

State of Counter-power

How understanding neoliberalism's cultural underpinnings can equip movements to overthrow it Hilary Wainwright

The hymn tells us that 'God moves in mysterious ways'. The same is often said about power, as if we must leave it at that. Whatever one thinks about God, power is absolutely not an irresolvable mystery. It's true that the powerful exert their power opaquely – secrecy is their first line of protection – and a lot has been done to *make* neoliberal market power mysterious, indeed to render it invisible. But the relationships and mechanisms of domination at any particular time are historically specific, a product of struggles won and lost, interests formed, entrenched and defended, alternative directions suppressed.

In this essay, therefore, I intend to understand the more opaque workings of power in neoliberal political economies by putting the recent neoliberal ascendancy in a broader historical perspective. Our strategies will miss a vital dimension if we focus only on the blatant direct dimensions of state and corporate power, and ignore the daily relationships through which people are tied into the neoliberal economy.

Consider the threatened closure towards the end of 2013 of Grangemouth oil refinery in Scotland by Ineos, one of the world's largest corporate chemical empires. An understanding of corporate power and its alliance with government explains how the chief executive and main shareholder Jim Ratcliffe was able to impose pay freezes, a no-strike commitment and an end to final salary pensions on a union that initially vowed to resist. Ratcliffe used his own threats of selling off the refinery to force

a humiliating climbdown. But some union leaders and activists had hoped for a more militant response – an occupation even – from those who worked in the refinery. The workers, though, acquiesced, relieved to keep their jobs.

This acquiescence to the relentless pursuit of profit, against their own long term interests along with those of the local community and the national economy, can only be explained by understanding the popular consciousness shaped by the decades-long experience of the denigration of values of solidarity and the reinforcement of the 'naturalness' of the market and the hopelessness of refusing its dictates. These processes are an aspect of power that we cannot afford to neglect.

Shifts in the nature of political power

Since the ascendancy of neoliberal rule, we have seen not simply a change in how state power has been used – to weaken labour and to reduce taxation on profits and the rich, for example. Behind the visible rituals of parliamentary democracy, we have seen a paradigm shift in the nature of political power. The central relationships that define the state – between state and economy, state and civil society, government and the people – have changed beyond recognition.

The processes producing this shift include the steady but radical decline of party democracy and the increasing

occupation of the state by private business.² These changes have produced a void in democratic control and a new configuration of power at the centre of the state apparatus. The nature of power, how the dominant order is maintained, has been significantly altered, even though the institutional formalities of politics appear the same.

The public services and mass political parties characteristic of the postwar order were not simply about meeting social needs and maintaining political democracy. They were also mechanisms for exercising power and maintaining order. Political parties and public services as we knew them in the immediate postwar era contributed to embedding the state in the daily life of society, albeit as a more or less external institution. They provided information, feedback and legitimacy.³

The neoliberal state, by contrast – and as distinct from neoliberal ideology – has become increasingly disembedded from the daily life and needs of people, except where its institutions function directly as instruments of order. Instead it has become visibly embedded in a different, previously invisible, sphere of society: the global financial elite.⁴ This is one of its points of vulnerability, to which I will return.

This new context raises the question: how do states led by governments committed to or acquiescing in neoliberal political economy exert and reproduce their power, when they are experienced as distant and alien and when the economy they protect and maintain is so unequal and unfair?

It has not been a matter simply of a different political driver taking over the same wheel and steering in a different direction. During the past 40 years, the years of dismantling the institutions of the postwar settlement, we have seen the emergence of relationships through which power has been exercised remotely, and through which people have governed their own acquiescence in, and reproduction of, the dominant social order.

Distanced institutions, embedded values

An aspect of this is that the *values* of neoliberalism – of the possessive atomised individual, with efficiency and sustainability understood in monetary, market terms – has replaced the values of social democracy as the economic culture at least partially embedded in the material relationships of everyday life. Moreover, a consciousness of rights – to organise, to enjoy economic security, free health care, education, a decent home, and so on – has been replaced by one shaped by fear and insecurity and reliance on the market. Relations of solidarity have given way to fragmentation and isolation and a lack of

confidence in collective action.

Mechanisms of direct control do clearly exist. Indeed, when activated, they are in many ways notably repressive and intrusive. But they are a back up and a means of gathering information (as Ben Hayes discusses in this book), ready for any breakdown in the self-regulating sources of complicity. A decisive source of the resilience of neoliberalism, however, is that it has developed state and market institutions and a political culture that protects the political and financial elite from dissent and rebellious assertions of social autonomy. In doing so, it draws on both the fear and the ingenuity of those on whose complicity these elites depend – as producers, paid and unpaid, consumers and ‘prosumers’, volunteers and users.

The mechanisms of protection effectively distance the political class and its financial allies from popular pressures by breaking the connections through which, in social democracies, these pressures – for example, from radical social movements – can challenge its domination. At the same time, decentralised forms of affective involvement weaken the impetus to outright rebellion. Understanding this distinctively ambivalent character of political power under neoliberalism will help us work out how to challenge it.

Changes in understandings of power: the emergence of transformative power

These institutional changes have been accompanied by changes in the underlying understandings and consciousness of power among those working for radical social change. I want to frame this essay with a distinction between two distinct concepts of power that has become sharper in the past half century. This is between *power as domination*, involving an asymmetry between those with power and those over whom power is exercised, and *power as transformative capacity*, implying the possibility of exercising power to bring about change in the relationships that one is part of and would otherwise, habitually or unthinkingly, reproduce.⁵ Transformative capacity, however, is not necessarily directed at structural change. It may be exercised to survive within the status quo, to act creatively and ingeniously to reproduce or adapt dominant structures.

These distinct understandings of power, like the nature of power itself, are a product of historically specific experiences. In the past, for instance, mass social democratic parties were built around a benevolent version of the former understanding, *power as domination*. Their rationale was to use the instruments of government

paternalistically to meet what they identified as the needs of the people. This shaped the nature of social democratic politics, concentrating it on legislation and state action. It has underpinned the self-conception of the political party as having a monopoly over political change. This in turn has meant that parties have tended to see the political role of movements as subordinate to parliamentary action spearheaded by the party.

The assertion of power as *transformative capacity*, first by the student, feminist, radical trade union and community movements of the late 1960-70s, and more recently by the global justice movement, broke with this narrow definition of politics. It has led to a far wider understanding of the scope of radical politics. This goes way beyond the traditional focus on state, government and legislation and arises from experience of the limits of these instruments of change. This deepening of the definition of politics has provided an effective challenge to the party monopoly of the leadership of social change but has not yet developed sufficiently its own capacities for driving that change.⁶

This essay, therefore, explores how a better understanding of the dominance of neoliberal capitalism can help to identify directions for the development of transformative power.

Dynamics of capitalism: part machine, part beast

With this goal in mind, it helps first to work with an idea of the distinctiveness of capitalism and how it is able to reproduce itself out of crisis. It is not sufficient to show the irrationality and injustice of capitalism, implying the need for a rational alternative. Capitalism is not a monster that can be slain by a single strategic sword. Rather we face a complex and constantly mobile organism, half machine with its automatic drives towards accumulation, half animal with the reflexes to get around barriers, cannibalise other capacities and reproduce itself by feeding rapaciously off its environment. We need to recognise we are up against a hydra-headed system that cannot be destroyed at any one point but can only be surpassed through multiple points of transformation based on an ecology that has at its centre the drive for human wellbeing.⁷

A contested transition

In order to assess the possibilities for the emergence and encouragement of such multiple (but connected)

points of transformation, we must recognise that we are in the midst of a still-contested transition from the postwar order. It has its origins both in the rebellions of the 1960s and 70s *and*, paradoxically perhaps, in the unleashing during the same period of global financial flows. These paradigm-shifting forces were reinforced by the technological revolution produced by the microchip and the new possibilities this presented for automation, communication and information exchange. They prompted a reaction that was both counter-revolutionary *and* appropriated the energies of revolt.⁸

The rebellions of the 1960s and 70s

The rebellions of the 1960s and 70s, from the student movements that challenged university authorities, and, more often than not, state, party, management and family authority too, through workers' refusal of the assembly line and mass outrage at the Vietnam war, to the movement for gender and sexual liberation, have a lasting but ambivalent legacy. To understand its character and significance, we need to recognise that these rebellions were much more than protest movements, voicing demands that could be met within existing institutional systems.⁹

Rather, these movements developed practices and visions that questioned the foundations of the postwar order. Whether it was radical workers going beyond wage bargaining to challenge managerial prerogative, women refusing their subordinate position in the division of labour and the patriarchal family, or the new generation of students and others questioning the neutrality and authority of experts, the distinctive, shared and often mutually reinforcing feature of these rebellions was the way they broke *the bond between knowledge and authority*.¹⁰

As an essential part of their resistance they developed knowledge from their own experiences – knowledge that effectively became a tool for autonomy and self-government. An opposite epistemology, valuing only a narrow understanding of scientific knowledge as codified and abstractly universal, and dismissing practical and particular forms of knowledge – and thereby marginalising those who produced it – was central to the organising principles of the post-war institutional order. It was common to both the social democratic state and the Fordist corporation – along with their educational and scientific institutions. It framed the assumptions of government (in Foucault's terms, a ruling order's 'governmentality') about whose knowledge mattered, how it should be organised and how society and nature

should be classified (the divisions between politics and economics, society and nature, individuals and society).¹¹

This feature of the rebellions, applying democratic principles to the epistemological foundations of authority, had implications for the future workings of power at two levels. First, it influenced the political responses of economic and state elites. Evidence of this can be found in the Trilateral Commission's 1975 report on the governability of democracy.¹² Its lead author, Samuel Huntington, concluded that the problems of governance facing the US at that time stemmed from an "excess of democracy". What was needed was "moderation in democracy".¹³

One area where this principle must be applied, Huntington argued, was in "situations where claims of expertise, seniority, experience and special talents may override democracy as a way of constituting authority". He noted that during what he called "the surge of the 1960s" the principle of democracy was taken too far. "In short," he said, "the arenas where democratic procedures are appropriate are limited." And sure enough, the institutional bulwarks that neoliberal governments built against democratic excess tried to take key areas of knowledge production and sharing out of public debate: hence the creation of independent banks rendering macro-economics a technical matter for the experts, ditto trade and investment decision-making through the WTO, and so on.

The other arena in which a moderation of democracy was deemed necessary was where – Huntington again – "marginal social groups, as in the case of blacks, are now becoming full participants in the political system". This risked "overloading the political system with demands which extend its functions and undermine its authority". "Less marginality," Huntington concluded, "thus needs to be replaced by more self-restraint on the part of all groups."

The institutional solution involved programmes of selective, contained and constrained forms of 'participation' aimed at moderating demands and instilling, from above and often combined with severe repression,¹⁴ a culture of self-restraint, through a restricted acknowledgement of practical and local knowledge. This combination of centralising and concealing power with strategic and contained measures of decentralisation is a characteristic of neoliberal power, with all its ambivalent consequences.

The second long-term repercussion of the cultural shifts initiated by the movements of the 1960s and 70s was a radically new approach to organisation, notably a desire and capacity for self-government that was unprecedented in its scale and diversity. This was the

corollary of the liberation of knowledge from authority. No hierarchy was sacred as every claim to authority or domination came under scrutiny. New conceptions of knowledge emerged through the movements' need to understand and act on structures that were not publicly acknowledged or immediately visible. The break from deference, the pervasive challenge to authority and assertion of cultural equality, fuelled a rebellious, self-confident spirit associated with a qualitative growth in capacities – a result of the rapid expansion of education and heightened expectations arising from the postwar boom and social democracy. Central to the character of these rebellions was the way the struggles of previously subordinate groups, colonised peoples, women, gays, blacks and others, challenged and began to transform dominant mentalities, including those of the traditional left.

A further paradigm-breaking dimension of the rebellions of the 1960s and 70s was the widespread questioning of the traditional relation between the social and the individual. Here was born a widespread refusal of traditional forms of collectivity, based on vertical systems of command and the reification of the collective or institution over the individual. The culture of the movements involved an insistence on individual creativity, capacity and autonomy.

At the same time, though, there was an understanding of the individual as social and the collective as based on relations between individuals: a social individualism and a relational view of society and social change. The women's liberation movement, for instance, was animated both by women's desire to realise themselves as individuals and their determination to end the oppressive social relationships that blocked these possibilities. This required social solidarity: an organised movement, supporting and framing individual acts of revolt.

I will return to the significance of these profound cultural changes for transformative politics today. Here originated ways of sharing information and knowledge 'horizontally' through 'networks' rather than centralised means of co-ordination, anticipating the technologies of the world wide web and the organisational forms of the movements against corporate capitalism that erupted in the late 1990s. Here too were the roots of a widespread desire, now evident across a variety of spheres, for a new kind of social co-operation and community. It is evident now, taking a more confident and thoroughgoing form, in the hacker and peer-to-peer ethics of the free culture movement, for example.

The growing power of global financial flows

In 1971, when the movement against the Vietnam War was at its height, US president Richard Nixon took the dollar off the gold standard, sending a shock wave through the global financial system. The postwar intergovernmental 'Bretton Woods agreements' collapsed and capital controls were lifted, first in the US, then elsewhere, giving way to a globalisation of financial flows, opening up national economic systems and hence radically weakening the capacity of governments to manage their national economies.

It would be misleading to imply that up to this point governments had clear charge of the economy. As Charles Lindblom maps in *Politics and Markets*, by the 1970s a government's economic goals could only be met indirectly, through securing conditions favourable to business and giving priority to its interests. This inherent dependency of government on business is reinforced by other advantages that business enjoys. As well as far superior resources of wealth and organization compared with others that try to influence government, it has an insider position in many government ministries, where it acts as a privileged consultant and provider of necessary information.¹⁵ Because of their key function in the economy, writes Lindblom, "businessmen cannot be left knocking at the doors of the political system, they must be invited in."¹⁶

The 1970s deregulation of financial flows further increased the dependency of governments on business and strengthened a tendency for business to mean finance. These two factors set the parameters for how governments would respond to the exhaustion of the postwar boom and Keynesian macro-economic regulation. They also set the terms by which dominant powers would respond to the movements for radical social transformation.

The micro-chip and information and communication technology

The early 1970s also saw the development of memory chips, the logic circuit and micro-processor. The ensuing revolution in information and communication technology also contributed to the terms on which the transition from the postwar settlement took shape.

These technological changes were to reverberate through the economy and society in a variety of ways. First, they massively increased productivity. This contributed to a weakening of the bargaining power

of production-based unions. The ICT revolution also decisively shaped and empowered new productive forces emerging through changes in organisation, management methodologies and the international division of labour. The reduced costs of communication, and of generating and processing information allowed more active participation, especially in spheres of knowledge and cultural production/value creation. This gave advantages to networked forms of organisation over the centralised, hierarchical and closed systems typical of Fordism. ICT's exponential growth in density, volume, complexity and interdependences also meant that the new capabilities of automating human activities become even more important.

Moreover as the ICT revolution extends to ever more products, the infinite possibilities of replication opens up enormous potential consequences for the basic rules of the capitalist economy and in particular control over the appropriation of value.

This has produced, through all kinds of free sharing, mixing and P2P software, a digital economy based on 'not scarcity, not rivalry, not exclusivity' and establishing a process of de-commodification in the midst of and in varying degrees of tension with the monetarised economy.¹⁷

Neoliberal power: its origins and victory

David Harvey's *Brief history of neoliberalism* provides an excellent summary of the breakdown of the postwar settlement and the victory of neoliberalism. The reverberations of these three dynamics in the 1970's are all apparent, but not necessarily in ways that their leading actors might have intended.¹⁸

Harvey takes account of the historic and geographic unevenness in the spread of neoliberal regimes, ranging from the US-backed military coup in Chile to Thatcher and Reagan in the UK and US. He documents the nature of the crisis of accumulation that underpinned business demands for radical measures to restore profitability, with the share of assets of the top 1% crashing from near 40% in 1965 to nearer 20% in 1975. He concurs with Gerard Dumenil and Dominique Levy, who after careful reconstruction of the data "concluded that neoliberalisation was from the very beginning a project to achieve the restoration of class power".

On this basis, Harvey establishes the class will for neoliberal economics. He then goes on to explain its political possibility. He describes how the processes of globalisation and financialisation destabilised the postwar settlement and produced the crisis of stagflation to which

Keynesian economics had no answer. He then surveys the attempts, throughout Europe and the US, to deepen state control and regulation of the economy through various kinds of corporatism. Communist and socialist parties were gaining ground, moderate though their leaders often were.

The ruling elites, says Harvey, had to move decisively to protect their interests economically and politically. From their point of view, the state had to be reformed so that it created and protected the necessary conditions for capital accumulation. The coup in Chile and the military takeover in Argentina provided one model, with these countries' ruling elites and foreign investors doing extremely well from their neoliberal experiments. As Harvey observes: "Redistributive effects and increasing social inequality have in fact been such a persistent feature of neoliberalisation as to be regarded as structural to the whole project".

Also structural in achieving this reversal of postwar gains for working people, was the dramatic blocks on the 'excess of democracy' of which the Trilateral Commission had complained. In Chile and throughout the South – with a little help from the IMF – the bonds of solidarity and collective action through which people had exerted pressure on states and business were destroyed with violent brutality. The neoliberal revolution in the US and the UK achieved an equivalent redistribution through formally democratic means, though with an institutional brutality towards the substance of democracy.

Neoliberal power: means and tensions of reproduction

Despite its apparent success, there are tensions in the nature of neoliberal rule that make it vulnerable to democratic resistance and transformative alternatives. As Harvey puts it, "The widening gap between rhetoric (for the benefit of all) and realisation (the benefit of a small ruling class) is now all too visible. The idea that the market is about competition and fairness is increasingly negated by the fact of the extraordinary monopolisation, centralisation and internationalisation of corporate and financial power."

The profoundly anti-democratic, increasingly grossly unequal and unfair nature of neoliberalism has already become the main focus of struggle. But the victory of neoliberalism has an ambivalence that means we have not only the basis of a critique but also the resources for a transformative alternative.

So what explains the ability of the dominant order to restore order, their order, after revolts that clearly

express widely-held views? By what processes do institutions dominated by an elite that benefits from the inequality and unfairness continue to rule?

I suggest that neoliberalism's hegemony involves not simply an exercise in power as domination but also an appropriation of power as transformative capacity, so that it has become an active, creative force of capitalist reproduction. The innovative character of credit-driven capitalist renewal in the 1980s and 90s drew on the chaotic creativity and restless experimental culture of the movements of the 1960s and 70s.¹⁹ Much of the innovation involved in this renewal came from sources external to the corporation and the state that had their origins in the rebellious 'alternative' culture of the earlier years.

This dynamic of renewal with its roots in rebellion has been evident, for example, in the way that corporate management has responded to the widespread and persistent resistance to the disciplines of the Fordist production line. This has not only involved head-on attacks on trade union organisation, but also new structures and approaches to make workers' tacit knowledge and creativity part of a renewal of capitalist production.

The rebellions of the 1960s and 70s overturned cultural assumptions of such fundamental character – concerning knowledge, the relation of the individual and the social, the nature of labour – that they produced what Raymond Williams termed a new "structure of feeling". Williams used this concept to understand how we can identify alternative values and institutions in formation. It helps us understand disaffection that is not evident in overt resistance or refusal, and that doesn't entail producing fully articulated opposing values.²⁰

It is a deliberately contradictory phrase to convey that there is a pattern recurring across social spheres and cultural forms – hence a structure. But the structure is not of finished, articulated thoughts. Rather it lies in the processes of creating "meanings and values as they are actively lived and felt" – summed up in the concept 'feeling', which combines emotion, intuition and thought. Williams uses 'feeling' to emphasise a distinction from the more formal concepts of 'world view' or 'ideology'.

The rebellions of the 1960s and 70s produced just such new structures of feeling but these never produced new institutional wholes. This institutional indeterminacy meant that the mainly cultural transformations of these years were ambivalent in the literal sense of having the potential to go two (or more) ways politically and economically. Williams recognised this phenomenon, acknowledging that structures of feeling might be absorbed, incorporated into the dominant social formation – sometimes, I would add, as a new, 'outside' source of

innovation and renewal.

Cracking the code to understand this process of absorption and renewal and the fate of the structures of feeling in the long aftermath of the 1960s and 70s is central to understanding the workings of dominant power today and the levers and opportunities for structurally transformative power.

But we need a further tool to complement 'structures of feeling': a concept to summarise the material changes and objective forces that shape the institutional context of these structures of feeling. For instance, we have seen how neoliberal governments broke the institutions of labour and the social democratic state through which the social movements of the 1960s and 70s exerted pressure on profits and public spending. But how do we understand the ways in which the culture of these movements did not just disappear, defeated and repressed, but emerged in patterns of consumption, new forms of creative labour and a diffuse entrepreneurship, including around the development of the web and the cultural, communicative applications of the new technology?

One suggestion could be 'structures of embedded values', to capture how changes in economic organisation and institutions can reconfigure the meaning of key concepts of everyday life – for example reducing 'citizen' to 'voter', the 'public' to 'consumer' and 'debtor'; celebrating or blaming the isolated individual; undermining and degrading relations of solidarity and sociality, and so on. Thus the idea of 'structures of embedded values' helps us identify how marketised economic relations, financial deregulation and government by remote control (targets, centralised financial control, remote opaque methods of surveillance) have overturned or marginalised a language expressing – and thereby reminding people of – values, central to social democracy.

Much of this language of social democracy had also been challenged from an entirely different direction through the radical movements of the 60's and 70's, attempting to deepen democracy with a language, ideas and experiments in 'popular participation'; developing a 'social individualism' economic relations of 'co-operation'; and social ownership beyond the state. However, they had not been sufficiently embedded before the neoliberal counter attack broke their connections with material power, making their cultural dimensions vulnerable to absorption and dilution²¹ Relations of gender provide a particularly complex illustration of this ambiguous and now, in the context of financial crisis, unstable process: many of its critiques, of the family wage, of paternalist forms of social protection, gendered hierarchies in public administration have been being appropriated and twisted to favour marketisation; yet on

the other hand feminism has still retains an emancipatory impetus embedded in real material changes in relations between men and women that could be the basis for a reclaiming of the unfinished egalitarian vision of the 1970's women's liberation movement.²²

Concluding notes: From diffuse disaffection to convincing alternatives

Moving forward to today, there is mounting evidence that neoliberal policies are losing legitimacy. UK polls show majority support for renationalising the railways and against the privatisation of public services. Similar trends are evident elsewhere in Europe. The translation of such disaffection into positive commitment to an alternative, however, requires deeper disengagement from the dominant order and practical participation in creating alternatives.

A social order built on escaping the pressures of democracy while at the same time depending on the capacities of many desiring democracy is unlikely to be stable. Thus the opaque and indirect forms of power typical of neoliberal rule are simultaneously sources of vulnerability and dependence, and breeding grounds for the power to subvert and transform.

Consider, first, the importance of institutional secrecy for these forms of power. This is in growing tension with the system's dependence on people's creativity and desire for information. This makes demands for openness explosive. The alter-globalisation movement and the global insistence there is an alternative, for example, arose in large part as a result of demands to open the largely secretive organisation World Trade Organisation to public scrutiny at Seattle in 1999. The establishment reaction to Edward Snowden's whistleblowing and the extent of popular support for his actions further illustrates the vulnerability of the ruling order to breaches in its secrecy.

The drive for openness and the instinct to share information and knowledge have been fundamental to recent movements for change. This has included Wikileaks contributing, for example, to the Arab spring, and the 'free culture' and 'free knowledge' movements, Wikileaks and Anonymous, among others, influencing and being influenced by both the indignados and Occupy. From lifestyle and culture to economic and political power, openness has been a hallmark of modern rebellions and of the spirit and legacy of the 1960s and 70s.

Second, consider what we've described about how corporations seek to harness the creativity expressed in daily life and how this also creates sources of

vulnerability. A good example can be found in the growing importance of 'the brand' or 'logo' – that is, the way that corporations have sought to project a cultural meaning onto their products that makes them desirable out of all proportion to their material use value.

Again, this implicit dependence on the values and social intelligence of their customers is double edged. It becomes a vulnerability when customers decide to interrogate the brand, pointing out its inconsistencies with the behaviour of the company or challenging its reputation. A recent and notably effective example has been the direct action of UK Uncut. These campaigners against austerity have taken direct action against brand-sensitive tax avoiders, such as Starbucks and Boots, dramatising with improvised hospitals and libraries the fact that if these taxes were collected, services need not be cut. The impact of their actions and their ability to spread their arguments through social media has been dramatic, kick-starting a public debate and prompting parliamentary inquiries into Starbucks, Google and Amazon, all companies targeted by UK Uncut. All the main parties now feel they've got to at least talk about doing something about tax avoidance.

From structures of feeling to material alternatives

The diffuse legacy of critical creativity that we summed up with the notion of a new structure of feeling has also fed into the creation of material alternatives. A distinctive feature of the movements of 2011, especially in Spain, Greece and Portugal, was the creation of organisations and productive projects that illustrated the practicality of values of solidarity, equality and co-operation and harmony with the environment, engaging people in constructing practical alternatives to austerity.

Take, for example, the 250,000-strong demonstration against cuts and privatisation in Barcelona in October 2011. At the end, instead of speeches on the traditional model, protesters were greeted with an impromptu garden under the Arc de Triomf. Campaigners for food sovereignty had planted vegetables in well-spaced rows, ready for long term cultivation. The march as a whole had several layers of self-organisation. There were three main themes – all issues on which active alliances had come together: education (yellow flags), health (green flags) and housing (red flags). The idea was that the demonstration would end with assemblies to discuss further action and alternatives to cuts and privatisation.²³

More generally, the movements working for social transformation in the early 21st century – for example,

for renewable energies under democratic control, for food security and sustainable organic agriculture, for free culture and open software – combine protest and political mobilisations with practical, productive alternatives. These are invariably organised on co-operative or commons principles. Indeed the widespread rediscovery of the commons by movements as diverse as those concerned with water, the organisation of knowledge, software production, or land and forests, is itself a manifestation of the extensiveness of working alternatives that materially embed and enable life to be lived through social and democratic rather than neoliberal values.

These tendencies do not necessarily have an immediate, lasting impact on the dominant structure of political power, but they set the material foundations for the embedding of values of solidarity, social justice, co-operation and democracy, against those of possessive individualism. Our analysis of neoliberal power indicates that such foundations are a condition of an effective challenge to neoliberal dominance.

A crucial challenge for the project of building a counter power to neoliberalism is whether the transformative movements that have successfully embedded alternative values can produce a political organisation that can use the power of government as a resource for transformation.

It is too soon to answer this question with any confidence. One important development, however, has been the evolution of Syriza in Greece from a party rooted in and shaped by the alter-globalisation movements to the main opposition party and likely future government. This offers an exemplary experience of an approach to political organisation whose structures and priorities are based on the idea that what "is decisive", in the words of Andreas Karitzis, a leader of Syriza, "is what you are doing in the movements and society before seizing power. Eighty per cent of social change cannot come through government."²⁴

In Greece, the principle of embedding values of solidarity in material alternatives is born of necessity. Here, with the practical and financial support of Syriza, self-managed, solidarity networks are being built providing food, medical care and other essential needs. These are also providing some of the economic networks that would be part of the co-operative, needs-based economic model that Syriza is promoting politically.²⁵

The pressures on this movement-based party will be enormous, from the EU and the IMF, from the corrupt interests dominating the Greek state and from the populist xenophobic right. But it illustrates a possibility from which others can learn. With its emphasis on the creation of grassroots economic and social alternatives, Syriza

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demonstrates a new model of radical social change. It is a model in which change is not understood primarily as an event, a revolution or the arrival of the left in government, but as a process, often a lengthy process in which there may be moments of dramatic rupture but always underpinned by a gradual building of transformative power in everyday economic life. It has the potential of countering the remote yet daily embedded power of neo-liberal capitalism, in a way which a left that focused exclusively on the state did not.

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- 1 This paper draws on discussions, advice and edits of many people acknowledged later
- 2 Mair, P (2013)
- 3 Miliband (1969)
- 4 Beetham (2013)
- 5 Bhaskar (1993/4)
- 6 Wainwright (2012)
- 7 Harvey (2010), Arrighy and Silvers (1999)
- 8 Berlinguer (2013), Castells (2009), Perez (2003)
- 9 Rowbotham (2000)
- 10 Wainwright (1994)
- 11 Foucault (1966, Burchell (1991)
- 12 The Commission was originally created in 1973 to bring together elites within the private sector and close to government to discuss issues of global elite concern at a time when communication and cooperation between Europe, North America, and Asia were lacking.
- 13 Huntington et al (1975)
- 14 See Lyndon Johnson's 'War against Poverty' which both provided funding for 'maximum feasible participation' and was implemented as Black Panther activists were jailed.
- 15 Beetham (2013)
- 16 Lindblom (1977)
- 17 Berlinguer (2013), Castells (2010), Perez (2003)
- 18 Harvey (2005)
- 19 Turner (2006), Holmes (2001)
- 20 Williams (1977)
- 21 Boltanski and Chapello
- 22 Fraser (2012), Power (2010), Schwartz (2013)
- 23 Wainwright (2011)
- 24 Tsakalotos (2013), Wainwright (2012)
- 25 Tonia Katerina (2013)

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