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On developing alternatives to EU neo liberalism and austerity

1. First of all I must tell you that I am very glad to be here today. Unfortunately, it has become important for the emotional balance of people like me to leave Greece every now and then just in order to feel peaceful and calm. The tension, the pressure, the feeling that everything around you is so intense is unbearable. It feels like one is being abused in a weird way.

I would also like to thank you for the opportunity to present some thoughts regarding the issue of building an alternative to the neoliberalism strategy for Europe.

From the point of view of a Greek, things have become extremely urgent and dangerous. Of course, objectively speaking, we are not yet – as Europeans – at the edge of the cliff. But I am feeling like that, which means that I am also thinking like that. When I am feeling that I am already hanging by the edge of a cliff the best way to think is like an engineer.

So, I am going to simplify matters, which means that I must apologize beforehand to the most rigorous among you.

2. As someone who has been trained as an engineer I will begin from the end. What is the problem we must solve and what does the solution look like?

The problem of course is the hegemony of austerity in Europe, the imposition of neoliberal logic on the institutional structure of the European Union and even more so on the eurozone.

The solution would be the gradual development of a non-neoliberal reconfiguration of the European project.

But isn't this answer very vague, abstract and hard to conceptualize? To my engineering mind it's deeply unsatisfactory even though for us it is a very solid answer – both good, and right. It is of course what we should do – there is no doubt about that.

However, it seems that it is not enough just to say to people that neoliberalism is bad and we should change it. It's not very useful – even in Greece after so many disastrous outcomes of implementing neoliberal policies.

So, even if it's a right answer, it is not very useful. When you are hanging at the edge of

the cliff you need something useful. To just think that you must climb back up the cliff is not much progress. You need to answer the question 'how'.

3. The problem then is:

Question1: how do we shape the conditions in order to bring about an alternative reconfiguration of the European project?

Of course, there are several ways to answer this question depending on what is our main focus. Here, I will focus on the question of people's minds, since it is the people that would have to step in and fight for another course for Europe.

The next question will be:

Question2: what is it that would weaken the appeal of neoliberal logic today?

Which takes us to the next and basic one:

Question3: what is it that makes the neoliberal logic so powerful, today, in Europe?

4. So, let's try to answer these questions in the reverse order.

What is it that makes the neoliberal logic so powerful, today, in Europe? (Q3)

In order to answer this question I am proposing the following way of looking at the neoliberal hegemony in Europe: instead of focusing on neoliberalism as a problem, let's think of neoliberalism as an answer to a problem. It's an answer that we don't like of course.

So, the idea is that the appeal of neoliberalism today in Europe stems from the fact that it seems to be the only answer to a particular problem.

I am simplifying obviously, there are lots of reasons that shape the condition we are facing today, but let's pursue this line of thought to see whether we will end up with something useful or not.

So, if neoliberalism is an answer, what is the respective question?

5. Let's consider the rhetoric of the neoliberals. There are lots of different versions, I am just picking one.

The world is changing, new global powers emerge creating their own spheres of influence challenging the geopolitical dominance of the West around the planet.

In Europe we used to have an expanding middle class, societies with high standards of

living because we were in a position to exploit other parts of the planet. We don't have this luxury anymore.

So Europe has to change. We have to become more competitive i.e. we must import into Europe the areas and practices of crude exploitation. We must reduce the rights of the majority of the population, its standard of living and drastically reshape our societies ending the disturbing habit of democratic function.

Access to crucial decisions must be an exclusive privilege of the economic elites i.e. the decisions must be taken according to the criterion of competition with the elites of different parts of the world, without the intrusion of criteria connected to the needs of the people through democratic processes.

The middle class must be reduced drastically and concentrated to the big cities of Central and Northern Europe.

Actually, Chancellor Merkel is inviting people having the necessary qualifications from all over Europe to move to these cities, shaping the new, multinational but smaller in scale middle class.

The huge part of the European population must be deprived of fundamental rights. At this point, the status of the illegal immigrant may help us visualize the future status for the majority of Europeans.

So the question that only neoliberalism seems to answer is this: **how are we going to deal with the fact that Europe is losing ground in the global power game?**

6. Of course, one could argue that this is just rhetoric, it's just part of the appearance of deeper tendencies of present-day capitalism – for example, the financialization of the global economy, the fall of the profit-rate, the negative change of balance of forces for the popular classes, or other important tendencies such as environmental instability, the exhaustion of natural resources etc.

I could also add another - crucial to my mind - predicament of our time: today the post-war organizational and institutional configuration of modern societies is no longer stable for a number of reasons that I will not mention.

Modern societies will change either towards more authoritarian modes of governance – combining the laws of the market with pre-modern institutional forms, what we might call “despotism of the market” – or towards a deepening of democracy by drastically redistributing power and access to decision-making processes from the elites to the people.

I would also like to note that our opponents are blind to some broader deadlocks we are facing today. Deadlocks that threaten us while the above deeper tendencies approach their limits. Our opponents care only for the maintenance and enhancement of their power. Crudely speaking they do not even care about saving capitalism – or preventing the unfolding of its crisis - if it requires a negative redistribution of power for them.

So, at the level of appearance things are unfolding fast without the emergence of a respective awareness regarding the emergency of the situation. At the level of appearance we are stuck.

That's why, taking seriously the level of appearance is crucial to our cause. It's the field in which our struggle takes place. Being aware of deeper tendencies is extremely important in order to be effective. But to be effective is not equivalent to exposing to the people the deeper inner logic of what is going on.

Being effective means that at the level of appearance we must find a way to fight against the way things are unfolding, and change the course of historical and social movement. And to do that requires a systematic interaction with people's minds transforming their cognitive maps for a new awareness to be born.

So, even if the neoliberal rhetoric for the geopolitical decline of Europe is just part of the appearance, we must intervene and challenge our opponents on this ground, the ground of the real battlefield of appearance.

7. So, the neoliberal strategy appears to be the only possible solution to the gradual geopolitical retreat of Europe.

It seems to be the only solution due to a conservative cliché which is widely spread and deep-rooted in public opinion: we are entering in difficult times, hard choices **should** be made to overcome the difficulties, to endure hard times. Only neoliberals know what must be done. Only they are bold enough, only they are willing to do the dirty work.

No one agrees – they say when they are pushed hard - with austerity, no one likes it, but it is necessary. No one agrees with concentration camps for immigrants and refugees, but it is something that must be done.

The left, and progressives in general – the cliché goes on – are soft, sensitive, naive people, incapable of leading society in the difficult times when hard decisions must be made. They are whining about poverty, the violation of rights, the weakening of democracy, the loss of social security, etc. They mourn for the loss of things from better, long forgotten times. All these things are unacceptable luxuries in the circumstances of

the new, hard, global order.

So, we do not have a viable strategy. We cannot do the dirty job of adjusting Europe to the new global conditions. We are dangerous because we are soft and naïve and out of touch with reality.

This cliché is the implicit assumption that fuels the appeal that neoliberal strategy has today. It's hard but necessary – it is the only game in town if we want Europe to survive.

8. Let's assume that we gave an answer to the Q3:

What is it that makes the neoliberal logic so powerful, today, in Europe?

Let's move to the Q2 in our inverted sequence:

What is it that would weaken the appeal of neoliberal logic today?

The answer is that we must challenge - together with other things - the implicit assumption that supports the neoliberal strategy if we want to change the balance of forces and finally beat neoliberalism and austerity in Europe.

We must reshape our strategy in such a way that it will weaken the implicit assumption that neoliberalism and austerity is the only way available for reversing Europe's geopolitical decline.

Our alternative strategy – reshaped accordingly – would have two dimensions: a negative and a positive one.

Negative dimension: **neoliberalism and austerity are failing to reverse the decline of Europe. In fact they accelerate the decline.**

The neoliberal strategy and the aggressive policy of austerity signals a brutal, unilateral breach of the post-war contract between the European people and the elites. The contract was the outcome of a favourable balance of forces for the people, conceding to them access to the decision-making processes (democracy) and, hence, a significant share from the wealth-to-be-produced (redistribution, social welfare state). This contract gave Europe peace and the best decades in its history.

The decisive enforcement of the neoliberal logic of profit and competition in Europe and the respective austerity in the years of the crisis is not going to restore Europe's geopolitical losses. Imitating the Asiatic giants by enforcing their advantages to Europe like cheap labor, lower standards of living, authoritarianism, environmental degradation etc. is not going to change the course of things. It will not make Europe stronger.

And that's because when inflicting European people with a brutal policy of austerity and dismantling democracy, together with the fact that Europe consists of many different nations, the most probable outcome will be the rise of neo-fascism and extreme right-wing nationalism. The European countries – under geopolitical and financial pressure – will develop a national strategy to counteract these pressures and in reality will compete with each other.

The domination of the extreme right-wing forces in European countries is the end-product of neoliberalism and austerity. It is their nastiest consequence, the endgame of the geopolitical decline of Europe. European countries will fight each other, this time not over who is going to rule the rest of the world but over who is going to be less miserable in a declining region.

9. Positive dimension: The strategy of the left - a strategy based on cooperation and democracy – is not only a fairer strategy for the majority of the people – since it respects their needs and capacities - but it is also the only one that can reverse the decline of Europe.

In geopolitics, regions of the planet are assessed by their productive capacity, their military power, their control over trading routes, their population, their resources etc. The European countries are relatively small in size and taken separately, their geopolitical power is not considered to be important. The unity of the European countries is a necessary condition if we want some degree of autonomy, geopolitically speaking. It is a necessary condition if we want to maintain the capacity to co-determine our future.

However, unity can only be achieved through co-operation. The neoliberal dogma that we are going to build unity through competition - i.e. not by combining our forces but by using them against one another – is a contradiction in terms.

The interdependence of the European economies, the unprecedented power of the “markets”, the banks and other financial agents and the neoliberal attack we are facing all over Europe makes it reasonable to assume that the European people will stand or fall together. In other words, it does not seem very possible that one European nation will be saved while the others around it are dragged into darkness.

The strategy of the left, the strategy of cooperation and democracy at a European scale is the one that takes into account a) the specific historical features of the formation of the states in the European continent (only combined do they have a considerable geopolitical status), and b) the fact that the European people today have more than ever a common destiny.

However, the major argument that the strategy of cooperation and democracy is the only real solution to the gradual geopolitical decline of Europe stems from the fact that **the strategy of the left appreciates fully the biggest advantage of Europe: its own people, its human resources.** Due to various historical and cultural reasons, European societies invested a huge amount of resources in the development (cultural, educational, political etc.) of the people. Europeans embody a huge stock of capacities – despite the ferocious efforts of the neoliberals to strip them off these capacities the last decades – which is the most valuable geopolitical advantage of the continent. Neoliberals not only are completely blind to this fundamental fact but they are doing everything they can to wipe it out.

The strategy of the left – based on the logic of cooperation and democracy – can unlock the huge capacities of the European people. The geopolitical assessment of a region that seems to be in decline according to conventional standards can be altered drastically if we take into account the capacities of the people.

Capacities that can be fully activated if we think of the people as autonomous, active agents of democratic decision-making processes and productive units that allow them to fully manifest and cultivate even further their capacities, instead of rendering them just as obedient, silent labor place-holders under the commands of others. By transferring the decisions to the people, by giving them the space and the freedom to realize and mobilize their capacities, we can utilize them to redefine our global status.

Additionally, a mature social configuration of the European project based on the logic of cooperation and democracy – focused on people's capacities and needs - is in a position to recognize and deal systematically with modern challenges such as the energy challenge (finitude of natural resources), environmental instability, the unhooking from the notion of growth, respect of our traditions etc. We will be able to rediscover notions like rational, long-term, multi-dimensional planning, transformation of the productive matrix, the common good, life and fate etc.

Needless to say that at the geopolitical level, a mature Europe which is constantly transforming its productive matrix following a different path of development will be a force capable of stabilizing the global competition (which is now accelerated alarmingly threatening peace at a global scale) and it would support immensely similar efforts in other regions of the planet.

So, democracy is not something very 'nice' and 'cute' but inappropriate for the hard times we live in. It's not a luxury that we are no longer entitled to. Democracy is a powerful tool for the revival of our societies and our region. It is not a feeble and naïve institutional framework, it is a way of doing things better. Cooperation and democracy is

the choice that those who dare to face the truth are prepared to make. This is what is hard. Because enforcing cooperation and democracy means a radical redistribution of power (in the form both of wealth and access to the decision-making processes) from the elites to the European people. This is what it takes to restore Europe's geopolitical status. Co-operation and democracy are essential to the future well being of Europe.

10. Assuming that we have answered the Q2:
what is it that would weaken the appeal of neoliberal logic today?

Let's move to the Q1:
how do we shape the conditions in order to bring about an alternative reconfiguration of the European project?

The reshaping of our strategy as an alternative answer to the question of the geopolitical retreat of Europe paves the way for a wide front against neoliberalism. Having challenged the implicit cliché that supported the perverted neoliberal logic we are now in a position to form a truly effective front.

Our battery of arguments starts to seem more reasonable and convincing once we have effectively disconnected the impression that neoliberal strategy is necessary even if it is damaging, from the idea that sustains it, namely the impression that democracy, labour rights, a decent living wage, a decent education, decent health care, etc. are luxuries.

It seems now reasonable to argue that the revival of Europe should be based on people's own capacities. It seems obvious that having people with so many embodied capacities in Europe today cannot be considered anymore as a problem but as an advantage. Reducing education, standards of living etc. is not only unfair and barbaric but irrational as well.

People of different political, cultural and national origin, people with different class position, people of different religious convictions etc can agree that nurturing people's capacities is more conducive to the revival of Europe than doing the opposite.

Reshaping democracy – in people's and our minds as well - from a notion which is identified with the corruption of the political personnel or the boring and indifferent electoral processes that do not really affect people's lives, to a notion that respects and liberates our capacities for a common cause may give us a chance to change drastically the balance of forces.

If we really want to challenge neoliberal hegemony and austerity we need an approach that seems appealing to the majority of Europeans. Situating our strategy in the proposed framework it appears to be a pragmatic, reasonable and better solution, rather than just a

fair but unrealistic list of demands.

11. Let me conclude with a problem of our own. I will not go into details but the problem is that sometimes in the left we do not fully and profoundly believe (as a collective intellectual) in democracy in the sense I presented above. I do not mean that we do not believe in democracy in general, after all we are fighting hard for it.

We do not fully believe that by giving the people the power to decide, our societies will actually be stronger than before, that democratic processes can actually be effective. Most of the time we seem to regard democratic collective function as a waste of time, the existence of different approaches, priorities or concerns as dismantling phenomenon etc. The truth is that we do not really have the confidence that only the experience of good practices, of highly efficient practices of cooperation and democratic functioning can give.

We keep thinking, speaking, acting, and organizing with inadequate forms. We have to reshape our vision regarding what we want to do, to think differently about how we are forming alliances etc. Our established conceptual apparatus doesn't let us see the full potential of our own ideology and logic. Our standard ways of doing things prevents our decisive empowerment through a radical unlocking of people's capacities.

We haven't yet found the ways of reconfiguring our “camp” in such a way as to really include people who are deeply from this side of the battle but have identities we cannot even recognize. We have to fully appreciate the fact that if we think differently we will realize that we are stronger than we think.

So, reshaping the strategy of the left in order to beat neoliberalism in Europe goes together with a considerable modification of the left as well. We surely need a new Imaginary, a new political imagination.

Of course, we are making steps forward, and maybe our side of the battle will change even more rapidly in the future. The escalation of the battle we are obliged to give will mobilize us (and the people) to adapt by enhancing abilities necessary just to respond effectively and stay in the game.

In any case, in Greece, we will do our best with whatever mental and organizational resources are available now. We will try to defend our society with what we have at our disposal. You, the rest of the europeans, have still time to adapt better to the new environment before the frontline of the battle comes to you.

Let's hope that together we will reverse the course of things in Europe shaping gradually a mature European community worthy of our traditions of emancipation.

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