

Debacle of America's Democratic Party, Demise of the Left-Center Left, A Worldwide Trend

By [Prof. James Petras](#)

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Introduction:

The November 2, 2010 electoral debacle of the Democratic Party in the US cannot be solely ascribed to the failed policies of President Obama, the Congressional leadership or their senior economic advisers. Nor is the demise of what passes for the American "center-left" confined to the US - it is a world-wide pattern, expressed in countries as diverse as Greece, Portugal, Spain, Great Britain and Japan.

The central question is why the left-center left governing parties are everywhere in crisis and will be for the foreseeable future?

The Left-Center Left: Past Winners, Present Losers

In the past leftist parties had been the beneficiaries of capitalist crises: Incumbent conservative regimes, which had presided over economic recessions or had been held responsible for military debacles, were ousted from power by leftist parties prepared to make large-scale, long-term public investments, funded by progressive taxes on wealth and capital, and to impose austerity programs on the rich and wealthy.

In contrast, today the left/center-left (L-CL) regimes preside over crisis-ridden capitalist economies and administer regressive socio-economic policies designed to promote the recovery of the biggest financial and corporate enterprises while rolling back wages, social programs, pensions and unemployment benefits.

As a result, the L-CL has become the prime political loser in the current economic crisis, reaping hostility and rejection from the great mass of its former working class and salaried supporters.

Wherever the Left has been elected in recent years, a deep polarization developed between its electoral base and the governing party leadership. Nowhere has the Left dared to infringe on the power and prerogatives of the very capitalist class of bankers and investors, who caused the crisis. Instead with perverse and reactionary logic the Left- Center Left parties have wielded stated power through the treasury to refinance capital, through the police and judiciary to repress labor and through the mass media to justify its regressive policies (especially via anti-'chaos' hysteria).

In Greece, the Pan-Hellenic Socialist regime (PASOK) has fired tens of thousands of public employees and its tight fiscal policies have raised unemployment from 8% to 14%. It has increased the age of retirement, reduced pensions and welfare provisions and raised fees

for public services, while foreign and domestic bankers, ship owners and overseas investors have benefited by accumulating property and distressed enterprises on the cheap.

Similar policies have been adopted in Spain and Portugal where public employees' salaries and jobs have been slashed, pensions and welfare payments have been reduced, job security has been deregulated and employers are free to hire and fire as never before.

Prior to the British Labor Party's defeat, after more than a decade of promoting wild unregulated financial and real-estate speculation leading to the economic crash, the Labor leadership was planning massive layoffs and cuts in social programs.

In the United States, Obama and the Democrats were elected, on the basis of their promises to redress the grievances of the workers and salaried employees, who had been battered by the collapse of Wall Street. Instead, the White House poured trillions of tax dollars to rescue the major banking, financial and speculative institutions responsible for the collapse while unemployment and underemployment has climbed to over 20% and 10 million homeowners lost their homes through mortgage foreclosures.

Why the L-CL Deepens the Crises

Over the past 30 years the L-CL parties, which were once identified with working class interests and welfare reforms, have become deeply embedded in managing the capitalist system - going so far as to promote the most parasitic and volatile forms of speculative capital. As long as capitalist profits grew and speculative investments grew, the L-CL regimes believed that sufficient tax revenue would accrue to allow for a degree of social spending to pacify their popular voting constituency. The L-CL parties systematically eliminated the last traces of a socialist, social welfare or redistributive alternative.

The L-CL political leadership was unwilling to envision an alternative to their promotion of the policies of big corporate and banking interests as they led to financial crisis. When the big crash of 2007-2010 took place, the entire leadership of the L-CL was so deeply embedded in the institutions, policies and practices of the leading private financial structures, that the only solution they were capable of proposing was to sacrifice the public treasury in order to restore capitalist leaders and speculative institution to profitability. In other words, the U.S and European L-CL parties were prepared to jettison over 50 years of social advances. The past ties to their working-class voters, trade union allies, public employees and pensioners were severed, none were spared. The only interest that mattered to the L-CL parties was to restore conditions for profitability to benefit big overseas and domestic investors.

This economic recession has forced the L-CL parties to give up any pretext that they could satisfy bankers and public employees, corporations and workers, investors and pensioners. The crisis revealed the profound distance separating the working class from the political leaders of the L-CL.

The savage class austerity measures, repeatedly imposed on the working class every 3-6 months, in contrast to the vast and repeated subsidies to capital, reveal the true vocation of the current L-CL regimes. There was never a question of choice: From their entry into the government and from their leading economic appointments, to their subsequent agreements with the world's leading banks, it has become obvious that the Papandreu (Greece), Socrates (Portugal), Zapatero (Spain) and Obama (USA) regimes were prepared to

use the full power of the state to sacrifice labor to save capital.

Consequences of L-CL Policies and Practices

From the start, the L-CL parties decided there was everything to negotiate (and concede) with the bankers and nothing to negotiate and compromise with Labor. The recession was too profound, capitalist interests and institutions were “too big to fail”, and labor was, in the eyes of the L-CL parties, too expendable: ‘Let them march and yell in the streets’. Unemployment and under-employment climbed to double digits everywhere. The old arrangements of accommodation between the trade unions and the L-CL parties came under intense pressure everywhere (except in the US and UK) from the workers in factory assemblies, the offices of the public employees, and among the pensioners in the senior centers.

Repeated general strikes broke out in France, Spain, Portugal, Greece and Italy. The L-CL regimes absolutely refused to make any concession to the workers. The crises and austerity policies became the base for a real class war: The Left-Center Left regimes were determined to roll back over 50 years of working class advances. The general strikes were defensive battles to protect hard won advances in decent living standards. Workers everywhere in Europe recognized the abominable working and welfare conditions in the US, where trade unions have become doormats and the millionaire trade union bosses continue to use union funds to bankroll the Democrats and protect the bureaucracy’s privileges and wealth.

Conclusion

The Left-Center Left regimes are paying a high electoral price for sacrificing the working class in order to save the bankers: Obama’s recent electoral defeat is only a forerunner of future losses for the Spanish, Greek, Portuguese Socialists and other L-CL regimes. Their austerity policies have led them to ‘fall between two chairs’: They alienate workers and strengthen the capitalist class, which already has its own “natural” conservative capitalist parties. The “hard right” everywhere is advancing, sensing the debacle of the center-left as an opportunity to deepen and widen the frontal assault on labor rights, social welfare and any semblance of legal protection.

Faced with this assault, the main defense of militant workers in Southern Europe is the general strike, (totally absent for over a century in the US). But even so, given the ferocious backing of all of Europe’s (and the US) ruling classes for the regressive austerity policies, it is becoming clear that the positive experience of massive class solidarity is not enough. Greece has had half dozen general strikes. France has been shut down by a nationwide strike. Spain has more to come. But their L-CL rulers continue slashing and burning workers rights and living standards now and for years to come.

What will it take to stop and reverse this capitalist juggernaut? It is clear, that the L-CL parties, as we know them, are part of the problem and not the solution. Will new working class parties and movements emerge that can combine mass general strikes with challenges for state power? Will the rising power of the electoral right lead to a parallel rise of the left?

As of today, little or nothing of a left-right political polarization appears on the horizon in the United States where most of the union and social movement leaders are tied to the Democratic Party. In contrast, in Europe, particularly in France, Greece, Portugal and Spain,

extra-parliamentary mass struggles will continue and perhaps intensify, raising the specter of possible popular uprisings as conditions continue to deteriorate.

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