



Book Review

Global Capitalism and the Crisis of Democracy

Harris, Jerry. (2016). Atlanta, GA: Clarity Press. ISBN 9780986085321 (paper) US\$23.95; ISBN 9780997287042 US\$19.00 (e-book) 285 pages

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Jerry Harris' book orbits a central question: "can the power of democracy overcome the power of global capitalism?" (p. 11). The monograph is a meaningful treatment of today's debates about globalization, political economy, and most importantly, political alternatives. It functions both as a primer on economic history and as a careful analysis of "green capitalism," China's role in the global economy, and the implications of Russia's growing hegemony in Eastern Europe. For Harris, these developments hinge on the emergence of a transnational capitalist class (TCC), which he suggests marks a new era of the world capitalist system. This period, he argues, is one of political centralization and growing repression.

The book's introduction canvasses a range of concepts that will be familiar to readers. Neoliberalism, of course, is a staple of anti-capitalist texts. Defined by Harris as an "attempt to organize society by elevating market relations to the center of human existence and values," the definition aptly captures the term as both a process and configuration of social and economic relations (p. 12). Citing Greek scholar and activist Andreas Karitzis, neoliberalism is further explained as "an ambitious strategy of fundamentally transforming the physiognomy of modern societies and subjectivities" (p. 51). Anarchism is also summoned as a category of alternatives, but ultimately Harris disassembles the prospects of this tendency. More on this later.

Chapter 1 tackles the decline of democracy as a constituent element of transnational capitalism. To do so Harris deploys Adam Smith's political economy as a straw man, which he suggests uniformly endorses a libertarian, elitist notion of government as an institution servicing the interests of

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society's economic power brokers. A careful reading of Smith, however, would have revealed a more complex and nuanced historical figure, one who recognized the ironies of capital's opposition to the combination of labour whilst it collectively clamored for the protection of the state.

But the first chapter's strength is really its survey of political economic developments that have transpired over the last 50 years. Here, the current manifestation of the transnational capitalist class takes shape. The hyper mobility of capital lends to the current iteration of globalization, specifically the shaping of international production and service supply chains. A global division of labour emerges as a result. Although Harris's text does not offer a rigorous assessment of works that have come to define theses of how the Global South factors into the world capitalist system, the chapter still offers a meaningful treatment of transnational production.

By invoking the work of Guy Standing, notably his reference to industrial citizenship and the precariat, Harris connects work and labour to the lived realities of an emergent global order. A crucial part of this narrative involves subcontracting within the global flows of capital. The fragmentation of work and work processes has been enabled by the growth of massive temp and recruitment agencies, like Adecco, which facilitate the globalization of labour. Indeed, part of the post-2008 economic recovery was made possible by the acceleration of labour process fragmentation and the moving of work to the Global South. As Harris reflects, American transnational corporations added some 2.4 million jobs abroad between 2000 and 2010, while the U.S. economy shed nearly three million jobs over that same period (p. 32). Meanwhile, economies like the Philippines have come to depend on the globalization of labour markets, notably the remittances they contribute to the home country's GDP. Reported remittances reached half a trillion dollars in 2011, according the World Bank (p. 31).

Harris's introductory chapter also elucidates the interventions of world powers and nation-state configurations that have shaped the world system. In this conversation, the technocratic and "authoritarian" bureaucracies of the European Union are contrasted with the intensification of reactionary movements that have leveled attacks on "immigrants, international labor, and global capitalism itself" (p. 41). The recent inauguration of President Donald Trump adds to the frightening relevance of this tendency. At the extreme, this is nothing less than a fascist renaissance. And, as Harris describes, fascism "is the failure to maintain the historic democratic dialectic, a crushing of the bourgeois democratic compromise in favor of outright dictatorship and coercion" (p. 49). Gramsci is invoked as a crucial fixture in this analysis, namely because of the Italian Marxist's capacity to makes sense of how hegemonic interests are secured through consent and coercion. The TCC's rule over global governance structures, Harris reminds us, is part of this narrative.

The book's second chapter on class power is wisely entrenched in an analysis of finance capital, which manifests itself as a constellation of

offshore tax havens and an algorithm-enabled mechanism of accumulation. But the sensational growth of finance and informational technology capitalism is contrasted with the dystopian realities of permanent de-industrialization, fittingly represented by Detroit. The development of underdevelopment is furthered by Harris' reflections on NAFTA, which has devastated Mexico's agricultural sector while enriching auto-manufacturing in the country's north. Such are the vicissitudes of global capitalism.

Harris's most captivating and arguably most important chapter is the third, "Global Capitalism and Social Justice." The author commences by showcasing Al Gore's symbolic transition from lone political figure in the climate change battle to part of a growing chorus of economic elites espousing a similar message. This has revealed contradictions within the TCC, between climate change deniers and economic power brokers who recognize the need to fear a climate-induced catastrophe. Yet, this sensitivity to environmentalism is motivated by the same logic that drives global capitalism: expansion and profit. "There is nothing in their strategic vision that questions low-wages," writes Harris, "third world sweat shops, the transnationalization of capital, and social austerity as the primary method to pay off financial debt" (p. 108). For the economic elite, green capitalism is an opportunity to re-establish their hegemony by forging new opportunities for growth. Contradictions, Harris insists, run deep in this vision.

As the green infrastructure market matured, the production of solar panels proliferated through a network of subsidiaries and subcontractural relations. Much of this work is now done in China. This surge of output from lower wage economies depressed the cost of renewable technologies, prompting a plunge in green energy stocks. "From the market's perspective," Harris argues, "there is over capacity" (p. 122). Only in a market society would the abundance green energy technology be responded to as a problem, suggesting that a Green New Deal is required to coordinate the design and production of technology, along with the establishment of local green energy networks. For Harris, the challenge is not one of technology, but of creating the appropriate social conditions capable of making full use of innovation (p. 138).

The book progresses to examine the interconnectedness of capitalism and the TCC using two case studies: the conflict in Ukraine and China's growing economic influence. Harris returns to his analysis of a right-wing renaissance in the commentary on neo-fascist threats surfacing in Eastern Europe. This comes at a time when economic turmoil and nationalist sentiments resurface in the wake of capitalist development in the former Soviet Union. Much of this originates, for Harris, with the legacy of post-Soviet privatizations, and the securing of a post-communist political and economic elite through a looting of state property.

What makes Chapter 4 of particular value is its capacity to chart the specific connections that bind U.S. and Russian capitalism. As peculiar as this might seem as tensions escalate between the world powers, Harris helps to make sense of bonds between senior U.S. officials, like John Kerry and his

family, with economic counterparts in Russia. German interests are similarly intertwined, with about US\$30 billion in FDI and another US\$30 billion in exports wrapped up in Russia. The UK's relationship is somewhat unique, as it is a source of prized education and real estate for the Russian elite. Even major U.S. defense contractors have forged connections with their former Cold War adversary.

China's connection within global capitalism dates back to the reforms of the 1980s; this tendency accelerated throughout the 1990s and 2000s as the country benefited from the astronomical growth of offshored production. The 2008 economic collapse further brought to light China's financial connections in the world market by way of that economy's ownership of U.S. debt. Now, the author contends, U.S. and Chinese capital are virtually inseparable. But Harris rightly shifts his attention to the dilemma this poses for China in the long term, as its low-cost labour advantage slowly erodes. Here the problem is not the broader, political economic benefits China has reaped, but the pace at which this wealth is reaching the millions of manufacturing workers that define the country's comparative advantage. Basically, Harris attributes this to China's failure to follow American's post-War success, when the modern U.S. middle class was born as a consequence of rising incomes alongside gains in productivity. China's future in the global economy is laden with possibilities and contradictions.

From this examination of the capitalist world system, Harris turns his attention to alternatives. The chapter that follows is deeply rooted in history and age-old debates about socialism, anarchism, and Soviet communism. At one point, however, the reader is left questioning the need to rehash these dated conversations about the early years of the Revolution in a text about today's global capitalism. Where there is value is in Harris's lessons for educators and his conclusions about discussing economic justice and the appetite for democratic socialism with post-secondary students. His interruption of political economic analysis with pedagogical notes about how this narrative should and can be translated for the purposes of social justice mobilization is most welcome.

Harris's chapter on "Failed Alternatives" also takes aim at variants of anarchism, namely Michael Albert's theory of Parecon, and its viability for future movements. His main criticism lays with the absence of a rigorous sociological examination of work in Albert's thesis, which he then claims will fail to pose a serious threat to the TCC. From here, the book attempts to usurp the notion of mutual aid from anarchism by characterizing this rich, historical practice as a feature of most radical movements, including the Maoist Black Panthers. Harris then punctuates the chapter by charging Occupy with squandering an opportunity to build a national organization of broad unity, making clear the author's commitment to party-based politics and insurgency.

Global Capitalism concludes with a chapter dedicated to "Democracy Beyond Capitalism," bringing the reader back to the central premise. Harris's objectives are twofold: first, recognizing the role of social contradictions in

creating a dynamic political society, and second, the need for economic democracy and workplace empowerment. It is with the latter that counter-hegemonic institutions can be forged. For Harris, lessons from Argentina's 2001 economic collapse are instructive. Factory takeovers, the formation of cooperatives, and a rejuvenated social solidarity provide lessons on both strategy and tactics for the left. Syriza's rise, too, offers guidance. There, the Greek party's victory was restrained by its inability to summon national resources to fund social programs and change. Progress, in other words, was tempered by the political economic tools, or lack thereof, Syriza had at its disposal. Not to mention the country's subordination to European Union financial interests and indebtedness.

Overall Harris's text is a worthy read and a useful primer for courses on global political economy. Most importantly, it speaks to how a transnational capitalist class has shaped and is shaped by international capitalism, as well as the logic of resistance to this reality. His treatment of green capitalism is compelling, if only because it forces progressive readers to think about the social conditions under which climate change exists and how alternatives are, in some instances, inhibited by market forces. This chapter alone captures the central premise of the book beautifully.