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Macpherson, Robert
Smith, David A

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Robert Macpherson^a & David A. Smith^a

^a University of California-Irvine

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Occupy as a World Anti-Systemic Movement

ROBERT MACPHERSON AND DAVID A. SMITH

The financial explosions of 2008 resulted in a crisis that five years later still besets the global economy. It took several years for workers and citizens in the United States and the industrialized European states to respond. Although strikes and demonstrations rocked Greece and France in 2010, most other European countries were quiet, and the most active movement in the United States was the conservative Tea Party. Only in the spring of 2011 did a grassroots movement appear to wield a new and effective tactic: the occupation of public squares and the creation of democratic assemblies intended to make the movement a participatory affair and free from the influence of political parties.

In May, Spanish demonstrators associated with *Democracia Real Ya!*, an umbrella organization for more than 200 activist organizations, occupied Madrid's Puerta del Sol and Barcelona's Plaza Catalunya. By the end of that month, and partially inspired by the struggles in Egypt's Tahrir Square, occupations spread across Spain. When authorities threatened to evict the original Puerta del Sol occupation, tens of thousands of outraged Spaniards converged in defense and became an organizing hub from which sprang a continuing series of mass demonstrations and general strikes. In Greece, similar occupations and democratic assemblies arose in the same month. The spark touched the United States in the fall when demonstrators occupied New York's Zuccotti Park. By October, occupations blossomed across the United States, with hundreds of communities staking out public space for radically democratic protest. Then occupations burgeoned beyond the hotspots in Spain, Greece, and the United States. The common discourse emphasized participatory democratic methods, distrust of established political channels and styles of action, and a desire to fight the extreme centralization of economic and political power—the factors that led to the 2008 crisis.

The Occupy movement was emblematic of an increasingly global wave of protests. Critically, the various regional manifestations shared tactical and organizational principles and the occupation of public space itself. "Horizontalist" organizational forms that emphasized consensus and direct democracy

were ubiquitous. Participants worldwide explicitly counter-posed these practices to the hierarchical relationships common in corporations and states. In this light, could Occupy—or kindred movements—be truly anti-systemic with the potential to scale up to the world level if a more significant presence could be established in Africa, Asia, and Latin America? The presence of Occupy across the advanced core nations was significant because these states contain the power centers of the contemporary world-system. Movements, however, must cut a wider swathe across regions to transform a global system. Thus, it is intriguing that much of Occupy's unique tactical and organizational repertoire can be traced to past social movements in the peripheral and semi-peripheral areas of the world-system.

The movement's history, multiple regional manifestations, and organizational principles suggest its world transformative potential. To be sure, there are many types of anti-systemic movements, and not all of them have much global potential or come from the left. One needs only to think of various religious fundamentalisms or racial separatist movements. In this context, Occupy is at least potentially closer to the global socialist, anarchist, and syndicalist movements of the early twentieth century that mobilized for a more universal and egalitarian alternative to capitalism. Truly global, anti-systemic movements are necessarily world historical; that is, they are formed from large, slow-moving, global processes. To really understand a movement like Occupy requires explicating its deeper roots in the capitalist world-system itself.

Occupy is the product of several decades of extreme changes in global capitalism that have created victims in both the global North and South, or what world-system analysts refer to as the core and the periphery/semi-periphery of the system. In the periphery, both workers and peasants became the victims of capitalist investment that indebted their states, transforming entire populations into low-wage fodder for transnational production. In the core, debt and restructuring of work and public life saddled privately indebted citizens with increasing job insecurity and created a new class fraction called a "precariat." Global economic processes link these two groups of victims, and the traumatic restructuring of erstwhile relatively rich core regions in Europe and the United States provided the immediate impetus to the rise of Occupy.

In response to economic and political crises in the late 1960s and early 1970s, capitalism transformed itself. Neo-liberalism, the moniker given to this response, encompasses a host of institutional and policy changes, two of which were important in creating Occupy: the rise to dominance of finance capital and the globalization of work. The first change, financialization, brought a phenomenal increase in the share of core profits in the financial sector from the early 1980s onward. Unsurprisingly, debt became the most common instrument whereby capitalism expressed its power over both the states of

the periphery and the citizens of the core. Global debt-to-Gross Domestic Product (GDP) ratios have soared and nominal interest rates have exceeded global growth rates since 1982. At the same time, manufacturing firms took advantage of these increasingly deregulated investment channels to help speed the rise of a “global assembly line.” The last few decades witnessed a wild corporate scramble to find cheap inputs worldwide. Companies outsourced production processes to peripheral regions (often run through an increasingly byzantine web of subcontractors) in order to minimize wage costs and reduce worker resistance.

From the early 1980s (epitomized by Ronald Reagan in the United States and Margaret Thatcher in the United Kingdom), the world saw the rise of a muscular conservatism linked to a stark free-market ideology in the core. The share of wages in total income subsequently fell in the United States, United Kingdom, Germany, France, and other core regions of Europe. The United States provides the most blatant example of some of the mechanisms involved: political pressure undermined the strength of organized labor; outsourcing and the threat of outsourcing kept wages down and reoriented the economy toward low-wage employment sectors; and the relaxation of employment rules and norms made precarious employment more common. In Europe, where unemployment was chronic despite falling wages, this creation of an increasingly poorly paid and often unemployed “precarariat” marked a sharp break from earlier social democratic expectations.

Outside the core, the neo-liberal turn brought an influx of foreign capital. In regions such as Latin America and parts of Africa, firms rushed to exploit raw materials. Core states supported this process with political pressure and with counterinsurgency campaigns, such as Reagan’s in Latin America. As a result, any populist movement that might endanger the cheap and easy flow of materials was crushed. In many parts of Asia, foreign investment brought degrading sweatshop work. Across the periphery, trade agreements, the World Bank, and the International Monetary Fund promoted further liberalization, tying debt rescheduling or aid to “structural reforms” and exposing entire populations to further exploitation.

Yet, the “victims” of neo-liberalism fiercely resisted. Many of the distinctive organizational practices of recent Occupy movements were pioneered precisely in peripheral regions, as workers and indigenous movements fighting neo-liberalism mixed socialist and anarchist democratic methods with indigenous traditions of self-governance. The *encuentros* of the Zapatistas in Mexico and the horizontalist democracy of Argentine assemblies are widely known examples. Indeed, we can see an explicit transmission point for these practices in the core: the World Social Forum (WSF), where anti-neo-liberal movements and organizations from the South have converged and comingled with activists from the North since 2001. Although the route of the WSF, movement-spanning activists linked the peripheral, anti-neo-liberal practices

to today's Occupy and altered the globalization protest cycle of the late 1990s and early 2000s. More broadly, general models of organization go beyond simply a set of protest tactics. These new democratic methods are increasingly cast as the basis for a new politics that is more participatory than parliamentary routines.

Through this wide-lens view, we see Occupy as a product of global changes. The extraction of value from peripheral victims and the stagnating wages and privatization that create core victims are both part of the larger forces of the capitalist world economy. Occupy's ability to change this wider system crucially depends on the relationship between the Occupy movements and the lynchpin of capitalism itself—the world of work. Although Occupy's public occupations and citizen councils directly challenged the representational politics of the state, its challenge to work relations was less visible. Yet, the structure of capitalist work relations, where value is ultimately extracted at the point of production, is the engine driving the entire procession of changes embedded in global capitalism. Endlessly accumulating such extracted value is the *raison d'être* of institutions within the system, from states to firms. Labor movements, then, are the most direct way people can challenge this process, and links between Occupy and labor are essential.

In many ways, the ineffectiveness of the institutionalized labor movement and labor-associated parties in the United States and Europe critically spurred Occupy. During several decades of neo-liberalism, social democratic parties and the large unions/labor federations dominating the institutionalized labor movement often played the “good cop” to the right's “bad” one. Far from effectively fighting for workers, they often provided a deceptively human face for neo-liberal rollbacks. While the most obvious examples are the sclerotic Democrats and the American Federation of Labor–Congress of Industrial Organizations (AFL–CIO) in the United States, the process was similar throughout the core. After 2008, unions and putatively progressive politicians frequently collaborated with the right to shape austerity programs. Unsurprisingly, after decades of integration within states, these organizations have largely come to agree that the solution to the crisis is to balance accounts on the backs of the poor and workers. They have adopted the view of capitalists themselves. The market dictates austerity, and therefore, promoting Margaret Thatcher's famous dictum, “there is no alternative.”

Despite a feeble response from the institutionalized left, some have moved to create a more participatory mass labor movement that could serve as the analog of Occupy in the world of work. This involves both creating new organizations and reinvigorating older ones to focus on workers' control, often using the same democratic organizational principles as Occupy. Indeed, some of these organizations date from the last great worldwide wave of democratic and anticapitalist labor in the early twentieth century, when anarchist

and syndicalist unions were at the forefront of struggles against firms, banks, and states. In the period between the World Wars, millions of workers worldwide took part in this often transnationally linked syndicalism. For example, the General Confederation of Labor (CGT) in France encompassed 600,000 members in 1912, and the Argentine Regional Workers' Federation (FORA) had 200,000 members in 1920 (both represented the majority of the unionized national workforce).

The institutionalization of leftist parties and unions after World War II (WWII) saw these grassroots organizations decline, often because of attacks from their more reformist allies on the left. The post-2008 uprisings, however, coupled with Occupy's deep skepticism toward limited forms of democracy promoted by neo-liberalism-influenced parties and unions, could energize grassroots labor movements. The shared political principles of Occupy and the anarchist, syndicalist, and "autonomist Marxist" labor left could converge to produce political forms that are less susceptible to the kind of cooptation that made the institutionalized left a comfortable bedfellow with neo-liberalism in the late-twentieth century. Syndicalist unions such as the Spanish CGT and National Confederation of Labor (CNT) and anarchist and autonomist-influenced unions in Greece, Portugal, and Ireland have taken part in and worked with Occupy movements across Europe. In 2011 and 2012, Occupy and radical unions organized general strikes in Spain and Greece without the support of the mainstream unions. These unions' presence in these actions helped to deflect legal challenges to the legitimacy of Occupy-linked strikes and protests. Even in the United States, where democratic unionism was perhaps most effectively destroyed in the post-WWII period, workplace democracy initiatives such as "Democracy at Work," associated with noted Marxist economist Richard Wolff, resulted from the energy of Occupy.

The final significant aspect of Occupy from a world-system perspective is the movement's stance toward debt. The question of democratizing workplaces is only just beginning to be posed, and the movement's true radical potential might center on how debt is a spur to action (for its apparent "victims") and a focus of the movement's demands.

Debt as a catalyst for Occupy has both private and public aspects. Skyrocketing student loans and household debt in the United States was the necessary accompaniment of the neo-liberal era's stagnating wages, while asset price bubbles in the United States and Europe contributed to rising levels of private debt overall. Wage stagnation and the creation of the precariat mandated this increase in debt. As nonexistent wage growth eroded aggregate demand, populations were enticed to supplement their earnings with credit cards, return to school in hopes of attaining a more lucrative degree, or leverage mortgages in what seemed to be an endlessly rising housing market.

This private debt is linked to the public crisis in a curious way. Large banks throughout the core used this mountain of loan debt as a foundation on which to erect a stupendous structure of financial speculation, leading to the now well-known financial meltdown of 2008. Large European banks, loaded up with “assets” based on private U.S. debt, touched off balance-sheet panic in Europe over the next two years. In reality, the “debt crisis” of the Eurozone was less the result of profligate state spending and more a symptom of European states’ attempts to take on these bad bank debts. Beyond Europe, the fiscal situation in many states, including the United States, deteriorated. The recession caused GDPs to contract while spending on automatic stabilizers, such as unemployment insurance, increased.

As a result, fostered by finance capitalists, the private debts of American students and Spanish homebuyers became the debts now owned by core states. Proponents of austerity seized the opportunity to propose extensive attacks on workers as a necessary response to this “public debt crisis,” and elites in the United States, United Kingdom, the Eurozone, and across the European Union pushed for a disastrous set of policies. The savage cuts in social provisions, wages, and protections imposed upon southern Europe since 2010 were the proximate spark igniting the most extensive Occupy actions in that core region.

Slogans repudiating debt surfaced in assemblies and marches worldwide. Even as the square occupations in the United States faded away in late 2012, the movement turned more explicitly to the debt issue, publishing a “Debt Resisters Operations Manual.” In Spain, the Citizen’s Debt Audit Platform is one of several groups within the movement explicitly addressing debt issues. Of course, the public face of the debt crisis is the source of the well-known theme, “We don’t owe, we don’t pay,” prevalent throughout Southern Europe.

World-system scholars have long recognized the singular role that debt plays within capitalism. In the previous wave of financialization during the late-nineteenth and early-twentieth centuries, peripheral states in Latin America were disciplined repeatedly by debts incurred in London. By the 1960s and 1970s, African and Asian states freed after the worldwide wave of decolonization were enmeshed in similar debt peonage. In the long-term, debt has been used for the past four centuries as a means to extend capitalist monetary relations to new areas and incorporate them into the world economy. Colonial powers routinely imposed household and community taxes (debts), payable only in the colonizer’s own coin, upon peoples who would otherwise have little incentive to enter into capitalist relations. Indeed, tax debts of this sort underpin the legitimacy of money even in the core itself. In a truly global sense, debt is an integral element of the system.

From this perspective, Occupy demands about debt are more radical than they first appear. When hundreds of thousands of participants in Madrid call for modifying or even nullifying public debts inherited from the financial sector, they question a bedrock mechanism fundamental to capitalism. When Occupy protestors in cities across the United States denounce student loans and mortgage debts as “debt slavery,” they open the door to discussions about the real role of debt in the system. When these debt demands combine with the democratic principles of the movement, the result is doubly significant: a call to transform the management, use, and forgiveness of debt from a weapon of capitalist exploitation into something under the democratic control of the people. At this point, the crucial question is whether this attack on private and public debt as a means of discipline within the core can be connected to campaigns to abolish the use of debt to discipline and exploit peoples in Latin America, Africa, and Asia.

From a world-system perspective, the truly radical nature of this movement is in its advancement of democratic, organizational principles at a time of systemic crisis, for this aspect leads to the movement’s demands about debt and calls for real democracy. In the end, these qualities may remain to influence further movements long after the original wave of Occupy actions fade. Indeed, in the United States—the most central core region where some of the fastest blooming manifestations of the movement occurred—the movement seems to be in abeyance. Yet, in the real history of transformational politics, organizational or institutional innovations can continue to influence many subsequent movements even after their original forms have exited the scene. Whether the Occupy movement can reverberate in this way and realize its world potential will depend on the outcome of three contradictions that beset the movement.

First, the movement’s decentralized and loosely networked character seems at odds with the need for coordinated transnational action. Although various commentators greatly exaggerated the problems of “leaderlessness” and urged the movement to revert to old, centralized, party-like forms, it is true that expanding and sustaining a global movement will require tighter organizational ties at the world level. Of course, no centralized “international” would do the movement justice. Connecting the autonomist and participatory organizational forms of the many assemblies might require something along the lines of the nested democratic councils that the early twentieth-century syndicalists envisaged (or perhaps some new version of WSF). Only by more solidly uniting different regional manifestations can this movement possibly link with populations in the periphery, the wellspring of its original impulse.

Second, the movement’s manifestos and demands have so far used parliamentary and constitutional language even as the assemblies demonstrated

a politics that radically transcends such limited forms of nominal democracy. This radical core of the movement must be cultivated. For the first time since the early-twentieth century, a multinational mass movement questioned not only the market, but also the reformist parties and unions that have predominated for the past sixty years or more. Further, problematizing the political and economic separation, which is fundamental to capitalist ideology, means engaging the world of work. This engagement may mean forging stronger links to labor organizations that share the movement's democratic and participatory principles or creating new organizational forms and tactics that can bridge the divide between politics, civil society, and work.

Finally, the cry for a new participatory politics and the attack on debt cannot remain oriented toward each movement's own nation-state. Most especially, the movement cannot fixate exclusively on either the squeeze on core workers or the indebting of core states. As we have described, the victims of the core are intimately connected to the victims across the world whose long-term exploitation enabled the buildup of social surpluses now under attack by austerity. Peripheral region debt was used to privatize, to restructure, and to destroy lives for over a century now. The demand for its abolition must be combined with the attack on the personal and now public debt in the core against which Occupy mobilized. A world potential set of middle-term demands could result and help Occupy participants in the core repay their comrades across the globe. Thus, the fight against debt holds radical implications; it very well could forge solidarity among all victims of the exploitation that powers the capitalist world-system.

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Robert Macpherson is a Ph.D. student in Sociology at the University of California–Irvine. Another paper of his, “Antisystemic Movements in Periods of Hegemonic Decline,” was recently co-winner of the 2013 World Society Foundation Award for best paper. E-mail: rmacpher@uci.edu

David A. Smith is a Professor of Sociology/Planning, Policy and Design at the University of California–Irvine and the Editor of the *International Journal of Comparative Sociology*. His areas of expertise include world cities in networks and hierarchies, global commodity chain analysis, and urbanization and development in China and East Asia. E-mail: dasmith@uci.edu