

## **Hammond: Don't shrug off the power of the Occupy movement**

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Illustration by Jennifer Wilson

London Mayor Joe Fontana's rush to be the first Canadian mayor to trash and shut down an Occupy encampment betrays not only a failure to understand the message of the movement but also demonstrates an apparent failure to understand its impact on his own political future. Repression of this movement on behalf of the wealthy 1 per cent holds no long-term political rewards. In fact, he may have just dug his own political grave as his already spiraling public career comes to a close.

Beginning in September 2011, the protest movement that began on Wall Street in New York City quickly spread to other cities in the United States, Canada and around the globe. Parks and public spaces were occupied in an expression of mounting anger at a criminal financial system that permitted uncontrolled bankers to steer the global economy into its worst crash since the Great Depression.

The state then stepped in to bail out the bankers with billions of tax dollars, even while they shamelessly rewarded themselves with outrageous bonuses. Having rescued the 1 per cent, governments around the world then called for 'austerity' and cutbacks in social programs that mainly benefit the poor, in effect requiring the poor to subsidize the rich.

This renders democracy less than meaningless for the 99 per cent. Elected governments serve the rich, not the majority of the electorate.

The fact is Fontana's actions do nothing to change – or even acknowledge – the fundamental reality that has generated the moral outrage behind the Occupy movement. Shutting down occupied sites, especially with the insensitive destruction to property characterizing the London action, will not make the movement go away. It will re-emerge in other forms and continue to re-emerge until something meaningful is done to address the egregious and scandalous conditions that inspired it in the first place.

A famous American sociologist once counseled that if we wish to understand the poor it is best to study the rich.

Those of us who teach about inequality and social justice recognize this as an admonition to focus on the power structure in any given society to see how the powerful elite shapes policies affecting the well-being of all citizens. This influence is especially salient, however, with respect to conditions that affect the poor, the marginalized and the least powerful.

Since September 2011, and forevermore, this admonition will be understood to mean we should focus on the 1 per cent, whose concentration of economic and political power is such they have the ability to construct and implement social policies favouring their own interests, and in an unregulated capitalist environment, they do so with callous and

unlimited greed. In doing so, they also shape the life chances of the other 99 per cent, you and me, but especially the life chances of the poor.

For a variety of reasons, this simple equation is difficult to get across in the classroom and to the general public. People experience themselves first and foremost on a psychological plane and as individuals. It takes some effort to place oneself in the larger social and economic context of one's particular period in history.

In addition, there are active forces in popular culture masking this larger reality. This would include the corporately owned mainstream media, and other social institutions beholden to and rewarded by the status quo.

One important, if not the most important, accomplishment of the Occupy movement has been to make transparent this most important fact: unregulated capitalism results in wealth trickling up to the already wealthy, and not down to the masses as 'free market' ideology would have us believe.

In the United States, where the Occupy movement began, the richest 1 per cent of Americans – we are all now aware – accounted for an incredible 65 per cent of total income growth between 2002-07. According to Armine Yalnizyan, a senior economist at the Canadian Centre for Policy Alternatives, the comparable figure in Canada was 32 percent, still an outrageous level of inequality. By the end of 2009, 3.8 per cent of Canadian households controlled \$1.78 trillion, or 67 per cent, of financial wealth. (Statistics Canada, Canadian Centre for Policy Alternatives).

This growing gap between rich and poor that occurred over the past generation began with the neoliberal policies of former British Prime Minister Margaret Thatcher and former U.S. President Ronald Regan in the early 1980s. These saw the dismantling of regulations on capital imposed after the 1930s depression, coupled with corporate tax cuts and lowering the marginal tax rate for the wealthy.

This resulted in not just an economic gap, but a moral one as well, as the Occupy movement eloquently attests.

This was reinforced with the release on Oct. 24 of a statement from the Vatican's Pontifical Council on Social Justice and Peace entitled, *Towards Reforming The International Financial And Monetary Systems In The Context Of Global Public Authority*. It names "a liberalist approach, unsympathetic towards public intervention in the markets" as a major source of the current crisis in the global economy and especially in its impact on the poor.

The statement continues, "After the Second Vatican Council in his Encyclical Letter *Populorum Progressio* of 1967, Paul VI already clearly and prophetically denounced the dangers of an economic development conceived in liberalist terms because of its harmful consequences for world equilibrium and peace."

The document calls for more stringent regulation of global financial markets, a tax on financial transactions and a global authority to regulate capital in defense of the least powerful victims of an unregulated market.

No doubt this unsolicited vote of confidence from the Vatican would have taken the Occupy movement by surprise. Nevertheless, the statement should be accepted with gratitude. It powerfully echoes – and gives legitimacy to – many of the complaints heard in the Occupy movement in cities around the world, including here in Fontana's London.

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