

What Kind of World we are Living in?

Let us start off with a few relatively uncontroversial facts about the contemporary world in which we live. I'll break these up into three kinds of fact: socio-economic, environmental, and political—not entirely distinct categories.

Socio-Economic

- Capitalism has now become globalised. It is the dominant economic system of most of the countries in the world (including China).
- We are witnessing the economic centre of gravity of the world moving towards China (and soon, probably, India) from the United States—which obviously does not like this fact.
- There is a staggering inequality of wealth. Most of the world's wealth lies in the hands of a very few people and corporations.
- In the global north, people live in a consumer-oriented society, where there is an inordinate amount of waste, and people have a never-ending series of desires generated by advertising and social status.
- In the global south, both the environment and livelihood of many people have been and are being destroyed.
- A substantial chunk of the world, especially (but not solely) in the global south, has inadequate food, water, sanitation, health care, education. If the world's wealth were more equitably distributed, this would not be the case.

Political (National and International)

- There are several flash points of international (and religious) tension, perhaps most notably the Middle East.
- War and social conflicts are leading to mass migration, causing political tension in many countries.

- The manufacture of armaments is one of the biggest international industries, and many countries now have nuclear weapons, including countries that have deep and vested interests in international flash points.
- We are seeing the rise of nationalist (and often racist) governments (USA, Russia, India, Brazil, Hungary, Turkey etc.), or at least a significant rise of the racist right (Germany, France, Italy, etc.).

Ecological

- Human-made global warming is accelerating. By even the mildest estimates, this will cause significant climate change, leading to rising sea levels, destruction of ecosystems, and the despoiling of agricultural areas.
- This will cause further mass migration, scarcity of food and clean water—and increased competition therefor—exacerbating many of the previous difficulties.

In short, the world is in a very precarious situation (to put it mildly). Of course, national conflicts, migration, poverty, environmental destruction, have always been with us. But we now have these things on a level of magnitude (depth) and global import (width) that we have never witnessed before.

The result of these trends is unpredictable. A worst case scenario is a nuclear war and the obliteration of the human race (and much of the environment). Perhaps a more likely scenario is a regime—possibly neo-fascist—in which a very small number of people (and corporations) control the world's resources and military. They will live an affluent life in gated communities protected by security forces, whilst the majority of people live in relative poverty in degraded and unpleasant environments. Whatever transpires, however, it looks as though things are going to get much worse for the majority of the world's population.

* * *

If we have any hope of changing things for the better, it is imperative to understand why we are in this situation: to act effectively in any situation requires one to have a grasp of causes and effects. The situation is complex, and undoubtedly many factors, both global and local, are required for a full understanding. But one thing stands out as a dominant factor behind many of the things noted: capitalism.

I think that Marx' analysis of the way that capital functions (in *Capital*, especially Volume 1, and *Grundrisse*) is exactly right. Capital is buildings, machines, land, labour—anything that can be bought and sold. But it is capital only because these exist and function in a particular way. That is, they are embedded in a network of social relations of production, exchange, and consumption. And the distinctive feature of those relations, and so of capital itself, is simply the production of more capital. Capital, one might say, is simply wealth whose point is to make more wealth. We see this in several ways. On an individual basis, the goal of any capitalist corporation is just to make as much profit as possible. People are fired if they are not achieving this aim. On a collective basis, national economies must grow. If they do not, and go into recession, jobs are lost, companies fold, large surpluses of commodities accrue, and so on.

Several consequences of the facts I stated by noting follow simply from this nature of capital. Again, let me break matters up into the same three categories as before, but I will take them in a different order.

Socio-Economic

One way for a quantum of capital to grow is to pay workers as little as possible. By contrast, those who own or manage capital—its agents—are going to acquire more of it. Hence we see the increasing disparities of social wealth. Another way for a quantum of capital to grow is for it to take over smaller quanta of capital. Hence, we see capital becoming concentrated in large amounts in fewer corporations. Yet a third way for capital to grow is by economies of scale. Size matters. The United States exploited this fact in the 20th Century. India and China are much larger, and are exploiting (and will exploit) this fact in the 21st Century.

Next, to grow, capital requires continuing increases of raw materials and markets. Hence, it is in the nature of capital to expand beyond individual nations, and so become global. Moreover, capital is not used for people; people are used for capital. Hence, the increasing amount of wealth is not used for health, education, etc—or it is used for this only to the extent that it produces the labour-force required. Hence, the dire living conditions of much of the world is of no consequence.

Finally, for the products of a quantum of capital to realise a profit, they must be sold, so people must be made to buy them (rather than, say, the similar products of a rival quantum of capital). Hence we see mass advertising and the generation of a consumer society, with all its waste and dysfunctional psychological states.

Environmental

Capital growth cannot continue indefinitely in a finite system, such as the earth provides. Exploitable land, primary resources, population, are all finite. Capitalism is bound, therefore, to hit the wall sooner or later; and it looks as though we are fast approaching it. In the process, natural resources, such as forests and fish stocks, are being depleted; the waste products of production and consumption, such as the byproducts of fertilizer-use, green-house gasses, are wreaking havoc on ecosystems; energy-use is multiplying fast, the effect of which is increased global heat-production; and so on. Moreover, capitalist systems are not going to stop this. It is against their very nature. The only thing that could stop this is (global) political intervention to stop capital expansion.

Political (National and International)

Which brings us to the political effects of capitalism. In some countries it is the rich who control the government. In contemporary societies, their richness comes from owning and managing capital. They are not going to bring the system to a halt. In other countries, the controllers of government are not necessarily rich. However, in contemporary “liberal democratic” (really dictatorship-by-capital) systems, one cannot get elected without huge amounts of capital support, or by being a member of a party which depends on capital support; and fortunes, both individual and collective, can be made or broken by what the media say. The media is controlled largely by enormous business corporations, such as New Corp. and Facebook. In other words, the politicians are beholden to capital and its agents. These agents are going to do everything possible to ensure that the political system works for the benefit of capital. Finally, those in power, because of the avaricious mind-set encouraged by consumerism, are going to want to stay in power, and exploit their positions to make as much money as they can. As with the first point, they will support a capitalist economy.

This brings us to international relations. First, wars, international conflicts, and invasions, obviously pre-date capitalism. However, since the rise of capitalism, capitalist economic concerns have clearly played an enormous role in generating these things. The contemporary political ruling class of a country, as just noted, acts as an agent for the quanta of capital they control, or that maintain them in their positions. Hence, we have seen imperialist wars and expansion for the control of resources and markets (especially oil in the last 40 years); the support of dictatorships and repressive regimes by so called liberal democracies, in their national (aka capital) interests; and so on. There is something of an irony here, though. More and more, power is being taken away from national governments, because the biggest quanta of capital are now international; and global capital can manipulate national governments by moving its resources from country to country (or at least threatening to).

One bullet point remains to be addressed: the international rise of nationalism and racism. In explaining this, the detailed conditions in each country must play an important role. However, it would be too much to suppose that this is all coincidence. There must be something more systematic going on. I suspect that it is this. In the global north, for a couple of decades after the Second World War, there was a period of economic growth and prosperity of an historically unusual kind. Since the 1980s economic conditions have reverted to something historically much more normal, with recessions, pressure on wages, attacks on collective labour, and so on. In particular, it has become clear to large sections of the working class, particularly after the 2008 economic crash, that the capitalist economy is not working for them. The ideology of capitalism, which assures people that they all benefit from capitalism, is therefore wearing thin. Hence, the political agents of capital must be kept in power by something other than this. Nationalism (and especially war) has always been a highly effective way of raising support for a government. Racism often goes hand in hand with nationalism. Moreover, though many people know that the system is not working for them, they do not understand why; nor is it in the interest of capitalism for them to know. Hence is peddled a spurious explanation of why the system is not working. Blaming migrants (against all the economic evidence) who are ‘coming here and taking our jobs’ is such a strategy. More racism.

* * *

Thus, Marx’ analysis of capital and its nature explains much of what we see happening in the world today.

Of course, one might hold that this analysis is incorrect. This is not the place to defend the analysis at length. However, let me just note this fact. That a theory provides explanations for a wide diversity of apparently unconnected phenomena speaks strongly in its favour. Marx’ analysis does exactly this, as we have just seen.

As Mendel puts the flip side of this in his introduction to the Penguin edition of Volume 1 of *Capital*:

if experience had shown, for example, that the more that capitalism industry develops, the smaller and smaller the average factory becomes, the less it depends on new technology, the more its capital is supplied by the workers themselves, the more workers become owners of their own factories, the less the part of wages taken by consumer goods becomes (and the greater becomes the part of wages used for buying the workers’s own means of production) then one could indeed say that *Capital* was so much

rubbish and had dismally failed to predict what would happen in the real capitalist world a century after its publication. It is sufficient to compare the real history of the period since 1867 ... with what Marx predicated it would be ... to understand how remarkable indeed was Marx' theoretical achievement and how strongly it stands up against the experimental text of history.

And this was in 1970, long before the effects of the IT industrial revolution and the ecological crisis became evident.

Of course, this is not to say that Marx got everything right. Notoriously he took it that the end of capitalism was imminent. It was not. This does not refute his analysis of the way that a capitalist socio-economic formation functions, however. It just refutes his optimism concerning how long it would take for people to decide (or be forced to conclude) that they had had enough of it, and so do something about it. However Marx is often interpreted, he never took this to be automatic. He was clear that political action was essential.

* * *

Which brings me to the final point I will take up here. If capitalism is what is causing so much of the world's troubles, the only alternative to going down the dystopian paths I have already indicated is to get rid of it. Someone who holds that capitalism will not come to an end is living in a fantasy. The millennium between the years 1000 and 2000 brought major changes to the socio-economic system. It beggars belief that the millennium between the years 2000 and 3000 (assuming that the human race manages to reach that year—by no means a foregone conclusion) will not bring changes of at least a similar magnitude. The question is not whether capitalism is replaced, but when, how, and what will replace it.

Replacing capitalism with something more rational, humane, and sustainable, is clearly not going to be an easy task. Doing so will attack the wealthy and powerful minority. And one thing we have learned from history is that those with power do not give it up lightly. Indeed, it must be said that presently the end of the human race is easier to envisage than the end of capitalism. Moreover, there is no clear strategy for this; neither do I have one to offer here. However, here, at least, are a few preliminary comments.

Perhaps the most obvious thought is that the disjuncture between those who own/manage wealth and those who merely work for it must be overcome. This means that

those who produce wealth from the land, factories, etc., should own, or at least control, them.

Almost equally obvious is that the link between wealth and political power must be broken. Positions of political power should not be in the gift, direct or indirect, of wealth. Wealth must be taken out of whatever election and decision-making processes there are. The flip side of this is that persons should not be able to use positions of political power to make themselves rich.

And one of the things we have certainly learned from history is that having top-down power corrupts those at the top. Decision-making structures must therefore be bottom-up, and engineered to stay that way.

These considerations obviously point towards some sort of anarcho-syndicalist system. But there are further issues that need to be faced. Short of some sort of global catastrophe, we are not going to go back to a pre-industrial society. Any industrial society has to solve essential and difficult coordination problems in the production, distribution, and consumption of wealth. (This is what a capitalist market does, albeit inefficiently.) And for reasons just noted, this must be done without a top-down power-structure. Moreover, the world's socio-economic system is now so interlocked that nationalism makes no economic sense. The system does not have to be uniform across the globe, but it has to be global.

Another thing that is clear is that the present system is largely kept in place by capitalist ideology. People do not understand how the system works. The mechanisms for the production and reproduction of this ideological system must be removed. This means, amongst other things, taking the media out of the hands of private interests. Moreover, in a bottom-up decision making process, it is important that people are well and accurately informed. These two things bespeak the importance of appropriate education in changing and maintaining a better society.

None of these things, of themselves, guarantees a sustainable economy. Population needs to be capped. Energy needs to be produced without the dependence on fossil fuels, and energy consumption needs to be brought under control.

Nor do these things guarantee a more even distribution of resources, or that resources will be used so that all may have adequate housing, food, health care, education, and so on. We need to produce a society where this is realised. Human behavioural dispositions are, we know, very malleable. We need to develop social

structures and practices which promote the human tendencies to compassion and cooperation, and inhibit the tendencies to aggression and hostility.

This last point has a striking implication. Marx noted that the kind of society in which people live plays an enormous role in determining their thinking and their behaviour. It is equally clear that how people think and behave plays an enormous role in determining the kind of society in which they live. Changing to a more humane and rational society must therefore go hand in hand with changing the kind of people we are.

Graham Priest
Brisbane, Australia
January 2019