



# Market Meltdown

## The crash, debt and exploitation

by **Petre Marin**  
LINCHPIN

You have no doubt heard about the financial crisis south of the border. You have also likely heard Canadian officials and business people claim that the Canadian economy is doing just fine and is immune from the US turmoil. We can hardly expect them to say otherwise, not least during an election. But in fact there is more than a good chance that Canada will follow the US into a major economic crisis.

If this does happen it will not be just because financial deregulation has allowed the banks to risk our savings on the crisis-ridden financial markets. It will also not be just because investors have created new and high-risk ways to play the global financial casino. It will not even be just because the US market, where most of Canada's exports go, will have closed shop. Financial deregulation and so-called "free trade" shoulder a lot of the blame for this mess. But the fundamental source of the problem goes beyond these policies. We are about to reach the limits of the economic model that has been imposed on us for the past 30 years.

This model can be called the "low wage/high debt" economic model. Beginning in the early 1980s it has come to replace the old "high wage/high production" model. Under the old model, companies sought to turn big wage gains made by workers' struggles into profits by: a) demanding a faster pace of work (higher productivity) and b) by encouraging a culture of consumerism so that workers would use their high wages to buy the

vast amount of goods being produced. This came to be known as the productivity deal.

At the end of the 1970s workers began to break this cycle by demanding and winning both higher wages and social services (a higher social wage) while refusing to increase the pace of work which had already reached super-human speeds. Thus companies found their



profits under attack as the better quality of life for workers came to clash with the needs of bosses to make a profit.

In response governments all over the world and of all political stripes began to attack the wage and social services gains made by workers. In Canada, this began with the Mulroney government and has continued to this day regardless of which party has been in power. A recent study by the Canadian Centre for

Policy Alternatives shows that real wages today (that is when inflation is taken into account) are at the same level as the 1970s. At the same time, spending on social services has been drastically cut.

But low wages present a major problem for profits. If wages are too low then workers cannot afford to buy the increasing number of goods being produced. The misery that this means for workers is not the problem from the point of view of business. The problem is that if goods cannot be sold then profits are not made. This is a classic problem of over-production. The low-wage model is thus inherently unsustainable.

One way that big business and big government have tried to get around this problem is by pushing through free trade policies like NAFTA and the Security and Prosperity Partnership (SPP) that let companies sell their goods all over the globe. In this way, companies can reduce their dependence on the wages or consumption power of their Canadian workers. However, this has not really solved the problem of over-production since the wages of all workers everywhere have been under attack. In the case of Canada's biggest export market,

*Continued on page 2 >>*

### about us>>

Common Cause is an Ontario anarchist organization. We publish the Linchpin paper bimonthly, as well as additional content online. Branches are active in Hamilton, Ottawa and Toronto, and there is interest elsewhere, including northern Ontario. We welcome new members and alliances with activist groups. Contact us at:

[commoncauseontario@gmail.com](mailto:commoncauseontario@gmail.com)

### also in this issue>>

- Elections and the horizons of our political imaginations
- Anarchism 101: Anarchafeminism
- Grassroots action to help free secret trial detainees
- Caravan against torture
- Ottawa Organizing 4 Justice Conference

the wages of the American worker have been reduced even more than Canadian workers. At best, free trade only delays the day of reckoning.

Another strategy is to lower the price of goods consumed by one group of workers by reducing the wages of another group of workers. This is the true meaning of Wal-Mart. By super-exploiting workers in China and other countries, companies can lower their prices to a point where workers in Canada can afford them despite their lower wages. In this way the sweat and blood of workers overseas is used to build a thin and tattered safety net for Canadian workers. But this strategy is also unsustainable.

For one, super-exploited workers always resist, driving up wages. China is brimming with workers struggles (the China Labour Bulletin reports tens of thousands of strikes and other workplace stoppages per year). Further, the prices of key goods cannot be reduced in this way. Goods such as houses, cars, education and others require such high levels of work and technology that no matter how low wages get, they will always cost thousands of dollars. If workers cannot afford to buy these goods in large quantities, profits cannot be

realized and crisis follows. But this has not yet happened. Why?

This brings us to the second part of the “low wage/high debt” economic model. The availability of cheap credit has allowed workers to borrow large sums of money and consume way past their means. This reason, more than any other, explains why the low-wage economy has not yet come to a grinding halt. Low mortgage interest rates, zero-percent car financing, credit cards in every wallet and a “pay day” loan shop at every corner have allowed high levels of consumption to continue even as wages are reduced. For companies this is the best of both worlds. Low wages combined with high sales mean astronomical profits. For workers this has meant insecurity at work and anxiety over soaring debts. None of this is a problem for business as long as it continues. But you don’t need a PhD in economics to figure out that eventually people will not be able to make payments on their loans with decreasing wages and rising interest rates.

This is precisely what is happening now in the US housing market, where millions of Americans have had their homes taken away as they are unable to pay their mortgages. The fact that banks and investors gambled these loans on the financial markets, losing trillions in the process, is a

serious issue. But in the long run it is not as serious as the fact that millions of workers in the US are defaulting on their debts. In addition to housing, credit card debt in the US totals nearly 1 trillion dollars and auto financing debt is also in the hundreds of billions (Globe and Mail, September 27, B1). No taxpayer bailout, no matter how big, will solve this problem.

The “low wage/high debt” US economy is imploding and Canadians, according to a recent report by investment firm Merrill Lynch, are only slightly less in debt as the average American. (*Hamilton Spectator*, September 24.) What are the chances that Canadians will also start defaulting on their mortgages, credit cards, student debts, auto financing and a myriad of other debts which we have been forced to take on because our wages do not stretch far enough? Even without increasing food and oil prices, it is very likely that what we are seeing in the US today is only a frightening preview of things to come.

The US also provides a sneak peek into what is likely to happen if we leave the solution to the same people who got us into this mess: trillion dollar bailouts for the rich and increased repression for the rest of us. If we self-organize and struggle for a better alternative, the outcome may be different, perhaps radically so.

# Anarchism 101: Anarchafeminism

by Andrew Loucks  
LINCHPIN

As with anarchism, there are many ways to think of anarchafeminism. It can be thought of as a way to promote anarchist ideas within the feminist movement or vice versa — to promote feminist ideas within the anarchist movement. But anarchafeminism is not simply spun together by people involved in both. Anarchism and feminism share deep connections.

Both combine values of individual autonomy with collective good and collective action. Both demand a rooting out of power and authority to achieve a liberation far beyond surface level equality, not stopping at wage equality and “equal access to exploitation” (as one revolution-



ary anarchafeminist put it)<sup>1</sup> in top down workplaces that exploit for profit.

Anarchism can be thought of in relation to other political traditions as well. Anarchafeminists will find the liberal feminist focus on liberating Afghan women from their burqhas insufficient if that means most will then find themselves free from ultra-oppressive home environments only to be forced into exploitative labour markets. Anarchafeminists would also see this limited focus on one kind of oppression as recreating colonial and patriarchal relations — telling women how they should be liberated, and using limited understandings of oppression to ultimately support war, occupation and different kinds of exploitation.

In practice, anarchafeminist struggles are often a response to sexism within anarchist organizations. The traditional

left idea that so-called “non-class oppressions” will be automatically addressed by a successful working class struggle is unacceptable to anarchafeminists. They demand that radical feminist projects are an integral part of social change and not a subordinated after thought. An excellent example of women’s struggles within and alongside larger anarchist movements is *Mujeres Libres*, or “Free Women of Spain.” Women organized and empowered themselves leading up to the 1936 Spanish revolution, fought on the front lines against fascism and pushed the anarchist movement to recognize women’s struggles as revolutionary struggles.

More on anarchafeminism:

- Acklesberg, Martha. [Free Women of Spain: Anarchism and the Struggle for the Emancipation of Women](#). AK Press: 2005.
- RAG (Revolutionary Anarchafeminist Group): <http://ragdublin.blogspot.com>
- <http://www.anarcha.org>

<sup>1</sup> <http://ragdublin.blogspot.com/2008/04/why-anarchafeminism.html>

# Elections: all we can hope for?

by Scott Neigh

A LEFTY IN OCCUPIED LAND

Election season: it's a sad time. Elections are neither nothing nor everything. Within narrow bounds, we get to choose — criminally narrow bounds that mean they cannot touch the things that mean life or death, more suffering or less suffering, for many, but can make small but real changes that mean life or death, more suffering or less suffering, for others. It would be politically foolish and morally dubious to ignore that.

In the U.S., the choice is between a neoliberal and a complete maniac — not good and evil, but not quite tweedledum and tweedledee. It may not matter in exactly the way the hype machine claims that Obama is the first African American nominee for a major party — perhaps the first African American president, a single generation after the fall of Jim Crow — but it definitely matters. In terms of policy impacts, a modest drop in people who lack health care; management of empire that might result in a small decrease in body count; small efforts to safeguard the ability some women in the U.S. currently have to get an abortion when they need one; small but non-trivial efforts to reduce some kinds of poverty for some people; a few of the intrusions by the national security state (but only a few) rolled back; maybe even small reductions in the barriers workers face in organizing: I doubt all of these things will happen, but I suspect a few will if Obama is elected. Small in comparison to the scale of the problems? Sure. Real impacts on real lives despite that? Yup. And because of that, it matters.

At the same time, empire will roll on undisturbed; the bodies of poor and working-class people of colour in the so-called third world will continue to be sacrificed on the altar of capitalism; rising poverty will increase suffering and early death in the global north as well; workers and communities will still have little control over our work and the economy; sexual violence will remain endemic; and white supremacy and patriarchy will continue to be fundamental organizing principles of our

lives even if Obama wins. And that matters too. A lot.

As for Canada, the election will score a bit less on the drama-o-meter. Minority government status has kept Harper from excessive rampage; memories of the dubious charms of straight-up neoliberalism are still quite fresh so the coat of greenish paint slathered on by Dion cannot disguise what is on offer; and Layton — well, I'm not someone who has ever harboured illusions about the NDP, but even within my modest expectations I am not impressed. Though that's probably how I'll vote.

For the Canadian election the same logic applies. Just to take one example, the difference between having and not having national, socialized daycare makes a real difference to people's lives. But even trading Harper's band of buffoons for a Liberal minority supported by the NDP — generally the most progressive combination you can find in Canadian electoral politics, even if it never lasts long — will never in a million years root out the fundamental injustices of our society if that's the only source of change.

So I'm not saying don't vote. I'm not saying don't care about who wins. I'm not even saying don't intervene in the election somehow. What I am saying is that we all need to take a good, long, critical look at our words and our actions and figure out what external cues they respond to. We need to ask, "What organizes my political life?"

Does your political imagination, your sense of the necessary, the target of your desire for a better world, and the process by which you make decisions for acting politically on a daily basis begin from the totality of the problems that face us, the experiences of those hit hardest by them, and a desire to figure out how to address them in their entirety? Or do they begin from the framing of the problems in the mainstream media, the narrow window of change that is imaginable in electoral politics, and/or the changes that can be made through paid work at social services funded by state or para-state sources? The ques-

tion is one of imagination, of what shapes the horizon of your vision, the reference points that guide your actions.

For instance, if you are considering poverty you could have an important debate about how critical allies within social services and the agency sector can be part of political projects aimed at ending poverty — by sharing information, gaining access to resources, finding ways to unerase the voices of people living in poverty, and so on — and whatever the limits of such alliance might be. But if your entire political imagination on the subject is organized around using and winning more funding for social services and the agency sector, your politics are not being organized by starting from the problems, they are being organized by relations of ruling. (And you are ignoring how intrusive, controlling, and oppressive many people living in poverty experience even the more sympathetic agencies to be.)

Because that's what they are at least partly about: ruling. The dominant media, electoral politics, and the agency sector — the three things that are most likely to bound the imaginations of self-styled 'progressives' — are integrated into relations which rule us in practical, material, demonstrable ways. Elections and social service agencies especially take our energy for change, our desire for a better world, and they channel them in particular ways. I know good people who do good, important work in those areas, but work within those contexts is all the more effective if it is done with a critical consciousness that is not purely defined by them. At best these are terrains for struggle. But so many people seem to think that the channels of activity that were granted by elites in response to past struggles, in part as hard-won concessions and in part as attempts to co-opt, are all we need or even all that are reasonably possible.

It is in lowering our expectations, closing off our sense of possibility, making us believe that "this is it," that so much of our potential to make the world better is stolen from us. Or, as I tend to see it in my more depressive moments, how so much of that potential is simply surrendered by so many of us.

*Scott Neigh is a Sudbury, Ontario based writer and activist who can be read more at <http://scottneigh.blogspot.com>*



Photo: David Drexler. Some rights reserved. <http://creativecommons.org/licenses/by/2.0/>

# Grassroots action catalyzes change

## Caravan against torture hits S. Ontario, Hassan Almrei fights for bail

by Chris Shannon  
LINCHPIN

Oct 19, 2008 marks the 7th anniversary of the detention of Hassan Almrei. Almrei has been locked up under Canada's infamous Security Certificate legislation, which allows refugees and landed immigrants to be deported to their home countries or be held indefinitely.

Almrei is currently being held at the Kingston Immigration Holding Centre, dubbed "Guantanamo North" by critics. The facility cost \$3.2 million to build and is staffed by 23 guards and administrators. Almrei is the centre's only prisoner.

The federal court is currently in the process of hearing Almrei's bail application. His attempts at gaining freedom have been unsuccessful three times so far, making him cautious in his outlook.

"I'm optimistic but realistic at the same time," he says. "At first I didn't want to go through another bail hearing, but

the judge told me if I didn't I wouldn't be allowed to have another one."

Almrei was picked up in October of 2001. Considered a security threat by CSIS and the Canadian government, he was locked up without charge to await deportation to Syria. Human rights activists and lawyers put the brakes on the process of deportation arguing that Almrei would surely be tortured once returned.

A movement built around Almrei and the "secret trial five". All of them face deportation to torture and a judicial regime where neither they nor their lawyers were allowed to see the evidence against them.

During his incarceration Almrei went on multiple hunger strikes, sometimes for such simple rights as heat in his cell and shoes to wear.

In February of 2007 the Supreme

Court of Canada, in a unanimous decision, recognized that security certificates go against the "fundamental principals of justice," and gave parliament a year to redraft the legislation or have it struck down.

The government, instead of abolishing security certificates, added the provision of a "special advocate". The special advocate has the power to see secret evidence and advocate for their client in hearings, but cannot consult with their client about that evidence.

"After all this treatment and abuse Hassan still has faith in the system and the Canadian courts," says Matthew Beh-

rens. The conservative heartland is not conservative at all. The caravans have had a catalyzing effect."

**Hamilton Caravan Stop: October 21st talk and discussion on Canada's complicity in torture. McMaster University: Ewart Angus Centre room 1A1 at 7:30 PM.**



Abdullah Almalki, Ahmad El-Maati, and Muayyed Nureddin - all tortured with Canadian government complicity. Photo: Chris Shannon

rens, organizer of The Campaign to Stop Secret Trials and The Caravan to End Torture. "Hassan has always wanted a fair and open process. If they believe he has done something wrong he has always said 'charge me.'"

Although Almrei has always had the best legal help available, Behrens believes it is strong grassroots advocacy that has helped secret trial five. "In 2000 the Security Certificate process was challenged at the Supreme Court and was upheld. In 2007 it was challenged again and it failed. The major difference was the public campaigns. These men were not just crazy passport photos anymore"

Behrens talks about how going on Ontario-wide caravans have broadened the scope of the movement, and brought the issue into small communities. "The re-

### Caravan to Stop Torture

**Friday October 17:** Brampton, Georgetown, Acton, Guelph, Kitchener-Waterloo

**Saturday October 18:** Stratford, Woodstock, Ingersoll, London

**Sunday, October 19:** Tillsonburg, Delhi, Simcoe, Welland

**Monday, October 20:** Niagara Falls, Niagara-on-the-Lake, Port Dalhousie, Virgil, St. Catharines

**Tuesday, October 21:** Vineland, Beamsville, Grimsby, Stoney Creek, Hamilton

**Wednesday, October 22:** Burlington, Oakville, Mississauga, Toronto CSIS Headquarters

**More info:**

416-651-5800 or [tasc@web.ca](mailto:tasc@web.ca)

<http://youtube.com/watch?v=Yi4Jyjcmsg0>

### Organizing for Justice Conference (Ottawa)

**Ottawa: November 20, 21 and 22**

Workshops, panels, info fair, music and social events. Social, economic, and environmental justice and healthy communities. For community organizers in the Ottawa-Outaouais region. More info: <http://org4justice.wordpress.com>

### Linchpin Locations

Where you can find a copy of the Linchpin:

**Hamilton**

The Skydragon Centre, 27 King William St.

**London**

Empowerment Infoshop, 636 Queen Street

**Ottawa**

Exile Infoshop, 256 Bank St.

Oneness Grassroots Promotions, 430

Rideau

**Toronto**

Toronto Women's Bookstore, 73 Harbord St.

**You can mail us at:**

Common Cause; P.O. Box 347, Station E  
772 Dovercourt Rd.; Toronto, ON, M6H 4E3

or email: [commoncauseontario@gmail.com](mailto:commoncauseontario@gmail.com)