cycle of struggles. Important social mobilisations have taken place in several European countries in 2010-2011 (Greece, Spain, France, Britain...). In Greece, there are the most important since the end of the Second World War. They are quite different one from another. In France, for example, one can to a certain extent trace a continuity from the November-December 1995 public service massive strike to the recent massive demonstrations on pension in the autumn of last year, while in Greece, they respond to a radically new situation. In Spain, the “spirit” of the *Indignants* revives something of the “other globalisation” legacy. But, as a whole, it is not “more of the same”.

The EU is entering a new phase of the social crisis – and this is happening while previous waves or strikes and demonstrations, or explosions of riots, have gained very little even when broad and sustained. It announces a further hardening of class struggles, Greece being a warning case. The other/anti-globalisation movement crystallised around international summits (WTO, IMF, G7-G8...), while today’s mobilisations aim first at national governments (and the EU governance in the background) and summits do not attract big numbers of demonstrators anymore. This trend is not limited to the EU. Even if the Palestine issue is in the background of the Arab upsurges, each revolt has addressed its own dictatorship and its own socio-economic situation (unemployment...).

This does not mean that the present wave of struggles is less internationalist than the previous (see the last point), but that the patterns are different. For a number of years already, many of the social forum networks formed at the turn of the century lost their efficiency. This is particularly true in Europe as far as the European Social Forum is concerned. From Copenhagen Climate mobilisations to the Greek-Spanish *Indignad@s* international call, initiatives came from outside these “post-Seattle” networks. The numerous and rich international links built during the previous decade are still alive, but new collective frameworks have to shape. AEPF can contribute to it, in the Asia-Europe continent.

VIII. No simple path. There is in (Western) Europe a striking gap between mobilisation and organisation. Many important social movements and struggles have occurred in a range of countries since the turn of the century, but most of the time, it has not translated into a significant strengthening of permanent organisations (TUs and social movements, left and radical political parties...). A new systemic criticism of the neoliberal order has taken shape, often combined nowadays with anti-capitalist rage, but there is also a sense of despair, fear of the future and lack of alternatives. There are many causes to such a contradictory situation. I just would like to mention three of them here.

In Western Europe, it is the first time since the Second World War that the labour and progressive movements have faced such a global social onslaught and crisis. As a whole, its culture, structures and ways of negotiating with governments and bosses are now inadequate. This was shown, for

example, already in the 1990s, when massive permanent unemployment reappeared for the first time in four decades. How to organise the long-term unemployed was a new (or too old) question. The same can be said concerning the precarisation of work and social life. The legacy of the post-WWII period is very difficult to overcome.

For very understandable reasons, there is a rejection of traditional forms of organisation (whether TUs or political parties) among (more or less) young generations of activists. More democratic and less hierarchical relationships between organisations (especially between parties and social movements) have developed, which is quite positive. But the need to organise on a permanent base is still very much underestimated (and this is an understatement!). One can say that it is an Achilles' Heel of the present wave of radicalisation.

The political and generational gap between the pre- and post-1990s experiences is deep. There has been very little transmission of lessons or (even unanswered) questions. To a large extent, political reflection is restarting from scratch – which is a very slow process.

With neoliberal globalisation and the quickly evolving capitalist crisis, social resistance movements are time and again confronted with questions that are new for them (see below the debt issue). Political answers will take time to emerge. With the deepening of the crisis, everything becomes possible – or, to be more sober, nothing is any longer impossible –, but for sure, everything is difficult, very difficult indeed.

IX. Building solidarities. A lot will depend of the capacity to defeat the deadly policy of “divide and rule” already mentioned. “Tolerance” and “dialogue” will not suffice to do so. “Tolerance” is a very ambiguous notion: one “tolerates” what one does not like! As if it was natural to dislike the “other”. Even “dialogue” puts the stress on otherness. It is surely necessary to support one another, but to face the violence of the social onslaught, to face rising xenophobia, racism and religious intolerance, we need to go beyond mutual solidarity. We need to engage in common struggles, for common goals on common demands.

The social crisis and the crisis of democracy offer ample foundations for such common struggles. Within these, it is crucial that the specific needs and “visibility” of the most exploited and oppressed are actually enhanced. Solidarities are all encompassing: anti-sexist, anti-racist and anti-fundamentalist struggles are not to be marginalised by political democratic and social ones, but incorporated. This is easier said than done. Experience shows that progressive forces in Europe find it difficult to combine in such a way all the fields of solidarities. This is another Achilles' Heel.

X. Reclaiming Social Rights and “real democracy”. One major characteristic of present broad mobilisations and resistances is the way they combine social and democratic rights together with a criticism of the dominant order: against neoliberal policies, finance/market dictatorship and for “real democracy now!”.

This shared will to reclaim social rights and democratic control of one's life constitutes a very hopeful base to rebuild collective progressive alternatives.

XI. Centrality of the issue of the debt. In the present situation in Europe, for the first time since the First World War, the debt has become a central political issue. Until now, the debt was seen as a typical “third world” issue. Great surprise, it has become a “Northern” one too – it looks very much alike.

If the debt is today so central, it is because it is a key aspect of the EU financial crisis AND because it shows how much the EU governance is under the shadow of the financial powers AND because it

has become the main argument for justifying destructive anti-people policies AND because the Northern debt is no more legitimate than the Southern one: the financial crisis is the product of capitalist globalisation dynamics and the debt is the product of neoliberal policies (with a sharp reduction of tax revenues because of all the financial gifts given to the richest, stockholders, etc.).

People do not feel responsible for the financial crisis and are enraged at the idea they have to pay for it. There is probably more confusion concerning the public debt, due to massive mainstream propaganda and widespread fear (what if all one's saving disappear because of banks' bankruptcies?).

Political and "pedagogical" campaigns on this issue are thus essential. But as a whole, progressive forces in Europe are unprepared in this "new" field too. There are countries where the issue is now better understood (Greece... of course), but others where it is not yet addressed. One key is how to articulate the calls for a citizens' audit, moratorium and cancellation. Very significantly, it is a network rooted in Europe (and elsewhere), but which was specialized on the Third World debt, which is now reinvesting its "Southern" expertise into the European scenery - the CADTM to name it.

To build a European-wide response to the debt crisis is surely a task of the day... but still a bit in limbo.

XII. In defence of all our rights. The financial and debt crisis are also used as excuses to back out of many engagements - ecology in general and climate change in particular, but also alleviation of poverty, etc. - or undermine essential rights - such as the right of abortion which is openly attacked in some countries (Poland...) and undermined in many others through financial cuts and closure of health centres...

Since the 1990s, neoliberal globalisation had become the common issue around which all resistances and the defence of people's rights could converge. While this is still true, this role is now more directly played by the financial and debt crisis. It should add strength to the dynamics of convergence of people's movements, because these issues are more concretely felt than the process of globalisation as a whole.

XIII. Comprehensive alternative. In terms of alternatives, we are not starting from scratch, far from it. In fact, I think that many elements of the progressive programme elaborated in the past are still valid today, have been updated time and again, and that the main problem which we are confronted is not the lack of ideas or goals! Starting from democratic and human rights, social needs and ecological constraints, a whole set of demands have been developed and collectivised through international networks. [2] In this framework, the constitution of public financial poles ruled by the logic of public services as opposed to the logic imposed by markets and renters would be an effective answer to the present financial crisis.

There is nevertheless a difficulty in concretely articulating various fields of concern. We have, especially in Europe, to defend democratic and social rights won in the past, but without looking back at the past "governance" and mode of domination ("keynesian") as if it were a model for our future. For example, important labour struggles are underway in the car industry. Most unions will say: "for the defence of employment, long live the European car industry!". Many environment groups will respond: "for the defence of the climate and earth, down with the car industry!". We must of course defend both. In theory, it is not that difficult (it implies a reconversion of the transport system keeping employment and skills). But in practice, the need to combine, articulate, the social and the ecological programmes has not been integrated by most environmental and social movements.

Beyond traditional divides between “radicals” and “moderates” (on the response to the financial crisis...), there are also other issues which we now have to address in a more collective way than before. Should we get out of the European Union or transform it from within? The Left in countries involved since the origin in the building of the EU, like France, tend to answer: “fight from within”. In countries that only recently joined the EU, it tends to answer: “first get out, then build anew”. With the present crisis, such a question has to be reassessed – and it is quite a complex one. A debate has also begun in parts of Europe on what can be meant by “deglobalisation” and what should be our political answer to this issue – again a complex one. Europe is sometimes seen from Asia as an example of regionalised economy, which is relatively true. Nevertheless, the whole debate on regionalisation and globalisation/deglobalisation with which Asia is familiar becomes European too.

XIII. Internationalism. As mentioned earlier, the fact that mobilisations turn toward national governments (and maybe the EU governance), does not mean an end to the internationalist spirit of the alter/anti-globalisation wave. The feeling that we are all in the same sinking boat is widespread (except when xenophobic trends gain ground). Cross-continental identification is very much alive, with the “Occupy” movement emigrating from Egypt to Spain, then from Europe to the US – and at least symbolically from the US to the world with the October 15 day of “occupations”.

Due to the role played by China in today’s world economy (and also, even if less visible, India) and due to China’s new direct involvement in relation to the European Union’ financial crisis, it should be possible to integrate Asia in European progressive movements internationalist vision more than before, while previously Asian solidarities were rather overlooked (links were developed mostly toward Latin America, the Middle East and parts of Africa). It is all the more important to do so, because anti-Chinese xenophobic sentiments are and will be raised by mainstream politicians to turn social anger against a foreign power. At the same time, as new (capitalist) powers, China and India’s states regional interventions have very grave and often destructive implications for Asian people, on their social conditions as well as in military and political fields. In this new and complex situation, the AEPF offers an arena to address these issues from a progressive point of view.

Already since 1996 (anti-G7 mobilisations in France), a new dimension to international solidarity has developed: common resistances in the South and the North, East and West, against common institutions (WTO, IMF-WB, G-8/20...) implementing the same neoliberal policies the world around (that was a first!). As the debt issue illustrates, this is all the more true today: with the emergence in Europe of deep social crisis, European movements have even more than in the past a lot to learn from the experience of struggles in the South. Many progressive ideas are indeed coming from the South. After the rise of a new internationalism in the 1990s in response to neoliberal globalisation, giving birth to the Seattle generation of activists, one can say that a new “new internationalism” is now taking shape in response to the qualitative aggravation of the social crisis in the North [3].

Concretely, it means that we should be able to create or extend networks involving both European (or Northern) movements and Asian (or Southern) ones around issues as social protection, the debt or energy (against nuclear power in particular). As far as Asia-Europe is concerned, AEPF is in a unique position to facilitate such steps forward.

Pierre Rousset

Footnotes

[1] See my previous contribution on this matter (2004), [“The European Union’s Building”](#), on ESSF.

[2] See for example the declaration adopted at the occasion of the Beijing AEPF in 2009, [“The global economic crisis: An historic opportunity for transformation”](#).

[3] See a recent article written for the South-African magazine Amandla ! on ESSF [“Les conditions d’un nouveau nouvel internationalisme”](#) (English version will posted online asap).