

Occupy Wall Street, the Global Crisis, and Antisystemic Movements: Origins and Prospects¹

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The ancient discussion about the purposes of wealth and the conflict between oligarchy – rule of the rich – and democracy – the rule of the demos/the people comes to the fore once again within the current systemic crisis, from the Arab Spring to the Occupy protests, to the Arab Fall. Even as counterrevolution and growing regional and global turbulence – political, economic and military - appear to be triumphing over the new wave of democratic revolutions and rebellions, at least in the Arab world, with the threat of regional and global conflagration all too real, the underlying structural causes reality of a militarized capitalist world-system in deep crisis will ensure continued waves of antisystemic protests for years to come.²

As Nobel Prize-winning economist Amartya Sen recounted in his (1999) *Development as Freedom*, thousands of years ago Aristotle, in his *Nicomachean Ethics*, noted “wealth is evidently not the good we seek, for it is merely useful [...] for the sake of something else.” This line resonated strongly with a similar discussion between a husband and wife recounted in the Brihadaranyaka Upanishads around roughly the same time. Much of the rest of Sen’s book is devoted to noting the potential role of wealth and public investments in increasing human capability, going on to redefine poverty as “capability deprivation.”

Today’s Occupy Wall Street and related protests continue this ancient discussion about the purposes of wealth, with the slogan “we are the 99%” echoing Aristotle’s famous distinction in his *Politics* about the conflict between oligarchy – rule of the rich – and democracy – the rule of the demos/the people, most of whom are without property, or poor. As Simon Johnson, former Chief Economist of the IMF, noted recently, “the U.S. is unique [...] just as we have the world’s most advanced economy, military and technology, we also have its most advanced oligarchy” (Johnson 2009). The deep structural causes of these movements have been analyzed most cogently recently by Jackie Smith and Dawn West, in their *Social Movements and the World-System* (2012). For what these and other authors and activists know and underscore, but what many have yet to realize, is just how interconnected these waves of what world-systems analysts call antisystemic movements are. Here, activists from previous mobilizations, most recently the generation that came of age in 1968, have gone on to lead and/or participate in new social

¹ For Giovanni Arrighi. Thanks to Jackie Smith for helpful suggestions and sage advice, from which she is of course absolved of all responsibility for any mistakes, which are mine alone! For additional references and links, including those unattributed here, see Reifer 2009b.

² For more on the current crisis and the all-too-real threat of global and regional conflagration, see Reifer 2013c and a very similar analysis in Brzezinski 2013. On the counterrevolution, see Matthiesen 2013; see also Kamrava 2013.

movements and teach about and educate the young about their history, including at institutions of higher education – an important corrective to the problem of the noncontinuity of rebellion that, as Giovanni Arrighi, Terence Hopkins, and Immanuel Wallerstein noted in their *Antisystemic Movements*, has hampered so many social movement waves. Like the interconnected speculative bubbles from the 1980s on (Kindleberger and Aliber 2001) that culminated in the 2008 global financial crisis, similar waves of interconnected antisystemic movements have brought us the World Social Forum, the Arab Spring, and Occupy Wall Street. Here, antisystemic movements emerge both from political opportunities provided by structural world-systemic factors and from the mobilizing and critical opposition consciousness provided by what social movement/civil rights sociologist Aldon Morris (2000; 2012) calls “agency-laden institutions,” in which intersections of race, class, gender, and nationality make critical contributions, as activist lives such as Rosa Parks’s reveal (Robnett 2000; McGuire 2010; Theoharis 2013; see also Lubeck and Reifer 2004; Bayat 2013a; 2013b; Tripp 2013).

The contemporary crisis of neoliberal globalization, financialization, militarization and ecological degradation has deep roots in the capitalist world-system (see Roberts and Parks 2006; Reifer 2007; Arrighi 2009). The great moral philosopher and economist Adam Smith long ago critiqued what he called “prodigals and prospectors,” defined by the 1616 *Shorter Oxford English Dictionary* as “a promoter of bubble companies; a speculator; a cheat.” This description echoes today’s anger at promoters of subprime mortgages and credit default swaps, which grew from \$631.5 billion to over \$62 trillion in notional value between 2001 and 2007. This was expressed too even in 2008 Republican Presidential candidate John McCain’s critique of the “greed of Wall Street.”³ Underlying these trends is a deep structural crisis of a militarized capitalist world-system and its fossil fuel-based carbon economy.

The statistics are compelling. In 2007, for example, the Congressional Budget Office (CBO) revealed that the increase in the incomes of the richest 1% of the U.S. population from 2003-2005 came to \$524.8 billion, a change of 42.6%, greater than the total combined income of the poorest 20% of Americans.⁴

Today, the top 1% of the income bracket in the United States has greater wealth than at any time since 1929, the eve of the Wall Street crash. The Great Depression was an end result of the speculative mania that characterized the roaring 1920s, a decade eerily similar to the 2000s, when the speculative housing bubble produced the 2008 global financial crisis and Great Recession. Moreover, a newly released CBO report reveals that average inflation-adjusted after-tax income of the top 1% of the U.S. income bracket increased by 275% between 1979 and 2007.⁵ At the same time, recently released figures reveal that U.S. student loan debt has topped the \$1 trillion mark. This is not surprising given skyrocketing tuition costs combined with savage cuts to public education and programs supporting these struggling students. Today, we are told

³ On the history of related movements against aristocracies of wealth and race, class, gender and nation more generally, see Charles Sellers’s brilliant historical reconstruction, *The Market Revolution: Jacksonian America, 1815-1846*. Sellers, a white southern male, was transformed as a youth by the civil rights movement, since his first encounter with it in the AME Zion Church, an experience which as he reports left him in “dissent with my society from that time on,” and led to his becoming the first tenured faculty at UC Berkeley to support the Free Speech Movement (Etheridge 2008: 183). Sellers celebrates his 90th birthday this year.

⁴ <http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/88xx/doc8885/12-11-historicaltaxrates.pdf>

⁵ See also <http://cbo.gov/sites/default/files/cbofiles/attachments/10-25-HouseholdIncome.pdf>.

by the 1% and their political representatives that we can no longer afford money for public education, even as trillions go to Wall Street.

Along with this concentration of income at the top 1%, the Great Recession and the continuation of jobless growth represent a poignant illustration of the systemic crisis of the capitalist world-system, which Giovanni Arrighi and Immanuel Wallerstein have analyzed, and from which there appears to be no exit without massive social protest and related programs of imaginative political, social and economic reconstruction.⁶ This crisis has seen astonishing declines in incomes for the vast majority in the United States, but most especially for racial and ethnic minorities, with wealth gaps between Whites, Blacks, and Latino/as hitting historic highs. Between 2005 and 2009, the median wealth of Latino/as, Blacks, and Asians in the United States fell by 66, 53, and 54 percent, respectively. And despite massive pain and suffering for ordinary people, corporations are holding greater shares of cash than at any time in nearly half a century, as the *Wall Street Journal* and *New York Times* [recently reported](#), with [banks in particular](#) awash with cash. The global distribution of wealth is even more skewed. As detailed in the United Nations study [The World Distribution of Household Wealth](#), the richest 1% of the world's population owned 40% of global assets in 2000, with the richest 10% accounting for 85% of total world wealth, in contrast to the world's bottom half, which owned "barely 1% of global wealth."

These facts and figures, coming in the context of the recent global financial, economic and related social crisis, are not coincidental. For it is these very wealth inequalities, as in the 1920s, that provide the most fertile ground for financial bubbles and their bursting and concomitant crises, as the rich awash in cash seek to make money off financial speculation while the majority of the population just tries to survive by taking on increasing levels of debt. For a time, the speculative boom, like in the 1920s, was kept afloat by new forms of financing via household indebtedness. But with the bursting of that superbubble in 2008, ordinary working people, the poor, and middle income families have increasingly run out of options.

For a time, protest over the trillions of dollars going to bail out the super-rich on Wall Street was stymied by the President Obama's electoral victory and the hope of many Americans that he would take steps to address the financial and larger economic crisis. Instead, for the most part, the Obama administration turned to the very Wall Street figures that were responsible for the deregulation of finance that produced the financial crisis in the first place, such as Larry Summers. Feeling like they had exhausted the formal channels of the political system, more people began turning to mass protest. This too has resonance in American history. People often forget that FDR, following what was then called the Wall Street-Treasury view, was cutting the federal budget as late as 1937, triggering the so-called Roosevelt recession. The Roosevelt recession, in turn, provided the final death knell for the Wall Street-Treasury view, and led to the overthrowing of the Money Trust that had dominated U.S. politics since the late 19th century.

So it should come as no surprise, then, that initial reactions to the crisis by the political elite have been to enact massive cuts to health, education and social welfare, with devastating consequences to communities in both the United States and across the globe. Thus we see that elite efforts for new spatial fixes for the current crisis of capitalist have merely exacerbated the underlying crisis, as socioecological, political, and military crises combine on ever-expanding scales. In the larger world-historical, world-systemic context, the mass social protest and upheaval seen in the 1960s returned on new and enlarged social foundations in the 1980s and

⁶ On proposals for imaginative reconstruction, see Boswell and Chase-Dunn 2000 and the work of Roberto Unger, most especially his *Politics*, about which Perry Anderson has cogently written (see <http://www.law.harvard.edu/faculty/unger/index.php>.) See also Reifer 2011a.

remained at consistently high levels since the late 1990s right up to the present, with landmark moments from the Battle of Seattle to Arab Spring and Occupy, Polanyian-like countermovements to neoliberal forms of globalization and militarization (see Arrighi 1990; 2009; Silver 2003; Smith and Wiest 2013; Smith and Verdeja 2013). The Arab Spring and Occupy signaled a new antisystemic development: mass street protests and accompanying battles over public space and the global street, about which Saskia Sassen has so elegantly written.⁷

Father Ignacio Ellacuria, then rector of the University of Central America in El Salvador, put it this way in Europe, speaking to the West, just a few days before he was assassinated by U.S.-trained government forces in San Salvador in November of 1989: “[You] have organized your lives around inhuman values [...] inhuman because they cannot be universalized. The system rests on a few using the majority of the resources, while the majority can’t even cover their basic necessities. It is crucial to define a system of values and a norm of living that takes into account every human being.” Perhaps today, the world is finally heeding these eloquent messages about the purposes of wealth and the need to subordinate the economy to the needs of society – as Karl Polanyi argued in his *Great Transformation* – most especially the vast majority, and above all the global poor, as is echoed in liberation theology. That is the great hope and clarion call of this new global movement.

Significant too is the growing importance of social media, including Facebook, Twitter, email, satellite television, and related forms of electronic communication, for movements. These media form what some analysts refer to as a sort of “liberation technology,” though the revelations of the NSA’s global Orwellian surveillance program show that this same technology can also be used as an instrument of global social control, akin to the film *Adjustment Bureau*. The growing importance of social media has long been recognized, though perhaps never as much as today. Yet it was nearly two decades ago that Giovanni Arrighi, Terence Hopkins, and Immanuel Wallerstein noted that

“with the means of communication increasingly becoming almost entirely electronic, every movement ‘local’ is equally a movement communications ‘center,’ each network nodal point being as able as the next to broadcast (e.g., via electronic bulletin boards) as well as to receive [...] Increasingly, the modern world-system as a whole becomes the terrain of movements world-scale in extent and trans-state in structure. And national arenas thus increasingly become for them so many linked locales in struggles that are not only in fact worldwide but also more and more conceived by activists to be [...] ‘global.’” (1992: 236-237; see also Lynch 2007; Castells 2009)

Today’s global protests – from the global justice movement, Arab Spring, and Occupy Wall Street to the global anti-austerity protests and worldwide movement against sexual assault, notably in India – represent a growing rebellion of reasonable minds, demanding social and economic justice, as well democracy, solidarity and peace, and have deep connections and even continuity with previous antisystemic movements, albeit often unrecognized. As an example, it is too little remembered how the Berkeley Free Speech movement of the early 1960s really came out of the Civil Rights movement and related anti-McCarthyism mobilizations of the 1940s and 1950s. What we have seen in recent years is a new wave of protest born out of the current crises, yet with deep connections to previous social protest waves and efforts such as the global justice

⁷ See Sassen’s two chapters on these new forms of social protest in Reifer 2013a.

movement and World Social Forums, as the August 28, 2013 commemoration of the 50th anniversary of the March on Washington, which brought a quarter of a million people to Washington DC to demand jobs and freedom, so poignantly reveals. In his landmark “Beyond Vietnam: A Time to Break the Silence” speech, exactly a year before he was assassinated, on April 4, 1967, the Reverend Martin Luther King, Jr., put it this way: “we as a nation must undergo a radical revolution of values. We must rapidly begin the shift from a thing-oriented society to a person-oriented society. When machines and computers, profit motives and property rights, are considered more important than people, the giant triplets of racism, extreme materialism, and militarism are incapable of being conquered.” Here, the antiwar, peace and civil rights movement and urban rebellions increasingly converged and led to the mass uprisings of 1968 not only in the United States but across the world.⁸ At the time, King, and many others across the globe were talking about integration as “shared power and radical redistribution.” Unfortunately, since King’s death there has been a radical redistribution of wealth and power, but in the opposite direction, towards the top 1%. But today as we mark the 8th anniversary of Hurricane Katrina and hear renewed drumbeats of war, we see just how much unfinished work there is left to be done.⁹

As one sign in the Occupy Wall Street movement put it, “The Beginning is Near.” The global wave of antisystemic movements is out for nothing less than remaking the world, on a more just, democratic and egalitarian basis. As the world faces one of the most severe crises of the capitalist world-system since its foundation, the time to study and struggle to remake the world-system on more democratic, egalitarian and peaceful social foundations has never been more salient. *A luta continua.*

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⁸ On America’s first national antiwar movement, see Amy S. Greenberg’s brilliant book, *A Wicked War: Polk, Clay, Lincoln, and the 1846 U.S. Invasion of Mexico*.

⁹ See Reifer 2007, Reifer 2013b, and Reifer 2012.

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