

## **The Silences of the Delhi Declaration\***

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The G-20 meeting in Delhi was occurring in the midst of an acute economic crisis of the world economy. The advanced capitalist economies are expected by the IMF to witness a growth slowdown from 2.7 per cent in 2022 to 1.3 per cent in 2023; according to an alternative estimate by the IMF their growth in 2023 could even fall below 1 per cent. Since their rate of growth of labour productivity is likely to exceed this figure, it would mean a substantial increase in unemployment in the metropolis. This would be compounded, especially in the case of EU by a vast influx of migrants from Eastern Europe that has been occurring for some time, and of refugees from Ukraine, which is being incited to fight NATO's proxy war against Russia.

The tendency towards fascism in Europe which has gained considerable momentum of late will get a further massive boost from this growth in unemployment which will further encourage animosity towards immigrants. The neo-Nazi AfD in Germany is already getting close to 20 per cent of votes and is poised to do deals for coming to power, at least in provincial governments, with parties that till now had shunned it. Marine Le Pen, the standard bearer of fascism in France, is reportedly having a larger approval rating than Emmanuel Macron. Italy has already elected a fascist government, and Spain which was generally expected to do so, has just got a temporary respite by throwing up an inconclusive result in its recent elections. All these elements will get a further boost.

With the advanced countries' economies facing unprecedented crisis, its impact will be faced in the global South as well, in terms of a slowdown in GDP growth, a rise in unemployment, an accentuation of the debt crisis, and a strengthening of the tendency towards fascism. Argentina is poised to elect a president who is committed to eliminating all welfare expenditure; and this distressing trend may well catch on in countries where it has not already done so.

One would have expected the G-20 summit held in this situation to take some initiative in the matter of overcoming the economic crisis, as the G-20 meeting held soon after the collapse of the US housing bubble had done. In particular, some initiative with regard to the external debt of the third world countries was expected, in view of India's projecting its G-20 leadership as a favourable development for the cause of the global south, and of some Indian official spokesmen signalling third world debt as a matter for discussion.

But nothing of the sort happened. The Delhi declaration that emerged from the summit said very little on the burning economic questions of the day, even though, as the Chinese and the Russian delegates have always emphasized, G-20 should be concerned more with economic matters than with matters of security. No doubt, the declaration effected a change in position compared to the declaration of the previous summit at Bali, Indonesia, with regard to the Ukraine war: while Russia had come in for explicit criticism there, in Delhi there was a scrupulous avoidance of any blame being laid at Russia's door. But its call for peace, though laudable, will have very little effect.

All initiatives for peace have been scuttled by the NATO countries, who are determined to use the Ukrainian people as canon-fodder in their fight against Russia: it was the US and Britain that torpedoed the Minsk agreement; the same countries also scuttled the peace negotiations soon after the Russian military operations had begun; and they are still busy egging on Ukraine to persist with the war. The war will end therefore only when NATO is willing for it to end, and NATO's willingness is not going to be influenced one iota by the G-20 Delhi declaration, notwithstanding their acquiescence with its wording that is not so favourable for them. The declaration has paragraphs extolling religious tolerance and respect for diversity; but these, though certainly laudable, have little effective significance. With Erdogan of Turkey and Modi of India being signatories to this statement, even when their countries are moving precisely in the opposite direction with the connivance of their governments, such phrases can only be seen as pious platitudes.

Not that economic issues do not figure in the declaration; but they do so only in very general terms. Not only is there no specific proposal, not even for an international meeting to discuss debt relief for the poor countries of the third world; but, even in the matter of achieving sustained economic growth, not a single thought appears to have been spared on the means for doing so. It may be argued that a declaration is not the place for concrete proposals; but there is no evidence of any discussion having taken place at the summit on these burning current issues.

This should not come as a surprise. The host government's overwhelming interest in the summit was to derive maximum publicity from it, which it has succeeded in doing. The poor countries, which are the main victims of the ongoing crisis because they are the ones who get crushed by IMF-imposed "austerity", were not represented at the summit at all. And the advanced countries do not even admit the fact of the economic crisis, let alone discuss proposals for overcoming it, even though individual "establishment economists" have attested to its existence. The G-20 meeting in short was a show in which different countries participated for their own particular reasons, but which was not greatly concerned with resolving the problems facing the world.

This however raises the question: why do advanced country governments take the current economic crisis with such equanimity? Unemployment in an earlier era had been a matter of great concern for capitalist governments, with John Maynard Keynes, an avowed defender of capitalism even saying that "the world will not much longer tolerate the unemployment which is associated ...with present-day capitalistic individualism". Of course, in that earlier era, unemployment that was symptomatic of a recession, went together with a loss of profits, so that both workers and capitalists suffered from the crisis of which unemployment was a symptom. In contemporary capitalism however that is no longer the case: production is not the sole or even the main source of profits; financial operations account for a substantial segment of profits so that even when the economy is in recession, capitalists' profits hold up well. True, no surplus value is generated in financial operations, but they create claims on resources, so that even when production is stagnant, these claims on public assets, on small capitalists' assets, and on natural resources can continue growing. Put differently, the surplus value appropriated from production is supplemented in contemporary capitalism by the direct acquisition of assets by the large corporates from other capitalists, from the State, and from sectors not hitherto commoditised (which would constitute instances of centralisation or primitive accumulation of

capital). A recession per se therefore matters less to the dominant corporate interests under contemporary capitalism.

But, what about the social instability it generates because of the mass unemployment and destitution created by it? We have to look at the context in which Keynes was writing and see its difference from today, in order to understand the equanimity of metropolitan states in the face of crisis. Keynes was writing against the backdrop of the Bolshevik Revolution when socialism appeared not just a possibility but an imminent prospect; unless something was done immediately about unemployment, the disaffection of the workers would bring the transcendence of capitalism onto the agenda. That alas is no longer the case. With the setback to actually-existing socialism, metropolitan capitalist governments are no longer as worried about the prospects of social instability. True, the advanced capitalist countries are facing a challenge to their hegemony, but this challenge does not have the sharp ideological edge to it that it had earlier; and whatever threat comes from the working class can be blunted by the use of fascist elements.

They are however living in a fools' paradise. There are huge strike-struggles at present by the workers in the advanced capitalist countries; and let us not forget that the Bolshevik Revolution too in its time had come "out of the blue".

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