

Challenges of globalization VIII

1. How to achieve rapid economic development

“... there are three critical interventions that governments can use to speed up economic development. Where these interventions have been employed most effectively in east Asia –in Japan, South Korea, Taiwan and now China– they have produced the quickest progressions from poverty to wealth that the world has seen. When, by contrast, other east Asian states have set off with the same ambitions and equal or better endowments, but have not followed the same policies, they have achieved fast growth for a period but the progress has proved to be unsustainable.”

“The first intervention –and the most overlooked– is to maximise output from agriculture, which employs the vast majority of people in poor countries. Successful east Asian states have shown that the way to do this is to restructure agriculture as highly labour-intensive household farming –a slightly larger-scale form of gardening. This makes use of all available labour in a poor economy and pushes up yields and output to the highest possible levels, albeit on the basis of tiny gains per person employed. The overall result is an initial productive surplus that primes demand for goods and services.

The second intervention –in many respects, a second ‘stage’– is to direct investment and entrepreneurs towards manufacturing. This is because manufacturing industry makes the most effective use of the limited productive skills of the workforce of a developing economy, as workers begin to migrate out of agriculture. Relatively unskilled labourers create value in factories by working with machines that can be easily purchased on the world market. In addition, in east Asia successful governments pioneered new ways to promote accelerated technological upgrading in manufacturing through subsidies that were conditioned on export performance. This combination of subsidy and what I call ‘export discipline’ took the pace of industrialisation to a level never before seen.

Finally, interventions in the financial sector to focus capital on intensive, small-scale agriculture and on manufacturing development provide the third key to accelerated economic transformation. The state’s role is to keep money targeted at a development strategy that produces the fastest possible technological learning, and hence the promise of high future profits, rather than on short-term returns and individual consumption. This tends to pit the state against many businessmen, and also against consumers, who have shorter strategic horizons.”

“What the Asian crisis clarified was that a consistent set of government policy interventions had indeed made the difference between long-run success and failure in economic development in east Asia. In Japan, Korea, Taiwan and China, governments radically restructured agriculture after the Second World War, focused their modernisation efforts on manufacturing, and made their financial systems slaves to these two objectives. They thereby changed the structures of their economies in a manner that made it all but impossible to return to an earlier stage of development. In the south-east Asian states [Malaysia, Indonesia, Thailand] –despite their long periods of impressive growth– governments did not fundamentally reorganise agriculture, did not create globally competitive manufacturing firms, and did accept bad advice from already rich countries to open up financial sectors at an early stage. The Japanese economist Yoshihara Kunio had warned in the 1980s that south-east Asian states risked becoming ‘technology-less’ developing nations. This is exactly what happened, and they slid backwards when their investment funds dried up. In short, different policy choices created – and will probably further widen – a developmental gulf in the Asian region.”

“In the boom years of the 1980s and 1990s, the failure to generate indigenous manufacturing and technological capacity was hidden by the arrival of high levels of foreign direct investment, much of it concentrated on processing operations within quite advanced manufacturing sectors. With the onset of the Asian crisis, however, the industrial difference between south-east and north-east Asia became starkly apparent. South-east Asia has almost no popularly recognisable, globally competitive manufacturing companies.”

“In south-east Asia, countries were blessed with high levels of savings in their banking systems just as in north-east Asia. But governments directed the hefty investments this made possible to the wrong ends – to lower-yield, large-scale agriculture, and to companies that were either not focused on manufacturing or only on manufacturing for protected domestic markets. South-east Asian states then made their developmental

prospects even worse by following rich country advice to deregulate banking, to open up other financial markets, and to lift capital controls.”

“Premature financial deregulation in south-east Asia led to a proliferation of family-business-controlled banks which did nothing to support exportable manufacturing and which indulged in vast amounts of illegal related-party lending. It was a story of banks being captured by narrow, private sector interests whose aims were almost completely unaligned with those of national economic development. The process was one which has also been observed in Latin America and, more recently, in Russia.”

Studwell, Joe (2013): *How Asia works: Success and failure in the world's most dynamic region*, Grove Press, New York.

2. Why China failed before the Deng Xiaoping era (Joe Studwell, 2013)

“... for a long time China was constrained because the Communist Party of China (CPC) was captive to the two great socialist fallacies that undid socialist modernisation programmes in other communist states. The first of these was that agriculture could only be efficient at scale, leading to the collectivisation of farming in the mid 1950s (...) However, agriculture is not like manufacturing, where scale is essential to low unit costs and to the technological learning process that enables firms to produce more sophisticated products. In agriculture, the product never changes – rice is rice and corn is corn.”

“The second great communist fallacy (...) was that manufacturing could be developed without trade –through a policy of self-sufficiency, or autarky. In essence, this boils down to a country's people staying home and trying to figure out technological problems on their own (...) The legacy of autarky in China was, by the 1980s, all kinds of passable but hopelessly inefficient industrial processes (...). Through autarky, China failed to develop a single industrial product with which it could compete internationally.”

“In the era of Deng Xiaoping, China broke out from the two great socialist fallacies. First, household farming was restored. Then (...) China opened up to trade and, gradually, to foreign investment, allowing it both to absorb international technology and to begin to benchmark its own products in world markets (...) China – unlike south-east Asian states– has been paranoid about the advice it has been offered, and has prospered by virtue of its paranoia. Since 1978, China has posted an impressive developmental record, and has become the second east Asian state after Japan both to fascinate and unnerve western Europe and north America. The country has delivered a near 10 per cent average growth rate for three decades.”

“In qualitative terms, China has not matched Taiwan in agricultural performance. It has not matched Korea for the speed and depth of its industrial upgrading. And it has not matched Japan in reinventing the nature of many industrial processes. But because China is so big and so populous – and, more darkly, because it is not an ally of the West – since 1978 it has managed to shake the world (...) Thus far, China's financial system management has worked well in giving government the discretion to run effective developmental policy. However, as north-east Asia's experience has shown, manipulation and repression of a financial system to developmental ends offers only a limited window of opportunity before financial and corporate entrepreneurs, and ordinary citizens, find ways to evade the controls.”

“Overall, China's government has lined up most of the ducks necessary to enable rapid economic development. However, there is little to suggest that China offers qualitative improvements to policies which have been used before (...) Contemporary chatter about the rise of a ‘Beijing consensus’ on development policy is a perversion of historical facts. The true break-out example in successful Asian development was Meiji Japan, and China is simply a follower in that tradition. China's development is exceptional not because of the tried and tested land reform, infant industry and financial repression policies that made it possible, but because of its scale.”

3. On China's continued rise (Joe Studwell, 2013)

“Is China's continued rise inevitable and without limits? Not at all. Many people believe that the scale of the country and its domestic market guarantee success. But the size of China also makes it a difficult place for central government to run effective industrial policy and to curtail waste. China has yet to create truly world-beating firms, and history suggests that a state's size is no great advantage in this respect. Many of the world's most successful firms were created in rather small countries in Europe. Most big states –Brazil, India,

Indonesia, Russia– are relative economic failures (even if the United States is not). This is because it is the quality of governance and policy-making that determine a country’s prospects. China will be no exception.”

“China is already exiting the most favourable demographic period for economic development, when workers are abundant and retirees few (...) Apart from the demographic shift, the other easy prediction to make about China is that its very slow pace of institutional development will create ever more friction in society and, eventually, produce a significant economic cost (...) As well as a country of technological capacity, China needs to become a country of institutional systems. It is only a combination of the two that can take the country to the front rank of nations (...) Thus far, institutional deficiency has not been a significant drag on China’s economic growth. But it will catch up with it eventually (...) On its present trajectory, China is set to be a middle-income per capita, but profoundly institutionally retarded state.”

4. Two economics (Joe Studwell, 2013)

“The message that east Asia –and indeed an historical understanding of development around the world– sends to economists is that there is no one type of economics. At a minimum, there are two. There is the economics of development, which is akin to an education process. This is where the people –and preferably all the people– who comprise an economy acquire the skills needed to compete with their peers around the world. The economics of development requires nurture, protection and competition. Then there is the economics of efficiency, applicable to a later stage of development. This requires less state intervention, more deregulation, freer markets, and a closer focus on near-term profits. The issue is not whether there are two kinds of economics that exist at different stages of development. The question is where these two stages meet. This is the difficult and interesting subject to which economists could more productively apply themselves.

Unfortunately, the intellectual tyranny of neo-classical ‘efficiency’ economics –the natural subject matter of rich countries– means that it is all but impossible to have an honest discussion about economic development. Poor states can only be successful by lying. They have to subscribe publicly to the ‘free market’ economics touted by the rich while pursuing the kind of interventionist policies that are actually necessary to become rich in the first place.”

“What seems most wrong in all this is that wealthy nations, and the economic institutions that they created like the World Bank and the International Monetary Fund, provided lousy developmental advice to poor states that had no basis in historical fact. Once again: there is no significant economy that has developed successfully through policies of free trade and deregulation from the get-go. What has always been required is proactive interventions – the most effective of them in agriculture and manufacturing – that foster early accumulation of capital and technological learning (...) Our unwillingness to look this historical fact in the face leaves us with a world in which scores of countries remain immiserated.”

5. Why complex societies collapse

“Scholars typically attribute collapse to one of four causes: political or military forces, economic decline, social upheaval, or environmental/natural disasters (...) Ancient China illustrates circumstances in which one political system collapsed, only to be replaced by another, usually dynastic, system, which resulted in a re-emergent state; the defeat of the Late Shang Dynasty by the Western Zhou is one example.”

“The collapse of the Khmer Empire is perhaps one of the best illustrations of economic and social factors contributing to the dissolution of a state (...) Roman history featured several phases of social unrest and political change without complete decline. In Republican Rome, growing inequality between patricians and plebeians in the 5th century bce, combined with instances of public abuse of poor men and women (especially women) by elites, led to internal dissent that verged on rebellion. Government reforms were required to set the state back on solid footing.”

“Though the extreme case of Easter Island’s purportedly human-caused overexploitation of resources may be dismissed as a misreading of the evidence, numerous examples (...) indicate how deeply human groups are embedded within local environments, and the profound effect environmental crises may have on culture groups at all levels of complexity. A strong case may be put forward for the role of environmental crisis in the decline of Classic Maya civilization (...) The collapse of Mycenaean, Hittite, and Levantine societies at the end

of the Late Bronze Age was affected by the migration of groups coming from more inland areas of Europe under circumstances of apparent subsistence stress.”

Ross, Jennifer C.; Sharon R. Steadman (2017): *Ancient complex societies*, Routledge, New York.

6. Will sociology be the future ‘queen of social sciences’?

“Multi-agent systems have been used by complexity researchers to simulate a wide range of natural systems, including sand piles, industrial processes, and neuronal connections in the human brain; in the late 1990s, this methodology was increasingly used to simulate social systems. This new methodology has led complexity theorists to become increasingly concerned with emergence– the processes whereby the global behavior of a system results from the actions and interactions of agents (...)

“Like ‘emergence,’ the term ‘complexity’ has also been used somewhat loosely in the last decade. In the most general sense, complex phenomena are those that reside between simplicity and randomness, at ‘the edge of chaos’ (...). In complex systems so conceived, relatively simple higher-level order ‘emerges’ from relatively complex lower-level processes. Canonical examples of emergence include traffic jams, the colonies of social insects, and bird flocks. For example, the V shape of the bird flock does not result from one bird being selected as the leader, and the other birds lining up behind the leader. Instead, each bird’s behavior is based on its position relative to nearby birds. The Vshape is not planned or centrally determined; it emerges out of simple pair-interaction rules. The bird flock demonstrates one of the most striking features of emergent phenomena: Higher-level regularities are often the result of simple rules and local interactions at the lower level. In the social sciences, a comparable example of an emergent phenomenon is language shift (...). Common to both of these examples is that emerging at the global system level are patterns, structures, or properties that are difficult to explain in terms of the system’s components and their interactions.”

“Social emergence is the central phenomenon of the social sciences. The science of social emergence is the basic science underlying all of the social sciences, because social emergence is foundational to all of them. Political science, economics, education, history, and sociology study phenomena that socially emerge from complex systems of individuals in interaction (...) Sociology should become the basic science of social emergence (...) This new sociology would be (...) concerning itself with the foundational processes of social emergence (...) But this is not the sociology we see today; few sociologists study social emergence. In the second half of the twentieth century, economics has made the best case for being the foundational social science, by making social emergence central to its theory and practice. (...) Because (...) economics has developed the most successful model of social emergence, this has naturally led to ‘economic imperialism,’ with neoclassical economists beginning to analyze noneconomic phenomena traditionally associated with sociology (...) And in fact microeconomics has been the only game in town for those interested in studying social emergence.”

Sawyer, Robert Keith (2005): *Social emergence: Societies as complex systems*, Cambridge University Press, Cambridge, UK.

7. Two views on the history of humankind

“The theory of the noble savage revolves around the idea that primitive life was free of any aggression and cruelty, thus there was no reason for conflict. The supposedly non-violent nature of human beings and the peaceful natural world were said to complement each other ‘ecologically.’ (...) Two similar theories favor the notion that the first humans were peaceful. The religious viewpoint sees human destiny as a gradual deterioration: at the outset, humans inhabited a bucolic setting beside God, yet made the mistake of attempting to defy their Creator. Humans were thus expelled from Paradise and condemned to a life of toil and strife. The scientific view is that Paleolithic life was relatively easy since nature presented so many possibilities and, at this time, there were fewer populations to share them. Humans were, therefore, able to profit from the situation by balancing the many resources at their disposal (...) The arrival of the Neolithic tolled the knell of this golden age as humans became slaves to work: there was a regression of sorts as servitude began in earnest –a gradual descent into Hell.

The other view of the history of humankind is linked to the notion of progress. This viewpoint claims that savage man in his wild and shabby state, barely able to survive, gradually began to leave behind his inferior status through sheer persistence; by working hard and applying himself, man finally took control of nature.

Thus, his destiny is one of continual improvement. Man is seen to be in control of his own plight and depends upon himself alone.”

“What if humans never were the innocent lambs nor the violent brutes that certain caricatures have made them out to be? What if humans always were the same complex and emotional beings they are today, with a tendency attimes to react harshly or violently?”

Guilaine, Jean; Jean Zammit (2005): *The origins of war: Violence in prehistory*, Cambridge University Press, Cambridge, UK.

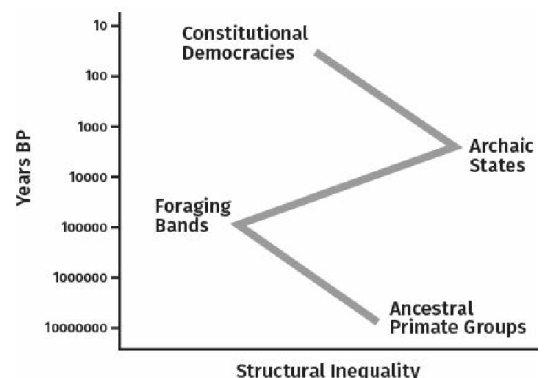
8. Three generalizations of historical dynamics (Peter Turchin and Sergey A. Nefedov, 2009)

- **Overpopulation.** “One generalization can be called the neo-Malthusian principle: during periods of sustained population growth, if the output of the agrarian economy does not keep pace with the population, a number of relative price trends will be observed. One trend is rising prices for basic foodstuffs, energy, and land. Another one is falling real wages for labor. These trends are simply a consequence of the law of supply and demand. Thus, as the supply of labor increases, and if the demand for it is limited (which it is in agrarian economies), the price of labor inevitably decreases.”
- **Elite overproduction.** “Another generalization, dealing with the elite dynamics, is also a consequence of the law of supply and demand. The principal kind of wealth in agrarian societies is land. The elite landowners profit from overpopulation in two ways. First, they are consumers of labor: they need peasants to work their land, servants to carry out domestic chores, and craftsmen and artisans for producing items for status consumption. Second, their property, land, produces food and other commodities, such as fuel and raw materials, the demand for which increases together with the growing population. Because the items they consume become cheaper while the items they produce increase in value, the elites greatly profit from overpopulation (...) In the end, elite numbers and appetites outgrow their “carrying capacity” (based on the labor of commoners). Just as overpopulation results in large segments of commoner population becoming immiserated, elite overproduction similarly results in large segments of elites becoming impoverished (not in absolute terms, as with common populace, but relatively to the standards of consumption needed to maintain the elite status). This generalization thus may be called the principle of elite overproduction.”
- **Sociopolitical instability.** “A third possible generalization deals with the causes of sociopolitical instability. The demographic-structural theory proposes three principal causes of the onset of a disintegrative trend (that is, a lengthy period of heightened instability): overpopulation, elite overproduction, and a fiscal crisis of the state. (...) Overpopulation and fiscal crisis are important contributing factors, but the dominant role in internal warfare appears to be played by elite overproduction leading to intraelite competition, fragmentation, and conflict, and the rise of counterelites who mobilize popular masses in their struggle against the existing order.”

Turchin, Peter; Sergey A. Nefedov (2009): *Secular cycles*, Princeton University Press, Princeton, New Jersey.

9. Zigzags in the evolution of human equality

“Our Great Ape ancestors lived in hierarchical societies. We believe this because our closest relatives, chimpanzees, bonobos, and gorillas, all live in societies with very strong dominance hierarchies (...) Early humans broke the pattern, evolving a reversed dominance hierarchy whose goal was to suppress potential alpha males. This worked for tens of thousands of years—until the adoption of agriculture and the rise of the first centralized polities allowed the alpha male to resurface with unfettered power in archaic states that were the most despotic societies in which people have ever had the misfortune to live (...) The second turn, away from despotic archaic states, is much more ancient than might be supposed—the Axial Age, rather than the Age of Enlightenment (...) The military revolution of 1000 BCE that began deep in the Eurasian steppe triggered momentous developments in the belt of agrarian societies stretching from the eastern Mediterranean to China. The new ideologies—Axial religions—introduced a number of cultural innovations that buttressed our



capacity for cooperation in large groups. These innovations included social norms and institutions that constrained rulers to act in less selfish and despotic ways.”

Turchin, Peter (2016): *Ultrasociety: How 10,000 years of war made humans the greatest cooperators on Earth*, Beresta Books, Chaplin, Connecticut.

10. The Iron Law of Oligarchy (Robert Michels, 1911)

“All forms of organization, regardless of how democratic or autocratic they may be at the start, will eventually and inevitably develop into oligarchies.”

11. Ultrasociality (Peter Turchin, 2016)

“... ultrasociality—the ability of human beings to cooperate in very large groups of strangers, groups ranging from towns and cities to whole nations, and beyond.”

Social scale (people)	Polity Types	Time (kya)
10s	Foraging bands	200
100s	Farming villages	10
1,000s	Simple chiefdoms	7.5
10,000s	Complex chiefdoms	7
100,000s	Archaic states	5
1,000,000s	Macrostates	4.5
10,000,000s	Mega-empires	2.5
100,000,000s	Large nation-states	0.2

“The increase in the scale of human societies, measured by the number of people in a polity (a politically independent unit).” (100s = between 100 and 1,000)
 “Time (kya) is time in thousands of years since the first appearance of the polity type.”

“... cooperation is actually astonishingly difficult to achieve and, once achieved, hard to preserve. We tend not to appreciate just how fragile it is (...) Today we live in huge societies of millions of people, most of whom are perfect strangers to us. We don’t fear strangers (...). More than that, we actually need them. We often forget how much we depend on the kindness of strangers.”

“The central question of this book is why, during the past 10,000 years, large-scale, complex societies have replaced small-scale societies (...) The pace of cultural evolution is faster today, but research shows that the economic development and political stability of a modern country depend on cultural innovations and political decisions made decades and even centuries ago. If we want to make life better for people everywhere, we need to learn how to fix failed states and restart failed economies. The key (...) is cooperation. Where millions of strangers cooperate with each other, we see strong states and thriving economies. Where cooperation fails, so do states and economies. That is why it is so important to solve the puzzle of ultrasociality; to understand how the human capacity for cooperating in huge, anonymous societies evolved.”

12. A war without war? (Peter Turchin, 2016)

“Human social evolution has followed a remarkable, even bizarre trajectory, with sharp turns one after the other. Why? Philosophers and social scientists have offered many explanations, but there is still no accepted answer. Now, however, thanks to the new science of Cultural Evolution, we are beginning to see the outlines of the explanation. The answer is surprising. It was competition and conflict between human groups that drove the transformation of small bands of hunter-gatherers into huge nation-states (...) it was war that first created despotic, archaic states and then destroyed them, replacing them with better, more equal societies. War both destroys and creates. It is a force of creative destruction, to borrow a phrase from the economist Joseph Schumpeter. In fact, that phrase gets the emphasis wrong. War is a force of destructive creation, a terrible means to a remarkable end. And there are good reasons to believe that eventually it will destroy itself and create a world without war.”

“The key process in the decline of violence has been the increase in the scale of human cooperation. Remember, peace is not just the absence of war; lasting, stable peace demands a lot of management. And the only way to accomplish it is by cooperation.”

13. Unstable world, stable delusions (Chris Harman, 2010)

“We live in an unstable world, and the instability is going to increase. It is a world where a billion people feel hungry every day, and the hunger is going to increase. It is a world which is destroying its own environment, and the destruction is going to increase. It is a violent world, and the violence is going to increase. It is a world where people are less happy, even in the industrially advanced countries, than they used to be, and the unhappiness is going to increase.”

“The moment any part of the global economy begins to stabilise they will forget the hundreds of millions of lives that have been shattered by the crisis. A few months when banks are not collapsing and profits are not falling through the floor and the apologists will be pumping out candyfloss once again. Their futures will seem better and they will generalise this to the world at large with renewed talk about the wonders of capitalism and the impossibility of any alternative –until crisis hits again and throws them into another panic.”

“Capitalism transforms society in its entirety as it sucks people by the billions into labouring for it. It changes the whole pattern by which humanity lives, remoulding human nature itself. It gives a new character to old oppressions and throws up completely new ones. It creates drives to war and ecological destruction. It seems to act like a force of nature, creating chaos and devastation on a scale much greater than any earthquake, hurricane or tsunami. Yet the system is not a product of nature, but of human activity, human activity that has somehow escaped from human control and taken on a life of its own.”

Harman, Chris (2010): *Zombie capitalism: Global crisis and the relevance of Marx*, Haymarket Books, Chicago, Illinois.

14. The misleading view of globalization: The new age of global instability (Chris Harman, 2010)

“This whole process was baptised ‘globalisation’ by the 1990s. It was bracketed together with neoliberalism as representing a whole new phase of capitalism –for enthusiasts a phase very different to any previously. They held not only that the world should be organised according to the free flows of capital, without any intervention by governments (...) We lived, it was said, in the age of multinational (or sometimes transnational) capital, of firms moving production at will to wherever it could be done most cheaply. It was (...) a world of ‘weightless’ production, where computer software and the internet were much more important than ‘old fashioned metal-bashing’ industries, and where the absolute mobility of capital had completely detached it from any dependence on states.”

“As Suzanne de Brunhoff noted: ‘Even though huge financial flows of mobile capital are daily circulating round the globe, a global single market of capital does not exist. There is no single world rate of interest and there are no single world prices for produced goods... Financial assets are denominated in different currencies which are not ‘perfect substitutes’ (...) Not only did the popular globalisation accounts overstate the degree of mobility of capital, they also provided a much distorted view of what that mobility involves. Alan M Rugman pointed out that of the big multinationals ‘Very few are ‘global’ firms, with a ‘global’ strategy, defined as the ability to sell the same products and/or services around the world’ (...) The pattern was not one of capital flowing effortlessly over a homogenous worldwide landscape. It was ‘lumpy,’ concentrated in some countries and regions (...) ‘All that is solid’ did ‘melt into air’ as Marx had put it –but not in the way the crude globalisation theory held. For capital’s old companion, the state, entered into the process at every point.”

“The internationalisation of firms’ operations, far from leading to less dependence on state support, increases it in one very important respect. They need protection for their global interests. A whole range of things become more important to them than in the early post-war decades: trade negotiations for access to new markets; exchange rates between currencies; the allocation of contracts by foreign governments; protection against expropriation of foreign assets; the defence of intellectual property rights; enforcement of foreign debt repayments. There is no world state to undertake such tasks. And so the power of any national state to force others to respect the interests of capitals based within it has become more important, not less (...) The successor to the state capitalism of the mid-20th century has not been some non-state capitalism but rather a system in which capitals rely on “their” state as much as ever , but try to spread out beyond it to form links with capitals tied to other states. In the process, the system as a whole has become more chaotic.”

“The interaction between the great powers is not the peaceful concert of nations dreamt of by certain apostles of neoliberalism and free trade. There are contradictory interests, with military force a weapon of last resort for dealing with them. The greatest source of instability has come from the attempts of the US to permanently cement its position at the front of the global pecking order.”

“The growing role of finance had its impact throughout the global economy. Every upturn in the recession-boom cycle after the early 1980s was accompanied by financial speculation, causing massive rises in the US and British stock markets in the mid-1980s and mid-1990s, the huge upsurge of Japanese share and real estate prices in the late 1980s, the dotcom boom of the late 1990s, and the housing booms in the US and much of Europe in the early and mid-2000s. Along with these went successive waves of takeovers and mergers of giant companies.”

“The first big growth of international finance in the 1960s was a result of the way the growth of international trade and investment and US overseas military expenditure associated with the Vietnam War –led to pools of finance (‘Euromoney’) which had escaped the control of national governments. The next big growth came with the recycling of massively expanded Middle East oil revenues through the US banking system –revenues that were a product of the increased dependence of productive capital on Middle East oil. The restructuring of productive capital took place increasingly (...) across national borders, even if mostly it was regional, not global, in scope (...) But industry could not restructure in this way without having financial connections across borders. It required international financial networks if it was to repatriate profits or establish subsidiaries elsewhere in the world (...) Capitalism internationally went through nearly four decades in which profitability was substantially lower.”

“Globally this meant there was a growing pool of growth of money capital-money in the hands of productive as well as non-productive capitals-searching for outlets that seemed to promise higher levels of profitability. Hence the pressure on firms to deliver short-term rather than long-term profits. So too the succession of speculative bubbles and the repeated ‘Minsky’ shifts from speculation to Ponzi schemes in which financiers used the money entrusted to them by some investors to pay off other investors and line their own pockets (...) The financial system expanded as a consequence, since it played a key part in collecting together the funds for speculation, and could then use the assets whose value had increased because of speculation as collateral for borrowing more funds. There developed a mass of capital wandering round the world looking for any opportunity where it seemed there might be profits to be made.”

“Capitalism became a global system in the 20th century in a way it had not been before. Not only were there global markets and global finance but capitalist industry and capitalist structures of consumption arose in every region of the globe, although unevenly. As that happened a tendency noted in its embryonic form by only the most far sighted thinkers of the 19th century, including Marx and Engels, developed until by the end of the century it was visible to everyone who cared to look. This was the tendency for the system to undermine the very process of interaction with nature (...) The most dramatic expression of this has been the way the accumulation of certain gases in the atmosphere are raising the global temperature and producing climate change. Capitalist industry and its products always had devastating environmental effects.”

“It is the sort of interaction of the economic, the environmental and the political we should expect to see repeated again and again in the 21st century, producing recurrent, very deep social and political crises that frame the choice between global catastrophe and revolutionary change.”

15. A common cause to the Great and the Little Divergences (Jared Rubin, 2016)

“Why shouldn’t the Spanish or Ottomans have been able to turn their territorial and trade advantages into a long-run economic advantage? (...) Why did two states that seemed at least as primed for takeoff as, say, England fall behind while Protestant northwestern Europe surged ahead? (...) Underneath the geopolitical expansion of these empires were inherent economic weaknesses traceable to the institutions that propagated political power. It was no coincidence that neither Spain nor the Ottoman Empire experienced a fundamental institutional change akin to those that occurred in Protestant nations. The mechanisms through which the Spanish and Ottoman propagated rule allowed them to ignore the economic elite, and this in turn had a detrimental effect on their long-run economic fortunes (...) The histories of the Spanish and Ottoman Empires provide a telling counter-story to the histories of England and the Dutch Republic. In all four histories, the same message holds: *it matters who propagates political rule.*”

“Ironically, the strength of the Spanish monarchs and Ottoman sultans was the long-run undoing of both of their economies. Because these rulers were so strong, they did not have to bring the economic elite to the bargaining table, and they consequently never enacted the types of laws that facilitate long-run economic growth. This was the key similarity between the Spanish and Ottoman Empires that was not present in early modern England or the Dutch Republic: the Spanish monarch and the Ottoman sultan were too legitimate. In other words, there is some optimal middle ground for a ruler’s legitimacy: a weak ruler will not have people follow him, and the benefits associated with centralized governance will be lost, while a strong ruler does not have to negotiate with the economic elite in order to propagate rule. Early modern Spain and the Ottoman Empire had the latter problem, while the relatively weak (though not too weak) legitimacy of rulers in England and the Dutch Republic fostered a situation that eventually enabled prosperity.”

“In Spain and the Ottoman Empire, a mix of religious authorities, local power brokers, and military elite propagated rule, leaving rulers with little incentive to negotiate with the economic elite. In England and the Dutch Republic, the Reformation provided the death knell to the Church as an agent that could provide religious legitimacy, forcing (in England) the Crown to negotiate with the economic elite or (in the Dutch Republic) propelling the economic elite to a position of political power. The long-run effects of these institutional differences are clear. After the Reformation in England and the Dutch Republic, rulers and parliaments drafted laws and policies conducive to long-run economic success. These included stronger and clearer property rights, new institutions for the provision of public goods, poor relief, and investment in transportation networks. Spanish and Ottoman rulers did not undertake such reforms. Their policies gave their citizens less incentive to invest in productive pursuits, and the bases for sustained economic growth were largely missing.”

Rubin, Jared (2016): *Rulers, religion, and riches: Why the West got rich and the Middle East did not*, Cambridge University Press, New York.

16. The Great Divergence between the West and the Middle East (Jared Rubin, 2016)

“The fundamental difference between Western Europe and the Middle East (...) is that Islamic doctrine is more conducive to legitimizing rule than Christian doctrine is. The reason for this doctrinal difference was the circumstances under which the religions were born. Christianity was born in the Roman Empire, which had well- functioning legal and political institutions. Moreover, early Christians were in no position to legitimize the Roman emperor. Islam, on the other hand, formed initially alongside the expansion of a political state under Muhammad. The corpus of Islamic law grew further under the empires of the First Four Caliphs and the Umayyads– the largest empires the world had ever seen at the time. A natural consequence of this coevolution (...) was the formation of Islamic doctrine supporting the legitimation of rule by Islam (...) The spread of Islamic political rule helped promote trade by providing greater security for merchants, a common social and religious network, a common currency, a common language, and common financial instruments.”

“... the strength of early Muslim rulers, due in large part to their ability to derive legitimacy from Islam, allowed Muslim-governed states to support trade in a manner unachievable by the more decentralized states of the pre-Islamic Middle East and post-Roman Europe. But this strength ultimately became a weakness. As trade expanded, new laws and policies were required for further expansion (...) Yet, Middle Eastern rulers had little incentive to adopt such laws and policies. Doing so would have undermined the religious elite, who were the primary interpreters of commercial law and were largely responsible for the rulers’ strength in the first place.”

“There was nothing predetermined about this outcome. Indeed, it was hardly unthinkable that Muslim rulers circa 1000 could have reformed Islamic law in a manner that would have benefited the economic elite. This book has provided two historical processes (...) that can account for their failure to do so. The static process consists of the ‘game’ a ruler plays to determine how to best propagate his rule. He considers the costs and benefits of different forms of propagation (...) and chooses some combination of propagating agents that best help him stay in power. These choices have dynamic consequences over the long run, many of which are unforeseeable or occur so far in the future that they are of minimal concern to the ruler in the present. These consequences stem from the fact that propagating agents do not support the ruler for free – they expect some say in laws and policies in return. Their choices can have unintended, path-dependent consequences for future rulers.”

17. Balanced society and the plural sector (Henry Mintzberg, 2015)

“Enough of the imbalance that is destroying our democracies, our planet, and ourselves (...) Enough of the visible claw of lobbying in place of the invisible hand of competing. Enough of the economic globalization that undermines sovereign states and local communities.”

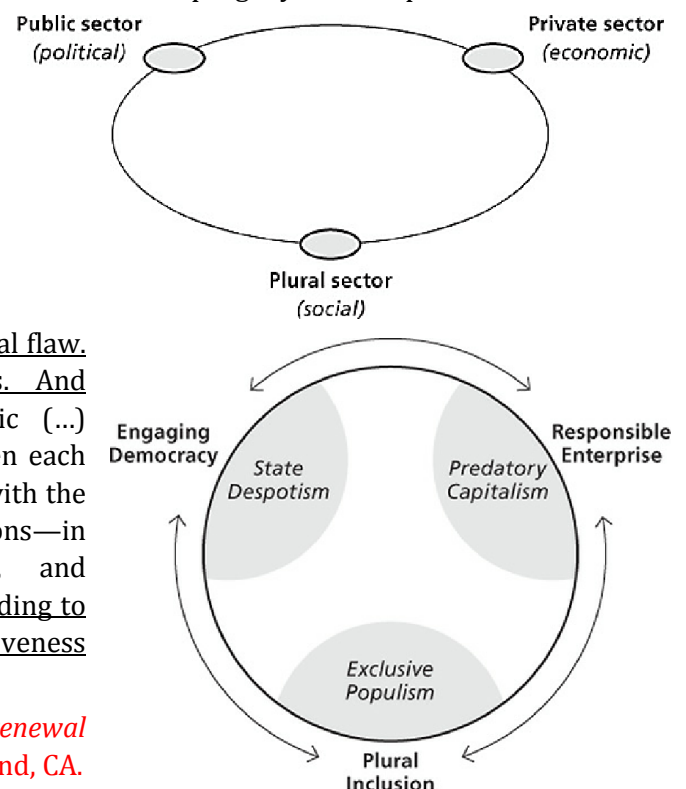
“When the communist regimes of Eastern Europe began to collapse in 1989, pundits in the West had a ready explanation: capitalism had triumphed. They were dead wrong, and the consequences are now proving fateful. It was balance that triumphed in 1989. While those communist regimes were severely out of balance, with so much power concentrated in their public sectors, the successful countries of the West maintained sufficient balance across their public, private, and what can be called plural sectors. But a failure to understand this point has been throwing many countries out of balance ever since, in favor of their private sectors.

There are three consequential sectors in society, not two. The one least understood is known by a variety of inadequate labels, including the “not-for-profit sector,” the “third sector,” and “civil society.” Calling it “**plural**” can help it take its place alongside the ones called public and private (...) Consider all those associations that are neither public nor private—owned neither by the state nor by private investors—such as foundations, places of worship, unions, cooperatives, Greenpeace, the Red Cross, and many renowned universities and hospitals. Some are owned by their members; most are owned by no one. Included here, too, are social movements that arise to protest what some people find unacceptable (...) and social initiatives, usually started by small community groups, to bring about some change they feel is necessary (...) Despite the prominence of all this activity, the plural sector remains surprisingly obscure, having been ignored for so long in the great debates over left versus right.”

“... picture instead a balanced society as sitting on a stool with three sturdy legs: a public sector of respected governments, to provide many of our protections (such as policing and regulating); a private sector of responsible businesses, to supply many of our goods and services; and a plural sector of robust communities, wherein we find many of our social affiliations. How do we regain balance in our societies? Some people believe that the answer lies in the private sector—specifically, with greater corporate social responsibility (...) Other people expect democratic governments to act vigorously. This they must do, but they will not so long as public states continue to be dominated by private entitlements, domestic and global. This leaves but one sector, the plural, which is not made up of “them” but of you, and me, and we, acting together. We shall have to engage in many more social movements and social initiatives, to challenge destructive practices and replace them with constructive ones. We need to cease being human resources, in the service of imbalance, and instead tap our resourcefulness as human beings, in the service of our progeny and our planet.”

“A society out of balance, with power concentrated in a privileged elite, can be ripe for revolution (...) The trouble with revolution is that it usually replaces one form of imbalance with another. As some people among the disenfranchised gain power through force, they tend to carry their society toward some new extreme.”

“The plural sector is not a “third way” between the other two sectors but (...) one of three ways required in a balanced society. Each sector suffers from a potentially fatal flaw. Governments can be crude. Markets can be crass. And communities can be closed—at the limit, xenophobic (...) Crudeness, crassness, and closed-ness are countered when each sector takes its appropriate place in society, cooperating with the other two while helping to keep both—and their institutions—in check (...) Healthy development—social, political, and economic—allows power to shift among the sectors according to need, in a dynamic equilibrium that encourages responsiveness without domination.”



Mintzberg, Henry (2015): *Rebalancing society: Radical renewal beyond left, right, and center*, Berrett-Koehler Publishers, Oakland, CA.

18. Balance and imbalance (Henry Mintzberg, 2015)

“Countries today seem to be going backward, to imbalance, in three ways, and perhaps in one way forward, toward balance. One sector dominates each of the ways backward, shown in the figure (...) by the lopsided bulges shaded inside the circle. On the left is state despotism, dominated by government in the public sector (as we have seen under communism (...)). On the right is predatory capitalism, dominated by exploitative enterprises in the private sector (...). And at the bottom is exclusive populism, where some segment of the plural sector dominates society, excluding even other segments in that sector (as did the Muslim Brotherhood in Egypt). Take your choice—crude, crass, or closed—bearing in mind that one can lead to another. Exclusive populism easily gives rise to state despotism (as in Nazi Germany), while the fall of state despotism in the communist regimes of Eastern Europe has encouraged the growth of predatory capitalism in the West. In contrast, connected around the outside of the circle, in the spirit of balance, are plural inclusion, based on open collaboration; responsible enterprise, concerned with the legitimate needs of all stakeholders; and engaging democracy, which seeks widespread involvement of the citizenry. No one of these can rebalance society, but together they can.”

19. ‘The state of our imbalance’ (Henry Mintzberg, 2015)

- **“Consumed by consumption.** In today’s world, we glorify consumption while we consume ourselves and our planet.”
- **“Corporate persons and human resources.** As corporations have become ‘persons’ in the law, persons have become ‘resources’ in the corporations. Are you a human resource? I am a human being.”
- **“The corporate press.** Most countries called democratic do not have an independent press so much as a corporate press, beholden to the owners and the advertisers (...) To restore balance in society, we need more alternate voices in the press and the media, not fewer.”
- **“Numbed by advertising.** Stop for a moment and have a look at the next few advertisements you see. Ask yourself how many of them go beyond informing, to demean basic human values (mixing up diamonds with love, for example) or else to lie outright, by commission (...) or by omission.”
- **“The commercialization of almost everything.** Consider the extent to which our world has become commercial, where everything possible is supposed to be ‘monetized.’”
- **“The emasculation of government.** In the win-win scenario of communism, the state was supposed to ‘wither away.’ Now capitalism is working on it instead—at least for those government departments that do not serve its purposes. Many countries have been relentlessly ‘privatizing’ their public services, as if business is inevitably superior to government.”
- **“Globalization for the global.** In the name of globalization, many large enterprises run freely around the globe, cheered on by the powerful international agencies that should be regulating them, all of these economic: the International Monetary Fund, the World Bank, the World Trade Organization (...) Here is where the economic dogma has dug itself in most deeply, for the benefit of corporate entitlements worldwide.”
- **“Democracy in America—Twenty-five years later.** Democracy is a dynamic process, not some fixed state. It comprises a variety of components, such as a truly free press, open elections, equal rights, and an independent judiciary. No country can just be declared democratic (...) The United States wrote the book on democracy as we know it. How has it been doing in the quarter century since the triumph of imbalance? Not well (...) Many people in the ‘developed’ world point their fingers at the corruption of politics in some of the poor countries. The difference in America today is that the corruption is legal.”

“The country’s greatest period of development—socially and politically as well as economically—arguably came in the four decades following World War II (...) The years since 1989 have borne witness to an alarming reversal on many fronts, including some where the country used to have the best record in the world. Consider the evidence on rates of incarceration (the highest in the world) and obesity (the second-highest); the use of antidepressants (the second-most prescribed drugs in the United States); the costs of health care (the highest in the world by far, with mediocre results); levels of poverty (the highest rates in 52 years of reporting), of voter turnout (114th of all nations), of high school dropouts (18th of the top 24 industrialized nations), of college graduation per capita (16th in the world), even of social mobility (now

behind a number of the industrialized countries) (...) Yet denial remains the order of the day. In revisiting his ‘end of history’ thesis after twenty-five years, Francis Fukuyama (2014) concluded that he was right after all (...) The *New York Times* published an article (Shane 2012) that also discussed some of this evidence, but under a title that indicated another conclusion: “A Rule for U.S. politicians: ‘We’re No 1!’” In denial, at least. Especially worrisome is that so much of the American population has passively accepted such myths. What will happen when they have to face the reality?”

- **“Democracy for the globe?** The American record abroad has been mixed, yet here, too, a powerful myth prevails (...) The country has (...) promoted democratic elections in many countries. Meanwhile, nasty America has supported its share of oppressive regimes and has worked to undermine some decent ones, much of this to protect the interests of its businesses (...) Must we rely on a single country to lead the world to some just order, especially a country that continues to promote internationally the very model that has been causing so many of its domestic problems? Can the world’s most enthusiastic proponent of individualism—for itself as a nation alongside its citizens—be expected to foster the cooperation that the world so desperately needs?”

20. Two social dynamic forces and the sustainable future

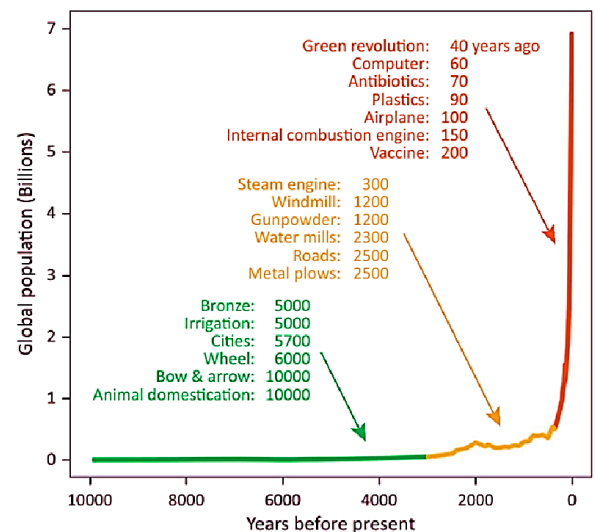
“Two interacting forces influence all populations: the Malthusian dynamic of exponential growth until resource limits are reached, and the Darwinian dynamic of innovation and adaptation to circumvent these limits through biological and/or cultural evolution. The Malthusian dynamic pushes a population to increase until it reaches its environmental limits. The Darwinian dynamic pushes against these limits by incorporating new traits and technologies that enhance survival and reproduction. There are restrictions to this Malthusian-Darwinian Dynamic (MDD) (...): it is logically, physically, and biologically impossible for exponential growth to continue indefinitely within a finite world.”

“A central feature of human ecology has been the positive feedback between growth and innovation. As populations grew and aggregated into larger and more complex social groups, more information was acquired and processed. This led to new technologies that further pushed back ecological limits, allowing for continued population growth. The result has been an ascending spiral of exponential processes feeding back on each other: population growth and aggregation begot technological innovation, which in turn allowed for more resource extraction and a greater ability to overcome ecological constraints, begetting still more population growth and socioeconomic development.”

“The ruins of Mohenjo Daro, Mesopotamia, Egypt, Greece, Rome, the Maya, Hohokam, Angkor Wat, and Easter Island are enduring evidence that many earlier societies were unable to innovate their way out of local limits and therefore collapsed despite attaining dense populations and advanced cultures (...). Until now, both Malthusians and Cornucopians have been correct: some populations have crashed and cultures have vanished, but our species has endured because these events have been localized. However, behavioral changes and technological innovations over the last century now intricately interconnect us in a single global society. As a result, local perturbations currently have the ability to reverberate across all of humanity.”

“Within the context of our now highly globalized society, the essential question is how much potential exists for the Darwinian side of the MDD to allow for continued adaptation and innovation to push back against global scale constraints (...). The bad news is that the MDD has left humans ill prepared to make the necessary ecological and behavioral changes required to avoid civilization collapse (...). The good news is that the MDD may also provide valuable insights into potential solutions from both natural (in particular evolutionary biology and ecology) and social (in particular economics and sociology) science perspectives.”

“We must recognize that a sustainable future will ultimately require: (i) negative population growth for a number of generations, followed by zero growth; (ii) a steady-state economy based on sustainable use of renewable energy and material resources; and (iii) new social norms that favor the



welfare of the entire global population over that of specific individuals and groups. It is also essential that we recognize that humanity has not yet evolved the genetic or cultural adaptations needed to accomplish these tasks.”

Jeffrey C. Nekola et al. (2013): “The Malthusian-Darwinian dynamic and the trajectory of civilization,” *Trends in Ecology and Evolution* 1643

21. The global stage of capitalism

“Social change is the restructuring of human social institutions: culture, consciousness, technology, organizations, settlement systems, forms of exchange, and structures of authority and decision-making. It is commonly observed that some aspects of human social change, especially those connected with technology, have greatly accelerated over the past few centuries (...) Today, in addition to studying social change in a global context, social scientists study globalization itself as an important form of social change.”

“A global phenomenon is defined as ‘one that represents a single, interacting system on a global scale that does not respect international borders.’ The physical science archetype of a global phenomenon is the atmosphere; in the sphere of social science, markets, information, and pop culture are all examples of global phenomena (...) The clearest example of a kind of social change that can be studied only at a global level of analysis is the process of globalization itself.”

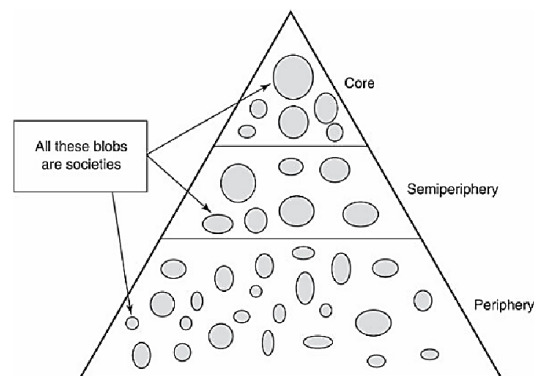
“A profit squeeze and accumulation crisis occurred in the 1970s when Japan and Germany caught up with the United States in the production of important core commodities (...) The reactionary response to the accumulation crisis (...) was Reaganism-Thatcherism, also called the ‘Washington Consensus’ and the ‘globalization project.’ This response was a revival of the nineteenth-century ideology of ‘market magic’ and an attack on the welfare state and organized labor. It borrowed the antistatist ideology of the New Left and used new communications and information technologies to globalize capitalist production, undercutting nationally organized trade unions and attacking the entitlements of the welfare state as undeserved and inefficient rents. This ‘global stage of capitalism’ is what has brought globalization into the popular consciousness, but rather than being the first time that the world has experienced strong global processes, it is a response to the problems of capitalist accumulation as they emerged from the prior Global New Deal, which was itself a response to the earlier Age of Extremes and deglobalization.”

Chase-Dunn, Christopher; Salvatore J. Babones; eds. (2006): *Global social change: Historical and comparative perspectives*, The Johns Hopkins University Press, Baltimore, Maryland.

22. The modern world-system: core, periphery and semiperiphery

“The comparative world-systems perspective is a strategy for explaining social change that focuses on whole intersocietal systems rather than single societies. The main insight is that important interaction networks (trade, information flows, alliances, and fighting) have woven polities and cultures together since the beginning of human social evolution. Explanations of social change need to take intersocietal systems (world-systems) as the units that evolve. But intersocietal interaction networks were rather small when transportation was mainly a matter of hiking with a pack. Globalization, in the sense of the expansion and intensification of larger interaction networks, has been increasing for millennia, albeit unevenly and in waves. World-systems are systems of societies. Systemness means that these societies are interacting with one another in important ways.”

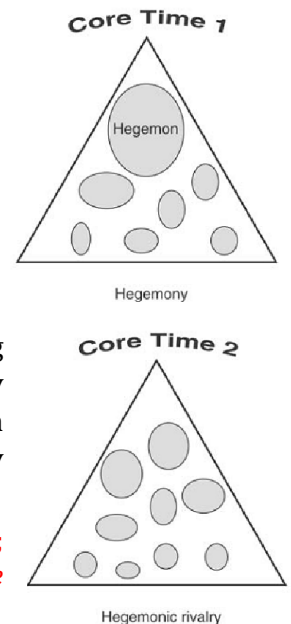
“The modern world-system is structured politically as an interstate system—a system of competing and allying states (...) The modern world-system is also importantly structured as a core-periphery hierarchy in which some regions contain economically and militarily powerful states while other regions contain polities that are much less powerful and less developed. The countries that are called ‘advanced’ (...) The modern core includes the United States, the European countries, Japan, Australia, and Canada. In the contemporary periphery we have relatively weak states that are not strongly supported by the populations within them and have little power relative to other states in the system.”



“The core-periphery hierarchy in the modern world-system is a system of stratification in which socially structured inequalities are reproduced by the institutional features of the system (...). The periphery is not ‘catching up’ with the core. Rather, both core and peripheral regions are developing, but most core states are staying well ahead of most peripheral states. There is also a stratum of countries that we call the semiperiphery: countries that are in between the core and the periphery.”

“So the modern world-system is now a global economy with a global political system (the interstate system). (...) Culturally the modern system is composed of several civilizational traditions (e.g., Islam, Christendom, Hinduism), nationally defined cultural entities—nations (...), and the cultures of indigenous and minority ethnic groups within states. The modern system is multicultural in the sense that important political and economic interaction networks connect people who have rather different languages, religions, and other cultural aspects. Most earlier world-systems have also been multicultural.”

“One of the important systemic features of the modern system is the rise and fall of hegemonic core powers—the so-called hegemonic sequence. A hegemon is a core state that has a significantly greater amount of economic power than any other state and that takes on the political role of system leader. In the seventeenth century the Dutch Republic performed the role of hegemon in the Europe-centered system, while Great Britain was the hegemon of the nineteenth century, and the United States has been the hegemon in the twentieth century. Hegemons provide leadership and order for the interstate system and the world economy. But the normal operating processes of the modern system—uneven economic development and competition among states—make it difficult for hegemons to sustain their dominant positions, and so they tend to decline. Thus the structure of the core oscillates back and forth between hegemony and a situation in which several competing core states have a roughly similar amount of power and are contending for hegemony.”



Hall, Thomas D.; Christopher Chase-Dunn (2006), chapter 3 in Chase-Dunn, Christopher; Salvatore J. Babones; eds. (2006): *Global social change: Historical and comparative perspectives*, The Johns Hopkins University Press, Baltimore, Maryland.

23. Globalization and deglobalization (social change in world-historical perspective)

“Global social change did not begin in the late twentieth century with the latest wave of globalization. Social change, of course, has been around for as long as there have been human societies. Some forms of social change began to take on global aspects as early as the sixteenth century. The Age of Discovery, which led to regular European contact with and exploitation of Asia, subSaharan Africa, and the Americas, ushered in massive, global-scale changes in human society and regional ecosystems.”

“The pace of global social change accelerated dramatically with the late eighteenth-century Industrial Revolution, culminating in the first wave of what can properly be called ‘globalization.’ The United Kingdom of Great Britain was the world leader in industrialization, an exporter of the key technologies (railroads, steamships, and telegraph communications), and the advocate of free trade policies and the gold standard (...) The decline of British hegemony was accompanied by a decline of economic globalization from 1880 to 1900 and then by a period of imperial rivalry—two world wars with Germany. The deglobalization of the late nineteenth century and the first half of the twentieth has been called the ‘Age of Extremes.’”

“Between the wars was a short wave of economic globalization in the 1920s followed by the stock market crash of 1929 and a retreat to economic nationalism and protectionism during the depression of the 1930s. Fascism was a virulent form of zealous nationalism that spread widely in the second-tier core and the semiperiphery during the Age of Extremes. This was deglobalization. The point here is that globalization is not just a long-term trend. It is also a cycle. Waves of globalization have been followed by waves of deglobalization in the past, and this is also an entirely plausible scenario for the future.”

“Whether or not the current wave of globalization continues, it is certain that many important processes of social change will continue to occur primarily at a global level. So long as we live in an integrated world-economy, the competition among the people and countries of the world for scarce resources (...) will continue. Domestic political change within the countries of the world (...) will continue to be influenced by supranational forces. The physical environment we live in (...) will continue to be shared and shaped by all of

us. All humans will continue to contribute to—and be affected by—global forces of social change. The continuing decline of U.S. hegemony and emerging challenges to the policies of neoliberalism and neoconservatism that have been the responses of global elites to the contradictions of the most recent wave of globalization are likely to lead to a new period of deglobalization.”

“...the coming period of contestation is also an opportunity to create global democratic cooperative institutions that set up a more sustainable relationship between human society and the natural environment and more humane and just relationships among the peoples of the world. A global democratic and collectively rational commonwealth will probably emerge eventually unless we manage to completely extinguish ourselves.”

Chase-Dunn, Christopher; Salvatore J. Babones; eds. (2006): *Global social change: Historical and comparative perspectives*, The Johns Hopkins University Press, Baltimore, Maryland.

24. Some facts on technology (Trevor Kletz, 1996)

“Every error is a human error because: Someone has to decide what to do. Someone has to decide how to do it. Someone has to do it.”

- “We cannot have the benefits of modern technology without some disadvantages in terms of pollution and safety.”
- “New technologies are usually less hazardous than old ones.”
- “The cost of reducing pollution and increasing safety has to be paid for in the end by the public.”
- “People, not technology, create hazards and pollution.” “To blame pollution on technology is the ultimate dodge of a society unwilling to take the blame for its own errors and stupidity. It is not computers and automation that cause unemployment but the way we use them.”

Kletz, Trevor (1996): *Dispelling chemical industry myths*, third edition, CRC Press, Boca Raton, FL.

25. “MYTH M5. The best way of conveying information to people is to tell them.” (Trevor Kletz, 1996)

“If we have to convey messages that people want to receive (‘where to get free beer,’ for example), almost all methods of communication are effective. However, if there is some resistance to the message, as there often is when we are making recommendations to increase safety, for example, then we should choose the most effective method of communication: discussion (...) Discussions take longer than a lecture, but more is remembered and people are more committed to the conclusions because they have not been told what to do but have worked it out for themselves (...) The best size for a discussion group is 12-20. If fewer than 12 are present, the group may not be ‘critical’ (in the atomic energy sense) and discussion may not take off. If more than 20 are present, the quieter members may not be able to contribute.”

26. “MYTH M10. We need to know what is new.” (Trevor Kletz, 1996)

“We do need to know what is new, but that should not negate our concern with what is old. In my own area of expertise, namely, loss prevention and process safety, the majority of accidents have well-known causes (...) Spend less time reading magazines that tell what is new and more time reading books that tell what is old. Today, ‘old’ implies outdated; in the past, it implied something of enduring value; it had to be good to have lasted so long.”

27. Views on the future of artificial intelligence

Turner (2019, p. 16) defines artificial intelligence as “the ability of a non-natural entity to make choices by an evaluative process.”

- “The optimists emphasise the benefits of AI and downplay any dangers (...) Fundamentally, optimists think humanity can and will overcome any challenges AI poses.”
- “The pessimists include Nick Bostrom, whose ‘paperclip machine’ thought experiment imagines an AI system asked to make paperclips which decides to seize and consume all resources in existence, in its

blind adherence to that goal (...) Likewise, Elon Musk has said we risk ‘summoning a demon’ and called AI “our biggest existential threat’.”

- “The pragmatists acknowledge the benefits predicted by the optimists as well as the potential disasters forecast by the pessimists. Pragmatists argue for caution and control.”

Turner, Jacob (2019): *Robot rules: Regulating artificial intelligence*, Palgrave Macmillan, Cham, Switzerland.

28. Six supertrends shaping the future (Edward Cornish, 2004)

- **Technological progress.** “We can think of technological progress as the growing capability of humans to achieve their purposes. Technological progress has been the supremely important trend in human evolution for millions of years.”
- **Economic growth.** “Technological progress promotes economic growth (...) because people are eager to use their know-how to produce goods and services, both for their own use and to sell to others. Economic growth is also a self-sustaining process.”
- **Improving health.** “Technological progress and economic growth have led to improving human health because they have produced more food, more effective sanitation, better health services, and so on. Improving health leads to increasing longevity, which has two very important consequences: population growth and a rise in the average age of the population.”
- **Increasing mobility.** “People, goods, and information move from place to place faster and in greater quantity than ever before (...) Mobility can also cause social and cultural disruption.”
- **Environmental decline.** “Environmental decline is continuing for the world as a whole because of continuing high population growth and economic development.”
- **Increasing deculturation (loss of traditional culture).** “Deculturation occurs when people lose their culture or cannot use it because of changed circumstances (...) Today, the world is estimated to have 6,000 languages, but the number is expected to dwindle to about 3,000 by the end of the twenty-first century due to high mobility, globalization of economic activities, and other factors. Urbanization also contributes to deculturation.”

Cornish, Edward (2004): *Futuring: The exploration of the future*, World Future Society, Bethesda, Maryland.

Three Technological Revolutions			
	Agricultural	Industrial	Cybernetic
Origin	Near East, 11,000 years ago	Britain, 1750	United States, 1944
Catalytic Technology	Grain cultivation (wheat)	Steam engine	Computer
Benefits	More food per unit of land; grain storable and tradable	Inexpensive, dependable source of power	Fast, cheap decision making for problems soluble by algorithms
Uses	Feeding people, safeguarding food supply, trading goods (functions like money)	Mechanized pumps, machine powered vehicles, power machinery in factories	Mathematical calculations, processing records, word processing, database management, telephone exchanges, etc.
Effects	Population increase, early cities, roads, shipping, accounting, metal-working, wheeled vehicles, writing, scholarship, science	Factory towns, urbanization, railroads, automobiles, rising living standards, airplanes, surging demand for natural resources—metal ores, coal, petroleum	Faster, cheaper information handling; better management of communications; tighter inventory controls; better distribution of goods; higher standard of living
Workers Displaced	Hunters, gatherers	Farmers, weavers, craftsmen, home workers	Clerks, typists, telephone operators, typesetters, small grocers, middle managers
New Jobs	Early: Farmers, construction workers, carters, brewers, specialized crafts. Later: scribes, scholars	Miners, factory workers, ironworkers, steamship builders, railroaders, steel workers	Computer operators, programmers, repairers, systems analysts, Webmasters, electronic game designers

The Problems of Progress

In general, what we call “progress” can lead to abuse of the natural environment, the burden of learning new jobs, and general disorientation due to change itself. Examples of other negative consequences of “progress”:

<i>Better machines</i>	→	Displaced workers, loss of status
<i>Growing wealth</i>	→	Increase in rich/poor disparity, fewer workers for less-desired tasks
<i>New products</i>	→	Difficulty of making choices
<i>More, better food</i>	→	Obesity, clogged arteries
<i>Better health care</i>	→	Rising costs, higher expectations
<i>Longer lives</i>	→	Cost of supporting idle elderly, increase in disability, stress on natural resources
<i>Saving newborn</i>	→	More birth defects
<i>Better transport</i>	→	Decline of local communities
<i>More TV programs</i>	→	Inactivity, desocialization
<i>Increasing comfort</i>	→	Boredom, apathy
<i>Portable telephones</i>	→	Forced exposure to noxious chatter
<i>Easy bill paying</i>	→	Credit-card fraud, identity theft
<i>Quick information</i>	→	Internet hoaxes, scams, viruses
<i>Cheap, easy messaging</i>	→	Junk e-mail, insensitive comments

29. Challenges of contemporary political life

“The four great challenges of contemporary political life are global trade, the Internet, human migration, and safeguarding the environment. Of the four, global trade has achieved a kind of conflicted peace. Finance is free to move. Although financial crises and competition between economic sectors, institutions, and governments create exceptions, sleights of hand like corporate bankruptcy allow amazing fluidity. Data, which as we have seen are integral to the movement of finance, are likewise almost entirely unrestricted. However, data are subject to far more regulation. Crime, terrorism, pornography, spam, identity theft, intellectual property, and the security of online trade are among the themes addressed in the major international forums where Internet governance is addressed.”

“Media governance is shaped by the argument between the freedom of information to move and the restriction of data to authorized users. Freedom of human movement, meanwhile, is subject to increasingly virulent restrictions (...) Thus while money can move at will and data within limited constraints, people are both restricted and compelled to move or to stay. Movements of money are relatively unsupervised, so much so that money laundering has begun to worry even the world’s financial centers. The Internet includes enclaves of intense security and others of untrammelled exchange. Meanwhile, the movements of people are highly managed. Cosmopolitan elites are by and large free to go where they will, but all others are governed by complex sets of international agreements and surveillance operations.”

“The environment shares features with all three. It is subject to what the current jargon calls multistakeholder governance, involving not only nationstates but markets, expert bodies, and civil society organizations, which, however, in the case of environmental action have not produced shared policies, institutional forms, or convincing instruments to effect change. Like trade and the Internet, the environment continues to function but is surrounded by threats. Like migrants, it is subject to regimes of exclusion, especially from political debate, where it is spoken for and spoken about but has no voice of its own.”

Cubitt, Sean (2017): *Finite media: Environmental implications of digital technologies*, Duke University Press Durham and London.

30. The dogma of profit (Sean Cubitt, 2017)

“...the political elite has failed to respond to either global poverty or global environmental destruction, and for a single reason: the obscene dogma of profit, no longer a human vice but the sole motivation of inhuman forces now dominating what passes for global politics.”

31. The world energy dilemma (Louis W. Powers, 2012)

“The world is in an energy dilemma. On the one hand, new technology is alive and well, adding billions of barrels of oil and trillions of cubic feet of natural gas worldwide. On the other hand, world crude supply, for a variety of reasons, has not kept up with increasing world oil demand.”

“Although there now seems to be an adequate supply of oil, the balance could be upset on a minute’s notice by an accident, a single terrorist bomb, or continued uprisings in the Middle East. Our margin of error is small. I encourage all people around the world to take steps to conserve energy, particularly those of us in the US. Energy is precious, and we need to develop it in a safe, cost-effective manner and we need to conserve it at the same time. The energy problem of our time is not just a US problem. It is a world problem.”

Powers, Louis W. (2012): *The world energy dilemma*, PennWell, Tulsa, Oklahoma.

32. The dilemma of state secrecy (Rahul Sagar, 2013)

“The realization that the practice of leaking is itself prone to grave abuse puts us in a difficult position. If we prohibit the publication of leaks of classified information, we stand to lose the most effective and credible means by which we can be alerted to wrongdoing that occurs under cover of secrecy. But if we permit the publication of such leaks, then we risk contaminating our public life with conspiracy and covert warfare, as not only good men and women but also partisans and zealots take advantage of anonymity to disclose information that suits their narrow purposes.”

Sagar, Rahul (2013): *Secrets and leaks: The dilemma of state secrecy*, Princeton University Press, Princeton, NJ.

33. Something is not working... or is it working too well? (A. Coskun Samli, 2014)

“I am not surprised as much as I am shocked at how we have not learned much about the market economy for which we would go to war, for which we would run for office, for which we would spend billions of dollars so that we could gain political power. But we really don't know much about really what it is and how it works. If Adam Smith were alive, he would be screaming about the fact that there is nothing today that resembles what he advocated (...) These two gentlemen—Marx and Smith—would not have in their wildest dreams believed just what is happening in the United States and in fact in the world today.

In a broad sense, the market economy is there to provide products and services for the consumers so that they can improve their quality of life and take care of their problems as consumers. But what is happening in the United States and in the world, particularly in Europe, is something shockingly different. The masses are putting out their toil so that just a few lucky and privileged people will get richer. In 2010, 97 percent of total American GDP went to 1 percent of the American population. This is even worse than when all Russians worked for the Czars. This certainly is not what Adam Smith and Carl Marx thought or advocated.”

“The society is being run by financiers who truly are not givers or job creators but are ruthless takers who are motivated with their unchecked and uncontrolled greed (...) During the past three decades we moved (...) to [the principle] ‘let them get as much money as possible any way they can and let them keep it’ philosophy. Thus, many CEOs are making millions of dollars in salaries while the minimum wage is only about eight dollars (...) We, as a society, seem to be controlled by greedy CEOs. The military-industrial complex has made recent wars of choice a vehicle to make money for certain groups at the expense of the society.”

“But having said all this, the market system is the only mechanism that would create jobs, would distribute wealth, would generate economic growth, and stabilize the economy by benefiting the whole society, not only the privileged few. But that mechanism simply is not working.”

Samli, A. Coskun (2014): *Dynamic markets and conventional ignorance: The great American dilemma*, Palgrave Macmillan, New York.

34. Marx's law of profitability as a theory of crises: falling profitability is the cause of crises in capitalism

“... the cause of recurring and regular economic crises or slumps in output, investment, and employment in modern economies can be found in Marx's law of the tendential fall in the rate of profit. Marx believed, and we agree, that this is ‘the most important law in political economy.’ The law is either ignored or disputed by mainstream economics, for an obvious reason: it suggests a fundamental flaw in the capitalist mode of production.”

“The law reveals that crises arise from the very essence of capitalism—the fundamental contradiction inherent in technological progress, the motor of capitalism's development—namely, that technological progress, while increasing labor productivity, at the same time replaces labor with the means of production, thus decreasing the value of the greater output. If less value and surplus value is generated, less value and surplus value can be realized. This is the root cause of falling profitability and crises (...) Marx's law implies the unpalatable truth that capitalist crises cannot be permanently ended without ending the capitalist mode of production itself.”

“Marx's law of the tendency of the rate of profit to fall provides the best explanation of the cause of recurrent and regular crises (slumps) in global capitalism.”

Carchedi, Guglielmo; Michael Roberts; eds. (2018): *World in crisis: A global analysis of Marx's law of profitability*, Haymarket Books, Chicago, Illinois.

35. Global capitalism

“Our world is burning. We face a global crisis that is unprecedented in terms of its magnitude, its global reach, the extent of ecological degradation and social deterioration, and the scale of the means of violence (...) The global capitalism perspective offers a powerful explanatory framework for making sense of the crisis.”

“Globalization constitutes a qualitatively new epoch in the ongoing and open-ended evolution of world capitalism, marked by a number of qualitative shifts in the capitalist system and by novel articulations of social power. I have highlighted four aspects unique to this epoch.”

- “First is the rise of truly transnational capital and a new global production and financial system into which all nations and much of humanity have been integrated, either directly or indirectly. We have gone from a world economy, in which countries and regions were linked to each other via trade and financial flows in an integrated international market, to a global economy, in which nations are linked to each other more organically through the transnationalization of the production process, of finance, and of the circuits of capital accumulation.”
- “Second is the rise of a Transnational Capitalist Class (TCC), a class group that has drawn in contingents from most countries around the world, North and South, and has attempted to position itself as a global ruling class. This TCC is the hegemonic fraction of capital on a world scale.”
- “Third is the rise of Transnational State (TNS) apparatuses. The TNS is constituted as a loose network made up of trans- and supra-national organizations together with national states that functions to organize the conditions for transnational accumulation and through which the TCC attempts to organize and institutionally exercise its class power.”
- “Fourth are novel relations of inequality, domination, and exploitation in global society, including an increasing importance of transnational social and class inequalities relative to North-South inequalities that are geographically or territorially conceived.”

Robinson, William I. (2014): *Global capitalism and the crisis of humanity*, Cambridge University Press, New York.

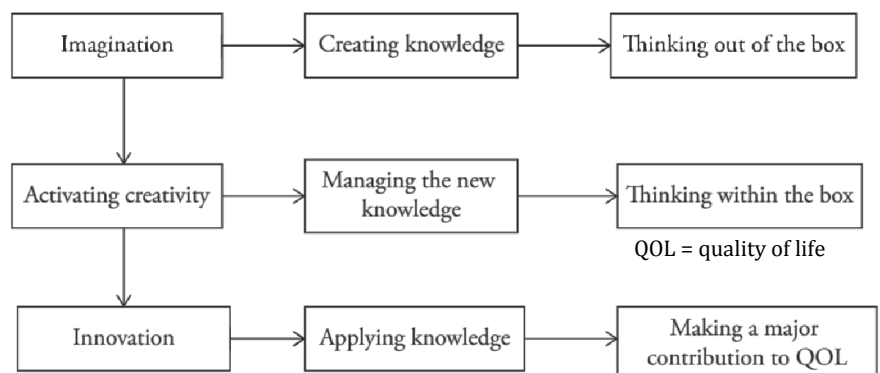
36. Innovation is the answer (A. Coskun Samli, 2014)

The workings of an innovative culture, p. 98

“Innovation is simply not emphasized. Since the private sector is experiencing record levels of profit, the stock market is breaking records, but the sluggish economy is crawling because there is not enough motivation for the private sector to put major resources into innovation. And the opposition is blocking the government from engaging in such necessary activities. Thus, one of my pet ideas, that is, generating a culture of innovation is not dormant, it is almost nonexistent. Once again, a most progressive and dynamic society such as ours is blocked by ignorance and unnecessary conservatism.”

“The market system cannot be utilized fully without major innovational activity. Ignorance and greed are blocking such an activity. Rectifying this situation can only be achieved by creating a drive to innovate (...) It is extremely critical that firms, hopefully all firms, have certain futuristic ambitions that would, at least partially, deal with innovation. An economic system that is not ambitious enough to innovate is not likely to make progress. Thus, innovation is the answer to major economic doldrums. The vehicle of the market system is simply waiting for positive movement, which will come only when ignorance and greed are defeated by progress.”

The Necessary Conditions	Implications
Curiosity cultivation	Serious challenges for curiosity to explore
Knowledge base development	There are enough educated people to innovate
Identifying the desired future	Having mature and ambitious future plans
Keeping a constant state of progress	Understanding the dynamic nature and progress of markets
Making radicalism a common concept	Cultivating radical thinking and applications
Generating the necessary talent	Talent can be cultivated by education and motivation
Creating a futuristic orientation	Not being satisfied with present conditions and always looking for improvement
Balancing basic versus applied research	Not only researching for current problems but also for future explorations
Putting special emphasis on radical innovations	Understanding the major innovational progress generated by radicalism



The essence of innovation, p. 105

37. Some ideas

- “Money flows across frontiers, but laws do not. The rich live globally, the rest of us have borders.”

- There is an “inevitable tension between borderless money and bordered states.”
- “In advanced countries increasing inequality is the result of three interacting factors: the strengthening of capital versus labour, increasing individualism and the withdrawal of the redistributive role of the state by decreasing taxes on high incomes, and reductions in the provision of public services through non-market systems, such as education , health, social security and pensions (...) In short, rising inequality has been caused mostly by huge gains made by the banking sector and the lowering of tax rates on higher incomes.”
- “The fundamental flaw of neoliberals is to have just a single and universal recipe for all problems and circumstances. This is too narrow a focus on curtailing the role of the state in the economy and the impediments to the flow of goods, capital and money across borders.”

Morrone, Mario (2018): *What is the truth about the Great Recession and increasing inequality? Dialogues on disputed issues and conflicting theories*, Springer, Cham, Switzerland

38. A technological paradox

“In a laissez faire capitalist economy, the choice boils down to two perspectives: 1) if one introduces policies to safeguard the standard of living of workers by establishing that the minimum wage cannot fall below a certain threshold (moderate left policy), the system produces ‘technological unemployment;’ 2) if it is established that the government must not interfere in negotiations between capitalists and workers, letting the market decide wage levels (moderate right policy), the system produces ‘technological impoverishment.’ All this happens when an impressive technological development may *potentially* improve the life condition of everybody. Thus, contemporary society seems to be inherently characterized by a ‘technological paradox.’”

Campa, Riccardo (2018): *Still think robots can't do your job: Essays on automation and technological unemployment*, D Editore, Rome.

39. Postcapitalism: network vs hierarchy

“Neoliberalism is the doctrine of uncontrolled markets: it says that the best route to prosperity is individuals pursuing their own self-interest, and the market is the only way to express that self-interest. It says the state should be small (except for its riot squad and secret police); that financial speculation is good; that inequality is good; that the natural state of humankind is to be a bunch of ruthless individuals, competing with each other.”

“Capitalism is more than just an economic structure or a set of laws and institutions. It is the whole system – social, economic, demographic, cultural, ideological – needed to make a developed society function through markets and private ownership. That includes companies, markets and states. But it also includes criminal gangs, secret power networks, miracle preachers in a Lagos slum, rogue analysts on Wall Street.”

“That, in short, is the argument of this book: that capitalism is a complex, adaptive system which has reached the limits of its capacity to adapt (...) Capitalism (...) will not be abolished by forced-march techniques. It will be abolished by creating something more dynamic that exists, at first, almost unseen within the old system, but which breaks through, reshaping the economy around new values, behaviours and norms.”

“Postcapitalism is possible because of three impacts of the new technology in the past twenty-five years. First, information technology has reduced the need for work, blurred the edges between work and free time and loosened the relationship between work and wages. Second, information goods are corroding the market's ability to form prices correctly. That is because markets are based on scarcity while information is abundant. The system's defence mechanism is to form monopolies on a scale not seen in the past 200 years – yet these cannot last. Third, we're seeing the spontaneous rise of collaborative production: goods, services and organizations are appearing that no longer respond to the dictates of the market and the managerial hierarchy. The biggest information product in the world – Wikipedia – is made by 27,000 volunteers, for free, abolishing the encyclopaedia business and depriving the advertising industry of an estimated \$3 billion a year in revenue (...) Parallel currencies, time banks, cooperatives and self-managed spaces have proliferated, barely noticed by the economics profession, and often as a direct result of the shattering of old structures after the 2008 crisis. New forms of ownership, new forms of lending, new legal contracts: a whole business subculture has emerged over the past ten years, which the media has dubbed the ‘sharing economy’. Buzzterms such as the ‘commons’ and ‘peer-production’ are thrown around, but few have bothered to ask

what this means for capitalism itself. I believe it offers an escape route – but only if these micro-level projects are nurtured, promoted and protected by a massive change in what governments do. This must in turn be driven by a change in our thinking about technology, ownership and work itself.”

“Collaborative production, using network technology to produce goods and services that work only when they are free, or shared, defines the route beyond the market system. It will need the state to create the framework, and the postcapitalist sector might coexist with the market sector for decades. But it is happening (...) The main contradiction today is between the possibility of free, abundant goods and information and a system of monopolies, banks and governments trying to keep things private, scarce and commercial. Everything comes down to the struggle between the network and the hierarchy, between old forms of society moulded around capitalism and new forms of society that prefigure what comes next.”

Mason, Paul (2015): *Postcapitalism: A guide to our future*, Allen Lane.

40. Suggestions for a post-labour world (Peter Fleming, 2015)

“We work, pay taxes, take care of the bills and commuting costs for one single reason: not to ‘survive’ but so that the governing elite gains its privileges for nothing. Our labour is designed to provide freedom to the rich. Our work exists in order to subsidize the costs of their existence (...) The more the neoliberal elite desires complete exemption from the social systems we are forced to participate in, the more we have to work. And because neoliberal capitalism entails such extreme inequalities of wealth distribution, work must become an inexorable way of life for most of us, rather than something we do among other things.”

- **“A surplus living wage.** Everybody in society ought to be paid at least an average of £30,000 irrespective of what they do. And no one should be paid more than £95,000 a year (roughly a 1:3 income ratio between the poorest and richest in society).”
- **“Post-state democratic organizations.** The governmental structure as it currently stands should be abandoned and a more direct form of participatory democracy should be instituted. Parliamentary democracy is neither parliamentary nor democratic, but a vehicle of direct oppression to enhance the interests of an elite so minute and removed from everyday life that we have little idea who most of them are.”
- **“The transfer of all monopolistic and oligopolistic enterprises into public hands,** that is, under the direct control of their own users. Railways, banks, healthcare providers, suppliers of water, electricity and foodstuffs, for example, have completely lost sight of their respective purposes under neoliberal capitalism.”
- **“The three-day work week.** From a historical viewpoint, societies that insisted people work more than three days a week were usually slave societies. The maintenance of even a ‘sophisticated self-subsistence’ does not require more than 20 hours of work a week (...) No economic value is added after a certain threshold is passed. Little of interest is created over and above the three days a week.”

[Parkinson’s Law: the time used to perform a task is adapted to the time given to perform it. “If we are given eight hours to perform a task, it usually takes eight hours to do so successfully. If we are only given three hours to do the same task, it typically takes three hours to do so successfully.”]

- **“Demassifying society as a positive global movement.** A friend recently sent me this: ‘About 70 per cent of agricultural land and freshwater is used for livestock –more for grains as livestock feed. Beef production uses three-fifths of global farmland. It yields under 5 per cent of protein. A kilogram of beef requires 15,000 liters of water. Shouldn’t we stop eating meat?’ Slowing down meat consumption is a metaphor for a wider process: slowing down the massification of ways of life that not only have little ethical purpose but are incredible self-destructive (...) Contemporary capitalist work patterns and coercive state communism share a set of elective affinities in this regard. And much of this has to do with the pointless and self-referential aspects of work –accelerated actions that go nowhere, that use up more energy than they give back, and so forth. Capitalism does not equate to individual freedom of expression; exactly the opposite is true.”
- **“Demonetarizing incentive structures.** (...) We are currently imprisoned in a theory of money that suggests that its endless accumulation is the only thing that makes us do anything –getting out of bed in the morning, acquiring an education, going to work (...) But the theory is false (...) A panoply of research

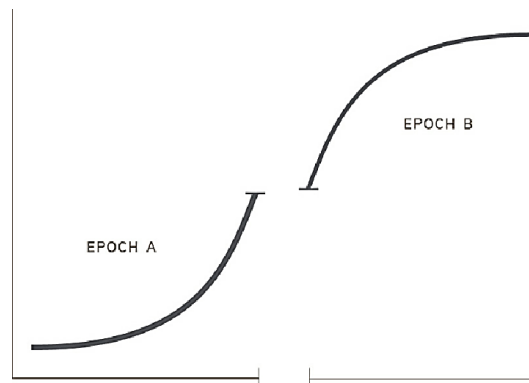
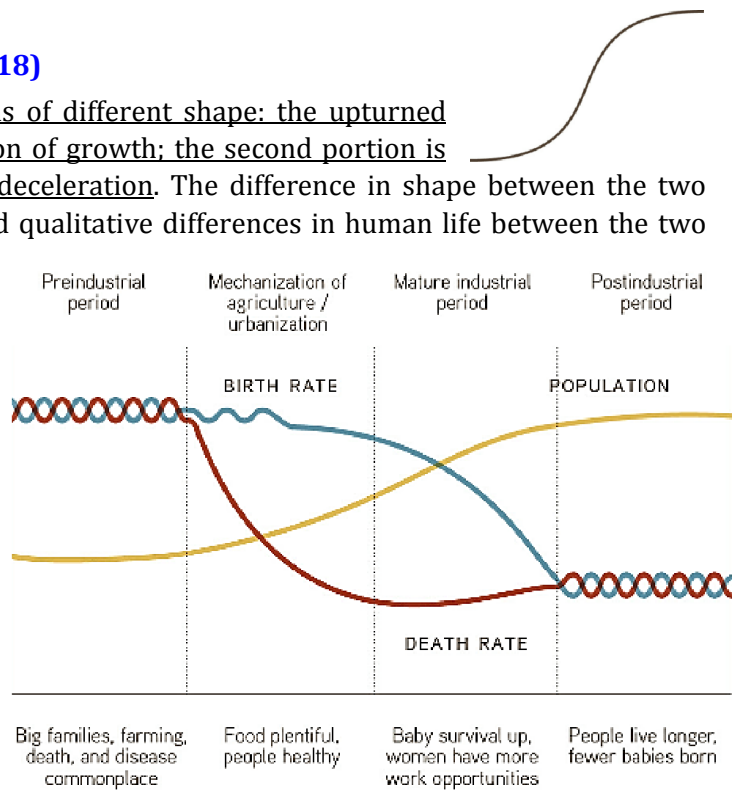
tells us that we become our creative, moral, insightful, inventive and productive best (i.e. happy people) when motivated by intrinsic rewards rather than financial ones (...). After a certain threshold is passed, money tends to spoil things; our desire for it (to buy things, obtain status, etc.) quickly becomes self-referential and tautological (we want money for its own sake) (...) We tend to be at our best when we do things that we are inherently interested in for their own worth or geared towards important social goals.”

Fleming, Peter (2015): *The mythology of work: How capitalism persists despite itself*, Pluto Press, London.

41. Epochs A and B (Jonas Salk and Jonathan Salk, 2018)

“The sigmoid growth curve consists of two sections of different shape: the upturned portion describes a phase of progressive acceleration of growth; the second portion is downturned and describes a phase of progressive deceleration. The difference in shape between the two portions of the curve suggests both quantitative and qualitative differences in human life between the two periods of time.”

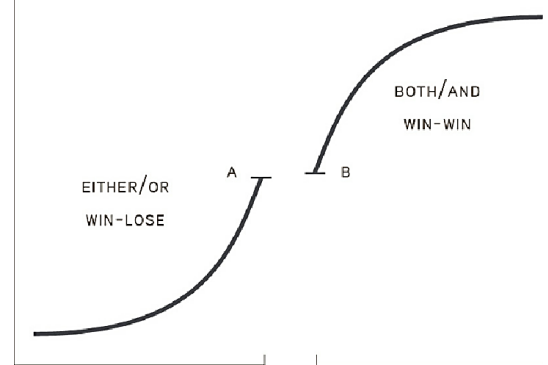
“We are moving from an era dominated by limitless growth, competitive strategies, short-range thinking, and independence to one characterized by awareness of limits, cooperation, long-range thinking, and interdependence (...) We are on a frontier, but it is not territorial or technological; it is human and social (...) In the years to come, we face the challenge of understanding and facilitating a slowing of human population growth and, ultimately, of adapting to conditions associated with a relatively constant population size at a level far beyond anything we have previously experienced.”



“To someone born in Epoch A, the future would appear to have few limitations in terms of growth, resources, and available energy. Someone living in Epoch B would, however, have a distinct sense of limitations and of the necessity to adapt to the approaching of a plateau in population growth.”

“In Epoch A, progressive increase in population was seen to be positive; in Epoch B, this increase is now of negative value and, if left unchecked, threatens our very existence.”

“In Epoch A, competition and the demands of persistent, accelerating growth were inherently associated with either/or attitudes and philosophies and the prevalence of win-lose strategies in the resolution of conflict. People or nations saw the world as a place in which any benefit to the other is a loss or detriment to the self. In Epoch B, however, the tendency toward balance, collaboration, and interdependence will be based upon and evoke a philosophy of both/and and the development of win-win strategies.”

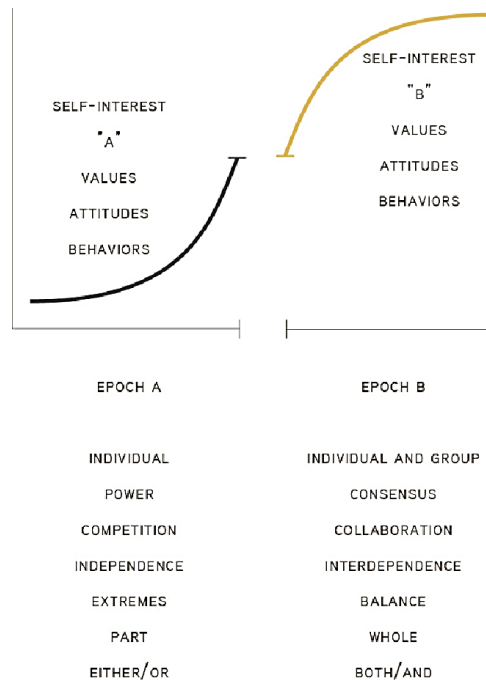


interdependence will be based upon and evoke a philosophy of both/and and the development of win-win strategies.”

“Epoch B values, attitudes, and behaviors are emerging not only because they are humane but also because they are advantageous to individuals and to society. During this transition, it can be expected that conflict, at all levels of human life, will increase. In the long term, such conflict will be most effectively and constructively

resolved with both/and rather than either/or strategies and through the integration of the values of Epoch A and Epoch B. The present period is especially sensitive. In resisting change, we may cling to values that are obsolete and exceed the tolerance of nature. Resisting change may ameliorate some problems in the short term but will not provide the basic shift in values needed in this epochal transition.”

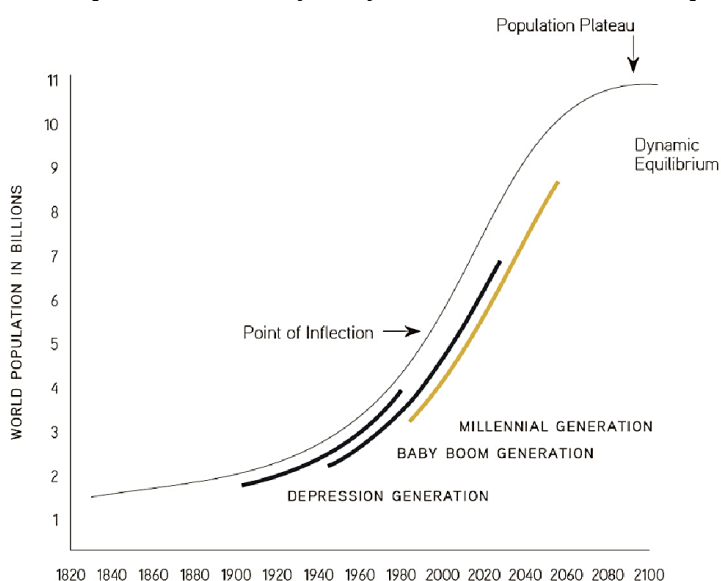
“Those in the Baby Boom generation were born just before the point of inflection; however, the inflection of the curve occurred during their lifetimes. Thus, they were born in the reality of Epoch A but have lived the later part of their lives in Epoch B—the part of the curve where growth is slowing. Those in the Millennial generation were born after the point of inflection of the growth curve, fully in Epoch B. From the time of their birth, the reality they have experienced has been one of awareness of limits, the need to conserve, and the sense of the planet as an integrated whole. Thus, their attitudes, values, and behaviors have been shaped by and are adapted to a reality very different from that experienced by any



generation before them.”

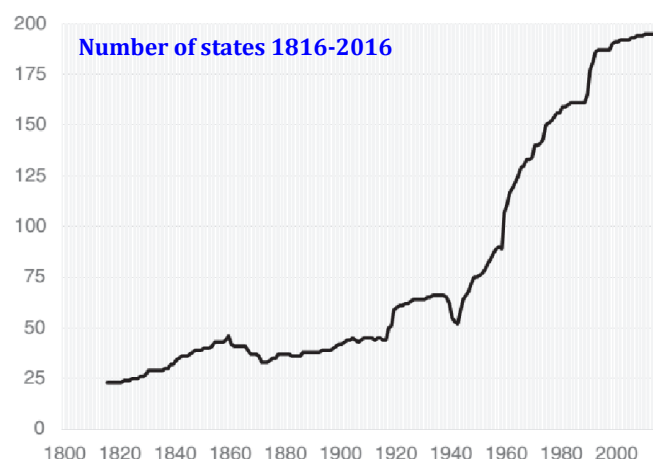
“The epochal change now taking place affects every aspect of human life—individual and institutional, emotional and cognitive, personal and technological. It calls for the resolution of imbalances and conflicts that have arisen in the course of preceding centuries and for the integration of divergent tendencies in human life. This integration will occur in ways that will differ according to local history, culture, and ecological conditions, but it must occur.”

Salk, Jonas; Jonathan Salk (2018): *A new reality: Human evolution for a sustainable future*, City Point Press, Stratford, CT.



42. Birth and death of states

“A clear trend in the international state system during the last 200 years is the increasing number of states (...) Since 1816, the international state system has expanded from 25 members to almost 200 members. During this period, the system has been in more or less continual flux. Old states have died through conquest, occupation, or dissolution, while new states have emerged after decolonization, integration, or secession. About 25% of all states that have existed since 1816 have perished, mostly after violent processes (...), and almost 90% of all states currently in existence were born after 1816.”



Denk, Thomas; Sarah Lehtinen (2019): *State-formation and democratization*, Palgrave Macmillan, Cham, Switzerland.

43. Three related features of the capitalist world system (Zack Cope, 2015)

“(1) The enrichment of the working class of the core, metropolitan or First World nations within capitalist social structures; (2) the massive and growing income disparity between the people living in advanced

capitalist societies and those living in peripheral, economically extraverted or dependent capitalist societies; and (3) the widespread racism, ethnic chauvinism and xenophobia pervading First World society today."

"The conditions of life for the working class in the countries of the Global North are predicated upon the immiseration, national oppression and exploitation of the workers and farmers of the Global South (...) The metropolitan working class has been transformed into a petty bourgeois labour aristocracy subsisting in large measure from the surplus labour of the superexploited workforce in the oppressed nations of the Third World has met with resistance on the part of the metropolitan left."

"If a free market truly existed, capital would accumulate in and flow to the Third World generating dramatic rises in Third World wages (...). However, there is not a free market. Rather, there exist two things demonstrating the indelibly political nature of economics. First, there is a system of violent government repression in the Third World, whereby autocratic 'free trade' regimes are installed, financed and legitimated by imperialist governments (particularly, but not exclusively, the USA) to keep wages low and natural resources cheap. At the same time, racist and discriminatory border controls are established that prevent competition between the proletariat of the Third World and the labour aristocracy of the First World."

"On a global scale (...) the largest multinational corporations (MNCs) are indeed based in countries with the highest wage levels. As in the past, imperialist countries today are able to invest in more productive technologies and more capital-intensive industries only because they can maintain profit rates by importing more economic surplus from foreign territories than they export to the same. Currently (...) this surplus comes not only in the form of unpaid-for raw materials and foodstuffs produced by land-starved agrarian populations, as in the colonial era, but also, and increasingly, of surplus value produced by superexploited wage-labourers."

"Presently, MNCs control about 70 per cent of all world trade and over a quarter of the world's economic activity takes place within the 200 largest corporations (...) 'Free trade' in an international capitalist system with a 'class monopoly' by the northern countries over the means of production allocates all of the efficiency trading gains to the North, just as 'free markets' under domestic capitalism with a class monopoly by capitalists over the means of production allocates all efficiency gains to capital (with surplus labour and in the absence of countervailing power by unions and the state)."

"One of the most striking features of the imperialist world economy revealed in the data is that Northern firms do not compete with Southern firms; they compete with other Northern firms (...) There is North-North competition, and fierce competition between Southern producers for contracts with Northern-led firms, but no North-South competition."

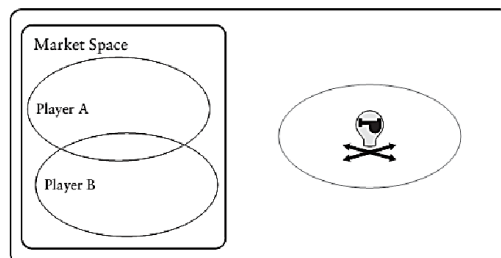
"Remove the Third World as a source of superprofits, and the economies of the First World would be bankrupt. Moreover, if capitalism was to survive under such conditions, First World workers would see their standard of living sink like a stone, for they would thus fall back into the proletariat. In short, economically speaking, the core imperialist countries are net parasites subsisting off the land, labour and resources of the Third World and not value produced by their own workers (...) Capitalism's ability to maintain itself in the teeth of crisis revolves around its ability or otherwise to maintain the Third World in a subordinate position."

Cope, Zak (2015): *Divided world divided class: Global political economy and the stratification of labour under capitalism, second edition*, Kersplebedeb, Montreal.

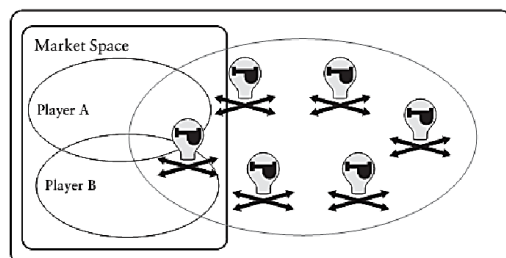
44. The Pirate's Dilemma

"In the Pirate's Dilemma, Players A and B are not burglars but individuals or companies selling competing products. The players are not being threatened by police, but by pirates: those creating a new space outside of the traditional, legitimate market. Let's assume our definition of 'pirates' also includes those providing free substitute products powered by altruism, such as open-source software, for example. These pirates can add value to society, but in doing so take value from companies or individuals such as Players A and B. When people switch to Linux, for example, that takes market share away from Microsoft (...)

Pirates create a gap outside of the market.



If piracy grows, Players A and B will face a Pirate's Dilemma.



pirates create value for society, society supports them. If the pirates grow and take a larger chunk out of the traditional market space, Players A and B soon find they face a Pirate’s Dilemma. Do they try to fight piracy with the law, at the risk of alienating the public, the way the record business did, or do they do what iTunes did, and compete with the pirates in the new market space?

Mason, Matt (2008): *The pirate’s dilemma: How youth culture reinvented capitalism*, Free Press, New York.

45. Twenty lessons from the twentieth century

“History does not repeat, but it does instruct.” On number 5: “Authoritarians need obedient civil servants there is no such thing as ‘just following orders.’”

Snyder, Timothy (2017): *On tyranny: Twenty lessons from the twentieth century*, Tim Duggan Books, New York.

- | | |
|---|---|
| 1. Do not obey in advance. | 11. Investigate. |
| 2. Defend institutions. | 12. Make eye contact and small talk. |
| 3. Beware the one-party state. | 13. Practice corporeal politics. |
| 4. Take responsibility for the face of the world. | 14. Establish a private life. |
| 5. Remember professional ethics. | 15. Contribute to good causes. |
| 6. Be wary of paramilitaries. | 16. Learn from peers in other countries. |
| 7. Be reflective if you must be armed. | 17. Listen for dangerous words. |
| 8. Stand out. | 18. Be calm when the unthinkable arrives. |
| 9. Be kind to our language. | 19. Be a patriot. |
| 10. Believe in truth. | 20. Be as courageous as you can. |

46. Rules of thumb to prevent disaster in policy-making

A “few rules of thumb that, if observed, could make development planning less prone to disaster.

- **Take small steps.** In an experimental approach to social change, presume that we cannot know the consequences of our interventions in advance. Given this postulate of ignorance, prefer wherever possible to take a small step, stand back, observe, and then plan the next small move.
- **Favor reversibility.** Prefer interventions that can easily be undone if they turn out to be mistakes. Irreversible interventions have irreversible consequences.
- **Plan on surprises.** Choose plans that allow the largest accommodation to the unforeseen.
- **Plan on human inventiveness.** Always plan under the assumption that those who become involved in the project later will have or will develop the experience and insight to improve on the design.”

Scott, James C. (1998): *Seeing like a state: How certain schemes to improve the human condition have failed*, Yale University Press, New Haven and London.

47. Ulrich Beck’s future scenarios of work

	Hope	Collapse
	1	2
Science-based information technologies	From the work society to the knowledge society	Capitalism without work
	3	4
Globalization	The world market – the neoliberal jobs miracle	The fixed location of work – a globalization risk
	5	6
Ecological crises	Sustainable work – the ecological economic miracle	Global apartheid
	7	8
Individualization	The self-employed – the freedom of insecurity	Individualization of work – disintegration of society

“If the framework of a full-employment society is replaced with that of a multi-activity society, the collapse scenarios become the occasion for a redefinition of work and of the necessary reforms. Three more future scenarios can then be developed (...):

- 9 Farewell to the work society: instead, the multi-activity society.
- 10 Condemned to leisure: the free-time society.
- 11 Post-national and political civil society: a European social model”

Beck, Ulrich (2000): *The brave new world of work*, Polity Press, Cambridge, UK.

48. The six most important drivers of global change (Al Gore, 2013)

“In order to reclaim control of our destiny and shape the future, we must think freshly and clearly about the crucial choices that confront us as a result of:

- The emergence of a deeply interconnected global economy that increasingly operates as a fully integrated holistic entity with a completely new and different relationship to capital flows, labor, consumer markets, and national governments than in the past;
- The emergence of a planet-wide electronic communications grid connecting the thoughts and feelings of billions of people and linking them to rapidly expanding volumes of data, to a fast growing web of sensors being embedded ubiquitously throughout the world, and to increasingly intelligent devices, robots, and thinking machines, the smartest of which already exceed the capabilities of humans in performing a growing list of discrete mental tasks (...);
- The emergence of a completely new balance of political, economic, and military power in the world that is radically different from the equilibrium that characterized the second half of the twentieth century, during which the United States of America provided global leadership and stability—shifting influence and initiative from West to East, from wealthy countries to rapidly emerging centers of power throughout the world, from nation-states to private actors, and from political systems to markets;
- The emergence of rapid unsustainable growth—in population; cities; resource consumption; depletion of topsoil, freshwater supplies, and living species; pollution flows; and economic output that is measured and guided by an absurd and distorted set of universally accepted metrics that blinds us to the destructive consequences of the self-deceiving choices we are routinely making;
- The emergence of a revolutionary new set of powerful biological, biochemical, genetic, and materials science technologies that are enabling us to reconstitute the molecular design of all solid matter, reweave the fabric of life itself, alter the physical form, traits, characteristics, and properties of plants, animals, and people, seize active control over evolution, cross the ancient lines dividing species, and invent entirely new ones never imagined in nature; and
- The emergence of a radically new relationship between the aggregate power of human civilization and the Earth's ecological systems, including especially the most vulnerable—the atmosphere and climate balance upon which the continued flourishing of humankind depends—and the beginning of a massive global transformation of our energy, industrial, agricultural, and construction technologies in order to reestablish a healthy and balanced relationship between human civilization and the future.”

Gore, Al (2013): *The future: Six drivers of global change*, Random House, New York.

49. The transition from British to American hegemony

“Hegemony is the ability to set the rules of international involvement, and to create order among states by enforcing those rules. Most replacements of hegemonic powers in the international order occur by violence— nearly all, in fact. Dominant states hold their position by force for as long as possible, and are eventually defeated by challengers in the form of a fresh rising power or a collection of lesser powers working together. The exception to that pattern— and there is only one—is the transition that occurred from the midnineteenth century to the early twentieth as dominance in the international order shifted from Great Britain to the United States (...) The transition from Britain to America was peaceful because at that crucial time, America became an empire and Britain became a democracy. As a result, both states came to view themselves as akin to each other and different from others.”

“Britain made a fundamental choice that its interests were so closely aligned with America’s that it could encourage an activist American foreign policy— that, in effect, American power could be harnessed to British interests. Their power relative to each other became less important than their cumulative power relative to other states (...) A more democratic Britain and a more internationally engaged America felt similar to each other and different from other states (...) Yet once America became the hegemon, it was no longer willing to accept the rules of order that Great Britain had established (...) Once in power, America changed the rules, and should expect that other rising powers will do the same in the time of their hegemony (...) The cooperation between Britain and the United States taught America how to be a hegemon (...) For future hegemonic transitions to be peaceful, the hegemon being displaced would need to have a strong belief that the rising power shared both its interests and its values. Such similarity might allow the rising power’s effort to be considered additive to the hegemon’s rather than a challenge.”

Schake, Kori (2017): *Safe passage: The transition from British to American hegemony*, Harvard University Press, Cambridge, Massachusetts.

50. The Great Seesaw (Geoffrey Blainey, 1988)

“In the western world a powerful seesaw is at work but is rarely noticed. The seesaw carries a wide range of beliefs and attitudes, and when the seesaw moves many of those attitudes move too. The seesaw has been tilting up and down since at least the eighteenth century, and at times it reaches an extreme angle (...) The seesaw is an indicator of the condition of the western world, and is especially vital during a long period of relative peace between western nations (...) Those who admire Technology have tended to criticise Nature, and those who admire Nature have tended to criticise Technology (...) The arts in all their variety reflect the swing of the seesaw.”

“The movements of the seesaw influence the birth of new ideas, the way they are expressed, and the enthusiasm or apathy of scholars towards those ideas (...) Technology is the sum total of mankind's current skills as a problem solver; and when our faith in those skills becomes weaker, we view more pessimistically the world's main natural resources and above all, the hope of finding substitutes for those resources.”

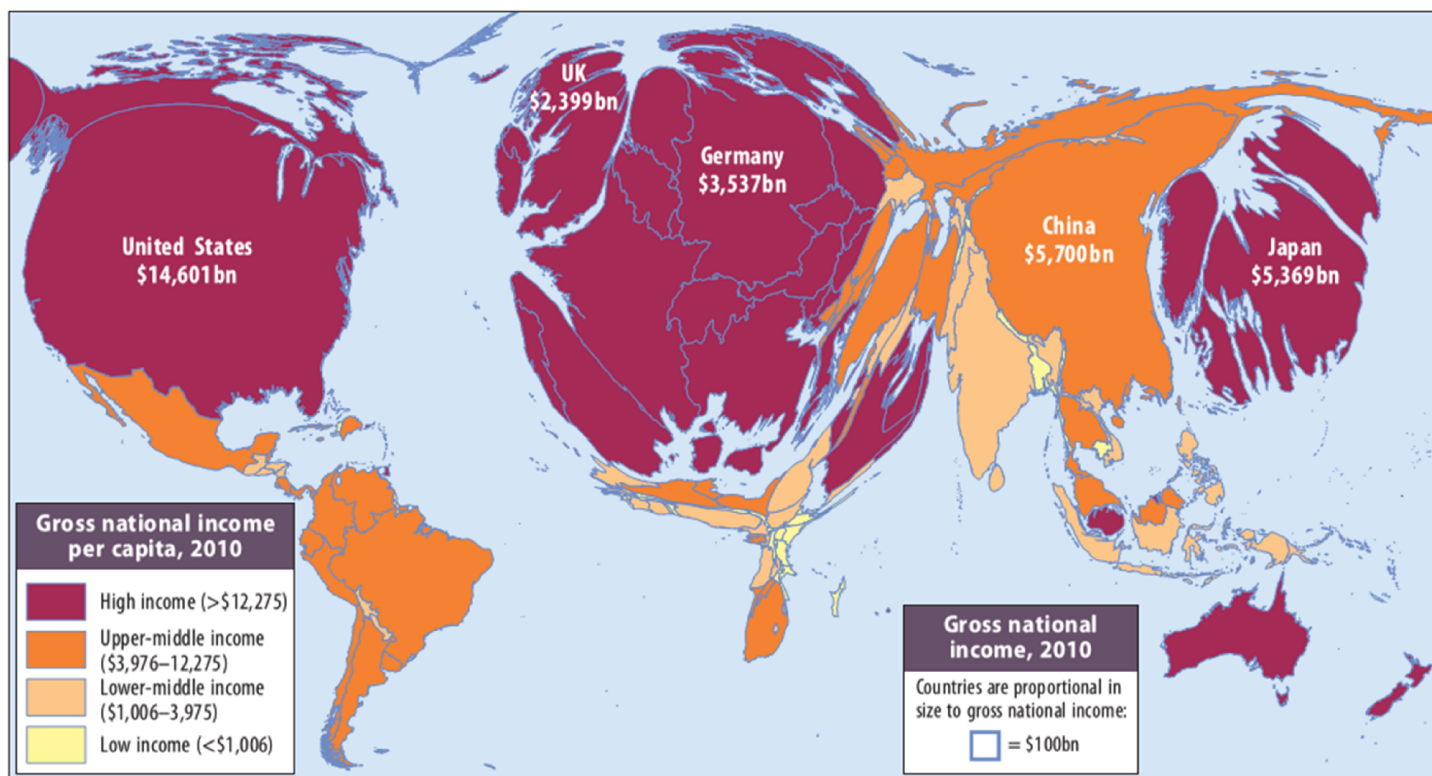
“A swing of the seesaw has strong economic effects. A loss of confidence in Technology -that powerful dynamo of modern capitalism- sends shock waves through the economic system, while an increased respect for Technology adds zest to economic activity. Although the seesaw is linked to economic life, the evidence does not indicate that economic changes are always propelling the swings in intellectual and social attitudes. Economic changes do affect the seesaw but in turn the seesaw affects economic life (...) The time will probably come when economists recognise these cultural signs.”

“The swing between Technology and Nature is in a sense a swing between optimism and pessimism. Those who believe in Technology, I sometimes call the optimists. Those who believe in Nature, I sometimes call the pessimists. I know this is too simple a contrast, for many who favour a return to Nature are pessimistic towards the short-term future of their civilisation but, believing they hold the ultimate panacea, are optimistic towards the long-term future (...) An optimist, by my definition, respects our science-based civilisation and believes that it will continue to flourish.”

“My own conclusion is that a version of the seesaw existed in earlier centuries but was slower and less powerful. Later the seesaw became influential as society became more secular and as new technology became decisive (...) The seesaw stands at one of its most revealing positions in the period extending roughly from 1750 to 1790 when both Nature and western civilisation had powerful admirers; it illuminates the period from the 1840s to the 1870s when faith in western civilisation and specially its technology reigned supreme; it is important in the shorter period after the 1890s when faith in Nature revived powerfully, and in the recent post-war period when a strong swing towards Technology was followed by a strong swing towards Nature (...) The seesaw is more than a guide to people's attitudes to Nature on the one hand and to modern industrial society on the other. Many of our important values and attitudes are clustered at one end of the seesaw. The seesaw often carries, at opposite ends, the following riders and beliefs:

OPTIMISTS	PESSIMISTS
Optimists believe that:	Pessimists believe that:
Man is intelligent	Man is not as clever as he thinks he is
Our industrial civilisation is admirable	Our industrial civilisation is sick
New technology is beneficial	New technology is dangerous
Reason is the highest virtue	Imagination, instinct and emotion are the highest virtues
City life is noblest	Rural life is noblest
Rural life fosters idiocy	City life corrupts and pollutes
The work ethic deserves three cheers	Leisure deserves three cheers
Paradise is full of change	Paradise is stability and simplicity
Nature must be harnessed	Nature, if left alone, is bountiful
Science will provide	Nature will provide
Specialisation is wise	The all-rounder is preferable
Competition is a virtue	Co-operation is a virtue
Modern man is the ideal	The noble savage is the ideal
The golden age lies in the present and future but not in the past	The golden age lies in the past and maybe in a far-away, utopian future

Blainey, Geoffrey (1988): *The Great Seesaw: A new view of the western world, 1750-2000*, Macmillan, Basingstoke, UK.



Dicken, Peter (2015): *Global shift: Mapping the changing contours of the world economy*

51. Us vs them: The failure of globalism (Ian Bremmer, 2018)

“Many people believe that ‘globalism’ and ‘globalization’ have failed them. These would-be leaders have a talent for drawing boundaries between people. They offer a compelling vision of division, of ‘us vs. them,’ of the worthy citizen fighting for his rights against the entitled or grasping thief. Depending on the country and the moment, ‘them’ may mean rich people or poor people, foreigners or religious, racial, and ethnic minorities.”

“Today, the watchword is inequality. We have always known the world remained an unfair place, but most of the world’s elites believed, with plenty of evidence, that globalism was the solution, not the problem. But while the elites convene for debate, more people are getting frustrated (...) People are angry. They no longer believe that hard work and education are enough. They don’t see a path, and they feel they’ve been lied to. For decades (...) Are the globalists scared? Absolutely not. The United States and global economies surged in 2017 and 2018, and there is no looming global revolution, no World War III that will force change on us all. Public anger is a chronic condition we’ve learned to live with.”

“This book is about ongoing political, economic, and technological changes around the world and the widening divisions they will create between the next waves of winners and losers. It’s about the ways in which people will define these threats as fights for survival that pit various versions of ‘us’ against various forms of ‘them.’ It’s about the walls governments will build to protect insiders from outsiders and the state from its people.”

“‘Countries are no longer nations but markets. Borders are erased... Everyone can come to our country, and this has cut our salaries and our social protections. This dilutes our cultural identity.’ Marine Le Pen’s four sentences capture every important element of the anxiety rising across the Western world. The borders are open, and the foreigners are coming. They will steal your job. They will cost you your pension and your health care by bankrupting your system. They will pollute your culture. Some of them are killers.”

“Globalization—the cross-border flow of ideas, information, people, money, goods, and services—has resulted in an interconnected world where national leaders have increasingly limited ability to protect the lives and livelihoods of citizens. In the digital age, borders no longer mean what citizens think they mean. In some ways, they barely exist.”

“Globalism—the belief that the interdependence that created globalization is a good thing—is indeed the ideology of the elite. Political leaders of the wealthy West have been globalism’s biggest advocates, building a

system that has propelled ideas, information, people, money, goods, and services across borders at a speed and on a scale without precedent in human history (...) Sure, more than a billion people have risen from poverty in recent decades, and economies and markets have come a long way from the financial crisis. But along with new opportunities come serious vulnerabilities, and the refusal of the global elite to acknowledge the downsides of the new interdependence confirms the suspicions of those losing their sense of security and standard of living (...) In the United States, the jobs that once lifted generations of Americans into the middle class—and kept them there for life—are vanishing. Crime and drug addiction are rising. While 87 percent of Chinese and 74 percent of Indians told pollsters in 2017 that they believe their country is moving “in the right direction,” just 43 percent of Americans said the same.”

“Many of the storms creating turmoil in the U.S. and Europe—particularly technological change in the workplace and broader awareness of income inequality—are now headed across borders and into the developing world, where governments and institutions aren’t ready.”

“It is not rising China, a new Cold War, the future of Europe, or the risk of a global cyberconflict that will define our societies. It’s the efforts of the losers not to get ‘fucked over,’ and the efforts of the winners to keep from losing power. Not just in the United States and Europe, but in the developing world too, there will be a confrontation within each society between winners and losers.”

“‘Us vs. them’ is a message that will be adopted by both the left and the right. Antiglobalists on the left use ‘them’ to refer to the governing elite, ‘big corporations,’ and bankers who enable financial elites to exploit the individual worker or investor (...) Antiglobalists on the right use “them” to describe governments that cheat citizens by offering preferential treatment to minorities, immigrants, or any other group that receives explicit protection under the law.”

“Human beings want security, opportunity, and prosperity, and governments want to claim credit for providing these things. Both the government and the governed want to believe they have the means to retake control of their circumstances when they believe these things are threatened. This is the battle line between us and them.”

Bremmer, Ian (2018): Us vs them: The failure of globalism, Portfolio/Penguin, New York.

52. Adverse effects of globalization (Ian Bremmer, 2018)

- **Economic insecurity: globalization creates and shifts wealth.** “Globalization creates new economic efficiency by moving production and supply chains to parts of the world where resources—raw materials and workers—are cheapest. In the developing world, the influx of capital from wealthier nations has created the first truly global middle class. In the developed world, this process bolsters the purchasing power of everyday consumers by putting affordable products on store shelves, but it also disrupts lives by killing livelihoods as corporations gain access to workers in poorer countries who will work for lower wages (...) Trade has not become as toxic a political issue in Europe as in the United States.”

“Beyond trade, globalization boosts technological change by exposing businesses of all kinds to international competition, forcing them to become ever more efficient, which leads to greater investment in game-changing innovations. Advances in automation and artificial intelligence are remaking the workplace for the benefit of efficiency, making the companies that use them more profitable, but workers who lose their jobs and can’t be retrained for new ones won’t share in the gains (...) As a result, large numbers of U.S. factory jobs have been lost not to Chinese or Mexican factory workers but to robots (...) Broadening the effect, the introduction into the workplace of artificial intelligence is also reducing the number of—and changing the skill sets needed for—a fast-growing number of service sector jobs (...) ‘Globalization,’ says Le Pen, is “manufacturing by slaves for selling to the unemployed.””

- **Cultural anxiety.** “The second way in which globalism creates fear centers on identity. Globalization doesn’t just move factory-built products. It also moves people, feeding public anxiety by shifting the racial, ethnic, linguistic, and religious makeup of communities, sometimes abruptly. In the United States, as in many European countries, there’s an especially strong sense of national identity based on racial, ethnic, and religious affinity. Add the migrant crisis that brought the largest influx of homeless people since World War II, many of them Muslims fleeing violence and oppression in the Middle East and North Africa, and Europeans begin to feel much less secure about the future of their nations (...) Finally, globalism also

inspires fear by enabling connectivity. The instantaneous global flow of ideas and information connects more people more quickly than ever before and gives them new opportunities for education, collaboration, and commerce. But it also gives them more to be angry about, new ways to broadcast that anger, and new tools to help them coordinate protest.”

- **“The battle of us vs. them will only become more intense.”** (1) “There is little reason to believe that a decades-long trend toward greater inequality and a greater sense of economic unfairness, particularly in the United States, will be reversed anytime soon.” (2) “Nor should we expect a sudden narrowing of economic strength between the wealthier countries of Northern Europe, where unemployment is relatively low, and the poorer countries of Southern Europe, where unemployment remains stubbornly high. Resentments over bailouts and austerity will create new opportunities for new politicians to exploit in years to come. In addition, the turn toward identity-driven nationalist politics in Eastern Europe will make it difficult for Germany and France to sell the sorts of EU and eurozone reforms that might make European institutions stronger, more resilient, and more accountable.” (3) “The wealthiest companies can continue to use their political clout to push for tax rules that allow them to move money across borders to exploit tax advantages. As Rodrik has written, governments will then depend more heavily for revenue on taxing the wages and consumption of individual citizens. That trend will extend the transfer of wealth and widen inequality further.” (4) “Nor is there good reason to believe there will be fewer immigrants in the future.” (5) “Terrorism is unlikely to subside.” (6) “Cyberspace is another arena in which government will become increasingly less able to provide basic public protection.” (7) “Another factor that’s likely to exacerbate inequality: next-generation automation (...) The increasing automation of the workplace, advances in machine learning, and the broad introduction into the economy of new forms of artificial intelligence will ensure that jobs of the future will require ever higher levels of education and training. As anyone now paying tuition—for themselves or someone else—knows all too well, the price of higher education in the United States is rising faster than for almost any other service.”

53. It all has happened before: the four turnings (William Strauss and Neil Howe, 1997)

“The reward of the historian is to locate patterns that recur over time and to discover the natural rhythms of social experience. In fact, at the core of modern history lies this remarkable pattern: Over the past five centuries, Anglo-American society has entered a new era—a new turning—every two decades or so. At the start of each turning, people change how they feel about themselves, the culture, the nation, and the future. Turnings come in cycles of four. Each cycle spans the length of a long human life, roughly eighty to one hundred years, a unit of time the ancients called the saeculum. Together, the four turnings of the saeculum comprise history’s seasonal rhythm of growth, maturation, entropy, and destruction:”

- The *First Turning* is a *High*, an upbeat era of strengthening institutions and weakening individualism, when a new civic order implants and the old values regime decays.
- The *Second Turning* is an *Awakening*, a passionate era of spiritual upheaval, when the civic order comes under attack from a new values regime.
- The *Third Turning* is an *Unraveling*, a downcast era of strengthening individualism and weakening institutions, when the old civic order decays and the new values regime implants.
- The *Fourth Turning* is a *Crisis*, a decisive era of secular upheaval, when the values regime propels the replacement of the old civic order with a new one.”

“Each turning comes with its own identifiable mood. Always, these mood shifts catch people by surprise. In the current saeculum, the First Turning was the American High of the Truman, Eisenhower, and Kennedy presidencies (...) The Second Turning was the Consciousness Revolution, stretching from the campus revolts of the mid-1960s to the tax revolts of the early 1980s (...) The Third Turning has been the Culture Wars, an era that began with Reagan’s mid-1980s Morning in America and is due to expire around the middle of the Oh-Oh decade, eight or ten years from now (...) The Fourth Turning is history’s great discontinuity. It ends one epoch and begins another. History is seasonal, and winter is coming.”

“Sometime around the year 2005, perhaps a few years before or after, America will enter the Fourth Turning (...) Trying to foresee where the eruption will go once it bursts free of the channels is like trying to predict the exact fault line of an earthquake. All you know in advance is something about the molten ingredients of the climax, which could include the following:

- *Economic distress*, with public debt in default, entitlement trust funds in bankruptcy, mounting poverty and unemployment, trade wars, collapsing financial markets, and hyperinflation (or deflation).
- *Social distress*, with violence fueled by class, race, nativism, or religion and abetted by armed gangs, underground militias, and mercenaries hired by walled communities.
- *Cultural distress*, with the media plunging into a dizzying decay, and a decency backlash in favor of state censorship.
- *Technological distress*, with cryptoanarchy, high-tech oligarchy, and biogenetic chaos.
- *Ecological distress*, with atmospheric damage, energy or water shortages, and new diseases.
- *Political distress*, with institutional collapse, open tax revolts, one-party hegemony, major constitutional change, secessionism, authoritarianism, and altered national borders.
- *Military distress*, with war against terrorists or foreign regimes equipped with weapons of mass destruction.”

Strauss, William; Neil Howe (1997): *The fourth turning: An American prophecy*, Broadway Books, New York.

54. 'We' versus 'Me'

“The energies of a duality drive the Pendulum of public opinion. On one side is 'Me,' the individual—unique, special, and possessing unlimited potential. On the other side is 'We'—the group, the team, the tribe, the collective. 'Me' and 'We' are the



equal-but-opposite attractions that pull society's Pendulum one way, then the other. The twenty-year Upswing to the Zenith of 'We' (e.g., 1923–1943) is followed by a twenty-year Downswing as that 'We' cycle loses energy (e.g., 1943–1963). Society then begins a twenty-year Upswing into 'Me' (e.g., 1963–1983), followed by a twenty-year Downswing as the 'Me' cycle loses energy (1983–2003). Think of the Pendulum as the forty-year heartbeat of society, systolic and diastolic.”

“The 'Me' cycle.

1. demands freedom of expression;
2. applauds personal liberty;
3. believes one man is wiser than a million men: 'A camel is a racehorse designed by a committee';
4. wants to achieve a better life;
5. is about big dreams;
6. desires to be Number One: 'I came, I saw, I conquered';
7. admires individual confidence and is attracted to decisive persons;
8. believes leadership is 'Look at me. Admire me. Emulate me if you can'; and
9. strengthens a society's sense of identity as it elevates attractive heroes.”

“The 'We' cycle.

1. demands conformity for the common good;
2. applauds personal responsibility;
3. believes a million men are wiser than one man: "Two heads are better than one";
4. wants to create a better world;
5. is about small actions;
6. desires to be a productive member of the team: 'I came, I saw, I concurred';
7. admires individual humility and is attracted to thoughtful persons;
8. believes leadership is "This is the problem as I see it. Please consider the things I am telling you and perhaps we can solve this problem together"; and
9. strengthens a society's sense of purpose as it considers all its problems.”

“It's not about age; it's about attitude. It's not about when you were born; it's about how you see the world. In this book, the word generation will be defined as, 'life cohorts bonded by a set of values that dictate the prevailing worldview of the majority.' Life cohorts, not birth cohorts. Everyone alive—regardless of their age—who sees the world through the lens of a particular set of values is part of that generation.”

“New values are introduced every forty years at a tipping point, also known as a fulcrum. This tipping point/fulcrum is where the Pendulum hangs directly downward, having just completed a Downswing and ready to begin the Upswing on the other side. On one side of society’s Pendulum is ‘Me,’ marked by the idealization of individuality and freedom of expression. The values of ‘Me’ are the values of the grasshopper, not the ant. The grasshopper is happy-go-lucky, living always in the moment. On the other side of the Pendulum is ‘We,’ marked by the idealization of authenticity and belonging to a tribe, working together for the common good. The ants are ‘We,’ trying to do the right thing, fulfilling their obligations, cleaning up the mess the grasshopper left behind.”

“It would appear that the Eastern and Western Pendulums are locked in opposite cycles. Western Europe, the Americas, and Australia are headed into a ‘We’ just as China, India, and the rest of Asia seem to be headed into a ‘Me.’ In essence, China is experiencing the ‘60s. Our 1963 happened for them in 2003.”

WE DRIVERS OF A “WE” VS. DRIVERS OF A “ME” ME

- | | |
|---|---|
| <ul style="list-style-type: none"> • Demands conformity for the common good. • Applauds personal responsibility. • Believes a million men are wiser than one man. • Wants to create a better world. “I came, I saw, I concurred.” • Is about small actions. • Desires to be part of a productive team. • Admires humility and thoughtful persons. • Believes leadership is “This is the problem as I see it. Let’s solve it together.” • Strengthen society’s sense of purpose, focuses on solving problems. | <ul style="list-style-type: none"> • Demands freedom of expression. • Applauds personal liberty. • Believes one man is wiser than a million men. • Wants to achieve a better life: “I came, I saw, I conquered.” • Is about big dreams. • Desires to be Number One. • Admires individual confidence and decisive persons. • Believes leadership is “Look at me. Admire me. Emulate me if you can.” • Strengthen society’s sense of identity, elevates attractive heroes. |
|---|---|

55. G-Zero

“G-Zero—\JEE-ZEER-oh\- n *A world order in which no single country or durable alliance of countries can meet the challenges of global leadership.*”

“For the first time in seven decades, we live in a world without global leadership (...) In a world where so many challenges transcend borders—from the stability of the global economy and climate change to cyberattacks, terrorism, and the security of food and water—the need for international cooperation has never been greater. Cooperation demands leadership. Leaders have the leverage to coordinate multinational responses to transnational problems. They have the wealth and power to persuade governments to take actions they wouldn’t otherwise pursue. They pick up the checks that others can’t afford and provide services no one else will pay for. On issue after issue, they set the international agenda. These are responsibilities that America is increasingly unwilling, and incapable, of assuming. At the same time, the rising powers aren’t yet ready to take up the slack (...) Nor are we likely to see leadership from global institutions (...) If not the West, the rest, or the institutions where they come together, who will lead? The answer is no one—neither the once-dominant G7 nor the unworkable G20. We have entered the G-Zero.”

“This book details a world in tumultuous transition, one that is especially vulnerable to crises that appear suddenly and from unexpected directions. Nature still hates a vacuum, and the G-Zero won’t last forever. But over the next decade and perhaps longer, a world without leaders will undermine our ability to keep the peace, to expand opportunity, to reverse the impact of climate change, and to feed growing populations. The effects will be felt in every region of the world—and even in cyberspace.”

WHAT HAPPENS WHEN WE TAKE A GOOD THING TOO FAR			
UPSWING WE VALUES	ZENITH WE (TOO FAR) VALUES	UPSWING ME VALUES	ZENITH ME (TOO FAR) VALUES
Responsibility	» Duty	Big dreams	» Hollowness
Humility	» Obligation	Individual expression	» Posing
Thoughtfulness	» Sacrifice	Freedom	» Phoniness
Conformity	» Regimentation	Being cool	» Self-centeredness
Authenticity	» Self-righteousness	Personal achievement	» Guru worship
Transparency	» Oppressiveness	Rose-colored lenses	» Depravity

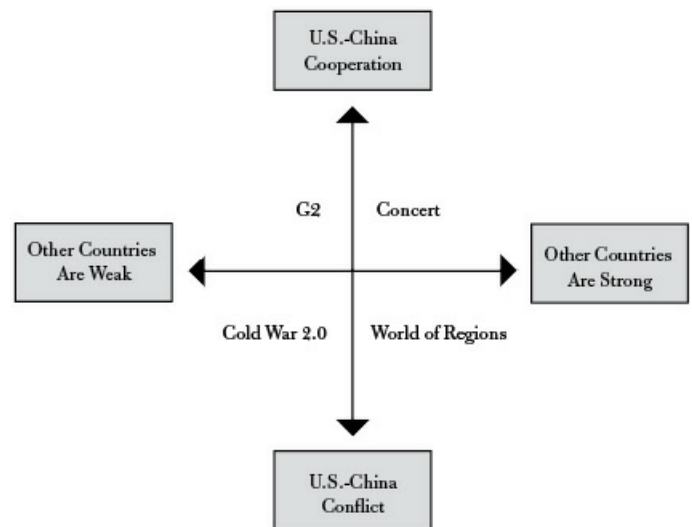
56. Winners and losers in G-Zero (Ian Bremmer, 2012)

“Who wins and who loses in this exceptionally fluid international environment? A winner is made more prosperous and secure by a world without leadership, and has more options and greater influence than it had before. Winners have choices. A loser is one made less prosperous, secure, and influential because it has fewer political and commercial avenues to explore.”

- **Winners.** ‘Pivot states’ (Brazil, Turkey, Africa a pivot continent, Indonesia, Vietnam, Singapore, Mongolia, Canada); ‘rogues with powerful friends’ (North Korea, Iran, Myanmar); some companies and multinationals (adapters, protectors and cheaters); and investors picking the winners.
- **Losers.** ‘Referees’ (“the institutions built to serve those who once dominated the international system but that can’t be reformed quickly enough to remain effective”, like NATO and “NGOs that monitor emerging states’ compliance with Western standards”); ‘exposed states’ (“those most deeply dependent on U.S. strength and Washington’s willingness to use it to protect its allies”: Japan, Taiwan, Israel); ‘shadow states’ (“those that would love to have the freedom of pivot states but remain frozen in the shadow of a single power”: Mexico, Ukraine); ‘rogues without friends’ (Cuba, Lybia); and ‘dinosaurs’ (companies “that cannot or will not adapt to a new environment”).

57. Ian Bremmer’s (2012) four geopolitical scenarios

- **Concert.** “Imagine a world in which Washington and Beijing alone cannot dominate, where it’s unavoidably obvious that international problems can be solved only with the engagement of other powerful countries. This is a world like the one we already live in—with one crucial difference. In this scenario, a sense of emergency ensures that established and emerging powers work together, compromise, and share the risks and burdens of leadership. It’s a G20 that *actually works*. This scenario implies a kind of ‘concert of nations,’ an international structure similar to the so-called Concert of Europe (...) designed to restore order and keep the peace in Europe following the upheaval of the French Revolution and the carnage of the Napoleonic Wars.”
- **Cold War 2.0.** “If China and the United States are headed for more direct forms of conflict, and if they have far more economic, political, and military power than any other country or bloc of countries in the post-G-Zero order, then we are more likely to see a scenario we might call Cold War 2.0. This is not a war likely to be waged with fighter jets launched from aircraft carriers. The new weapons of war will probably be economic: market access, investment rules, and currency values. We could also see a series of cyberattacks and counterstrikes.”
- **G2.** “C. Fred Bergsten was the first to popularize the term ‘G2’ to symbolize a U.S.-Chinese strategic partnership that could bring about much-needed change in international politics (...) He argued that none of the world’s most pressing challenges could be effectively addressed without cooperation between Washington and Beijing. (...) They are the world’s two largest economies and two largest trading nations. China is the world’s largest creditor state, and the United States has become the world’s largest debtor state. America and China are the world’s two largest polluters. There is no way to rebalance the world economy, breathe life into global trade talks, take on climate change, and manage other transnational problems without coordinated leadership and burden sharing from America and China. Historian Niall Ferguson and economist Moritz Schularick coined the term ‘Chimerica’ to describe the seemingly symbiotic economic relationship that had formed between the two countries (...) They suggested that U.S.-Chinese mutual dependence had created a single economic engine, one that extended across 13 percent of the earth’s surface and represented a quarter of its population, a third of its economic output, and 40 percent of its growth between 1998 and 2007. A U.S.-Chinese partnership need not be institutionalized.”
- **A world of regions (to each his own).** “Our fourth scenario is a world without global leadership, one in which many of the rest will rise, but only to tackle local and regional issues. The United States remains the



world's only truly global military power, but the growing economic muscle and technological sophistication of rising powers limit the importance of this advantage. This is a world where regional leaders provide some public goods within their respective spheres of influence, while increasingly self-confident regional heavyweights largely ignore major multinational institutions. This is for now the most likely of the post-G-Zero scenarios, because it requires no compromises among powerful states, no leaps of faith on global problem solving—and because it appears to be the path that the world is already on. The phenomenon is worldwide but plays out differently in each region. Europe and Latin America are far more cooperative and institutionalized than Asia or Africa.”

Bremmer, Ian (2012): *Every nation for itself: Winners and losers in a G-zero world*, Portfolio/Penguin, New York.

58. Salient features of current globalization (Thomas Hylland Eriksen, 2014)

- “Disembedding, including delocalization. Globalization implies that distance is becoming irrelevant, relative, or at the very least less important. Ideas, songs, books, investment capital, labor, and fashions travel faster than ever, and even if they stay put, their location can be less important than it would have been formerly. This aspect of globalization is driven by technological and economic changes, but it has cultural and political implications.”
- “Speed (...) Anything from inexpensive plane tickets to cheap calls contribute to integrating the world (...) However, acceleration is uneven, and relative slowness may be just as significant as relative speed. Different parts of societies and cultural worlds change at different speeds.”
- “Standardization (...) The rapid increase in the use of English as a foreign language is suggestive of this development, as is the worldwide spread of similar hotels and shopping centers, as well as the growing web of international agreements and industry standards.”
- “Connections. The networks connecting people across continents are becoming denser, faster, and wider every year.”
- “Mobility. The entire world is on the move, or so it might sometimes seem. Migration, business travel, international conferences, and not least tourism have been growing steadily for decades.”
- “Mixing. Although cultural crossroads, where people of different origins met, are as ancient as urban life, their number, size, and diversity is growing every day. Both frictions and mutual influence result (...) The instantaneous exchange of messages characteristic of the information era leads to probably more cultural mixing than ever before in human history. However, cultural mixing does not necessarily lead to the breakdown of boundaries between identities.”
- “Risk. Globalization entails the weakening, and sometimes obliteration, of boundaries. Flows of anything from money to refugees are intensified in this era. This means that territorial polities have difficulties protecting themselves against unwanted flows. Typical globalized risks include AIDS and other epidemics, transnational terrorism, and climate change (...) Most of these risks cannot be combated efficiently by single nation-states.”
- “Identity politics. Politics founded (...) in the maintenance and strengthening of particular collective identities (...) Identity politics, whether nationalist, ethnic, religious, or regionalist, are direct responses to globalizing processes, which seem to threaten the local.”
- Alterglobalization. “The new social movements, ranging from ATIAC in France to the Occupy movement in the United States, the Slum Dweller Alliance in Mumbai, and *los indignados* in Spain, are not opposed to global connectedness as such but reject the narrowly profit-seeking neoliberalist version of globalization, which they see as dehumanizing and oppressive. What these diverse organizations have in common is resistance to the disembedding tendencies of globalization, and they may be described collectively as reembedding movements.”

- Globalization entails both the intensification of transnational connectedness and the awareness of such an intensification.
- Globalization is largely driven by technological and economic processes, but it is multidimensional and not unidirectional.
- Globalization entails both processes of homogenization and processes of heterogenization: it makes us more similar and more different at the same time.
- Globalization is a wider concept than Westernization or neoimperialism and includes processes that move from south to north as well as the opposite.
- Although globalization is old in the sense that transnational or even global systems have existed for centuries—indeed for millennia—contemporary globalization has distinctive traits due to enhanced communication technology and the global spread of capitalism.

Eriksen, Thomas Hylland (2014): *Globalization: The key concepts*, second edition, Bloomsbury, London.