

Without a Political Alternative, the Panama Papers Change Nothing

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Marx himself could not have written it: a secretive law firm, headquartered in a tiny Central American country, whose sole *raison d'être* is to help the world's super-rich and super-powerful circumvent democratic oversight of their activities. Amongst Mossack Fonseca's clients are several prominent Western politicians, the hit man cousin of Syria's President Assad and the cabal around Vladimir Putin that has spent the last twenty years systematically asset-stripping the Russian state. With the Panama Papers, the International Consortium of Investigative Journalists (ICIJ) has drawn back the veil on global capitalism in all its hideous splendour.

This all sounds like a figment of Trotskyite fantasy, but it is completely true – and with over 11 million documents leaked to the ICIJ there are plenty more revelations to come. Does this mean, then, that the progressive dawn has finally arrived? Is this the moment that class politics makes its long-anticipated return to the stage of world history? Will the international Left see a surge in support as people everywhere realise the folly of our present economic system? Probably not.

In his brilliant 2014 book *The Establishment*, British journalist Owen Jones looks back on the conditions that led to neoliberalism replacing the post-war mixed economy in the early 1980s. Jones contends that this paradigm change was no accident; rather, the proponents of what would become known as the New Right had already been engaged in a decades-long intellectual project, laying the foundation for an alternative world-view. It was figures like Friedrich von Hayek and Milton Friedman who, against the prevailing Keynesian consensus of the time, carried the flame of economic liberalism through the years of prosperity. When the post-war consensus faced its first major crisis in the 1970s – a product of US withdrawal from the fixed exchange-rate system and the OPEC oil price shock – the neoliberals were ready, armed with a philosophy to remedy the troubles of the time. Convinced by their arguments, Margaret Thatcher and Ronald Reagan swept to power, and over the ensuing years dismantled the architecture of national industries, state regulation and public spending that had characterised the post-Depression Western world.

Since 2007-8, crisis after scandal after bailout has demonstrated the folly of the system they created, one in which, under the banners of liberalisation and global development, wealth and power and concentrated in the hands of a tiny elite whilst the rest of the world degenerates. Yet any alternative is still very far off indeed. Spontaneous public anger is one of the great sparks of change, but it is doomed to fizzle out unless it is accompanied by a convincing political programme, like that of the New Right in the 1970s. Without this, cries of protest will be nothing more than cries in the wilderness. Indeed, the greatest risk of all is that such sentiment finds expression not in the Left but in the beguiling narratives of the radical-Right. Injustice committed against the majority of people around the world can, in the age of global capital, all too easily be reconfigured as injustice against the national community, sold downstream by political elites in collusion with foreign corporations and investors.

Scarred by the abysmal failures of Marxism in practice, the Left is justifiably wary of grand unified projects and prophecies of a utopian future. Yet we cannot allow this caution to prevent us from building an alternative vision for European and world society. It is worth remembering that, at the last great moment of international economic and political crisis, it was in-fighting on the Left above all else that left Hitler, Mussolini and Franco with a free shot at power.