

## The struggle against neoliberal austerity and the survival of the European project



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Left: Protestors and police face off at the Put People First march ahead of the 2009 G20 summit, Central London (Photo courtesy of the author)

### ABSTRACT

This paper takes stock of the reality of the European Union (EU) in the 21<sup>st</sup> century as ongoing European integration appears to have resulted in a disconnect between the governing elites and the masses as politics has been subverted in favour of economic interests. In the wake of the global financial crisis and the current sovereign debt crisis, counter-hegemonic forces and political counter currents within the EU have begun to surface with their struggle against neoliberal austerity. This paper argues that far from being anti-European, these actors may be the key to the survival of the European project and its social goals, and that these movements may contribute to the reduction of the democratic deficit in the EU and bring about a new social order.

What is significant about these movements is their autonomous and cosmopolitan nature and their distance from partisan politics. Though largely not coordinated, these movements have gained momentum and spread across the continent. While initially confined to national arenas, there is a growing European dimension to these movements as actors try to shape an alternative agenda toward a EU that prioritises the social dimension. As the EU moves toward a post-national and post-Fordist stage, this paper also looks at the emerging political landscape being shaped by new forms of collective organisation in the EU, and the reordering of political hierarchy shaped by transnationalisation and global networking.

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## 1. Introduction

Globalisation and European integration have changed the dynamics of the relationship between capital and politics. It has also created the demand for new forms of political representation and new socio-economic relations. The financial and debt crises in Europe and the introduction of austerity in many member states have provided the spark for protests and demonstrations that have developed into mass movements across the continent. While theories of European integration have served to explain the developments the EU has undergone over the years, they do not adequately explain the current context as well. This paper offers a theoretical explanation for the recent protests and social movement activity that has proliferated across the EU in the wake of the global financial crisis and the public debt crisis engulfing several member states of the EU by placing them within the context of post-politics and post-Fordism, two concepts used in this paper to grasp the emerging social, economic and political contexts of the EU, whose implications will be significant to the EU's institutional and organisational development.

The move from Fordism to post-Fordism occurred as a result of new forms of production and consumption. This followed the globalisation of capital, the rise of global corporations and the resulting change in the characteristics of the labour market. As such, post-Fordist theories are 'concerned with unfinished social processes and change' that resulted from the shift away from the Fordist socio-economic paradigm (Oberstar, 2010:

327). This stage of economic development reveals new organisational models shaped by interdependence and connectivity, being formed and informed by the emerging 'information society' or 'network society' that is structuring economic and social relations (Castells, 2001). However, in a shift toward the knowledge economy and the knowledge worker, the political dimension seems strangely antiquated. New forms of political organisation and representation are necessary, especially in the context of post-nationalism in the EU.<sup>1</sup>

To fully grasp the emerging shift in the socio-economic order, a neo-Gramscian perspective,<sup>2</sup> an approach that pays particular attention to the transnationalisation of capital and the class struggle is adopted, as European integration has to be placed in the context of globalisation and other changes in global political economy (many of which have been shaped by post-Fordism), as these changes have allowed for the hegemony of capital to become deeply entrenched within the Union. This concept sees that dominant political structures are still being contested, while recognising the constraints and limits imposed on social democracy by the hegemony of capital and the primacy of neoliberal economics (Cox, 1981). Already, one can observe emerging transnational divides in European society that are becoming more apparent, between the haves and the have

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<sup>1</sup> See Glencross (2011), Habermas (2001).

<sup>2</sup> Neo-Gramscianism is a critical post-Marxist approach to Global Political Economy that uses the historical-materialist method. It applies 'Gramscian categories and concepts – amongst them hegemony, the historical bloc, passive revolution and state-civil society configurations – to world order and global restructuring, and emphasizes the transnational character of late-twentieth and early twenty-first century world capitalism' (Robinson, 2009).

nots, between the hegemonic bloc and the counter-hegemony,<sup>3</sup> represented in the social movements and protests that attempt to bring about a new social order.

A large segment of the population, especially those who have not benefitted from market liberalisation and suffered from the erosion of social justice would like to see a genuine social Europe. By championing broad issues such as unemployment or social provisions, the protests and the social movement organisations<sup>4</sup> coordinating them have been able to generate support across social classes and have bridged political divides. Many participants in the protests are also calling for a reconstitution of democracy, as they feel that the current form of representative democracy in the EU is inadequate. These social forces are becoming more cosmopolitan. Students, labourers, the unemployed and other groups that make up European society, including many who feel abandoned by the current political system have also raised a number of issues that include income disparity, rights of migrants and asylum seekers, minority rights, environmental issues as well as a range of welfare related matters. In seeking to bring these matters onto national and EU agendas, the movements against austerity are raising awareness on these issues, which have previously not received much publicity. In them, they challenge prevalent economic models, political institutions, notions of representative democracy and policy choices. The specific examples raised in this paper are symptomatic of trends across the EU.

<sup>3</sup> A neo-Gramscian concept that refers to movements that attempt to overthrow the historical bloc. While a revolutionary ideal, this is not a radical form of politics, but occurs through movements that rely on raising awareness, persuasion and the spread of ideas. Neo-Gramscianism holds the view that counterhegemonic forces, if large enough, can replace and establish a new hegemonic order.

<sup>4</sup> See Smith (2001) for an early account of the growth of social movement organisations.

## 2. What happened to the European Social Model?

The early stages of the road to the EU were characterised by solidarity. As President of the European Commission between 1985 and 1994, Jacques Delors had a vision of a social democratic Europe, an alternative to the American form of unbridled market capitalism, and an attempt to prove not only that economic growth could be accompanied by social progress, but also that the internal market could produce redistributive benefits. Influential in shaping the European agenda during his years as President, Delors sought to prevent social dumping and to raise social standards in the EU through the upward harmonisation of standards, plans that received wide support from trade unions and left-leaning political parties.

Originally an attempt to harmonise economic progress and social development by limiting economic and other forms of inequality and providing for equal access and distribution of life opportunities, the European social model has been touted as a ‘Europe-wide shared political value and aspiration based on the notion of ecological and social sustainability’ (Social Europe, 2008: 15). This is made possible through the institutional configuration with other organisations or ‘social partners’, who take into account social and environmental interests. At the Community level, the European social model has grown with each successive treaty and is an essential part of the EU’s *acquis*, and includes, but is not limited to measures on combating discrimination, employment conditions, gender equality, and the free movement of workers. However, apart from health and safety measures, little concrete legislation in the social field has been seen and Delors’ vision was never fully realised.<sup>5</sup> Over time, the ESM, which had been

<sup>5</sup> While 1989 saw the adoption of The European Charter of Fundamental Rights, the European Employment



the antidote to the problems of industrialisation, and the accompanying social change suffered and took a back seat as Europeanisation resulted in even greater economic liberalisation in the expansion and deepening of the single market, and as globalisation and demographic changes heavily strained the provision of welfare.

The implications of the financial and debt crisis serve as a reminder that growth and markets neoliberal economic environments should not be taken for granted and that crucial social democratic safeguards must be in place. A lack of regulation to correct informational asymmetries and a lack of transparency often lead to market failure, as seen in the recent financial crisis. In the world of neoliberalism with its fundamental belief that market imbalances were self-correcting, regulation and government intervention was eschewed. Deepening European integration with the creation of a monetary union led to financial integration accompanied by a massive programme of deregulation and the privatisation of many social services, including education and health care. At the same time, the EU needed to move toward a social union. This would entail the 'harmonisation of social standards and policies as the necessary counterpart to market integration' (Tsoukalis, 2003: 210). Unfortunately, the diversity of social and welfare systems across the member states, and the absence of an integrated labour market has made it difficult to achieve more than minimum standards and a limited number of transnational initiatives to date (*ibid*: 211). To work effectively, the coordination and financing of these policies also need to be

undertaken at the EU-level too, though this is unlikely to happen anytime soon. The sovereign debt crisis that has affected several member states in the EU has revealed the limits of solidarity within the current arrangement. The welfare state has also been under pressure for reform to take into account low growth, demographic changes and changes in the characteristics of the labour market.

The EU's current construction is far from the 'social Europe' envisioned by Delors, neither is it the construction that once 'rescued' the nation state in its prioritising of full employment and the provision of welfare for its citizens.<sup>6</sup> The foundations laid for social democracy in the early years of the EU have been undermined not only by the integration of markets under a guiding philosophy of economic neoliberalism, but also by the misguided beliefs of the social democratic movement, that the capitalist mode of production could be 'civilised'. Economic liberalisation was synonymous with the shrinking of the welfare state and the subordination of large parts of the population to the power of the markets. In a market-centric environment, the state's role is being questioned, especially where economic considerations trump debate and democracy. The outcome of these developments on the citizens of the EU is that they have been 'doubly disenfranchised', by both the limitation of democratic decision-making with the absence of political debate on key economic issues, and the 'specific displacement of key prerogatives of national parliaments to European structures in the economic domain', while only receiving comparatively small side payments socially (Van Der Pijl, 2006: 36).

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Strategy in 1997, and the Nice Council in 2000 approved the European Social Agenda to modernise and improve the European social model, the truth is that diversity of national welfare systems and the lack of an integrated labour market has made concrete legislation difficult, and as a result has not resulted in many community-wide measures.

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<sup>6</sup> See: Milward (1992)





### 3. Neoliberal restructuring in the European Union

The debilitation of the public sector and the reduction of political debate and legitimacy as a result of reduced citizen engagement is a consequence of achieving market efficiency in the neoliberal economic framework. Here, politics and debate is seen as inefficient and as such needs to be supplanted by technocrats and other 'experts'. The resulting depoliticisation of public policy issues is what Bartolini (1999, 2000) defines as 'collusive democracy', because where there is a lack of real alternatives in the political arena, there can be no divide in opinions in an environment characterised by a lack of policy competition and democratic accountability. The collapse of Communism, the globalisation of markets, the increased mobility of capital and the dominance of the economic models of Thatcherism and 'Reaganomics' were some of the global currents behind the neoliberal ascendancy that took place in the late 20<sup>th</sup> century that also steered the course of European integration.<sup>7</sup> In the EU, increased competition from the United States, Japan and the new economies of the Far East has led to a period of rapid market liberalization and pressures for flexibility in the labour market. Key structural changes in the economy and European integration have not been accompanied by adequate political structures of representation and organisation, and this in turn has arguably led to a decline in the ability of political parties, unions and civil society to effect change and protect the social dimension.

One of the most significant developments was the decision to form a monetary union. In the context of New Constitutionalism, the Economic and Monetary Union (EMU) can be viewed as an intergovernmental framework where economic

policy and political accountability are separated, so as to 'make governments more responsive to the discipline of market forces and correspondingly less responsive to popular democratic forces and processes' (Gill, 1998: 5), and whose objective is to 'prevent future governments from undoing the commitment to a disciplinary neoliberal pattern of accumulation' (Gill, 2003: 66; emphasis in the original). As economic developments demanded a market-centric environment and flexibility in the labour market, privatisation and corporatism were the norm. Where efficiency and the maximisation of profits were driving factors in legislation, loss of democratic control over the economy was often the result. Citizens are experiencing an erosion of their social and political rights as a result of mass privatisations in member states, as corporations and capital become more dominant. The single currency area, built on subsidies and huge transfers, underpinned by neoliberal economic principles has proved socially and economically destructive, especially with a lack of political integration, while the current crisis has highlighted the need for tighter fiscal supervision and economic coordination.<sup>8</sup> At the same time, the alternative to the American model of free-market capitalism, the European social model, has gradually weakened, giving rise to numerous social risks.

An attempt to embrace globalisation and free markets with a degree of wealth redistribution across society emerged in the nineties, following neoliberal economic models that championed economic deregulation, in what came to be known as the 'Third Way'. This political ideology tries to combine capitalism with social democracy in a modernised version of the welfare state, and emerged as a possible solution to the crisis of

<sup>7</sup> See Cox (1993) and Holman (1992) for analyses of European integration from a neo-Gramscian perspective.

<sup>8</sup> See Rossanda (2011).



the Left.<sup>9</sup> Essentially, this is a form of centrist politics that has proved a weak compromise between the Left and Right, and does not bode well for preserving social democracy in the EU. Third Way policies were widely adopted by many social democratic parties, an adoption which prompted the resurgence in support for them. Such centrism was evident in the governments of numerous European states in the 1990s. However, it meant an implicit acceptance by the Left of the neoliberal model, and in many ways amounted to a capitulation by social democrats to the neoliberal orthodoxy of the time, moves criticised by writers such as Callinicos (2001) and Touraine (2001). These writers highlight the lack of an adequate social dimension and the growing social exclusion and inequality that have resulted from Third Way policies. Mouffe (2000) and Aronowitz (2006) also assert that they are a threat to democratic institutions, especially when the danger is losing votes to populist or nationalist parties.

Changes that have shaped the continent - globalisation, neoliberalism and financial liberalisation - have placed the European welfare model under threat, changes to which the political Left has been unable to find adequate and workable responses (Offe, 2003; Scharpf, 2002). Support for social democracy is in decline (Pfaller, 2009), after enjoying success in the 1990s, a period when 13 of the 15 EU member states had left or centre-left governments. Deepening recession and high unemployment figures have certainly not helped boost their support. Ladrech (2000) argues that integration since the late 1980s has weakened social democratic parties in the political sphere and has diluted their identity, presenting the crisis of social democracy as intertwined with European integration. The Party of European Socialists (PES), the

transnational organisation bringing together the labour, social democratic and socialist parties in the EU, forming the majority of the Progressive Alliance of Socialists and Democrats (S&D) group in the EP has also been weak in its ability to affect policy orientations because of policy preferences that are largely nationally oriented. Because of the primacy of national parties and governments at the inter-governmental conferences (Lightfoot, 2005: 127), the PES has ultimately 'only made a peripheral impact on the Europeanization of social democracy' (*ibid*: 147).

Organised labour has also been weak in shaping industrial relations in the context of changing socio-economic relations. There has been a decline in the strength and influence of trade and labour unions vis-à-vis corporate power and capital. Trade union density is low and their bargaining power has been diminished in labour markets, especially with the rise of the global corporation and global production (Fulton, 2011). In this context, traditional forms of resistance by labour are no longer effective. The collective bargaining power of trade unions at the national level has gradually weakened over time, while the emergence of 'supply side trade unionism' has led to the functions of trade unions to be increasingly determined by government, and pushed in the direction of public administration, having the effect of diluting their regulatory and representation functions (Ewing, 2005). At the EU level, the diversity of ETUC members and the industries they represent mean that the European movement has very weak bargaining positions and often has to deal with differing national and transnational objectives (Marks and McAdam, 1996: 262). Coldrick (1998) even goes as far as to say that the ETUC might have even been complicit and instrumental to the neoliberal restructuring of the EU, in agreeing to measures that aimed at market flexibility and monetary stability.

<sup>9</sup> See Giddens, Anthony. *Beyond Left and Right: The Future of Radical Politics* (1994) and *The Third Way: The Renewal of Social Democracy* (1998).



Within the EU's governance approach, civil society within the European polity is different from civil society within nation-states, as it functions as a partner in governance to improve input and output legitimacy in the EU. The combination of an emergence of a polyarchal structure within a transnational polity, centres of power moving away from the locus of the nation-state, and a need for democratic legitimacy in the EU's multi-level governance structure brought about the institutional involvement of civil society in the policy-making process (Kohler-Koch, 2009: 48). But in looking at the institutional design of EU governance, Trez argues that civil society is not a distinct, but rather, a part of its multi-level dimension (2009: 35). Due therefore to civil society's consultative role within the EU's institutional framework, Delanty and Rumford write that there is 'little evidence for the existence of EU civil society' in the social sphere sense (2005: 169). Liebert and Trez even assert that 'more than an opponent, civil society is seen as a partner of governing institutions at all levels, keeping alive the idea of re-embedding global economic forces' (2009: 5). While the Commission seems keen to broaden input legitimacy in its policy-making role and increase transnational participation and contribution by developing the European public sphere, a truly European civil society is absent because of the lack of a social constituency. In choosing its social partners, the Commission takes a top-down approach, and in being membership-based is also not representative and inclusive.<sup>10</sup> Thus civil society in other forms, such as social interactions within the public sphere, has no role within the EU governance framework, and social movements appear to be left out on debates on the future of the EU, and have little formal influence on policy making processes.

<sup>10</sup> Lisbon Treaty, Article 11.3 – 'European institutions shall see dialogue with the citizens and with representative associations'.

The form of civil society that is accepted institutionally by the EU, and that participates and contributes to policy output as an interest mediator, is limited in its contribution to the reconstitution of social democracy in the EU and to a move back toward a more social Europe.

As a result of economic restructuring and political debate in the EU being dominated by the neoliberal model and it being colonised by private interests, the EU is on the way to becoming a post-democratic or post-political entity<sup>11</sup> The politicisation of issues is prevented in this environment, characterised by the absence of ideological divisions and disagreement as political debate and conflict are seen as inefficient to a liberal market economy. The universalisation of values and political demands results in a politics that is drained of its ability to effect change. Debates occur only 'over technologies of management, arrangements of policing and configuration of those who already have a stake' and only 'within an overall model of elite consensus and agreement' (Swyngedouw, 2009).

The capitalist mode of production has been going through a radical overhaul from a structure based on efficiency to one that prizes flexibility and horizontality in a decentralised structure. While the transnationalisation of capital, deregulated financial markets and weakened citizen workers' representation might explain the paucity of influence political parties, trade unions and civil society have had on safeguarding social democracy and the European social model thus far, the EU is currently in, or moving towards a post-Fordist stage. A new generation of actors is contesting the established order in the context of new sets of social, economic and cultural conditions

<sup>11</sup> A post-political society is not apolitical, nor does not refer to one where traditional political hierarchies have been reordered, rather, it refers to a society that has experienced depoliticisation, often proceeding in tandem with neoliberalism. See Crouch (2004).



that all citizens must face, conditions that render current models of representative democracy antiquated, and which will shape political institutions and representative democracy in the future.<sup>12</sup>

#### 4. The current crisis

Certainly, the widespread popularity of these movements and the support they have received are in part, due to the escalating economic and political crisis confronting the EU and its member states, many of whom are undergoing a painful period of structural adjustment as a result of the introduction of austerity. With many basic social services being cut along with wage depression and a reduction of investment in infrastructure, austerity measures are likely to increase insecurity and social inequality, especially as they disproportionately affect those in lower income brackets. Individuals are also unhappy with the fact that they are presented with seemingly no alternative, and the lack of political debate surrounding these measures in a culture where depoliticised consensus is expected. The protestors argue that austerity measures also exacerbate social exclusion and remain unconvinced that it is the only way out of the EU's social and economic crisis.

The current wave of long-lasting mass protests and occupations across the EU is notable for their horizontal, broad and inclusive nature, and by the diversity in terms of gender, class and political orientation of individuals taking part. With an independence from institutions and political ideology, their activities have supplemented the role of organised labour and political parties. The Spanish and Greek movements, though they began much earlier, did not receive much

media attention until they spread across the Atlantic to New York City, in the form of 'Occupy Wall Street', where at least 10,000 supporters camped out in Manhattan's Zuccotti ('Liberty') Park from 17 Sep 2011, till they were disbanded on 15 Nov. The Occupy movement, which has since spread beyond the United States, raised the issues of the growing income inequality, lack of corporate transparency and unsustainable economic practices. While the European protests were shaped by different circumstances, what we are witnessing in the ongoing series of demonstrations and what they have inspired may amount to the dissolution of Empire,<sup>13</sup> and a global revolt against greed and corruption.

Protest is defined by Lipsky as 'a mode of political action oriented toward objection to one or more policies or conditions, characterised by showmanship or display of an unconventional nature' (1968: 1145). These actions take place outside the domain of political institutions, though attempting to influence them and public attitudes through unconventional actions that include blockades and occupations, strikes, and demonstrations. The value of protest actions lie in their 'transformative effect(s)', that gives impetus to social processes to develop, a formation which empowers new and existing actors, and builds community and solidarity amongst activists and citizens alike, while raising the visibility of their demands and alternatives to solutions propagated by the mainstream (Della Porta and Caiani, 2009: 136). Taylor and Mathers have described social movements as an 'important counterweight to the official labour movement that has capitulated to the neoliberal agenda and form the basis of a radical renewal of labour movement politics in

<sup>12</sup> For an overview of the economic and social transitions in post-industrial societies and the 'conjunctural crisis of neoliberalism', see Balakrishnan (2009). For an overview of the 'crisis in the Fordist accumulation regime' and the transition to post-Fordism, see Pribac (2010).

<sup>13</sup> Hardt and Negri (2000) define Empire as a postmodern form of imperialism, not centred on nation-states, that structures world order. Here, it would be neoliberal economics and the global financial system, and the power structures and relations that keep it in place.





Europe' (2002: 52). Beyond the nation-state, transnational social movements are one of the many forms of collective action, and are described as 'sets of actors with common purposes and solidarities linked across country boundaries that have the capacity to generate coordinated and sustained social mobilisation in more than one country to publicly influence social change' (Khagram, et al., 2002: 8). The value of social movements can be seen within the relational, cognitive and emotional mechanisms at play, as identified by Della Porta and Caiani (2009). Relational mechanisms refer to the networking taking place and the coordination of action. Cognitive mechanisms encourage a Europeanisation from below that is helping in the development of a European identity - one that is not anti-European or which outrightly rejects Europe, but instead demands another more social and democratic form of it. Lastly, the emotional mechanisms build solidarity among the diverse groups of actors, where a sense of belonging is created and trust between actors is developed.

Social movements are becoming far more inclusive as their appeal and range of demands broaden, and they have been crucial in providing transnational coordination of various actions. Their self-organisation and coordination of actions within an autonomous and horizontal structure present one of their strengths, facilitated by technology and the network society, as traditional means of control and formal political institutions are being bypassed. The current movements across Europe thus far are cause-focused rather than constituency representing, and lack formal and hierarchal organisation. They are an exercise in direct participatory democracy in their organisation and formulation of demands, at the same time challenging the elite nature of European integration and representation. Large numbers of people are involved in both autonomous and coordinated protest actions, with claims directed both at the national and

the European-level. No longer bound to the local, domestic or national protest actions have generated cross-border solidarity with other movements, and have become Europe-wide movements because of widespread use of digital communication technologies.

The nature and organisation of the movements against austerity have much in common even though most began as separate national protests. Often, protests originating in different countries stood in solidarity with each other and made efforts to collaborate with similar movements beyond their own borders with parallel but decentralised protests. Coordinated protests are now a regular occurrence, happening in up to 100 cities and sometimes involving hundreds of thousands of individuals across the continent. The largest of the movements, the M-15 movement and the Indignant Citizens Movement (formerly *Direct Democracy Now!*), which have been active in coordinating the Greek protests, have received broad support and appeals to more than only those on the political fringes. Though widely distributed and with a heterogeneous mix of individuals, these individuals see the commonality of their situations, and the need for a more far-reaching changes that extend beyond their own borders. Many simply headed to local public squares that became sites of symbolic protest every night in their respective cities in support of the M-15 and Syntagma square movements, but also to demand changes in the political sphere and the global financial system, as they see them to be at the root of the wide range of current problems.

The movement in Spain began as protests against the socialist government, which has been criticised for going against the labour and social rights of workers and the rights of citizenship, and grew to become a nationwide movement, fuelled by social media the internet, and activist networks comprising students, workers, the unemployed and other



individuals. The focal point was the Plaza del Sol in Madrid, and the movement, known as M-15 (as it began on 15 May where 80 000 individuals demonstrated on the streets on Spain, organised without the help of political parties or trade unions), has been demanding more participatory democracy and an end to austerity. *Democracia Real Ya* (Real Democracy Now),<sup>14</sup> an internet group set up to coordinate civil mobilisation groups organised the demonstrations, where scores of protestors took to the streets across Spain, and activity spread to main squares in cities across the country. As of 6 August 2011, an estimated 6 to 8.5 million Spanish citizens had participated or contributed in some way to the M-15 movement, which is still ongoing.<sup>15</sup> The assemblies in Madrid and other cities were an exercise in the kind of democracy the demonstrators desired, an open and transparent participatory democracy based on consensual decision making through people's assemblies.

There is a growing disconnect in the EU between the political and economic elite on the one hand, and large sections of the public on the other, especially the youth. This generation will also be particularly affected by the effects of the global financial crisis and the sovereign debt crisis affecting many EU member states. Disenfranchised and disillusioned, many have lost faith in the current system. Technologically savvy, and often well-educated, these youth have come of age in an age of the internet and global connectedness which has provided the

infrastructure for, and is central to the social, political and economic activities in the current network society, and whose strengths lie in its flexibility, mobility and adaptability. The relationship between network society and post-Fordism lies in the 'non-hierarchy and dispersion, contained in the description of network society's elementary structure' which 'may be viewed as a technological platform for communication in the new accumulation regime' (Pribac 2010: 38). Within such an environment, the current generation understands the limitations of local approaches better than others, as they have a different understanding of collective work, growing up in social contexts characterised by open networks and their plural and democratic nature, characteristics which are informing the current social movements.

Structural unemployment is widespread, but this figure is much worse for the youth, and will have long-term social consequences. The average unemployment rate in the EU stands at 9.4 per cent, while the youth unemployment rate (16-24 years of age) is more than double, at 19.6 per cent. Greece (36.1 per cent) and Lithuania (34.1 per cent) have very high levels of youth unemployment, but the worst can be found in Spain (44.4 per cent).<sup>16</sup> Just five years ago, the youth unemployment rate was 26, 15.7 and 19.7 per cent respectively (European Commission, 2006). Active labour market policies, which were at the core of the European Employment Strategy, have clearly failed, and without an increase in domestic demand, it is hard to imagine how the unemployment rate will be reduced. Deeper structural changes are thus necessary, not just stimulus or austerity, or adjusting interest rates, debt and other short-term solutions proposed by economists and politicians thus far.

<sup>14</sup> Weblink: <http://www.democraciarealya.es/>. Manifiesto (English) can be found at:

<http://www.democraciarealya.es/manifiesto-comun/manifiesto-english/> (accessed 8 Aug 2011)

<sup>15</sup> RTVE (Corporación de Radio y Televisión Española, S.A.) *Más de seis millones de españoles han participado en el Movimiento 15M*, 6 Aug 2011. Link:

<http://www.rtve.es/noticias/20110806/mas-seis-millones-espanoles-han-participado-movimiento-15m/452598.shtml> (accessed 8 Sep 2011)

<sup>16</sup> Eurostat, April 2011 figures (link

[http://epp.eurostat.ec.europa.eu/cache/ITY\\_PUBLIC/3-31052011-BP/EN/3-31052011-BP-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/3-31052011-BP/EN/3-31052011-BP-EN.PDF))

## 5. Shaping a new agenda

The proliferation of popular self-organisation through social movements is challenging the implicit consensus that has allowed for the neoliberal paradigm to shape European policies. Through the ongoing acts of occupation and street demonstrations, the struggle for social justice goes hand in hand with the criticism of the current state of democracy and public space, in which the latter has become an increasingly privatised domain. The political demonstrations, occupations of the streets, and the creation of ‘temporary autonomous zones’<sup>17</sup> by occupiers and demonstrators show that public space is still relevant as a means of communication and for its symbolism as it provides a common bond in its function as an egalitarian arena. They serve as an expression of the diversity and plurality of interests of those occupying the spaces, and serve to bridge the individual with the collective. The many public squares across the EU became ‘free spaces’ or ‘liberated zones’, places of uncertainty and promise, and over time many joined in or contributed. They functioned like the Greek *agorai*, places of public interaction and discussion between heterogeneous actors, where collective decisions could be taken. When they grew too large, the direction of movement was often decided with peoples’ assemblies, and were crucial experiments in alternatives to what their supporters feel is the poor quality of representative democracy and part of the explanation to the crises.

While the forces of globalisation and European integration have shifted the balance of power from labour to capital, these same forces are providing for the reorientation of the class struggle with the rise of transnational

and European social movements and grassroots activity that takes advantage of the opportunities afforded by the multi-level decision making structure of the EU, the transnational nature of politics in the EU, technology and social media. The issues rallied against are similar, and while beginning as protests against neoliberal austerity, the bailout of banks and cutbacks to social programmes, they all have a strong international focus and also have spoken out against the socially destructive nature of the neoliberal economic philosophy, the lack of accountability of political institutions, the capitalist and corporate control over mass media and the necessity of better social and environmental goals.

In face of the global forces of capital, a coordinated solution is considered by many to be the only way to prevent a breakup of the eurozone and a deepening social crisis. However, there is a lack of political leadership and public support to the various pronouncements made by the political class, whose rhetoric has been flat and devoid of any new ideas or views. There is the danger of member states turning insular, and others are already losing political and economic clout. A return to the Europe of sovereign states is regressive, with the threat of nationalism and xenophobia. Indeed, a eurosceptic populist backlash is already gaining traction across the EU. However, the social movements that began as movements against austerity demonstrate that the EU can accommodate plurality, and might even provide an alternative community for the disenfranchised individuals that populist parties have thus far been able to gain support from.

A transnational solution is necessary, as opposed as a return to national policies, which have often proved to be divisive amongst member states, and the reflection from the ground seems to indicate that this is possible, and desired by many. The post-Fordist stage of

<sup>17</sup> A term coined by Hakim Bey (1991) to describe impermanent and unconventional sites of action. They often challenge social norms and regulation as they are, by nature autonomous. Such spaces provide for empowerment, creative and often subversive forms of political action.



economic development is bringing about new organisational models that will also organise society. This organisation stresses the roles of interdependence and connectivity which have been reflected in the social movements that have proliferated across Europe and been replicated across the world. Citizen alliances across national boundaries and transnational solidarity displayed by the resistance movements are completely opposite to the growing polarisation one can witness between member states within the euro zone.

Major fiscal reforms are necessary to avoid a long-lasting depression, but they need to be made in a manner that prioritises social justice. The sovereign debt crisis and the austerity measures adopted by many governments are giving added impetus to seek out common solutions that are more inclusive, but this has not always been the driving force in negotiations and structural adjustments. The nature of these mass movements stand in opposition to the elite nature of European integration, which the protestors believe only benefits a small minority. They lament that integration is poorly buffered with token social provisions and measures to tackle the exclusion that results. In their protests, many advocate the restructuring of the EU's financial and political architecture so that prosperity is more equitably distributed. Together, they reflect a pan-European movement as activists are aware of how local crises are linked across the EU, and how the events and responses to address core issues in member states affect each other, and the commonality of their situations.

The proliferation of grassroots movements underpinned by common ideals, organically replicated across the EU through informal networks and their language of solidarity may prove to be a unifying force for the citizens of the EU. Widespread debate, both at the local and European level is reinvigorating democracy. In framing a new

agenda, another form of Europe based on solidarity and cooperation, with policies that prioritises the needs of its citizens and politicians who are accountable to them is being shaped. Through their grassroots campaigns and networks, a culture of deliberative democracy and participatory politics is being fostered. In such an environment, European institutions, with their expert committees that have long relied on legitimacy through their output, must find other ways to engage citizens or risk further alienating more of the population.<sup>18</sup> The majority of social movements and social movement organisations, while critical of certain policy choices made by the EU, support its social goals and integration, as they see the EU as their greatest opportunity and the way out of the crisis and a means to regulate corporate and banking power. Far from being anti-Europe, they have instead been advancing practices of solidarity across the EU, and are reigniting citizen and collective involvement in public affairs. Wider attitudes, if negative, toward the EU can also be changed if the latter shows its commitment toward social justice.

## 6. Conclusion

Structural changes in socio-economic relations as a result of neoliberal restructuring in the EU are also changing the landscape of political infrastructure, which is being informed and formed by the shift to a post-Fordist paradigm. In a period of political paralysis, the current social movements have raised new possibilities for debate and organisation, and may even provide a model for institutional and democratic reform. The EU is still a contested space with changing sets of social and cultural conditions that everyone, including political institutions, must face. The original goals of the Union to achieve social stability and economic prosperity are still powerful and persuasive arguments for its continued existence. While

<sup>18</sup> Cf. Bosanquet, et al. (1908-09).





the EU began as an elite project, it can continue only with the broad support of those helping to shaping it.

As capital flows and its consequences are increasingly transnational, so has resistance to them crossed borders. Where nation states are no longer the sole guarantors of social democracy and social justice, and where politics is no longer restricted to the local or national level, social movements and protest actions are no longer contained within the nation state. Technology and information society are now also able to mobilise and coordinate disparate and decentralised individuals, and bring about a community of citizens who share in the hope for a more equitable society and sustainable way of life. While institutions and inter-governmental politics are still at the core of the EU, they cannot function without popular trust in them.

This paper has also touched on the currents of political change and the evolution of social and political space in the EU, and highlighted the importance of social movements in directing discourse and debate in the EU in a post-political and Post-Fordist stage. It has mentioned the importance of public spaces (both physical and virtual) as sites employed by activists and political counter currents, and how political transformation might be initiated, negotiated and resisted in the EU. Civic action, the quality of the public domain and their relationship to the European public sphere are undergoing transformations. The current movements are still developing and can have the ability to generate support for the European project, as one that promises wider social justice and extends practices of solidarity. Influenced by network culture, their protest activity, with its acceptance of a shared destiny for Europe, and

by their very nature as open, non-hierarchical and progressive, can only contribute positively to social cohesion in the EU as new forms of solidarity are being developed. A community of active citizens is helping shape a European civil society that will not consist only of organised stakeholders, which thus far have not been able to address all the concerns of society.

The movements against austerity show that if the political system does not engage citizens, they will find ways to engage each other and to seek longer-term solutions to the crisis and the other problems and changes the EU finds itself dealing with. They also show that it is possible to break away from the neoliberal paradigm that has dominated global politics and economics towards an alternative model that reflects the will of the people. Though based on shared indignation, the upside to the crisis in Europe is the return of contentious politics and the development of a real European public sphere, and for the first time, a Union-wide common narrative of recent events. In fostering a European cosmopolitan attitude with a true public sphere and social territory where active citizenship can be practiced, these movements reveal that there are possibilities for democratic politics above and beyond the nation state.

This is a time for reflection; preventing the current crisis turning into a crisis of democracy and descending into social chaos depends on the collective action of the public. Politicians and institutions in the EU will have to find ways to bring back the social compact or risk the alienation of significant portions of the population and the European project itself. At the same time, in seeking an open and responsible way out of the crisis, the old dream of Europe can be given a renewed purpose.

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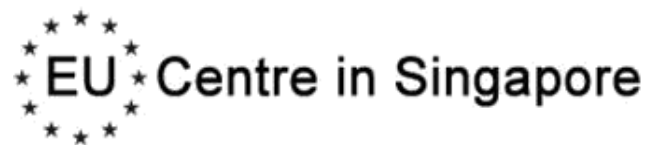
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