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# Another World is Possible: Mobilize Against Neoliberalism!

Statement of the Asian Social Movements Meeting

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The first meeting of Asian Social Movements takes place against a background of what is shaping up as the worst crisis of global capitalism since the Great Depression, seventy years ago. Charting our direction for the future is greatly dependent on accurately understanding the nature and dynamics of this crisis.

## Global Capitalism in Crisis

Global capitalism is in a crisis of legitimacy, which has been brought about by an intersection of four structural crises.

The crisis of legitimacy refers to the increasing inability of the neoliberal ideology that underpins today's global economy to persuade people of its necessity and viability as a system of production, exchange and distribution. The disaster wrought by structural adjustment in Africa and Latin America; the chain reaction of financial crises in Mexico, Asia, Brazil, and Russia; the descent into chaos of free-market Argentina; and the combination of massive fraud and spectacular wiping out of \$7 trillion of investors' wealth—a sum that nearly equals the annual GDP of the United States (US)—have all eaten away at the credibility of capitalism. The institutions that serve as global capitalism's system of global economic governance—the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO)—have been the most negatively affected by this crisis of legitimacy and thus stand exposed as the weak links in the system.

Intersecting with the crisis of legitimacy is a crisis of overproduction and overcapacity that could portend more than an ordinary recession. Profits stopped growing in the US industrial sector after 1997, a condition caused by the massive overcapacity that had built up throughout the international economic system during the years of the US boom in the 1990's. The depth of the problem is revealed by the fact that only 2.5 per cent of the global infrastructure in telecommunications is currently utilized. Overcapacity has resulted in investment moving from the real economy to the speculative economy, to the financial sector; a development that was one of the factors behind the stock market bubble, especially in the technology sector. Enormous surplus capacity continues as a global condition and thus the continuing absence of profitability. As a result, the global recession is deepening. But because severe imbalances have built up for so long in the global economy, this recession is likely to be prolonged, it is likely to be synchronized among the major centers of global

capitalism, and there is a great chance that it could turn into something worse, such as a global depression.

Running alongside and intersecting with these two crises is a crisis of liberal democracy, which is the typical mode of governance of capitalist economic regimes. In places like the Philippines and Pakistan, popular disillusionment with elite democracies fuelled by money politics is rife among the lower classes and even the middle class, and in the case of Pakistan, was one of the factors that allowed General Musharraf to seize political power. But the crisis is not limited to the South. In the United States, there is widespread popular perception that President George W. Bush stole the elections and, thanks to current revelations about his questionable ethics as a businessman, he serves mainly as the president of Wall Street rather than of the country. In Europe as well, there is much concern over corporate control of political party finances, but even more threatening is the widespread sense that power has been hijacked from elected national parliaments to non-elected, unaccountable Euro-bodies such as the European Commission. Electoral revolts like the Le Pen phenomenon in France and the Pim Fortuyn revolution in the Netherlands are manifestations of deep societal alienation with technocratic democracy.

The fourth crisis might not be immediately discernible, but is equally operative. The recent expansion of US military influence into Afghanistan, the Philippines, Central Asia, and South Asia may communicate strength. Yet, despite all this movement, the United States has not been able to consolidate victory anywhere; certainly not in Afghanistan, where anarchy and an unstable, pro-US regime reign. It is arguable that because of the massive disaffection they have created throughout the Muslim world, the US's politico-military moves, including its pro-Israel policies, have worsened rather than improved the US strategic situation in the Middle East, South Asia, and Southeast Asia. Meanwhile, even as Washington is obsessed with terrorism in the Middle East, political rebellions against neoliberalism are shaking its Latin American neighborhood.

These intersecting crises are unfolding even as the movement against anti-corporate globalization is gaining strength. During the 1990's resistance to neoliberalism was widespread throughout the South and the North. In few places, however, were they able to become a critical mass at a national level as to decisively reverse neoliberal policies. But although they were not a critical mass nationally, they could become a critical mass globally when they came together at certain critical events. This was what happened in Seattle in December 1999, when massive mobilizations contributed to bringing down the Third Ministerial meeting of the WTO. The other global confrontations of 2000, from Washington DC to Chiang Mai to Prague, also shook the confidence of the establishment. When the World Social Forum was launched in Porto Alegre in January 2001, with 12,000 people in attendance, the ideological challenge became a very real threat to global capitalism.

Today, we may be witnessing a second moment in the trajectory of the resistance, as many anti-neoliberal movements become a critical mass impacting on politics at the national level. This appears to be the case in Latin America, where espousal of neoliberal economic policies is now a surefire path to electoral disaster and progressive movements have either won electoral power, or are on the cusp of power in Venezuela, Brazil, and Bolivia.

The immediate future promises a very fluid situation. In this regard, the Fifth Ministerial Meeting of the WTO is shaping up as a confrontation between the old order and its challengers. Because of its decision-making structure, which is based on "consensus" among all member-countries, the WTO is proving to be a particularly weak link in the global capitalist system, much like Stalingrad in the German lines during the Second World War. For the establishment, the aim is to launch another ambitious round of trade liberalization in Cancun that would rival the Uruguay Round. For its opponents, the aim is to reverse globalization by regaining the momentum of Seattle.

In the space of just a decade, global capitalism has passed from triumphalism at the passing of the socialist states of Eastern Europe to a fundamental loss of confidence. It is entering a “time of troubles” much like the second and third decades of the 20<sup>th</sup> century. Its successful emergence from the developing crisis is by no means assured.

## **Consolidating the Challenge**

We, representatives from over one hundred organizations and networks in over twenty countries, have gathered together in these three days to strengthen and coordinate our resistance to neoliberalism and global capitalism. While many of us are from Asia, others have come from countries as diverse as Brazil, the United States and Australia.

After three days of sharing our analyses, campaigns and resistance strategies, we have resolved to collectively mobilize around the following priorities.

### **1. Militarism**

Neoliberalism operates alongside militarism, globalized war and dictatorship. Today’s global capitalism creates and requires conditions of oppression and violence to ensure its survival. This results in: increasing attacks on social movements and peoples’ struggles for self-determination; State-backed military protection of infrastructure projects and elite interests in land and natural resources; increased opportunities for military dictatorships; and increased threats of civil and cross-border wars. The U.S., as the dominant economic and military superpower of the world, plays a central role in promoting militarism in the Asia region.

Ø We demand an end to all U.S. military presence and intervention in Asia -specifically in Afghanistan, Korea, Japan, Philippines and Uzbekistan. We condemn US and British threats to invade Iraq.

Ø We oppose the increased moves to war by Asian nations and condemn human rights abuses, especially in Aceh, Mindanao and Burma.

Ø We oppose and call for an end to international aid and assistance that lends recognition and strengthens the military dictatorship in Burma

### **2. International Financial Institutions**

The International Financial Institutions (IFIs)-particularly the World Bank, the International Monetary fund (IMF) and the Asian Development Bank (ADB)-serve as the multilateral policy arms of global capitalism. Through their Poverty Reduction Strategy Papers (PRSP) and Poverty Reduction and Growth Framework (PRGF) programmes, the World Bank and the IMF continue to impose structural adjustment programmes on vulnerable borrowing countries. In the name of poverty reduction, the ADB has intensified privatization programmes across the Asia-Pacific, especially in the areas of essential services and natural resources. Export Credit Agencies (ECAs) of rich Northern countries are entrenching new forms of indebtedness in the Asia-Pacific region by financing their respective corporations to purchase prime public assets in our countries.

Twenty years of structural adjustment have not produced growth or reduced poverty, but instead, have enhanced the devastation of ordinary peoples’ lives through increased alienation of the majority from public services, jobs and food security; deteriorating labour standards; the dismantling of public protections for the poor and vulnerable; and the destruction of local agriculture and industries.

The operations of the IFIs undermine national and local planning processes, and domestic potential for genuine sustainable development. They are antagonistic to the emergence of local, national and regional alternatives that would strengthen local economies and capabilities over externally imposed structures. Our governments are not blameless in this; it is with their collusion that the IFIs are able to transform the peoples and environments of our regions into vast feeding grounds for the world's multinational corporations.

Ø We call for a region-wide campaign to get the IMF, the World Bank and the ADB out of Asia and the Pacific.

Ø We demand a complete end to all structural adjustment programmes in any name or form, and an immediate halt to all privatization programmes.

Ø We demand a full and unconditional cancellation of the external public debt of developing countries, especially those that have been under structural adjustment programmes.

Ø We demand an end to the current debt-financing regime of conditionalities-for-credits. All future negotiations with IFIs must be subjected to local-national parliamentary reviews and open to public scrutiny.

Ø We call for public audits and evaluations of IFI-led finance and development programmes, and for the IFIs to be subjected to national laws and judicial actions.

Ø We demand a system of progressive taxation and genuine redistribution of wealth and land for the financing of public services and welfare, instead of regressive taxation that punishes the poor

### **3. The World Trade Organization**

The WTO will hold its Fifth Ministerial meeting in the city of Cancun, Mexico in September 2003. The Ministerial meeting is a crucial one for the WTO's rich and powerful backers since they plan to launch a comprehensive new round of trade negotiations at the meeting, which would serve to consolidate the power of the WTO and its sponsors.

Ø We resolve to derail the WTO's Fifth Ministerial Meeting in Cancun in September, 2003.

Ø We will enhance and highlight the contradictions within the WTO system and mobilize the wider society and public against the injustices and inequalities of the current global trading regime.

Ø We will support the development and practice of trade rules that are in the democratic control of the people, promote equality, and strengthen rather than strangle national economies.

### **4. Political and Cultural Identity**

Neoliberalism and global capitalism go hand-in-hand with the political exclusion of certain classes and ethnic and religious groups, and marginalize the notions of solidarity within the rich diversity of Asian societies. There is need to deepen democracy beyond the restrictive confines of parliamentary processes and the current conceptualizations of the nation state.

Ø We resolve to support the rights of minority groups, class struggles, and the struggles of all peoples towards self-determination.

Ø We resolve to explore the diversity, richness and cultural continuities across our region from East to West and South to North, in order to build greater unity, understanding, and harmony between the peoples of Asia and the Pacific.

### **5. Food Sovereignty, Agriculture and Trade**

Neoliberalism denies and threatens food security for the poor, and increases the control over land, biodiversity, agricultural technology and agricultural production by private corporations.

Strategies to increase food security must be based on a rights-based approach and the concept of food sovereignty. Food sovereignty includes the rights of peoples and communities to make decisions on food and agriculture, the right to food and its production for local consumption, and the rights of communities to land and productive resources (including the right to their own seeds), with particular recognition of the rights of women to resources, opportunities, equality and justice.

Ø We resolve to support peasant, fisher and indigenous peoples' movements in their struggles for food sovereignty, and for just systems of community control over food production and the commons.  
Ø We undertake to mobilize the wider society and public in support of the above struggles.  
Ø We demand that the removal of the WTO and transnational corporations from food and agriculture.

## **6. Labour and workers' rights**

The combined logic of neoliberalism, global capitalism and the free market results in increased job insecurity, unemployment and an overall reduction in labour standards. This logic is responsible for the fragmentation of the labour market and instigates the expansion of an invisible or hidden labour sector without rights and protections.

Ø We undertake to strengthen trade unions and collective action, and to build better links between labour, non-governmental organizations and social movements.  
Ø We support the human rights of migrants and refugees, and the free movement of labour.  
Ø We oppose current government policies, which use the export of labor to reduce unemployment and assure foreign exchange remittances.

## **7. Peoples' Rights over Natural Resources**

The orientation of all production and social transactions towards the market, and the increased militarisation of our societies results in the control of land, mineral and water resources by private corporations, thus weakening the ability of local peoples to use and manage local resources that have been under their stewardship for generations.

Ø We resolve to support the region-wide struggles by local communities for their rights to resources.  
Ø We reject the commodification of environmental and ecological wealth and the destruction of biodiversity through privatization programmes and market based economic development approaches.  
Ø We demand that infrastructure projects are only developed and carried out under the democratic control of communities.

## **8. Media and Communication**

Neoliberalism increases monopoly control of the organization and content of media by private corporations. Corporate control commodifies information and makes quality and responsible journalism impossible. The media should not be for sale. Media and information should be public services for popular empowerment. Powered by transnational corporations, the advertising and entertainment industry offers an illusory consumer paradise. This must be challenged and destroyed.

Ø We resolve to promote information and communication untainted and un-influenced by exploitation.  
Ø We reaffirm the right of all peoples to information and communication as an integral element of participatory democracy. We strive to increase free communication among the people of Asia.

Ø We resolve to build and support alternative media to meet the needs of local people.  
Ø We demand the removal of post-September 11 restrictions on media, in order to increase the free flow of information in this time of militarism.

### Towards Hyderabad: Another World Is Possible

The conclusion of the Asian Social Movements Meeting does not signal the conclusion of our solidarity or collectivity. Many of us are already in coalitions and alliances, which have been strengthened by our meeting over the past three days. New alliances have also been formed here towards common priorities and joint actions. We will continue to meet in varying formations to fulfill the commitments we have made in this meeting

An important milestone for us to plan towards is the Asian Social Forum in Hyderabad in January, 2003. Our priorities and struggles will be reflected in the mobilization for Hyderabad and we will regroup in larger numbers than ever before to show that another world is possible!

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### **P.S.**

For more information, please contact:  
Shalmali Guttal (s.guttal focusweb.org)  
Anoop Sukumaran (anoop focusweb.org)  
Joy Chavez (j.chavez focusweb.org)