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The struggle for a social and democratic Europe – hegemony and initial projects

Theses for discussion in key points



First Thesis: The strengths of neoliberalism – legitimacy, social anchoring, feasibility and material constraints argument

Second Thesis: Weaknesses of Neoliberal hegemony – limited and parasitic class character, abandonment of the project of universal realisation of human rights and catastrophic consequences

Third Thesis: Development of concrete initial projects forms the lively centre of the struggle for hegemony

Fourth Thesis: Governmental participation of left parties can contribute to the strengthening of neoliberalism or allow participation in the struggle for anti-neoliberal hegemony and emancipative, solidarity-based initial projects

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First thesis: the strength of neoliberalism – legitimacy, social anchoring, feasibility and material constraints argument

The first revolutionary act, said Rosa Luxemburg, is to state loudly and clearly what is. It is good to have dreams, but one has to develop them judiciously. It is not enough to develop convincing alternatives, so that a change of direction might become possible. The main problem is not that we are lacking alternatives, but it is the hegemonic force that dominates society and the relationships of forces in society. Neoliberalism has succeeded in forming a strong historical block, which has transfixed the Left into a lasting state of historical defensive.

First of all, the core of neoliberalism is formed by the productivity paradigm of the liberation of the potentials of unleashed market forces and modern high technologies. It succeeded at least partly in breaking open productivity blockades and in integrating new parts of the world population. It imposed the dominance of general labour over immediate labour (Marx). Neoliberalism represents the claim of the superior productive solution of the crisis of Fordist capitalism and of increased possibilities for individual self-determination and social participation by way of doing away with the authoritarian social state regulation. *Neoliberalism possesses legitimacy.*

Second, the social basis of neoliberalism is constituted by the alliance of the neoliberal power élites with the highly qualified information and communication workers (female and male) – a kind of Top-Centre alliance operating at the conditions of the power élites that at the same time promises central groups of society new life perspectives and opportunities for self-development and in part also brings these promises to fruition. The guiding image is the free, auto-determined individual of the entrepreneur selling his or her own labour force and consumer of his or her own existential provision and the society as one of contracts among frees and equals which are realised by way of the market. Emancipative achievements of the new social movements of the 1960s were integrated. Those who by way of their market position can promise themselves a privileged position or rather social ascent and increased opportunities for participation are being positively integrated and those who, in the light of the lack of achievable alternatives, integrate themselves independently into the neoliberal reform projects in order not to fall by the way-side are forced to be loyal. Neoliberalism is a Top-Centre project, which includes the creation of under-classes that are either functional at minimal remuneration or laid idle. It constitutes a “passive revolution”, in which the ruling class is “leading vis-à-vis the allied classes and ruling vis-à-vis the opposing classes” (Gramsci).¹ *Neoliberalism is a socially and culturally anchored project.*

Third, at the centre of the neoliberal block, there stand central political projects such as that of the market-wise shaping of the whole society, the privatisation of existential provision, the demolition of social-state guarantees of basic rights, the increase of democratic participation in the course of transformation of regions and municipalities into zones of free competition, the creation of a broad social group of the *working poor* as cheap providers of simple services etc. etc. The conflict between the imperial, neoliberal project of the USA and the multilateral neoliberal project of the core-EU is mainly a conflict over how to guarantee the security of this neoliberal globalisation and whether the USA in this matter can dictate the conditions unilaterally or not. *Neoliberalism defends feasible projects. It is doable.*

¹ HKWM (Historical Critical Dictionary of Marxism), Vol. 6.1, S. 14.

Fourthly, the most important lever for the implementation of neoliberal hegemony has been the creation of a globalised finance capitalism, which subjects the conditions of capital utilisation to those of speculative financial markets. Any possible productive investment, any “location”, any work contract thus competes with the conditions that might be achieved by the trade in bonds, foreign currency, loans and their derivatives.² It has come to a “qualitative subjection of the real economic and social relationships under the financial system”.³ That way, there is created, beyond ideological claims, a situation of far-reaching lack of alternatives. *Neoliberalism acts precisely also by way of its (seeming?) independence of the interests and convictions of those, who act in the system it created.* It can refer to the power of the facts.

Left politics also cannot evade the material constraints politically created by neoliberalism without risking capital flight, inflation and depression. When the rules of the game are dictated in a neoliberal way, the Left has to ask itself, how it can nonetheless still “play on the left” in a convincing manner. This concerns acting as opposition as well as participations in government.

Neoliberalism possesses legitimacy, is socially anchored, feasible and acts by way of its material constraints. The democratic, solidarity-based alternative project must be conscious of this fourfold strength of the neoliberal project in order to be able to challenge it seriously: ideological and cultural legitimacy, broad social basis, feasibility and capability for action.

Second Thesis: Weaknesses of neoliberal hegemony – limited and parasitic class character, which abandons the project of universal realisation of human rights and which has catastrophic consequences

Neoliberalism is an ambivalent project. Its weaknesses are the flip-sides of its already mentioned strengths. It has four consequences that put its own foundations into questions:

Firstly, the neoliberal break with capital-dominated Fordism and with state socialism has unleashed new potentials and simultaneously locked them up in the corset of profitability at the conditions of the globalised finance capital markets and of privatisation. As a result, there emerges an economy of expropriation, of the “enclosing” of common goods, which are subtracted to fee utilisation, public as well as private under-accumulation, the accelerated destruction of the natural foundations of human life. As measured against the *new* opportunities, the neoliberal project becomes contra-productive.

The project of modernity, as characterised by the enlightenment, French revolution, and socialist movement, is forcibly rolled back to the project capitalism. It is the case of a counter-revolution. Instead of a trinity of social basic rights, democratic participation and peace, there is realised a Barbaric trinity of class society, authoritarianism and global

² Compare on this in detail: Mario Candeias: Neoliberalismus, Hegemonie. Grundrisse einer transnationalen kapitalistischen Produktions- und Lebensweise. Eine Kritik (Neoliberalism, hegemony, sketch of a transnational capitalist way of life and production. A critique), Hamburg: Argument Publishers 2004, pp. 105-117.

³ Elmar Altwater: Globale Finanzinnovationen, privates Computergeld und sozialisierte Schulden (Global financial innovations, private computer money and socialised debts). In: Prokla 103 (1996), 26th year, p. 250.

dictatorship. It is this trinity, which sets free again elements of totalitarian rule and open barbarity, such as was done by market liberalism and imperialism at the end of the 19th century. In the end, there was Auschwitz.

Second, neoliberalism in the centres again splits the bourgeois societies integrated by the social state into open class societies and ends all attempts to overcome the class societies in the developing countries. Increasingly, life chances are again allocated according to one's class background.⁴ And the latter is influenced in turn by sex, ethnicity, nationality, status of the corresponding country in world society etc. Instead of human rights as redeemable claims, there are pushed through again class privileges on the one hand and expropriation and deprivation of rights on the other. Yet, freedom without equality is exploitation. Not multitude, but a hierarchical and polarised class society becomes ever more the reality. To a unity of the rulers, there is still opposed a fragmentation of the dependent. Instead of freedom and equality, there is imposed bondage and inequality.

Even those, who according to the standards of income and recognition are rather privileged, must submit to the systemically acting constraints of self-marketisation, renounce to a self-determined way of living and to a private life. Short time horizons and great insecurity make autonomy almost impossible. Neoliberalism undermines as a consequence its own legitimation. It stops having an emancipative project. Totalitarian marketisation destroys the foundations of individuality and for a self-determined life.

The promised participation is to a large extent fictitious. It consists to a large extent of the individually responsible execution of material constraints, which were created politically by the interaction of multinational concerns, neoliberal political élites and the management of IWF, WTO and World Bank. Only the way and shape of the implementation of these material constraints remains for democratic disposal. This reminds one fatally of democratic centralism of Soviet Communism, which was rightly called a dictatorship. Important parts of the population are being excluded from any form of participation.

Thirdly, neoliberal politics builds up a unilateral or multilateral empire. Resistance is overcome by economic, political and military pressure. The repression towards the inside as well as to the outside increases. It is used to try and push through a *pax neoliberal*, which links the global, military force monopoly to regional oligopolies and at each violation of this *pax neoliberal* calls out the state of emergency. This *pax neoliberal* draws its legitimacy from the combination of the contrasts between neoliberal and anti-modern fundamentalism, of Bush and Bin Laden.

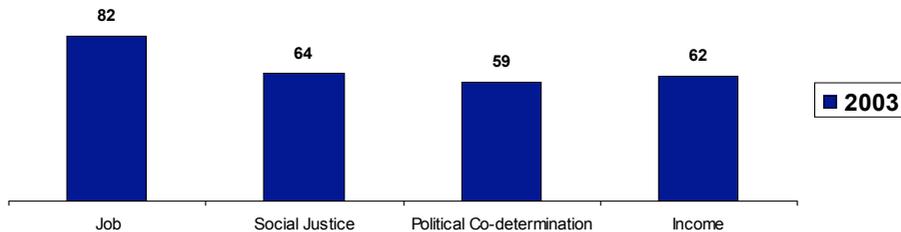
The policy pursued by neoliberalism turns out to be increasingly conflict-laden, unproductive and inefficient if one measures it against the promises of neoliberalism itself, let alone the expectations of large parts of the population. The projects being implemented draw a large measure of consequences in their wake, which transform feasibility into a threat. The word by Walter Benjamin "that it goes on like this, *is the catastrophe*" (emphasis mine – M.B.) gains new meaning.

⁴ As Mark Siemons formulates in the *Frankfurter Allgemeine Zeitung*: „Up to now even the unemployed could consider themselves to a certain extent as employees of the great company Federal Republic, which equipped all of its citizens with many differing but at least still comparable consumption and life-style possibilities: today even employees have to feel like potential unemployed, which at any point may drop out of their accustomed life world." FAZ, September 13th, 2004, p. 35.

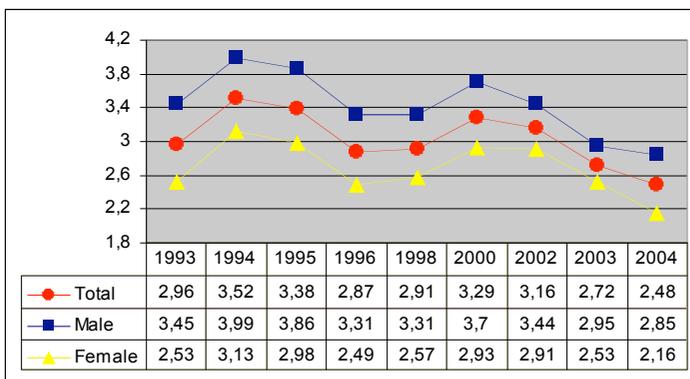
Fourth, the lack of alternatives created and the power of the facts loses its hegemonic power to the extent that it becomes illegitimate, anti-social and dangerous. That is how it becomes a power relying less on persuasion and charisma than on mere power or the lack of concrete ways of escapes. In this way, it becomes undermined.

The population in Germany is reacting to this development firstly with the sharpening of perception of social problems along the axes: work, justice, democracy and income/wealth (see Graph 1), second with a growing disappointment and distrust with the ruling politics (see Graph 2), third, growing fear of the future in particular by the middle and lower strata of society (Graph 3), and fourth with an ever more vehement rejection of the ruling classes and élites (Graph 4).

Graph 1: Burning problems of society are (perception in the West of Germany)



Graph 2: Change in the state of satisfaction with the social system by young East Germans between 1993 and 2004 (Förster 2004)



Graph 3 Dependence of fear of the future on income (fear of the future on the scale 1 (none) to 5 (very strong)) (Förster 2004)



Graph 4: Positions of Young East Germans (Förster 2004)

Third Thesis: The development of concrete initial projects forms the live centre of the struggle for hegemony



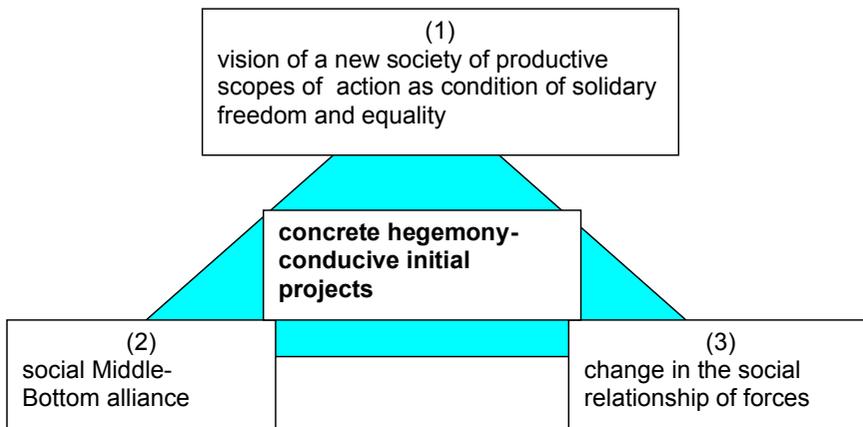
“A class form 64% thus Wolfgang Ivers Haug in the *Historical-Critical Dictionary of* 56% with reference to Antonio Gramsci, “is ‘historically progressive’ thanks to its historical ‘productivity’, that means the expansionism of a concrete political and economic regimes thanks to which it ‘drives forward the whole society, by not only fulfilling existential needs but by enlarging the number of its leaders

through continuous appropriation of new industrial and productive spheres of action’ and by thus nourishing the convincing expectations of individual ‘life perspectives’.”⁵

The struggle for the active delegitimation of neoliberalism, the demonstration of its internal contradictions, the non-redemption of the goals it promised, their distortion into economic, social, cultural, ecological and political catastrophes will only become a real claim to an independent emancipative counter-hegemony, which is more than a “No!” and also more than the contrary of neoliberalism, if it takes on material force in emancipative, solidarity-based initial projects for “another world”.

Graph 5: The strategic triangle of left politics

⁵ HCDM, Vol. 6/1, p. 14 f.



The project of a solidary, emancipative transformation can only be realised as Middle-Bottom project. It requires an alliance of interests, a social contract between those groups, which form the productive core strata (the “general production worker”) and those, which are marginalised by neoliberalism. In such an alliance, the new (and old) middle strata can gain a higher degree of social security, of a stable social environment and social integration, of qualitatively high-value services, of human dignity, of domestic demand for products and services. The lower strata would obtain a dignified basic insurance, access to the “freedom goods” of a society, chances for a far-reaching participation of equal value in social life. All of this must come together in a project of a new higher social productivity. However, the middle strata are still caught in the illusion that the chances of the neoliberal project are higher than the dangers, or they see no alternative at all and subordinate themselves. See Opel, IBM Germany etc. However: Monday demonstrations.

Such a Middle-Below project requires a broad political and cultural alliance of social movements, left parties and organisation as well as forces in the state apparatus, of the economy, culture, the media etc. that is superior to that of neoliberalism. In Gramsci’s terms: a historical block, “the creation of aggregate capacity of action with society-wide reach.”⁶ However, the trade unions are still caught in a defensive battle (first signs of different approaches), social democracy sees its chances in moderate neoliberalism, social movements are to a far extent middle-class movements, the marginalised are politically and culturally isolated.

The core of a solidarity- based- emancipative transformation is formed by initial projects that give the above-mentioned Middle-Bottom alliance and the vision of a new productivity a concrete content and can become the common organising reference point of a new historical block, with the help of which we can wrestle for a change of the social relationship of forces.⁷

⁶ Ibidem., p. 23.

⁷ Dieter Klein: „From the point of view of a transformation theoretical approach, projects, which will make possible first steps into a different developmental direction, will have to satisfy a number of criteria:

Initial projects, thus Lutz Brangsch, are projects of open participative, democratic learning:

- 1) Initial projects mediate between reform and revolution as well as between protest and design by inducing lasting shifts of power constellations and drawing a broad re-grouping, and re-definition of actors in society in their wake.
- 2) Initial projects must not only be designed for success but they must also make people capable of dealing with success.
- 3) Initial projects mediate between locality, regionalism and globalism.
- 4) Initial projects mediate the totality of way of life, cultural and historical identity.
- 5) Initial projects are processes of conscious social learning in the unity of change and self-transformation.

Main features of a transformational policy that is able to defeat capital dominance, will be, on the basis of the positions developed here, the following policy goals.

- 1) Overcoming of the dominance of global financial capitalism, among other things by the annulment of public debts of the developing countries, the introduction of taxes on international financial speculation and its curtailment, the creation of a new regulated world currency system, the elimination of all of forms of tax, legal and bank paradises, the gradual introduction of global minimal standards;
- 2) Gradual lifting of the dependence of the basic needs of citizens from capitalistically dominated markets by forms of need-oriented basic insurance, efficient public sectors in the social sector, in health, education and transport etc.; basic rights and public existential provision must enjoy precedence over free trade;
- 3) Build-up of a participative social democracy, beginning at the communal level up to global processes, which aligns the framework conditions of all economic activity with the social interests of the lower and middle strata of the population and subjects decisions to their participation;
- 4) Realisation of the social obligation of all property in the interests of lower and middle social strata and subsequent generations (principle of social and ecological sustainability) as well as the co-determination of those employed as well as all groups directly concerned by the decisions of economic companies in the essential decisions of these companies;

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- 1) Since the point of departure of any realistic alternative are the acute contradictions and conflict lines in society, which directly concern the life of citizens and move them, there follows from there: initial projects for a different development path must concern essential unsolved problems in society. They must pick up the feeling of majorities and try to give answers to their own fears, to their claims to a job, to their security and independent determination over their own lives.
 - 2) Initial projects must be realistic, meaning that they offer the chance to be realisable in the foreseeable future and lead to improvements for as many wage-dependent and especially socially disadvantaged as possible.
 - 3) Such initial projects would thus permit the mobilisation of potential actors for social change. They have to be apt to hold against the TINA syndrome and the feeling of hopelessness that hardly anything can be done against the ruling policy. Important is the emergence of TAMARA experiences in society: There Are Many And Realistic Alternatives!). Empirical investigations have shown that roughly 50% of the currently hardly politically active Germans say of themselves that they would engage politically, if they could count upon a success.
 - 4) In keeping with the thought of a change capable of a future as a transformative project, the initial projects for the solution of current problems should make clear the opening towards more far-reaching developments and contribute to the roll-back of capital dominance, to the democratisation of social decision-making processes and to the civilising of conflicts on the basis of the weakening of repressive elements."

- 5) Roll-back of the military imperial power of the USA and transformation of the regional organisations into powers of peace, which invest their political, economic, and cultural possibilities for crisis prevention on the basis of the UNO and under unconditional respect of international law; persecution of terrorists on the basis of the state of law principle and according to the provisions of international criminal law and procedure.

Fourth Thesis: Governmental participation of left parties can contribute to the strengthening of neoliberalism or to the battle for an anti-neoliberal hegemony and emancipative, solidarity-based initial projects

Unless one rejects any participation of left-wing parties in the exercise of governmental power in principle, because it contributes to the stabilisation of capitalism, to the integration of left forces into the ruling elites, to the weakening of solidary and emancipative forces overall, then we have to ask mainly under which conditions this participation occurs. The present fundamental condition is the global hegemony of neoliberalism and the enormous economic, cultural political, and military superiority of the forces of neoliberalism, of imperialism and militarism. The tough political question is, whether under these conditions and on the basis of these conditions, originally left-wing policy with governmental responsibility is possible at all and, if yes, what character it should have.

Can neoliberalism be fought from positions of government and what are, if at all, the conditions necessary for that? The European experiences of the 90s allow some doubts to that effect. The examples of Italy and France are sobering to catastrophic.⁸ In Sweden, the results are mixed; however, it is not possible to speak of a break with neoliberalism.⁹ The German government consisting of SPD and Greens cannot be called left-wing; it has even started to implement the neoliberal agenda and done so with ever greater vigour. In Poland, the members of the Communist state party converted to social-democrats have combined the securing of endowments of parts of the former nomenklatura with neoliberalism. On the whole, European social democracy defends a moderate variant of neoliberalism, which tries to provide the latter with social acceptance. Left socialists and Communist are in the opposition or have to bow to a policy of the “smaller evil”. Counter-tendencies are subordinated to this general direction.

Being an East German, before the background of the continental European and in particular the German experience, I want to argue for two theses:

1) Left parties often come to power, because neoliberal politics (marketisation of society and strengthening of the dominance of capital utilisation, élitist authoritarianism and growing repression) has entered a crisis of legitimation, functioning and/or feasibility

The participation of the parties of the Left in governments is mostly the result of the fact that the neoliberal project in its conservative or even conservative nationalists form has

⁸ The French PCF participated twice: once in the beginning of the 1980s under Mitterand, where it left after 2 years, and once in the 90s, where it stuck out the whole experience, but now, for the first time since its creation, is in constant danger of not making the 5% barrier. In Italy, the Communist party not only split several times, but also - after it had supported the Prodi government for its European orientation - was not able to push a more left-wing orientation and could not prevent the take-over of Berlusconi.

⁹ The large social-democratic party, as elsewhere in Scandinavia, is blamed with having sold out to neoliberalism. The smaller left parties are accused by the even more hard-core left to be making compromises at the local level.

entered an efficiency and legitimacy crisis and experiences a crisis of its social basis. It then has not reached essential desired results (especially of economic growth), reveals itself as unjust and undemocratic as well as often also as militaristic. Moreover, groups, which up to now supported this project, are looking for alternatives.

There then exist two possibilities: on the one hand, the same neoliberal project can be continued with other means. This can mean either severing it from its connection with especially parasitic groups (compare the confrontation with Berlusconi or in the USA with MIK and the oil industry), or overcoming, by way of a mixture of blackmail and integration, the blockage of the neoliberal project by social core groups (consider the tying-in of the trade unions in the Agenda 2010 process in Germany), or forms of repressive subordination and integration of marginalised groups of society (Hartz IV as a mixture of lowering or rather cutting of social claims and the transition to forced labour in the low-wage sector). This is the strategy of the moderate Left (of social democracy) in most states of the EU.¹⁰

The other strategy would be the use of the crisis of the neoliberal project (in both of its forms) for leaving the developmental path taken by neoliberalism in the direction of a developmental path characterised by solidary and emancipative transformation. The crisis of neoliberalism in its concrete form of a governmental project, however, in no way creates the immediate prerequisites for this way out. They only have to emerge or rather be created.

2) Left governmental politics in many respects has to do with facts and framework conditions, which neoliberalism has installed for the duration. Fast changes, especially in the core areas of economic and social policy, are for this reason impossible. Left governmental policy, if it wants to leave the framework, can create the regional, national, and international prerequisites of a solidary democratic policy only within this framework.

This thesis departs from the assumption that a direct break with neoliberalism is impossible, because it would devour enormous resources (compare Venezuela). In the majority of cases, left governmental policy there must at first secure the economic, social and political stability or in some cases reestablish it. A part of the left-wing governments elects, for this reason, to start with, the following strategy: politics of tying in of or at least of a part of the leading groups, budgetary rehabilitation, fight against inflation (high discount rate policy and high appreciation of one's own currency), export orientation, attraction of foreign capital can be linked to that course. A governmental policy, which chooses that path, tries to win the confidence of important circles of capital (also at the expense of the majority of the population). Such a policy seems to have dominated or respectively to be dominating in South Africa but also in Brasil.

The question stands, whether there exists an essential alternative to this track, which does not lead to de-stabilisation, collapse of the Gross Domestic Product, threats of open US intervention. Argentina, Uruguay? It remains to be proven that an entry into the exit from neoliberalism can completely renounce neoliberal means. The experiences up to

¹⁰ I want to point out that the policy of the EU institutions, consisting mainly of a Commission, which can take regulatory as well as neoliberal initiatives, but which is dominated by the governments as they are now, the Council of Ministers, which directly represents the governments as they are now, and the European Parliament, which does not yet have a lot to say, is for these political reasons not able to change anything to outweigh the tendencies described here.

now seem to suggest that this entry into the exit requires a kind of triple strategy in small steps: First of all, this would be the break with particularly parasitic forms of the previous regime (apartheid, Berlusconi's parasitic finance capitalism etc.), a shedding of the neoliberal chains in doses (see the case of Argentina: strong devaluation of foreign debts but also of internal debt), unless that would lead to a de-stabilising confrontation. Second, this would mean the opening of endogenous resources of economic development with high growth potentials (the agrarian exports of Brasil; the intertwining of regional economy and science, culture and the health system etc. in Berlin), which would lower unemployment on relatively short notice and increase the incomes at least of at least a part of the middle strata and the workers in the formal sector, increase state receipts etc. Third, there belongs to such a strategy the taking of measures in order to help the groups most hardly hit by neoliberalism: the support of solidarity-based economy (land reform, cooperatives, self-management etc.), rehabilitation or respectively strengthening of the systems of public existential provisions, elements of basic insurance.

The delineation of this strategy from that of a moderate neoliberalism of mainstream social democracy is fluid. At the same time, it harbours the danger to remain within its framework and to thus strengthen neoliberalism in the long term. The maybe most important condition in order to escape to this danger is a policy which does not weaken and buy out social movements, organisations etc., but itself pushes their strengthening. A participative style of politics is the decisive guarantee for this. Governmental participation proves itself by the way it contributes to the struggle for counter-hegemony of solidary-emancipative forces. This is measured in particular by the fact, to what extent it enables the testing of initial projects, gives concrete content to visions of a new productivity, introduces social interest alliances beyond neoliberalism and strengthens political alliances with that orientation.

Translated by Carla Krüger, 8/3/05