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Capitalist leaders try to reinvent the system

G20: their agenda and ours

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If anything characterized the recent G20 summit in London it was the grandiloquence of the declarations of its participants, bent on giving historical importance to their decisions and searching for phrases that could make an impact. But what lies behind the agreements announced and the policies followed by governments from the outbreak of the crisis? In the words of the respected geographer David Harvey “What they’re trying to do is to reinvent the same system... the fundamental argument they are making is, how can we actually reconstitute the same sort of capitalism we had and have had over the last thirty years in a slightly more regulated, benevolent form, but don’t challenge the fundamentals?”

[<https://www.internationalviewpoint.org/IMG/jpg/dolequeue.jpg>]

Dole queues get longer

The agreements of the summit deepen the policies adopted up until now by its participants in relation to the situation. The final declaration maintains the commitment of the G20 to the bases of the model of neoliberal globalization and its institutions. The necessity is reaffirmed of continuing with the liberalization of world trade and investments within the framework of the World Trade Organization (WTO) and avoiding measures that limit the circulation of capital.

The necessity is indicated of giving a new activist role to the International Monetary Fund (IMF) which is to receive an injection of USD 500,000 million. This represents the umpteenth attempt to restore the credibility and functions of one of the symbols and institutional pillars of the present model of globalization. Strengthening the role of the IMF, in the eye of the hurricane from its ominous role in the Asian financial crisis of 1997, is a revealing declaration of intention.

In the area of the financial system the agreements announced are far from bringing structural change, in spite of the announcement of more regulatory and control measures seeking to avoid the recent excesses. Rescuing of financial organizations will continue as before. The rhetoric and pressure against tax havens has toughened but concrete measures to bring about their effective disappearance have not been taken. Also there are no clear proposals for the regulation of the wages of the directors of the big companies. Beyond some measures to palliate popular indignation at scandalous situations, there is no substantial change in the dynamics that have tolerated the explosion upward of the remunerations of those in top positions and the spectacular increase of the differential between their wages and those of the average worker.

In reality, as Eric Toussaint and Damien Millet, members of the Committee For the Cancellation of the Third World Debt (CADTM) put it, the agreements of the summit represent “a minor paintjob on a planet in ruins (...). The G20 will ensure that the essence of the neoliberal logic is preserved. The principles are again propped up, although their failure is clear”.

The meaning of the policies of the main governments of the world is clear: to make the popular sectors pay the cost of the crisis and to try to prop up the present model with timid reforms that assure its viability. As opposed to this it is necessary to raise another agenda with a logic of rupture with the present order of things. The declaration of the assembly of the social movements approved in the recent World Social Forum in Belém draws up the outlines of an alternative agenda of exit from the current systemic crisis:

“We must contribute to the largest possible popular mobilisation to enforce a number of urgent measures such as:

– Nationalising the banking sector without compensations and with full social monitoring

- Reducing working time without any wage cut
- Taking measures to ensure food and energy sovereignty
- Stopping wars, withdraw occupation troops and dismantle military foreign bases
- Acknowledging the peoples' sovereignty and autonomy ensuring their right to self- determination
- Guaranteeing rights to land, territory, work, education and health for all.
- Democratise access to means of communication and knowledge.”

It is the time for deepening and radicalizing the alternatives, to go to the root of the problems, aiming at the “hard core” of the present economic system, and not being satisfied with cosmetic adjustments, the “moralization” of capitalism or, simply, the domestication of its “neoliberal excesses”. That has been made patent by the demands of the demonstrations in London and elsewhere in the world within the framework of the Week of Global Action agreed in Belém.

Although Gordon Brown affirmed on the eve of the summit that he had understood the message of the demonstrators in London, in fact, between the policies of the G20 and the demands expressed in the mobilizations, there are two irreconcilable logics. In the words of Daniel Bensaïd: “One of profit at any price, egoistic calculation, private property, inequality, competition of all against all, and another of public service, the common good of humanity, social appropriation, equality and solidarity”. For us the choice is clear.