

# Global Governance and Revolution in the 21st century: Strikes, Austerity and Political Crisis

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GLOBAL GOVERNANCE IS ARGUABLY THE NAME for what might pass these days for "a committee for the management of the affairs of the bourgeoisie as a whole" - though we should recall that the much repeated phrase by Marx and Engels stated that "the executive of the modern state" filled this role, not, for instance, the legislature or other state institutions. Global Governance is a set of institutions and relations among political actors that transforms the relationship between national states and their territorial citizenries, and alters the relations of power between different state agencies. In general the executive and those agencies that are further removed from popular control, such as central banks, are strengthened. (Elected legislatures and institutions, more easily influenced by popular pressure, decline in power and status.) The objective is to transform states more effectively into instruments of capital, and of global and finance capital in particular. Global Governance institutions are thus not a new form of state in themselves, and even less a world government. They are instead a means of determining the orientation of national states and their policies by limiting the "thinkable" ideological and policy options available to them to those favorable to capital; of "elite socialization" — influencing the ideological and political orientation of state personnel through interaction with like-minded others such as at Davos, EU summits, the G8 and G20, and through the revolving door whereby individuals rotate between private finance, Global Governance institutions (such as the IMF, World Bank or WTO), and key national government offices; and of external pressure and even coercion through methods ranging from IMF structural adjustment programs and debt, to WTO trade rules, to UN Security Council Resolutions, to NATO military force.

Global Governance organizations act as Hegel's "universal authority," something between an executive committee and a bureaucracy that sets the agenda for and coordinates state policies throughout much of the world. Global Governance institutions are where the real power seems to be politically in the capitalist world today. These institutions embody Arundhati Roy's crucial insight that globalization means not that national sovereignty is at risk, but rather that democracy is[1] - especially if by democracy we mean a democratic content and agency, and not merely a procedure. Global Governance institutions, as Marx made clear regarding state bureaucracies in his critique of Hegel's theory of the state, are not universal, neutral institutions; rather they occupy a universal space, as public power, but they represent particularistic, indeed class interests. Representing capitalist interests, and particularly finance capital, global governance organizations use the present crisis to call on states to enact as public policy austerity, budget-cutting for social services, just as in an earlier cycle they called on states to privatize, deregulate, and liberalize. These policy requirements, coming as they do from beyond the level of national governments, are not in themselves a negation of national state power, but rather a transformation of it in class terms. National states, complex creations that express the complicated class relations and outcome of class struggles historically in each national territory, are, through the imposition and mediation of Global Governance, liberated from the local class struggles that have heretofore shaped them, expanded and/or limited their policy options and structures. They are instead increasingly interrelated globally as instruments of an ever-more coherent global capitalist ruling class, by outlook and by unity in action, that is by consistent purposeful action in the interests of their own class globally and nationally. Thus, a meta-level objective of Global Governance emerges, that of carrying out the

project implicitly analyzed in the third volume of Marx's *Capital*, where it is defined as the development of a unified single rate of profit, with shares in the value produced system-wide distributed according to the size of capital invested[2]. Understood politically, this creation of a single rate of profit, once national with some aspects of the economy international, is now a project of globalization. The historical struggle over realizing this project, at least up to the early 19th century is arguably the focus of the second and third volumes of Fernand Braudel's celebrated *Capitalism and Civilization*[3].

In such a context, capitalism, which can with justice be described in many ways -as value production, as market relations and so forth, is best understood as both Marx, in Chapter 32 of Volume One of *Capital*, and Braudel in his monumental work understood it: as the concentration of wealth and centralization of power in the fewest hands, as monopoly[4]. To achieve this concentration and centralization, capitalism has in recent decades, as is well documented, carried out a program of expropriation and renewed exploitation, usually termed neoliberalism. We can define the current period as neoliberal, however, only if we see the latter as a program of a larger force that is anything but anti-state or liberal in any traditional sense; rather, neoliberalism has been imposed by government policy.

But today it is even clearer how crucial Global Governance, and both its transformation and use of the national state and its capitalist class character are to the project of concentration and centralization. For since the onset of the world economic crisis in 2008, and even before that in the use of the debt crisis in the global South to impose neoliberal policies, it has been clear that capitalism today is a political and not at core merely an economic project. That project, at all times serving the larger objective of concentration and centralization, and therefore of ruling class unity globally, today goes by the name of austerity.

Austerity intensifies to a much greater degree the project of concentration and centralization, using direct political means to impose greater inequality. Yet in doing so, by exposing the central role of Global Governance institutions in formulating and initiating policies favorable to an ever smaller capitalist elite, and by reducing the social base in virtually every country for the dominant policies, austerity has brought about the preconditions for a political crisis not only of national governments, but of Global Governance itself. That crisis has not been tardy in arriving.

Opposing this renewed wave of austerity and neoliberal globalization is a host of movements, organizations and protests, at times uniting in action a diversity of class actors. But increasingly, in the past three years since the financial crisis broke and turned into a global recession, the opposition has been spearheaded by the working class in country after country. Since spring 2010 increasingly purposeful strike waves have directly opposed the austerity imposed by national governments, and the austerity called for by Global Governance institutions. The past year has seen the rise of an ever greater global wave of mass strikes against the abstract universal of Global Governance. This planetary strike wave by a world working class was, until the winter of 2011, the most direct, and impressive obstacle to realizing the austerity program of global capital in the face of a crisis.

That crisis itself results from the limited options for profitable investment around the world, from capital's reluctance to invest where the power of the organized working class is strong and where welfare policies reflect this power, and from the rising power of workers in new key sites of global capitalist production. The so-called financial crisis grew out of this reluctance to invest in production in one part of the world, and the rising strikes and protests of workers in newly industrialized areas in other parts. The crisis in turn has been used to politically overcome these limitations, allowing capital to expand further in the direction of neoliberal privatization and through policies further concentrating and centralizing wealth and power, policies formulated and initiated at the level of

Global Governance, be it informally as at Davos' World Economic Forum, and G20 summits, or formally through the EU Commission, IMF, WTO, and the national central banks, and enforced as well by those direct but unofficial means such as ratings agencies' credit evaluations and of course, the investment and currency markets.

This nearly universal imposition of austerity has provoked upheaval in many countries, constituting the last straw for the legitimacy of government policies and therefore for Global Governance itself, now widely seen as the initiator of such policies, and for whom national governments are understood as instruments, rather than as representative of the national population and responsive to its needs[5]. These anti-austerity struggles took primarily the form of mass strikes, with epicenters in any number of European countries, but also in Egypt, Bangladesh, Vietnam, Cambodia, South Africa, India, and China. The strike wave fed and spearheaded the process of opposition in Egypt[6] and the various revolutions and revolts in Arab countries have all included a major presence of strikes in key sectors[7]. So the strike wave, which included very militant strikes and protests in Greece, France, Britain, Italy, Spain, and Portugal in the late fall and early winter of 2010, by the winter months of early 2011 had given way to a full-blown revolutionary movement across all of North Africa and the Gulf states. This revolutionary wave found its first echo in the apparently least likely of places, the United States, where first in Wisconsin, then across Ohio, Indiana, Michigan, and as far away as Maryland, New Jersey, and Texas workers defended collective bargaining against a directly political attack through strikes, mass protests, and occupations of state capitols.

The direct mass political opposition to openly political class interests, is a response to the combination of a narrowing of the social base benefitting from political policies to an ever smaller elite, an inevitable result of the concentration of wealth and centralization of power as predicted by Marx, and of the mass opposition to these policies which in itself further hollows out the legitimacy of the dominant class alliance of political forces. The weakest links in the chain, as in 1917 in Russia, in this case the Arab regimes with their lack of popular support, broke first, while Greece, France, and other formally democratic governments held for the time being. But the political crisis of Global Governance, and its manifestation in the specific conditions of each national state, a crisis in part the result of Global Governance itself understood as the process of greater global ruling class coherence, and narrowing of the social base benefitting from social policies, is not an Arab crisis, but a global, a universal one. The Arab revolutions have been preceded by those in Latin American countries such as Venezuela, Bolivia, and Ecuador, by the global strike wave that has been manifest in many countries of Africa, Asia, and Europe as well as the Middle East, and by the revolutionary upheavals in Thailand where events went right up to the brink of the result in Egypt before Red Shirt pro-democracy militants made up of peasants and urban workers were massacred in the streets of Bangkok, and in Honduras where a democratic government representing the poor was overthrown in a coup, leading to mass protests repressed violently.

To understand more fully what is happening and why, we need to examine the class composition of the two key class actors, the ruling class as it is in the process of transforming itself through Global Governance, and the broad working class which has found new bases of structural and associational power resulting from globalization itself.

### **Hegel and Bureaucracy: Why Global Governance does not represent the World's People**

HEGEL TRACED THE DEVELOPMENT of modern society and came to a similar conclusion to that of Max Weber: modern society would be governed by bureaucracy. However, for Weber bureaucracy is the end result of a long process of instrumental rationalization of society that is a product of capitalism but not fully reducible to it. For Hegel instead, bureaucracy is an organic part of modern society based around the need for law to regulate the competition and fragmentation of civil society.

Hegel sees the bureaucracy as a form of "rule," of political power in itself that encompasses the executive and judicial powers[8]. This is possible, and according to Carl K.Y. Shaw, is compatible with liberal doctrine despite Hegel's opposition to formal separation of powers, because both the executive and the judiciary have the same basic task: to concretize the abstract universal of a society embodied in its code of laws and norms, into particular judgments and practices in concrete, real world situations involving civil society[9]. Without such judgments, and such concretization, society and the state would become detached from one another, as the particular interests (in Marxist terms the class interests) of civil society would atomize society, pulverizing it, and in the process destroy any possible universality, that is, any possible connection of human members of society with each other and therefore any larger purpose or common interest as well[10]. Thus the bureaucracy, and the executive and juridical power it wields, provides for the possibility of modern bourgeois civil society with its market economy and capitalist relations:

The particular common interests which fall within civil society, and which lie outside the universal interest of the state...are administered by the corporations (i.e., bodies representing industrial interests - SC)...the business of these administrators is to look after the private property and interests of these particular spheres...On the other hand, these circles must be subordinated to the higher interests of the state...The task of upholding, within these particular rights, legality and universal interests of the state, and that of bringing these rights back to the universal need to be performed by delegates of the executive power, i.e., the executive civil servants and the higher consultative bodies[11].

Nor is this all. For the state itself, as an individual state, is merely the representation of a particular interest or set of interests within a larger international, that is, universal community (Hegel, *Philosophy of Right* §340). Marx responds in *his Critique of Hegel's Doctrine of the State*,

The bureaucracy is the 'state formalism' of civil society...The bureaucracy must therefore protect the imaginary universality of particular interests...in order to protect the imaginary particularity of the universal interest... ..The corporation represents the attempt by civil society to become the state; but the bureaucracy is the state which has really made itself into civil society.[12]

This is a ruling class that rules — the bureaucracy of Hegel is a ruling authority[13]. But it is directly linked, by individual biographies and by "elite socialization[14]" to the capitalist class as a whole or at least to its dominant global and financial sectors[15]. Ralph Miliband[16] noted the direct ways in which capitalists ruled over workers and over political life, including their direct use of "class action" through control of investment, a power feebly theorized by observers of globalization like Thomas Friedman as the "electronic herd[17]" that punishes governments by disinvesting from their countries, their currencies and their government bonds when policies cut against their interests. Hal Draper, in his monumental study of Marx and Engels' politics, noted that on a number of occasions they made clear that the state bureaucracy could be a class and indeed could, under certain circumstances, even be the ruling class[18]. The policy makers of global governance organizations are one in practice, elite socialization, career trajectory, and outlook with the global capitalist class, especially its global and financial sectors.

Marx makes clear that the entire house of Hegelian cards falls on a single point, the crucial one for us here: the bureaucracy, including the executive and judiciary of the modern state, is not

universal in scope nor neutral in interest. Its interest is a particular interest as opposed to a common one. Its power derives not from knowledge per se, but from its relation to a set of class interests present in the civil society, namely the power of capital and the class of capitalists. So, the bureaucracy of global governance rules, and it rules on behalf of a certain set of class interests. As Draper shows, the modern capitalist class is historically unique in its inability to rule directly in its own name, requiring a separate class of politicians, a view strangely enough confirmed recently by the *Economist*.<sup>[19]</sup> Yet this solution involves the need to maintain control over such a governing (as opposed to ruling) class, and global governance, with its merging of careers in politics and business/finance, and in national and global politics, is meant to resolve this problem.

Globalization claims to bring us all together, that is, it presents itself as the ultimate universalist project, as the grand narrative. Global governance presents itself as universal law. Even heads of state can be called before the bar. In practice, of course, the only international law, the only universal set of rules and regulations that emerge, are those that are compatible with capitalism. But this does not negate the fact that, like the state itself, global governance addresses a real need in society, "the state's beginning," wrote Hal Draper in explicating Marx and Engels' theory of the state, "its prototypical source, lies in indispensable functions of society."<sup>[20]</sup>

Global governance, then, arises to fulfill a series of actual needs, some of society as a whole, some of the class that rules global capitalism. It serves to regulate the activities of world economic life, provide law and organization to what would otherwise quickly come to resemble the chaos suggested by Hegel without the universal class of the bureaucracy, or the atomized social breakdown so strikingly painted by Polanyi.

In the case of global governance, certain crucial theoretical underpinnings have been developed within chaos theory,<sup>[21]</sup> which "provides a mechanism that allows for free will within a world governed by deterministic laws."<sup>[22]</sup> By setting up or controlling initial conditions, it is not necessary to control in a deterministic way the outcome of every individual event in a system. "Planning" in short, no longer takes the form of a bean-counter deciding on the quantity of widgets produced by every factory, but rather the setting up of conditions, such as interest rates by Central Banks, and access to finance (in part through the privatized global governance institutions known as ratings agencies), which are sufficient to move the overall economic activity over huge areas of the world in the direction generally desired. But chaos theory points out that even slight changes in initial conditions can lead to big changes in outcome. Thus the range of acceptable behavior must be especially narrow and rigid, as in the imposition of neoliberal policies with little tolerance for variation. Global governance is needed to set up the rules, and to do so in a way that the behavior of actors will be generally as predictable as another capitalist intellectual asset - game theory - suggests. It is this narrow range of acceptable behavior, established by such initial conditions - interest rates, the limits on public spending established by the IMF or European Commission, the ratings of governments and business activity by agencies, finance itself, which Schumpeter called "The General Headquarters of the Capitalist System," that workers around the world are now challenging in one of the world's great strike waves.

Hegel's bureaucracy, now in the form of the EU, IMF, WTO and so on, however, would be politically irrelevant were it not that it could respond to the aforementioned need of capital for an alliance with a political class. This political exchange has, as Giovanni Arrighi has recorded, moved from one hegemonic state to another over the past five centuries or so, each new hegemon increasing in scale and transforming the workings of capitalism as a world system<sup>[23]</sup>. These hegemonic powers, most recently Britain and now the United States, have served the function, delineated above, of providing order and coherence to the global system. But there are now three problems with the mechanism that Arrighi sees as central to the maintenance of capitalism through the transfer of finance capital and political power to new, larger political actors. First, the military

power of the United States is so great, both absolutely and relatively to other potential competitor states, that it seems unlikely that it can be replaced without it using its unmatched military force to resist its decline and the rise of a new hegemon; second, no competitor, including China, increases potentially the scale of hegemonic power geographically, thus interrupting the secular tendency of capitalist politics up to now; third, each hegemonic power after Venice, has seen dilution of the pure capitalist character of the hegemonic state. Though Arrighi does not say so, it is likely that this growing relative complexity of the class forces influencing the hegemonic states stems from the related processes of the growth of organized working class power and accompanying revolutionary movements and of the diffusion and deepening of democratic structures and policies.

Global Governance addresses all three of these problems: while the United States remains a hegemonic state, it is also clear that it is in visible decline; yet Global Governance converts its military superiority into an instrument that serves more directly the dominant class interests of global economy and polity, so that U.S. power and Global Governance are often difficult to distinguish from one another. Second, because Global Governance is able to influence, through elite socialization and determination of initial conditions, nearly every state (except those openly hostile or in revolt against it) in the world, expanding geographically the scale of hegemonic power available to capitalism in its political exchange. Third, by the methods discussed above, it circumvents, and in some cases reverses the tendency toward democracy and working class power in society and government.

### **The World Strike against Global Governance**

THE SOCIAL INJUSTICE OF GLOBALIZATION in itself, wrote Adam Webb, in one of the few prescient articles foreseeing today's revolutionary movements,

has not turned into the extreme discontent that brings down regimes. But under conditions of a profound economic downturn, (note: Webb specifies a crisis like that of the mid-1970s or even of the 1930s, and arguably the crisis that began in 2008 is precisely somewhere between the two in force - SC) it would have much greater impact. A critical mass of humanity already sense that global capitalism has not delivered for them...Furthermore, the victories of capitalist globalization in recent years rest on uncertain legitimacy.[24]

Structural Adjustment Programs in the wake of the Debt Crisis starting in the early 1980s led to mass protests and riots in nearly every country of the Global South[25]. These struggles found their counterpart in the global North in the anti-globalization protests from Seattle in 1999 through Genoa in 2001. By the early years of the new century, governments representing mass movements for radical change had come to power in several countries of Latin America. By 2007-8, however, the notably diverse forces opposed to capitalist globalization, while formally still intact and partly represented at the World Social Forum, had to some degree become more homogeneous, as workers used the classical weapon of the strike to oppose the policies that sustained and worsened inequality nearly everywhere.

The crisis of legitimacy is therefore today arguably more severe than ever. The expansion of the G8 to the G20 and the endless discussion of expanding the Security Council, the IMF granting greater voting rights to Brazil, China and India, are the weakest reforms imaginable, hardly on the scale needed to shore up a failing systemic legitimacy worldwide. The EU, one of the few global institutions which once had pretensions of being a social democratic and pacifist alternative to U.S. hegemony has become an instrument for imposing neoliberal privatization and wage austerity in the

face of the crisis[26]. The G20 has failed to even plausibly address climate change, and addressed the economic crisis only by increasing the funds and power of the most discredited and hated of all global governance institutions, the IMF. The European Commission, IMF and G20 all agreed on austerity, the battle lines have become clearer than ever before. One's allegiances in such circumstances should not be in doubt, as it is now impossible to favor both the EU and the Greeks and French striking to resist its demands, both the IMF or WTO (even in "reformed" versions) and the strikes and protests around the world against every policy implemented in accord with the presumably universally accepted authority of these institutions representing the capitalist class's universality only, that is the political organization of capitalist production on a world scale.

If Greece was the first country where European working classes directly faced the entirety of global capital in the form of finance, state banks, the IMF, and the EU, the workers in much of the rest of Europe began to see their own struggles in those on the front line: some recent examples include the global day of action in solidarity with Turkish UPS workers, [27] British union support for the struggles of Indonesian coffee workers[28], the recent commercial calling on French workers to participate in a general strike in early September.[29] There remain, to be sure, vast differences in conditions of life between workers in different parts of the world, but solidarity begins with common struggles, as the Wisconsin revolt taking its cues from Arab protesters makes clear. In identifying, increasingly, global governance-directed policies as their target and the cause of their life conditions, the working class, in practice, is miles ahead of political science today, and not for the first time.

We can compare the present strike wave with the worldwide strike waves analyzed by Professor Beverly Silver in her *Forces of Labor*. Using the *New York Times* and *Times of London* as sources with worldwide information gathering capacities and as indicators of the importance attributed to strikes by establishment observers,[30] this pioneering work identified the reality of worldwide strike waves. The strike waves during the three-year periods around the end of the First World War and the end of the Second World War were the largest worldwide, concentrated on North America and Europe. But other peaks, between the 1950s (1956-8), late 70s (1979-81) stand out with around 1200 to 1300 major noted strikes.[31]

In a world in which industry and services are more widely diffused by global capital, in which logistics of transport play a key role,[32] and in which the majority of people in the world for the first time live in cities, the struggle against global capitalism has in the past two years predominantly taken the form of mass strikes. This global strike wave arguably began around 2007, with strikes by workers in new industries in newly industrializing countries, such as Bangladesh and Vietnam, as well as Egypt, and the former Eastern Bloc countries such as Poland. Strikes continued in these countries, with only a few countries such as South Korea and the Philippines, as well as the United States, witnessing a decline in strikes over the next two years. In the first three quarters of 2010 strikes came to be more specifically oriented in a number of countries against government imposed, and global governance organization sponsored austerity policies, including international days of action with some significant coordination and large national general strikes.

Today, the newspapers used by Beverly Silver, rarely cover even major strikes around the world. This may reflect in part the hegemony of neoliberal assumptions that strikes and labor are things of the past. Using instead the approach of the U.S. Bureau of Labor Statistics of registering strikes involving over 1000 workers, with the addition of those that have a major impact on significant sectors of national or global economy, and using a wide international selection of national news sources, I have personally accumulated a file of well over 1000 such strikes, reaching Silver's threshold for a major strike wave. Further, given the greater representation of India and China as areas of labor action on a big scale, the numbers of workers involved in strikes recently likely dwarf those of earlier strike waves worldwide. Thus, BBC monitoring found at least 93 strikes in Russia,

many of them illegal, in 2008.[33] Egypt, experiencing a historic strike wave going on for three years now, saw 49 strikes in July of 2010 alone.[34] While numbers for strikes in China are difficult to ascertain, according to Ching Kwan Lee, there were 58,000 labor protests involving 3 million people in China in 2003, which rose to 87,000 protests in 2005.[35] No one doubts that the past year instead has seen a massive increase in organized worker protest and strikes there. Vietnam saw 200 officially noted strikes in 2009.[36] The year 2009 saw general strikes in France and Guadeloupe, and protests against banking policies and government austerity in Ireland, Poland, Latvia and strikes in Romania.[37] The number of working days lost to strikes in the UK in 2007 was the largest in a decade.[38] India has had two massive general strikes in 2010, one in July that was the largest strike in the country since the Bombay Textile Strike in 1982, and another in September, involving 100 million workers, that was likely the largest national strike in world history.[39]

These strikes addressed any number of complaints by workers, from low wages to nonpayment of wages, from hours to health care. The dramatic rise in prices in spring, 2008 following the start of the financial crisis led in turn to a strike wave by workers in the industries and agricultural sectors benefitting from the spike in prices in raw materials and crops – cocoa workers in Mozambique, copper miners in Chile, tin miners in Bolivia, demanding pay increases, a share of the increased income to their employers generated by the value produced by their own work. These strikes arguably prevented any solution for investment capital, searching desperately for a place to make profits given the collapse of real estate prices in the United States and northern Europe and of financial markets, and given the continued inability to really get Iraqi oil production on track as a source of global profits. But since late spring, 2010 the strike waves have been directly focused at government policies and especially at aspects of the austerity programs mandated by global governance institutions. That fall Greek truckers were blocking roads to protest an IMF and EU mandated liberalization of their industry,[40] while thousands of Croatian shipyard workers protested the sale of their shipyard required by the EU as a precondition for their country's entry into the European Union.[41] Irish firefighters[42], Portuguese oil workers,[43] Romanian Finance ministry workers[44], Buenos Aires teachers[45], Ukrainian sausage casing makers[46], Bangladeshi dock workers[47], Bulgarian police[48] – the list goes on and on of categories in both private and public sectors striking against austerity policies.

In country after country, from French, Romanian, and Spanish general strikes that are themselves part of the struggle against EU mandated austerity, to India (100 million on strike in mid-September 2010), South Africa, Kenya, Jamaica, Trinidad and Tobago, where strikers oppose government policies of austerity to maintain debt payments, to strikes over wages and working conditions in Egypt, China, Cambodia, Bangladesh, Vietnam, Bahrain, Qatar, Dubai, and elsewhere, the strikes have the common features of being strikes either by production or by logistic workers whose work is highly integrated into the global market and who in almost every case must clash with police or directly confront government policies restricting wages, or else by public sector workers protesting austerity. Frequently these groups of workers all move together. And, in relevant situations, as in South Korea where unions and other associations prepared for protests against the G20 meeting scheduled in November 2010[49], the protests and strikes are directly aimed at global governance organizations themselves. These struggles have now given way to revolutions, in which policies of the IMF, or the results of such policies, are one of the sources of discontent as much as are dictatorships[50].

Further, production in nearly every country operates now under the initial conditions set up by global governance organizations within the acceptable limits appropriate to neoliberal capitalism globally. In every single case the issue of inequality and unfairness within the country and as a result of global political decisions or global economic mechanisms is raised by the strikers. In short, these increasingly take on the character of political mass strikes against global governance and the class

system that it governs. Today's strikes, protests, and revolutions are aimed at a common class enemy and against political institutions, including those of Global Governance itself, that openly favor the concentration and centralization characteristic of capitalism.

## Footnotes

1. Arundhati Roy, "Confronting Empire: Speech Given at the World Social Forum", January 27, 2003 Porto Alegre, Brazil

2. Karl Marx, *Capital*, Vol. 3 London and New York: Penguin, 1991, pp.254-301. Marx makes clear that this process of the equalization or formation of a general rate of profit is a political process of concentration and of ruling class political unity: "...each individual capitalist, just like the totality of all capitalists in each particular sphere of production, participates in the exploitation of the entire working class by capital as a whole, and in the level of this exploitation not just in terms of a general class sympathy but in a direct economic sense" (p.298-9).

3. Fernand Braudel, *Capitalism and Civilization, Vol. 2 The Wheels of Commerce* New York: Harper and Row 1979 ; *Vol. 3 The Perspective of the World* London: Phoenix Press 1984.

4. Karl Marx, *Capital Vol. 1*, London and New York: Penguin, chapter 32, "The Historical Tendency of Capitalist Accumulation," p. 929; Fernand Braudel, *The Perspective of the World* op. cit. p.622, p.629 and *passim*.

5. In this respect, the declaration of the Greek government recently, protesting the direct interference in domestic social policy (which in fact is exactly what the IMF has been doing - but in third world countries until now - for decades, that "We take orders only from the Greek people" - made in the immediate aftermath of the victorious democratic revolutions in Egypt and Tunisia, speaks volumes.

6. "Egypt at the Tipping Point?" *Foreign Policy*, Jan. 31, 2011; "Cairo Unrest Has its Roots in Mahallah's Workers" *Bellingham Herald*, Feb. 8, 2011; "Labor and the Future of the Egyptian Revolution" *Foreign Policy*, Feb. 28, 2011.

7. For instance, among many others: "Demonstrations and strikes across Egypt" *Ahram Online* Feb. 8, 2011; "Pro-democracy group vows to march despite ban" Feb. 7, 2011; "Bahrain trade union calls for strike" *Trade Arabia*, March 14, 2011; "Algeria braces for pro-democracy protest" *Associated Press* Feb. 21, 2011; "Five Suez Canal companies go on strike, no major disruptions seen yet" *Ahram Online* Feb. 8, 2011; "Tunisian revolution engenders solidarity" *Maghreb.com* Jan. 21, 2011.

8. GWF Hegel, *Philosophy of Right* §287 from *The Hegel Reader* ed. By Stephen Houlgate London: Blackwell Publishers 1998, p. 387.

9. Carl K.Y.Shaw, "Hegel's Theory of Modern Bureaucracy" in *American Political Science Review*, Vol. 86, No.2, (June 1992), pp.381-389, p. 387.

10. See Karl Polanyi's description of the effects of a self-regulating free market on society in *The Great Transformation: The Political and Economic Origins of Our Times* Boston: Beacon Press, 2001, p. 76; this problem is arguably the main theme of Emile Durkheim's *The Division of Labor in Society* New York: Free Press, 1997, as well.

11. Hegel, *Philosophy of Right* §288 and 289 from *The Hegel Reader*, pp. 387-8

12. Karl Marx, *Critique of Hegel's Doctrine of the State*, in Karl Marx, *Early Writings* (London: Penguin) , p.107.
13. Here my analysis, like Hegel and Marx's differs from that of Negri and Hardt and their conception of Empire as a circuit of power networks, a view that, ironically coincides with the pro-globalization view that "no one is in charge".
14. This phrase was originally applied optimistically by Ernst Haas to the integration of Europe, though I use it here almost ironically, but not inconsistently with the original concept.
15. As shown in Richard Peet, *Unholy Trinity: The IMF, World Bank and WTO* London: Zed 2009 p. 17-18 with its biographical sketches of several key players in the Clinton, Bush and Obama administrations whose careers also include time on Wall St. and at global governance organizations, and as can be seen in greater detail from the study of James Wolfensohn's terms as President of the World Bank: Sebastian Mallaby, *The World's Banker* London: Penguin 2004
16. Ralph Miliband, *Marxism and Politics* Oxford, 1977, p.55.
17. Thomas Friedman, *The Lexus and the Olive Tree* New York : Bantam 2000, p.112
18. Hal Draper, *Karl Marx's Theory of Revolution, Vol.1, State and Bureaucracy* New York and London: Monthly Review 1971, p.83.
19. Hal Draper, *Karl Marx's Theory of Revolution: Vol. I: State and Bureaucracy* New York and London: Monthly Review 1977, p.326; "Beware the Lure of the Businessman-Politician" *Economist* Oct. 2, 2010; Marx's view on this issue is noted in Hal Draper, *Karl Marx's Theory of Revolution: Vol. II The Politics of Social Classes* New York and London: Monthly Review 1978, p. 227 and p. 241.
20. Hal Draper, *Karl Marx's Theory of Revolution, Vol. 1 State and Bureaucracy*, New York and London: Monthly Review, 1977, p.245.
21. James Crutchfield, as cited in John Jefferson Davis, "Theological Perspectives on Chaos Theory" in *Perspectives on Science and Christian Faith* 49,( June1997): 75-84; see also the highly suggestive pioneering work of C.George Caffentzis on the relationship between physics and work organization in capitalist theory, in particular in the "The Work-Energy Crisis and the Apocalypse" in *Midnight Notes, Midnight Oil: Work, Energy and War 1973-1992* Brooklyn: Autonomedia 1992.
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