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The Occupy Movement: A Polanyian Analysis of Contemporary Dissent

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Abstract

This paper argues that Karl Polanyi's theory of the 'double movement' reasonably explains the development of the Occupy Movement in the context of post-financial crisis America. I argue that the 2008 financial crisis precipitated the collapse of an economy that, in Polanyian terms, was significantly disembedded from social institutions, and that the consequent social dislocation laid the foundations for a Polanyian 'countermovement' by society against market fundamentalism. In explaining the disembedding of the economy prior to the financial crisis, I explore the neoliberal turn of the 1970s – specifically financial deregulation and innovation. Following this, the paper finds that the movement's substantive success in imposing social constraints on markets was limited, but that it successfully created a new socially-oriented political-economic dialogue. Furthermore, the paper investigates the movement in the South African political context and finds that its applicability is limited in different political environments.

Introduction

The Occupy Movement (sometimes known simply as ‘Occupy’) was officially born on September 17, 2011, in the New York financial district – Wall Street, the stronghold of global finance – when a group of protesters assembled at Zuccotti Park (Schwartz 2011: 2). This official beginning was part of a broader socio-economic trend which was set apace in Spain four months earlier. As noted by Van Gelder (2011: 1), the organisational and spiritual foundations of Occupy are rooted in the *Indignados* Movement: popular protests in Spain and other Mediterranean countries against unemployment, welfare cuts and economic austerity measures.

Occupy has a somewhat amorphous structure and has been criticised for not constituting a genuine social movement. However, the global scale and persistence of protests associated with the movement mark it as a significant political development. This paper explores the Occupy Movement, arguing in Polanyian terms that it arose as a response to the social dislocation that was created by the global market economy and aggravated by the 2008 financial crisis. In his classic text, *The Great Transformation*, Polanyi (1945) analyses the history of modern capitalist societies as characterised by a diametrically opposed ‘double movement’: the expansion of the unregulated market economy and a countermovement by society in an effort to protect itself from the negative consequences and excesses of impersonal market forces (Block 2001: 4).

In developing the Polanyian theoretical lens, I start with a brief discussion of the evolution of the post-War global economy using the framework of the double movement. The period between the 1970s and 2007, which witnessed deregulation, increased financialisation of the economy and reduced measures of social protection in most advanced capitalist economies, is presented as a Polanyian *laissez-faire* movement – an expansion of market relations into previously socially-regulated domains. This is illustrated by deregulation, rising inequality and the dominance of neoliberal ideology, specifically in the context of the United States. Ideology and the role of ideas and institutions are central themes of this paper, as Polanyi pays significant attention to these factors in describing the rise of market economy and because they are salient in explaining the evolution of the modern economy.

The Occupy Movement is then analysed in the context of post-financial crisis American and European societies. The paper explores the movement’s character, its composition, and its depth and breadth. Due to the limited availability of data at the time of writing, I make use of a variety of sources to

construct the argument: declarations and manifestos released by segments of the movement; interviews with participants; interviews conducted by third parties; a survey of individual online accounts of participation conducted by myself; media coverage of the movement; and recently published academic literature analysing Occupy. The movement's impact on the economy and society is briefly assessed with reference to substantive changes to the trans-Atlantic politico-economic structure and to changes in public discourse. The Occupy Movement, however, is analysed in the context of a broader countermovement that is not limited to explicit public demonstrations falling within the structure of Occupy, but includes protective legislation and other protective measures occurring parallel to Occupy and supported by it.

Polanyi's theory of the double movement acknowledges social class as a pivotal point around which interests could mobilise on either side of the double movement (either for or against the expansion of market relations), but he maintains that society as a whole would advance the countermovement when social dislocation became strong enough to necessitate it, thereby transcending social class (1945: 160). This aspect of Polanyi's analysis has been criticised by Marxist analyses. I therefore critique the Polanyian framework's ability to analyse Occupy from a class-centric Marxist perspective.

The Occupy Movement has often been depicted by its supporters as a global movement, but this is probably too strong a claim. This paper looks at the Occupy South Africa movement as an example of a manifestation of Occupy outside of the United States. It provides an example of how the sub-movements developed divergent organisational structures and embraced different political narratives in dissimilar cultural and political contexts, some of which were not completely compatible with the Occupy structure as practiced in the movement in the United States.

Polanyi's theory of the double movement was derived in relation to the 19th century development of the market economy in England and critics have argued that it is not generalizable to other eras (see Maertens 2008: 131). This paper argues, by contrast, that the double movement is contemporarily applicable and that the Occupy Movement can reasonably be seen to be part of a countermovement to the deregulation and excesses of the market economy over the past three decades.

Polanyi's Theory

In his epic text, *The Great Transformation*, Polanyi (1945: 48) argues that in pre-capitalist societies, economic relationships were firmly 'embedded' in society. Social processes of redistribution, 'householding' and reciprocity meant that the economic system was the secondary product of productive organisation within the community and that social cohesion was the primary impetus. These inherently social processes augmented the economic functions of society and created a strong degree of institutional control over market relations. Polanyi notes that:

'As a rule, the economic system was absorbed in the social system.....where markets were most highly developedthey thrived under the control of a centralised administration...' (1945: 71).

Polanyi argues that technological innovation and capital accumulation were important in driving the expansion of market relations. Specifically, he suggests that the presence of large and elaborate machines in a commercial society necessitated the expansion of the market system to include labour, land and money within its orbit, in order to guarantee that large scale production could be conducted without any uncertainty concerning the supply of inputs (1945: 43). Therefore, for a market economy to operate, Polanyi argues that labour, land and money must be available for purchase and sale on the market (Brown 2011: 62). But as none of these factors were originally produced for sale, they were 'fictitious commodities' in Polanyi's view.

Polanyi's most vehement criticism was against the commodification of labour – i.e. turning labour into a 'fictitious commodity':

'Labour is only another name for a human activity which goes with life itself, which in its turn is not produced for sale but for entirely different reasons, nor can that activity be detached from the rest of life, be stored or mobilised' (Polanyi 1945: 75).

Precisely because of the socially-embedded nature of pre-capitalist societies, it follows that the creation of a self-regulating market economy requires the institutional separation of the economy from society. Including land, labour and money within the machinery of the self-regulating market is tantamount to subjecting "the natural substance of society" (Polanyi 1945: 77) to the logic of the market. Therefore, Polanyi argues, the creation of an economy fully

predicated on self-regulating markets would result in society's destruction (Polanyi 1945: 78).

The notion that market forces can be destructive is not unique to Polanyi. Indeed, Schumpeter's celebration of 'creative destruction' by new technologies as a source of growth is a case in point. As Schumpeter pointed out, 'creative destruction' is intrinsic to the logic of capitalist economies (1962: 82-84), in which resources are reallocated to more efficient employment in the wake of technological innovation. But as left-leaning critics have observed, this has a clear and particularly dislocating effect on labour (Stanfield & Carroll 2009: 7). Resource reallocation necessarily results in the displacement of workers from enterprise that has become uncompetitive. In a self-regulating labour market the displaced worker must either acquire new skills in order to sell his labour in an industry in which there is a demand for it, or he must relocate to where there is a greater demand for his particular set of skills. Before the labourer can employ his wage-labour in a new occupation, there must necessarily be an interim period in which he has no guarantee of an income or a livelihood. To find a new application for his skill set, or to acquire skills which are valuable in an alternative trade, may require insurmountable financial resources. Should the demand for his skills be in a location far removed, geographically and/or culturally, the worker would be forced to leave behind kinsmen, history, culture, and family – i.e. his social and cultural basis – in order to find new employment. These are typical adjustment costs of a self-regulating labour market (Stanfield & Carroll 2009: 7). This is what Polanyi meant when he equated the self-regulating market economy with the destruction of society, if not the physical annihilation of men.

Precisely because of its destructive impact on society, Polanyi argued that market economies spark spontaneous societal responses seeking to protect society (see also Stanfield 2011: 13). This response constitutes the countermovement that opposes laissez-faire. Polanyi elaborates as follows:

‘[. . .] while on one hand markets spread all over the face of the globe and the amounts of goods involved grew to unbelievable dimensions, on the other hand a network of measures and policies was integrated into powerful institutions designed to check the action of the market relative to labour, land, and money’ (1945: 79).

Thus Polanyi argued, the history of modern capitalist societies is characterised by the movement of market forces that attempt to extricate the economy further from society (assisted particularly by deregulation) and a protective countermovement that attempts to re-embed the economy in society (through welfare systems, limitations on market activities, etc). Herman (2012: 626), a

scholar of Polanyi, likens this dynamic to the swinging of a pendulum; if either laissez-faire or the societal countermovement dominates, the pendulum swings in one direction, but invariably it returns to a state of balance between the two.

Maertens (2008: 143) interprets Polanyi's description of the rise of market economy as a confluence of historical conditions, the actions of parties interested in the deregulation of the economy, and popular ideologies. In this regard, Polanyi can be read as acknowledging the role of social class as a mobilising factor. Indeed, Polanyi (1945: 87) attributed much of the explanation for the quick development of pliable 'free' labour markets in the 19th century to the pre-eminence of the new industrialist class over the then underdeveloped working class. His theory, however, describes the limitations of class interests in affecting dramatic social change as he stated that, "Mere class interests cannot offer a satisfactory explanation for any long-run social process" (Polanyi 1945: 160).

Another component of Maertens's interpretation of Polanyi includes the role of popular ideas or ideologies in influencing the rise of market economy. Polanyi (1945: 162) describes the dominance of Benthamite utilitarianism and Ricardian classical economic thought in the emerging discipline of political economy as an important factor in the evolution of market economy. As Polanyi (1945: 122) observes, the central tenet of this current of academic thinking describes the gainful pursuit of individuals as the most effective means of guaranteeing the greatest welfare for the greatest number, and thus the ideology supports the removal of any impediment to the individual's pursuit of gain. In this way this current of thought provides intellectual and political justification for laissez-faire.

The Rebirth of Laissez-Faire – the Pendulum Swings

The 1970s were a watershed period in both policy and thought in the developed world economy (Williamson 2004: 199). Until the early 1970s, the long post-war boom delivered rising real wages, the expansion of the welfare net, and in some countries, powerful trade unions and labour parties (Armstrong, Glyn & Harrison 1984: 169, 194). In Europe, trade unions and labour parties played significant roles in shaping production and influencing industrial policy (Levy, Temin 2007: 21). Even in the more liberal market economy of the United States, labour unions were an accepted part of the political-economic landscape. As the U.S. Chamber of Commerce President, Eric Johnston, remarked in 1945 "labour

unions are woven into the economic pattern of American life and collective bargaining is part of the democratic process” (Levy & Temin 2007: 22).

By the 1970s, however, the rise in productivity which had propelled growth rates for the previous three decades had slowed significantly, and an inflation crisis gripped the global economy (Armstrong, Glyn & Harrison 1984: 310). Inflexible wage policies, such as wage-indexing, exacerbated inflationary pressures; labour’s association with these policies through labour party involvement and union bargaining made them culpable for economic stagnation in the eyes of significant sections of the public (Levy & Temin 2007: 31). Institutions of collective bargaining came under severe criticism and interventionist economic policies became typecast as unwarranted ‘interference’ by political institutions in the economy. The weakening of these institutional elements is reflected in James Callaghan’s speech at the 1976 Labour Party Conference in the United Kingdom, in which he appealed for a shift in the control of industrial action away from workers (Dale 2012: 11).

Radical scholars argue that within these historical economic conditions, the capitalist class had an interest in market deregulation and had the financial means to lobby government and to disseminate free market ideas as embodied in what came to be known as ‘neoliberalism’ ((Maertens 2008: 147, Harvey 2005). This ideological creed, which promotes deregulation and free market ideals, was refined and promoted in corporate-financed international think tanks, such as the Mont Pelerin Society (Harvey 2005: 20).

The intellectual basis of neoliberalism lies in neoclassical economic theory and its associated promotion of the freedom of rational utility-seeking individuals in advancing human welfare. Two prominent advocates of free markets, Friedrich von Hayek and Milton Friedman, won the Nobel Prize in economics in 1972 and 1976 respectively, thereby bolstering the legitimacy of neoliberalism in the public arena and the ascendancy of neoclassical economics in the academy (Harvey 2005: 21-2). In the economic climate of the 1970s, the more socially-embedded market constraints came to be labelled ‘New Deal rigidities’ (Levy, Temin 2007: 31). The neoliberal thread was increasingly woven into society’s ideological fabric in the advanced capitalist countries, although more so in the U.S. and the U.K. than in continental Europe (Armstrong, Glyn & Harrison 1984: 401).

The late 1970s were thus an important juncture in economic thought and policy in the developed world, particularly in the United States. Institutions of labour power were discredited and the ensuing ideological shift in favour of neoliberal policies precipitated a series of reforms in the U.S. that expanded the scope of

the market. In 1978, a bill was rejected which proposed minor technical changes to labour law, but which proposed to maintain the early post-War legal framework of labour relations (Levy & Temin 2007: 35). Several years later, the Reagan administration in the U.S. reconstituted the National Labour Relations Board (NLRB) and appointed a management consultant as president of the board. This effectively polarised the most pivotal organizational arbiter between business and labour interests in favour of business (Levy & Temin 2007: 39).

A prominent example of the new relationship between government and organised labour was reflected in Reagan's treatment of the air-traffic controllers union. When they embarked on a strike in Reagan's first year in office, he offered them an ultimatum: return to work within 48 hours or be decertified. The union was decertified (Armstrong, Glyn & Harrison 1984: 418). Labour unions' political and institutional power was greatly diminished during the Reagan and Carter administrations. This created a context in which minimum wage growth lagged behind that of productivity: the ratio of minimum wage to productivity was roughly halved between 1978 and 2005 (Levy & Temin 2007: 17). In this regard, the economy can be seen as being increasingly disembedded from the social institutions that were prominent in the immediate post-War period, and wage-setting was increasingly subject to the logic of market forces.

The neoliberal impetus in the United States also included reductions in the top income bracket tax rates, thereby reducing the size of government and its capacity to intervene in the market. The top federal tax rate for labour income was reduced from 50% to 36% in 1986, and again in 2001 from 36% to 31%. The top federal tax rate for non-labour income was reduced from 70% to 50% (Levy, Temin 2007: 34). As this was not accompanied by an equivalent reduction in government expenditure, public sector borrowing increased, putting upward pressure on interest rates.

This should have depressed the housing market, but deregulation and financial innovation – notably the securitization of mortgages as mortgage-backed bonds – inflated the market for mortgages since they could be repackaged in other asset forms and resold for high returns. Mortgage debt as a percentage of homeowner's property value increased from 21% in 1983 to 35% in 2004 (Wolff 2010: 16). According to Levy and Temin (2007: 37), these and other largely unregulated financial innovations spurred growth in the credit market in the United States, and between 1975 and 1984, total credit market debt in nominal dollars grew from \$2.5 trillion to \$7.2 trillion.

Herman (2012: 633) argues that the increase in credit availability over this period was a major factor in staying a countermovement by society, as working class standards of living were buoyed by debt-financed consumption. Americans also became increasingly integrated into equity markets due to financial innovations, particularly the creation of individual pension accounts in the late 1970s; this linked a high proportion of Americans' interests to the performance of financial markets (Herman 2012: 634). Between 1983 and 2007, pension accounts rose from 1.5% to 12.1% of total assets and the percentage of households holding stocks in equity markets rose from 24.4% to 49.1% (Wolff 2010: 16). Herman argues that the increases in debt-financed consumption and popular participation in equity markets were complementary in reducing the potential for a trans-societal Polanyian countermovement, as the public became increasingly disincentivised from disrupting credit and equity markets upon which their material well-being was dependent. However, it is ironic that this rested on the growth of unregulated financial markets. As noted earlier, Polanyi argued that money was a fictitious commodity – i.e. a commodity that by its very nature should be regulated and not subject to market control. One might argue more fully that a counter-movement was thus stayed by the further commoditisation of credit, the same development which led directly to the 2008 financial crisis and the resulting adjustment costs for the very people who had been encouraged to take on large amounts of debt in the first place.

In conjunction with expanding credit markets and reduced political influence in the economy, the discipline of economics became increasingly compromised during this period. Block (2011: 37) argues that a 'revolving door' arose between the private sector, academia and government bodies, meaning that elements of business interests could potentially cross into academic institutions and into the legislative apparatus through personnel transfer or corporate sponsorship of academic activities. A study by the Political Economy Research Institute at the University of Massachusetts concluded that undisclosed private financial affiliation was common in U.S. academia and created a conflict of interest – as did the fact that academic economists regularly served as media experts and policy advisors (Epstein & Carrick-Hagenbarth 2010: 30). The study also concluded that most such conflicts of interest incentivised a free-market bias amongst these economists (Epstein & Carrick-Hagenbarth 2010: 4). In this way, academic economists helped legitimise and support the neo-liberal pendulum swing.

In short, a Polanyian lens on these developments would emphasise that the hegemonic character of neoliberal ideology was maintained by academic and political reinforcement, and the fact that an increased number of Americans were materially incorporated into neoliberal market institutions through equity

shares, mortgage debt and increased consumption patterns. The historical legacy of the neoliberal regime, however, reallocated resources to the wealthiest segments of society, as net wealth holdings of the top 1% of income earners increased from 9.1% to 18.5% of total net wealth between 1983 and 2007 (Wolff 2010: 46). The wealthiest American thus had a particularly strong vested interest in maintaining the neoliberal paradigm. This, in turn, underpinned the deregulation and further disembedding of the economy from society as the pendulum swung in favour of the market.

The Crisis

The deregulation of the financial services industry significantly increased the scope for financial innovation. Under the Reagan and Clinton administrations, mortgage-backed bonds and the emergence of a range of new financial products (such as derivatives) created a greater demand for the mortgage loans from which they are derived. In 1999, the Glass-Steagall Act of 1933 was repealed. This allowed commercial banks, which had traditionally engaged in conservative banking practices, to engage in more risky financial trading – previously only the mandate of investment banks (Rajan 2010: 29). In the 1990s, financial innovation was at its most prolific and the range of mortgage-backed securities dramatically increased. In 2000, the Commodity Futures Modernization Act ensured that derivatives, highly complex financial assets, remained unregulated (Lin & Treichel 2012: 54) and trading in these assets rose from \$106 trillion in 2001 to \$531 trillion in 2008. Furthermore, the U.S. Securities and Exchange Commission decreased the minimum mandatory capital requirements of banks in 2004, meaning that they could expand lending (Skidelsky 2009: 5). These acts of deregulation increased the scope of credit provision. Rajan (2010: 112) argues further that the Federal Reserve’s policy during the late 1990s and early 2000s, to mitigate the adverse effects of ‘bubbles’ rather than apply pre-emptive regulatory measures, incentivised riskier lending practices amongst bankers: what Miller *et al.* describe as a condition of ‘meta moral hazard’ (Lin & Treichel 2012: 57).

From a Polanyian perspective, these developments can be viewed as a problem of money as a ‘fictitious’ commodity. According to Polanyi, systems of credit (e.g. money as a commodity) have dangerous implications for productive activity. In a market economy, the price level is predicated on the money supply, and systems of credit create fluctuations in the money supply which can influence price changes independent of any changes in the real economy (Polanyi 1945: 202). Deregulation and the expansion of credit markets thus

constitute a ‘disembedding’ of the market, as political institutions have less control over money supply. Skidelsky (2009: 8) and Rajan (2010) argue that this monetary phenomenon – the proliferation of financial instruments and the absence of a clear regulatory framework for these new assets – incentivised expansive mortgage lending and inflated housing prices far above the level suggested by economic fundamentals. Reflecting this, housing prices increased disproportionately to incomes, as the ratio of median house price to median household income indicated: increasing from 3.1 in 2001 to 4.6 in 2006. Lin and Treichel (2012: 41) argue that this, in turn, created a wealth effect amongst many Americans, and consequently led to overconsumption. Lin and Treichel summarise these developments in the following statement: ‘the above (deregulatory) policies led to excessive risk-taking and higher leverage, resulting in excess liquidity, and bubbles in both housing and equity markets in the United States’ (2012: 41). This has a distinctly Polanyian resonance.

Deregulation of the financial services industry thus helped create unstable housing and equity markets. In 2006, interest rates increased and housing prices stagnated (Skidelsky 2009: 6). Household debt as a percentage of household disposable income was 132% in 2006, up from 82% in 1990 (Lin & Treichel 2012: 45). Interest rate increases thus created severe problems for debt repayments for the highly leveraged American population and compounded the negative wealth effects of housing price decreases. Defaults on loans occurred on a catastrophic scale and led to a liquidity crisis in financial markets, which was closely followed by failing equity markets (Skidelsky 2009: 6-8). Ben Bernanke (2010), the Chairman of the U.S. Federal Reserve, acknowledges that deregulation of financial services was a strong contributor to the U.S. and global economic crisis.

In short, the collapse of global equity markets and the subsequent recession that has plagued most countries are strongly reminiscent of Polanyi’s analysis of money as commodity: fluctuations in price induced by unregulated monetary factors cause ‘the dissolution of productive organisation and massive destruction of capital’ (Polanyi 1945: 201). This is the economic context from which Occupy was born and which formed the basis for the second pendulum swing: the counter-movement by society.

The Occupy Movement

The Occupy movement emerged out of relatively modest beginnings, the inspiration for which purportedly came from popular Spanish protests, commonly termed the ‘Indignados’ movement, in May 2011 (Van Gelder 2011). On 14 July 2011, the Canadian newspaper *Adbusters* posted an advert inviting people to ‘Occupy Wall Street’ (Schwartz 2011: 2). An organisation predominantly comprised of students and community leaders and known as New Yorkers Against Budgets Cuts responded by organising a meeting on 1 August in New York to begin logistical preparations for an occupation in the Wall Street district (Bennet 2011: 2). From this date a strong contingency of anarchists, in collaboration with members of New Yorkers Against Budget Cuts, became central organisers of the occupation and established the ‘General Assembly’ as the mechanism for collective decision-making (Bennet 2011: 2). The General Assembly was also the pivotal institution in the Spanish occupations of a few months earlier, which were the inspiration for the U.S. organisation (Kroll 2011: 17; Perez & Barnett 2011)

On 17 September, 2011, an estimated 2000 people descended upon Zuccotti Park in Manhattan, near Wall Street, for the first protest (Schneider 2011: 17). Throughout the rest of September and through 15 October, the occupiers maintained occupation of the park and gained increasing media attention. Occupiers disseminated messages through horizontal organisational structures and by using the internet and other technologies (Rathke 2011: 84). Internet organisers associated with Occupy Wall Street issued pleas for an international day of action on 15 October. On that day, protest movements materialised in a number of cities around the world, many of which declared solidarity with Occupy Wall Street or commandeered the word ‘Occupy’ to affix to their protests’ title (Adam 2011). In Madrid, an estimated 500,000 people participated in the 15 October protests, amounting to something of a resurgence of the Indignados movement from earlier in the year; most major Mediterranean cities experienced protests of a slightly lesser, but still substantial, scale (Pianta 2012). Towards the end of 2011, a number of encampments brandishing the ‘Occupy’ slogan were set up in different cities around the world, and a collection of protest movements falling under the name ‘Occupy’ became a loosely connected movement across the globe (Schneider 2011: 17). As of February 2012, a purported 1,590 encampments had associated themselves with Occupy (Van Steckelenberg 2012: 224).

The Occupy movement does not follow the conventional model of a social movement: it does not have a centralised administration or leadership, it has not

produced specific and identifiable demands to target authorities, and it does not represent a well-defined social group (Campbell 2011: 2). The organisational structure has been described as ‘amorphous’ and ‘horizontal’, and different variations of Occupy have adapted themselves to different cultural environments, connecting to Occupy Wall Street rhetorically or via online forums (Razsa, Kurnik 2012: 239). Van Steckelenberg (2012: 225) argues, however, that the sub-movements are nonetheless unified by a common concern for inequality and by the slogan ‘We are the 99%’.

Due to space limitations, the following analysis concentrates on the Occupy movement in the United States, focusing on Occupy Wall Street, as this was the most articulate and extensively documented of the various occupations. Note that due to the temporal proximity of this paper to the event, the literature dedicated to the movement is limited. Thus, this paper makes use of a range of available sources for analysis, including a narrow pool of academic literature, media reports and interviews.

Who Were the Protesters?

We begin by asking who took part in the movement. Media reports and the testimony of a host of occupiers confirm that the occupation experienced a strong anarchistic influence from its inception (Schwartz 2012; Bennet 2011; Roth 2011: 176). A prominent group of self-identified anarchists was instrumental in the organisation of the first occupation in Zuccotti Park, infusing the movement with anarchistic structures that are reflected in the movement’s rejection of vertical forms of organisation and the use of the ‘General Assembly’, a consensus-based form of political organisation, to conduct the movement’s decision making (Bennet 2011: 2).

Despite the anarchist component, evidence suggests that anarchist political philosophy did not dominate the movement. In an interview with Yotam Marom, a participant and political organiser in ‘Occupy Wall Street’, he described the movement as “a mainstream movement with radical leadership” and he said that “politically, it was a crazy mix” (interview 22 July 2012). In an interview conducted by *The Humanist* with an occupier from ‘Occupy Oakland’ in California, the occupier decried the labelling of the movement as ‘anarchist’(Bardi 2012: 23) Furthermore, other large occupations such as ‘Occupy Boston’ and ‘Occupy Chicago’, were initiated by community groups and local workers’ unions, which displayed no definite political bias (Lerner 2011: 8; Weber 2012).

In many occupations, workers' organisations offered official support for the movement and provided the organisational core. Unions in Boston, Chicago, Oakland and New York declared solidarity with the movement. In New York, unions played a prominent role in protest marches, the largest of which was the 250,000 member Long Island Federation of Labour that offered its official support to Occupy Wall Street (Duffy & De Freitas 2012: 19).

Hector Cordero-Guzman of the City University of New York attempted to profile persons involved with the Occupy Movement through a voluntary survey on the official Occupy Wall Street website (occupywallstreet.org). This method is vulnerable to potential selection bias, but nonetheless provides a helpful starting point in profiling the movement given the lack of alternative data sources. Of the 1619 respondents, 92.4% said that they supported the protests and 24.2% claimed to have actively participated in the protests (Cordero-Guzman 2011: 2). Most respondents were relatively young, as 64.2% were under the age of 35 (Cordero-Guzman 2011: 4). David Meyer, a Professor at the University of California, Irvine, and participant in Occupy, reinforced this finding when he described the protests as having a "youthful skew" (interview 7 July 2012). Yotam Marom also described the movement as "youthful" (interview 22 July 2012).

Cordero-Guzman's findings also correspond with the majority of observations regarding the racial demographics of the movement, that is that most participants were white (Campbell 2011: 1; Cordero-Guzman 2011: 6; Schneider 2011) (interview 22 July 2012). Participants' unbalanced racial distribution infers a potential for bias within the movement in favour of the white majority's concerns. However, many observers describe the issue of race as peripheral to the movement, or simply describe the movement as 'multi-racial' (Weber 2012; Dean 2011: 88; Sitrin 2011a: 28). Furthermore, Cordero-Guzman's demographics, despite being predominantly white, do not differ significantly from national racial demographics; and according to Hena Ashraf (2011: 39), a non-white participant, the issues of contention surrounding race were addressed within the movement's structures

The majority of respondents were from lower income brackets, with 47.5% earning less than \$24,999 annually; yet not all were in a financially precarious position, as 13% of respondents earned more than \$74,999 annually (Cordero-Guzman 2011: 8). In accordance with this finding, the president of the Long Island Labour Federation, John Durso, noted that many participants were what he classified as 'middle class'; thus the movement did not consist exclusively of the poorer classes (Duffy & De Freitas 2012: 19). The average educational

attainment of participants was also relatively high, as 64.7 % of respondents had completed at least a college degree.

Of Cordero-Guzman's respondents, 27.3% and 2.4% were self-identified Democrats and Republicans respectively, leaving 70.3% non-partisan participants (Cordero-Guzman 2011: 9). Furthermore, the majority of participants who were interviewed in the Occupy Chicago Oral History Project either indicated that they were unsatisfied Democrats or non-partisan (Weber 2012). This corresponds with the official 'Declaration of the Occupation' produced by the New York General Assembly, which identifies the occupiers simply as 'the people' and makes no pretence to identify with any particular social group or political party (Dean 2011: 88; The Occupy Wall Street General Assembly 2011a: 36). Thus, Occupy does not represent any definite social group but is a cross-section of American society, albeit with a larger proportion of poor whites.

What Were Protestors' Motivations?

Before we can portray the Occupy movement as a Polanyian countermovement, it is necessary to explore participants' motivations. The earliest document produced by the New York General Assembly suggested that occupiers were 'daring to imagine a new socio-political and economic alternative that offers greater possibility of equality' (The Occupy Wall Street General Assembly 2011b: 25). From the outset, the movement identified a problem in the functioning of the economic and political systems. In the initial days of the occupation, participant Eli Schmitt documented a set of more specific proposals that were made in the General Assembly. They included: debt cancellation; taxes on financial transactions; the reinstatement of the Glass-Steagall banking regulations that were repealed in 1999; paid sick leave for all working Americans; full employment; repeal of the Citizens United Supreme Court ruling (discussed further below); the creation of mechanisms for ensuring political transparency; and the imposition of a social wage (Roth 2011: 4).

Expanding on these declarations, the Occupy Wall Street website echoed similar contentions and announced that the movement sought to "fight back against the corrosive power of major banks and MNCs¹ over the democratic process, the role of Wall Street in the financial crisis..... against the richest 1% that are writing the rules of an unfair global economy...." (Cabusao 2012: 221). A

¹ Multi National Corporations

persistent thread within these concerns is a desire to restrict markets and reimpose social concerns on the economy, a view which is pure Polanyi.

However, another trend within the demands is the call to reinstitute democratic principles in political institutions in light of what David Meyer describes as a ‘Democratic deficit’ (interview 7 July 2012). With respect to this, Rasza and Kurnik (2012: 238) describe the movement as a response to a ‘crisis of representative politics’, and while Occupy seeks to create institutional change in the economy, a precursor to this is political reform (Marom & Klein 2012). This resonates with Stephen Gill’s (1995: 67) description of the countermovement as the “socio-political forces which wish to assert more democratic control over political life”.

The encampments within the Occupy movement are being used as space in which to practice participatory democracy – the movement’s primary form of political organisation – and have been interpreted as the creating of micro-societies governed by the principles of equity and inclusivity (Van Steckelenberg 2012: 227). The General Assembly model of organisation is quintessentially democratic and functions according to the consensus principle; this means of organising typified political organisation in almost all camps (Rathke 2011: 84; Dean 2011: 89). Beatriz Perez, a communications organiser of the Spanish Indignados, said that the camps were “not demonstrations – rather a form of ongoing organisation” (Perez & Barnett 2011). Following this, Occupiers claim to be embodying the set of alternative institutions that they wish to see implanted in place of that system which they reject (Van Steckelenberg 2012: 227; Marom & Klein 2012; Sitrin 2011b: 8). The manifesto of the Spanish Indignados, created by the General Assembly in Sol, is perhaps the most fervent example of the movement’s desire to re-embed the economy in social institutions. It states “if as a society we learn to not trust our future to an abstract economy, which never returns benefits for the most, we can eliminate the abuse that we are all suffering” (Democracia Real Ya! 2011)

According to participants, the practice of democracy within the camps is a necessary process in creating the institutional preconditions for developing an equitable economic system (Marom, Klein 2012; Sitrin 2011b: 8). This relates to Robert Cox’s (1994: 156) proposition that a major component of the countermovement stems from “the recomposition of civil society’ from below. The claim that occupiers are recomposing civil society may be too strong, but the widely endorsed autonomous political organisation within the encampments suggests that large segments of the population support the conduct of politics outside of traditional representative structures (Weber 2012; Dean 2011: 89). Joe Huddin, an Occupy Chicago participant, summarised this sentiment when he

said, “We can’t depend on any politician (to make the necessary economic reforms)” (Weber 2012). Political reform is thus fundamental to Occupy; however, the following analysis indicates that the dominant discourse within the movement focuses on economic concerns.

The website *wearethe99percent*, which has been described as the “internal document of the movement” (Butler 2011: 29) compiles a collection of stories from disenfranchised individuals responding to the question ‘Why will you occupy?’ (The 99 Percent 2012). Due to the limited data on individual participants’ motivations for occupying, I conducted a survey of the first 300 entries on *wearethe99percent.com* in order to establish which grievances were consistently cited (Table 1 below). Although this method of analysis may also suffer from similar selection bias to that of Cordero-Guzman’s study, it provides some indication of protestors’ motivations (or at least those who were willing to report their stories online).

Table 1: Proportions of respondents indicating a specific grievance in a survey on *wearethe99percent.tumblr.com* (n = 300)

Grievance	Frequency	Percentage
Debt ₁	116	38.7
Inequality ₂	48	16
Public Services ₃	121	40.3
Unemployment ₄	141	47
Foreclosure ₅	20	6.7

1. Respondents indicating debt as a reason for marginalisation. A high proportion of this figure referred specifically to student debt. 2. Respondents referring to the wealth inequalities in America, or explicitly to the ‘1%’s’ greed. 3. Respondents referring to a lack of public healthcare, unemployment, or other welfare services. 4. Respondents referring to their own experience of unemployment, underemployment or to a stagnant job market. 5. Respondents referring to the foreclosure of their homes.

A high proportion of entries complained about the restrictions that debt placed on their lives, corresponding with much of the Occupy literature (Bennet 2011: 4; Roth 2011: 24). Between 2000 and 2007, total debt in America increased by almost 100%, while prices increased by 20% and real wages by 2% (Herman 2012). Students in particular were heavily burdened with debt, with 65.6% of four-year bachelor’s degree graduates left universities with debt in 2008, the average amount of which was \$23,186 (Campbell 2011: 4). This statistic was captured by the high proportion of debt references in the survey focused on student loan debt. As argued earlier, financial deregulation and innovation was integral to the exponential increase in levels of debt. By demanding to “reinstate the Glass-Steagall regulations”, to cancel or accommodate debts (Schmitt et al.

2012: 5), and to place constraints on high frequency and speculative trading (Schwartz 2011: 2), Occupy protesters rejected the conduct of orthodox financial practices. By evoking a dialogue that rejected the impossibility of cancelling debt obligations and rejected financial deregulation, they presented a challenge to the commoditisation of money.

Coupled with America's high prevalence of debt is a high unemployment rate. The unemployment rate in the United States reached a high of 10% in late 2009, the highest since late 1982, remaining at the high level of 9.1% in the month preceding the first Occupy protests (U.S. Bureau of Labour Statistics 2012). This situation was particularly aggravated for the youth, as the unemployment rate for those under the age of twenty five years was 18.2% in 2010 and showed less promise for recovery (Bell & Blanchflower 2011: 17). Correspondingly, 47% of the posts on *wearethe99percent.tumblr.com* claimed a grievance related to either respondents' own unemployment or to the poor potential they faced in a stagnant job market. David Graeber, an anthropologist who was highly active in Occupy Wall Street, described the movement as "watching the beginnings of a defiant self-assertion of a new generation of Americans, a generation who are looking forward to finishing their education with no jobs, no future, but still saddled with enormous debt" (Bennet 2011: 4).

Between March 2009 and December 2009, profits rose \$280 billion, while wages fell \$90 billion in the U.S. (Dale 2012: 16), thereby exacerbating nearly three decades of growing inequality. Between 1983 and 2006, the percentage of national income held by the top 1% of the population increased from 12.8% to 21.3%, while that of the bottom 40% decreased from 12.3% to 9.6% (Wolff 2010: 44). The polarising arithmetic of the slogan 'we are the 99%' thus emanates from a different polarisation in American society – that of wealth. David Meyer argued that inequality was the central theme of the Occupy Movement (interview 7 July 2012), and much of the literature on Occupy was consistent with this (Van Steckelenberg 2012: 224; Cabusao 2012: 221). The General Assembly's first document, 'Principles of Solidarity', issues a plea to "redefine how labour is valued" (The Occupy Wall Street General Assembly 2011b: 25). The first General Assembly meeting also declared the need for "full employment", and for the "imposition of a social wage" (Roth 2011: 4). Occupy therefore proposes to redress inequality and to create institutions that protect individuals from the vagaries of an unregulated labour market; in short, it challenges the commoditisation of labour. This rhetoric, too, is pure Polanyi.

Another concern which the Occupy Movement addresses is the creation of a physical space for individuals to occupy. In the United States, home foreclosure rates increased by 47% from March 2006 to March 2007, and the rate continued to rise thereafter (RealtyTrac 2012). On 6 December 2011, 'Occupy Our

Homes' was launched as an anti-foreclosure movement which brought the issue of foreclosures within the Occupy movement's ambit (Campbell 2011: 49). The thrust of the action was for protesters to physically occupy these spaces to prevent their being foreclosed on. In the same way, the physical occupation of parks and financial districts represented a non-violent "taking back of public space" (Schneider 2011: 17) for use by the 'people'.

With respect to the dramatic rise in foreclosures, the high levels of unemployment and inequality, and the corrosive levels of debt, the economic and social conditions experienced by American society can be described as a crisis of its fictitious commodities. The grievances expressed by occupiers, and the public statements made via Occupy's democratic apparatus, indicate that Occupy rejects this commoditisation and seeks to reconstitute the economy with a greater role for social institutions designed to protect society from financial sector overreach and market failure.

The Societal Impact of Occupy

The Occupy movement's narrative and highly democratic institutions challenge existing political and economic institutions and discourse, but this has only been established at the level of the movement itself. A key question is whether or not the Occupy movement has applied sufficient pressure on the architecture of the neoliberal economic system to constitute the beginning of a potential back-swing of the pendulum – or at least enough to be reasonably seen as constituting a significant part of a greater countermovement by society against the market.

Polanyi (1945: 211) conceived of the balance created by the countermovement as concrete, reflected by the formation of workers' unions and by protective legislation such as factory laws and land-use legislation. Although protestors have made various policy demands, the Occupy movement's *modus operandi* has failed to produce a single comprehensive policy agenda and has arguably hindered the movement's potential to wrest policy changes from legislative authorities. Judith Butler (2011: 193), an academic and activist, justifies this action by arguing that appealing to authority with demands legitimates that authority and that Occupy demands economic justice and equality, desires that cannot be distilled into a set of discrete demands. Protesters at the New York General Assembly also lamented that their grievances were diverse and that the precise causes for occupying were not yet isolated (Schmitt et al. 2012: 6). In a similar vein, Yotam Marom noted that "we do not want to waste our time winning small policy changes" (Marom & Klein 2012).

Nonetheless, several specific grievances permeated the thick fabric of complaints, for example the demand to repeal the Citizens United Supreme Court decision (Schwartz 2011: 4). The Supreme Court ruling on 21 January 2010 in favour of Citizens United gave corporations the right to provide political parties with campaign support without creating an obligation for either party to disclose this support. Occupiers contested that this precedent created the potential for conflicts of interest amongst politicians receiving support from corporate interests, thus providing wealthy business interests with a potential mechanism through which to manipulate policy (Weber 2012; Schmitt et al. 2012: 4; Sanders 2011). On 17 November 2011, House Representative Ted Deutch (2011) introduced an amendment to the United States Constitution, H.J. Res 90, otherwise known as the OCCUPIED amendment (Outlawing Corporate Cash Undermining the Public Interest in our Elections and Democracy). The amendment proposed to “expressly exclude for-profit corporations from the rights given to natural persons by the Constitution”, effectively repealing the Citizens United ruling (Deutch 2011). Several weeks later, Senator Bernie Sanders (2011) introduced an equivalent amendment to the Senate. Also in the wake of Occupy, the New York City Council produced Resolution 1172 formally opposing corporate personhood (Chomsky 2012: 61).

These Occupy-related policy shifts were more political than economic, although they clearly sought to restrain the power of the corporate sector to influence government. But there were also more directly economic policy shifts associated with Occupy. For example, in New York, the top income tax bracket was raised in order to accommodate increased public expenditures in New York City – a development attributed to pressure from the Occupy Movement (Kaplan 2011).

In early 2012, a series of large corporations, including Wal-Mart, Coke, Pepsi, Amazon and McDonalds, as well as a collection of legislators, withdrew their membership from the American Legislative Exchange Commission (ALEC) – a group dedicated to promoting free market principles (Anderson 2012). This group promoted collaboration between industry and legislators and thus risked creating conflicts of interest in legislation (Jilani 2012). Wal-Mart, in particular, withdrew following a large protest against the ALEC that was associated with Occupy.

These developments indicate restraint being placed on markets and free market ideals. Although the Occupy movement cannot be isolated as the sole cause of these developments, its potential direct or indirect impact cannot be denied. Regardless of whether these developments are directly linked to Occupy or not, they are illustrative of a form of societal backlash.

In a speech in Kansas in 2011, U.S. President Obama linked the frustration expressed by Occupy protesters with a broader frustration directed at the financial services industry, and he described regulations associated with the new Dodd-Frank Law as an important means of addressing these concerns (Oliphant 2011). The Dodd-Frank Law of July 2010 (promoted by the Obama administration) is another example of an effort to constrain free market practices parallel to Occupy's efforts. This law is extremely intricate and is primarily designed to constrain irresponsible lending practices and reduce systemic risk (The Economist 2012). Much of what the occupiers protested for – taxes on speculative financial transactions, restrictions on executive compensation and a ban on proprietary trading – is included within the law (Schwartz 2011: 6); as is the creation of a federal standard for all mortgages and regulations on foreclosures, thus addressing much of the root causes of many Americans' grievances (Frank 2010). This form of legislation resembles a protective response; by February 2012, however, 164 of the 400 rule-making requirement deadlines for finalisation had been missed and experts predict that it will take up to ten years to refine the law (The Economist 2012). This calls into question both the effectiveness of the protective response and the extent to which neoliberal institutions of finance are entrenched.

Up to the time of this paper's writing, protective policy measures have been limited, and those necessarily stemming from Occupy even less numerous. David Meyer admits that the movement's translation into policy is still undetermined, however, he states that it has changed the "boundaries of political discourse" (interview 7 July 2012). The number of media reports from a LexisNexis database using the word 'inequality' increased from a monthly average of 408 uses between October 2010 and September 2011 to an average of 1269 uses in October 2011 (Van Den Heuvel 2012). Midway through January 2012, there were 458 media reports using the word 'inequality', more than the pre-Occupy monthly average after only 15 days (Van Den Heuvel 2012). The word 'greed' was used in a similarly inflated manner over the same period. Furthermore, the anti-Globalisation protests of 1999 received only 10% of the media coverage received by the Occupy movement in the first two months of each movement (Sobieraj 2011: 9). These statistics indicate a measure of receptiveness of public perceptions to the Occupy dialogue. Professor Judith Stein of the City University of New York said that the "99% is now part of our vocabulary" while Herman (2012: 635) argues that Occupy may have caused a "broader shift against the orthodox currents of economic policy". As this paper argues that ideas and currents of political thought have agency in shaping political-economic structures, these changes in discourse should not be understated.

Furthermore, although Polanyi envisaged the protective countermovement to manifest itself in policy change (Dale 2012), his theory is not dogmatic about when this concrete reflection of its success must occur. Polanyi described the inception of the countermovement as follows:

“To sum up. The countermove against economic liberalism and laissez-faire possessed all the unmistakable characteristics of a spontaneous reaction. At innumerable disconnected points it set in without any traceable links between the interests directly affected or any ideological conformity between them” (1945: 156).

The composition of the Occupy movement in the U.S. suggests that the movement was non-partisan and not ideologically polarised. This supports Polanyi’s conception of the countermovement, despite its limited translation into policy.

Marxist Critique

Polanyi attributes peripheral significance to class conflict in creating social change. Dale (2012: 9) considers Polanyi’s neglect of social class formations as limiting his explanation of the evolution of market forces. In Dale’s argument the capital class did, in fact, contribute to the protective countermovement and did not wish to destroy the labour market; in this he misinterprets Polanyi (Dale 2012: 34). Polanyi did not see the capital class as consciously attempting to destroy the labour market, but rather that expanding the reign of markets in which the capital class had an interest would lead to the social dislocation of the labouring classes (1945: 79). Dale’s charge that Polanyi saw it as a deliberate attempt on the part of capital to destroy labour is an attempt to criticise Polanyi through the same class-centric lens that he rejects. Nonetheless, the Marxist critique of Polanyi’s work does hold some validity.

Many accounts of the neoliberal epoch are explained through a Marxist lens. Hanieh (2009: 69) describes the development of neoliberalism as a response by capitalist classes to falling rates of profit and a weakening labour class. Harvey (2005: 40) offers a neo-Gramscian perspective and argues that the ascendancy of neoliberalism was the result of capital classes disseminating neoliberal ideology through the mechanisms of think tanks, foreign policy and the policy of international financial organisation. Polanyi embraces a similar ontology to the neo-Gramscian perspective propounded by Harvey (2005: 40) and Birchfield (1999: 31), ascribing influence to ideology in paving the way to social change,

but he potentially understates the role of social class. This paper argues that class interests were at play in the neoliberal turn but does not see the change exclusively as a bi-product of class conflict. The difference between this perspective and Marxist or neo-Gramscian perspectives is simply the degree to which historical (trans-societal) elements impact social change, alongside the force of social class.

Accounts of the Occupy movement bear similar criticisms. Several social commentators believe that the Occupy movement is creating class-consciousness (Roth 2011: 26; Chomsky 2012: 54), and the fact that much of Occupy's rhetoric attacks the rich suggests that Occupy is a product of class antagonisms (Schmitt et al. 2012: 20). A study by the Pew research centre, conducted after the onset of Occupy, concluded that 66% of Americans believed that there were class tensions, an increase of 19% since 2009.

Polanyi (1945: 159) argues that class theories of social change apply in static societal structures but that classes undergo changes in the context of changing social environments. In light of this, traditional structures of working class action were conspicuously absent from the Occupy movement. Between 1960 and 2008, the proportion of unionised non-agricultural workers decreased from 30% to 12%, reflecting changing working class structures (Herman 2012: 632); while unions played an invaluable role in the Occupy movement, they were not the preponderant group. Furthermore, many participants were highly educated, and previously members of the commercial class (Roth 2011: 24). Therefore, Polanyi's analysis of changing classes is prescient, and labelling Occupy as a class movement means endorsing an inapplicable discrete conception of social class.

Occupy South Africa

In South Africa, a number of protests using the name 'Occupy' were arranged for the international day of action on 15 October (Unemployed People's Movement 2011). South Africa is a distinctly different cultural and political context than that of the United States and as such provides an opportunity for a comparison with Occupy Wall Street. The two most documented South African occupations were in Grahamstown and Cape Town. The Grahamstown occupation was organised by the local community group Unemployed People's Movement, and their press statement for the protest indicated a link to the Occupy narrative, including "we will occupy Grahamstown in the name of real democracy" and "bankers wealth must be expropriated and given to the people"

(Unemployed People's Movement 2011). The protests, however, were directed at the local government rather than financial institutions and achieved an estimated turnout of 200 people (interview 11 July 2012). Siyanda Centwa, a spokesperson for Unemployed Peoples Movement, said in an interview that the goal of the protest was to address “greed and service delivery” and ultimately focused on the issue of toilet facilities (interview 11 July 2012). Centwa also made no reference to the movement’s antagonism towards the financial services industry, illustrating a distinct difference with Occupy Wall Street’s rhetoric. Thus the protest did not appear to deviate from conventional post-1994 social activism in South Africa, which Rosenthal (2010) argues focuses on specific public service delivery issues.

In Cape Town, the largest protest day produced a similar turnout to that achieved in Grahamstown; however, more than one protest was held as a protest titled ‘Occupy Rondebosch Common’ was organised for 27 January 2012 (Wanza interview 12 July 2012). Jared Sacks (2011), a participant in Occupy Cape Town, described the movement as incoherent. He observed that a number of the more marginalised protesters, predominantly from poor non-white communities, attempted to “engage directly with issues of white supremacy, class and patriarchy within the 99%”. Sacks (2011) notes that these issues were consistently submerged by the large white middle-class contingency of protestors. Given South Africa’s history of racially-charged politics, submerging race served to delimit the boundaries of accepted political discourse within the movement and effectively removed the opportunity to address an historical source of subjugation for a large proportion of participants (Ballad 2005: 620). In the U.S. the issue of racial marginalisation was addressed in the Occupy Wall Street Declaration (Ashraf 2011: 36).

Mario Wanza, an organiser of the Occupy Rondebosch Common protest and community activist, said that his organisation, based in an underprivileged community in Cape Town’s outskirts, severed their relationship with Occupy Cape Town because the leadership from wealthy suburbs was not familiar with the issues ‘that the poor faced daily’ and, therefore, did not have an appropriate perspective from which to address the needs of the poor. He also said that the protest was “directed at the rich” (interview 12 July 2012). Mario thus indicated that class tensions limited the potential for an inclusive ‘trans-societal’ movement in Cape Town.

The Occupy Rondebosch Common protest was organised by a series of community organisations that had pre-existing agendas, most of which advocated service provision for the poor. In apartheid-era South Africa, social movements occurred through definite organisational structures that championed

black working class rights (Ballad 2005: 620). Post-apartheid activist structures differ in that they consist predominantly of community organisations that mobilise the poorer classes (Rosenthal 2010). Many of the most vocal participants in Occupy Cape Town, however, were white South Africans that did not belong to any pre-existing activist organisation and were mostly insulated from the physical degradation suffered by the poor (Sacks 2011). Thus, the organic nature of Occupy that developed in the U.S. appeared to be incommensurate with traditional structures of political protest in South Africa; and the historical issues of race and class proved more divisive in South Africa than in the U.S.-based protests. In this context, a countermovement that cuts across economic class and other social cleavages as Polanyi envisaged is unlikely to develop.

Conclusion

This paper has argued that the period of contemporary economic and political history – notably the Occupy movement – can usefully be explored through Polanyi’s theory of the double movement. Between the 1970s and 2007, the economy was progressively deregulated, and neoliberal ideology was justified by neoclassical academic dominance. The Reagan administration in the United States oversaw financial deregulation that expanded the scope of markets and disembedded the economy from social institutions such as negotiated wage forums and welfare systems. This period of economic development, especially in the U.S., thus resembles a Polanyian *laissez-faire* movement. The absence of a countermovement during this period is attributed to the ability of neoliberal institutions to improve the material welfare of the population, despite the artificial basis upon which this improvement was built. The financial crisis, however, restricted the ability of economic institutions to maintain the welfare of society. This paper argues that market failure was a central cause of this crisis. The ensuing economic and social conditions related to what Polanyi described as the self-adjusting market’s “annihilation of the human and natural substance of society” (1945: 3) .

This paper argues that the Occupy movement was a response to this annihilation. The analysis of participants’ motivations for engaging in Occupy, and the desires for change that the movement represented, produced a number of central themes. The movement rejects financial markets in their current form, rejects the lack of institutional support for individuals in the labour market, and rejects the current form of representative politics (Razsa & Kurnik 2012: 241). These themes distinctly indicate the movement’s desire to re-embed the

economy within a democratic institutional framework. The composition of the movement also suggests the absence of ideological or partisan bias amongst participants, and the Marxist critique in this paper reveals the limitations of a class-centric lens on the movement. This is emblematic of a Polanyian countermovement.

The focus on the U.S. occupation, and the bias of data towards the Occupy Wall Street sub-movement specifically, make it difficult to extrapolate these findings to sub-movements outside of the United States. The investigation of Occupy South Africa testifies to this limitation, as the South African political environment appeared incompatible with Occupy's organic structure. The limited findings in terms of policy changes responding to Occupy also limit the applicability of the countermovement theory to Occupy. Nonetheless, within the United States' political and economic context, and given the evidence suggesting the movement's impact on political discourse, Occupy displays the potential to be an early formation of a countermovement. However, up to this point in time the limited substantive change to the political architecture cannot amount to a countermovement without the expansion of the Occupy narrative; but for the moment, the pendulum swing has been stayed.

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