



Our Latest Publications on Building the New Paradigm of People and Planet

HIGHLIGHTS JUS SEMPER Newsletter – Winter-Spring 2021

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COVID-19 and Catastrophe Capitalism
Commodity Class and Ecological/Economic Crisis
John Bellamy Foster and Intan Suwandi

COVID-19 has accelerated the process of the industrialization of agriculture and the consequent ecological crisis. As the world enters the final stages of the system crisis, we are witnessing the emergence of a new paradigm of development.



Ethnic-Peasant Resistance in South America and Mesoamerica to the 4.0 Agriculture of Catastrophe Capitalism
Nubia Barrera Silva

The Amazon is becoming wiped out due to the production of industrially processed foods for humans and animals.



(Un)witting Servitude and Minds Manipulation
Alejandro Teitelbaum

On the one hand, the dominant system is winning the battle. On the other hand, the dominant system is losing the battle. The dominant system is winning the battle, but it is losing the battle.



Capitalism Has Failed — What Next?
John Bellamy Foster

Capitalism has failed. It has failed because it is based on the exploitation of the working class. It has failed because it is based on the exploitation of the planet.



Back to Production: An Analysis of the Imperialist Global Economy
Intan Suwandi

Imperialism is the dominant system of the world. It is the system of the world. It is the system of the world.



Democracy, Condorcetism and Popular Participation
Andrea Surbone

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COVID-19 AND CATASTROPHE CAPITALISM — John Bellamy Foster and Intan Suwandi



multinational corporations, connecting various production zones, primarily in the Global South, with the apex of world consumption, finance, and accumulation primarily in the Global North. These commodity chains make up the main material circuits of capital globally that constitute the phenomenon of late imperialism identified with the rise of generalised monopoly-finance capital. In this system, exorbitant imperial rents from the control of global production are obtained not only from the global labour arbitrage, through which multinational corporations with their headquarters in the centre of the system overexploit industrial labour in the periphery, but also increasingly through the global land arbitrage, in which agribusiness multinationals expropriate cheap land (and labour) in the Global South so as to produce export crops mainly for sale in the Global North.

development. Chains of global exploitation and expropriation have destabilized not only ecologies but the relations between species, creating a toxic brew of pathogens. All of this can be seen as arising from the introduction of agribusiness with its genetic monocultures; massive ecosystem destruction involving the uncontrolled mixture of species; and a system of global valorization based on treating land, bodies, species, and ecosystems as so many "free gifts" to be expropriated, irrespective of natural and social limits.

The circuits of capital of late imperialism have taken these tendencies to their fullest extent, generating a rapidly developing planetary ecological crisis that threatens to engulf human civilization as we know it; a perfect storm of catastrophe. This comes on top of a system of accumulation that is divorced from any rational ordering of needs for the population independent of the cash nexus. Accumulation and the amassing of wealth in general are increasingly dependent on the proliferation of waste of all kinds. In the midst of this disaster, a New Cold War and a growing likelihood of thermonuclear destruction have emerged, with an increasingly unstable and aggressive United States at the forefront. This has led the Bulletin of Atomic Scientists to move its famous doomsday clock to 100 seconds to midnight, the closest to midnight since the clock started in 1947.

Nor are new viruses the only emerging global health problem. The overuse of antibiotics within agribusiness as well as modern medicine has led to the dangerous growth of bacterial superbugs generating increasing numbers of deaths, which by mid-century could surpass annual cancer deaths, and inducing the World Health Organization to declare a "global health emergency." Since communicable diseases, due to the unequal conditions of capitalist class society, fall heaviest on the working class and the poor, and on populations in the periphery, the system that generates such diseases in the pursuit of quantitative wealth can be charged, as Engels and the Chartist did in the nineteenth century, with social murder. As the revolutionary developments in epidemiology represented by One Health and Structural One Health have suggested, the etiology of the new pandemics can be traced to the overall problem of ecological destruction brought on by capitalism.

Here, the necessity of a "revolutionary reconstitution of society at large" rears its head once again, as it has so many times in the past. The logic of contemporary historical development points to the need for a more communal-commons-based system of social metabolic reproduction, one in which the associated producers rationally regulate their social metabolism with nature, so as to promote

COVID-19 and Catastrophe Capitalism

Commodity Chains and Ecological-Epidemiological-Economic Crises

John Bellamy Foster and Intan Suwandi

COVID-19 has accentuated as never before the interlinked ecological, epidemiological, and economic vulnerabilities imposed by capitalism. As the world enters the third decade of the twenty-first century, we are seeing the emergence of catastrophe capitalism as the structural crisis of the system takes on planetary dimensions.



Image credit: William B. Cavalli. "Wages work stability ahead of pandemic COVID-19 recovery" accessed 18 Mar 2020.

Since the late twentieth century, capitalist globalisation has increasingly adopted the form of interlinked commodity chains controlled by multinational corporations, connecting various production zones, primarily in the Global South, with the apex of world consumption, finance, and accumulation primarily in the Global North. These commodity chains make up the main material circuits of capital globally that constitute the phenomenon of late imperialism identified with the rise of generalised monopoly-finance capital. In this system, exorbitant imperial rents from the control of global production are obtained not only from the global labour arbitrage, through which multinational corporations with their headquarters in the centre of the system overexploit industrial labour in the periphery, but also increasingly through the global land arbitrage, in which agribusiness multinationals expropriate cheap land (and labour) in the Global South so as to produce export crops mainly for sale in the Global North.¹

¹ See John Bellamy Foster, "Late Imperialism," Monthly Review 71, no. 2 (July-August 2019): 1-19; Foster and Intan Suwandi, "Monopoly Finance Capital and Marx's Law of Value: A New Book Monthly Review Press, 2019."

² On the global labour arbitrage and commodity chains, see Intan Suwandi, "Global Chains (New York), Monthly Review Press, 2019," 12-13, 13-24. Our statistical analysis of unit labour costs was done collaboratively with R. Jarama Jarama, also published in "Global Commodity Chains and the New Imperialism," Monthly Review 70, no. 10 (March 2019): 1-24. On the global land arbitrage, see John Bellamy Foster and Intan Suwandi, "New York Monthly Review Press, 2019," 10-14.

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Since the late twentieth century, capitalist globalisation has increasingly adopted the form of interlinked commodity chains controlled by

free development of each as the basis of the free development of all, while conserving energy and the environment. The future of humanity in the twenty-first century lies not in the direction of increased economic and ecological exploitation/expropriation, imperialism, and war. Rather, what Marx called “freedom in general” and the preservation of a viable “planetary metabolism” are the most pressing necessities today in determining the human present and future, and even human survival.

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ETHNIC-PEASANT RESISTANCE IN SOUTH AMERICA AND MESOAMERICA TO THE 4.0 AGRICULTURE OF CATASTROPHE CAPITALISM – Nubia Barrera Silva



Ethnic-Peasant Resistance in South America and Mesoamerica to the 4.0 Agriculture of Catastrophe Capitalism

The Amazon is becoming wiped out due to the production of industrially processed foods for humans and animals

Nubia Barrera Silva

Introduction

The ethno-peasant economy extended to indigenous peoples in voluntary self-isolation leads to the concept of Mother Earth. This is incompatible with agriculture 4.0 of the Global North in South America and Mesoamerica (SA-MA) in areas of territorial expansion towards the Pan-Amazon Region made up of nine countries: Brazil, Venezuela, French Guiana, English Guiana, Suriname, Colombia, Ecuador, Peru and Bolivia. These peoples have full respect for and dependence on land, water, air and forests as sources of life. Unlike the concept of Western economic growth with its linear and fragmented



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TSGA/Assessment/2017/008 January 2021 Nubia Barrera Silva

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of Mother Earth is omnipresent in the ethnic worldviews shared by the peasantry.

The worldview of simple life belongs to the natural economy, it embodies a compelling reason from the ethnic-peasant mentality, which sustains and strengthens peasant struggles without time of rest in defence of their territories inherited from their parents. This conception from the tribal community engenders fear and respect for nature. The property of the small ethnic-peasant farmer offers him a roof of his own with a wide horizon towards infinite nature and the land to sow, harvest, exchange seeds between neighbours, sell the surpluses in the local market for the benefit of other social, cultural and subjective satisfiers that give meaning to the existence and to the communities where they live. Indeed, the “work of food sovereignty as a political dimension is essential in agroecology, as is the Agrarian Reform. When landless, we have to fight for Agrarian Reform, and without agroecology, we cannot conceive of healthy food production for the people”.

The concrete actions of struggle and resistance of the International Movement Via Campesina, its leaders and women leaders gain the strength from the same land that they defend with their own lives. Differential income, food sovereignty, the protection and conservation of biodiversity and natural resources are built around the peasant economy, key to climate resilience. It carries in its essence the foundations of ecological socialism. The spiral of change does not wait. The SA-MA Region is in an explosive situation. The new generations are taking to the streets in defence of inclusive public budgets, the end of corruption of professional politicians, the provision of social services, the end of police repression and so on. Faced with the imminent collapse, turbulent winds are coming with an opening to another economic system different from capitalism. The most in line with food agroecology is ecological socialism.

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(UN)WITTING SERVITUDE AND MINDS MANIPULATION – Alejandro Teitelbaum

Despite the profound crisis of the capitalist system, which is now more evident than ever in all aspects of social and individual life, there is no organised anti-establishment reaction from the majorities nor a rigorous and coherent discourse. A messenger, without populist or opportunistic concessions of a revolutionary ideal, is conspicuously absent. The collapse of real socialism and the fictitious and corrupt “socialism of the 21st century” have also contributed to a conditioned rejection of the idea of a socialist transformation of society. With this combination of circumstances, and on the basis of the almost absolute control of the

instruments and means of production and communication, the latter with a practically unlimited capacity for the manipulation of minds, the dominant system is winning the battle. We hope that, sooner rather than later, this balance of power, which is disastrous for the future of humanity, will radically change.



(Un)witting Servitude and Minds Manipulation

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Overview

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The ideas of the ruling class are the dominant ideas in every epoch; or the class which exercises the dominant material power in society is at the same time its dominant spiritual power. The class which has at its disposal the means of material production has at the same time at its disposal the means of spiritual production, so the ideas of those who lack

“On the matter of the ruling class, El colapso del progreso y el desarrollo de las sociedades, La Carreta Editora, Medellín, Colombia, 2017. Edición Christian Osorio Ariza, 2017. El papel del marxismo por los siglos y la nueva distribución de la producción del orden capitalista. The role played by the dominant class and culture in the generation of the current order. On the Internet: <http://www.rosario-ortiz.com/colapso-del-progreso-y-del-desarrollo-de-las-sociedades>

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The ideas of the ruling class are the dominant ideas in every epoch; or the class which exercises the dominant material power in society is at the same time its dominant spiritual power. The class which has at its disposal the means of material production has at the same time at its disposal the means of spiritual production, so the ideas of those who lack the means of spiritual production are at the same time, on the average, subjected to it. (Marx and Engels, German Ideology, 1846. On the Production of Consciousness).

This was first described by the Roman poet and writer Juvenal 2000 years ago in his Satires when he coined the expression “Bread and Circus”, where he attributes the apathy of the Roman people in the face of the abuses of power to the fact that power hands out food and organises grandiose spectacles. As long as the people have enough to eat (from time to time) and have fun, power can do what it pleases. Juvenal’s vision of the relationship between power and people has strengthened a lot since then: the means used by power to manipulate minds are now very sophisticated. And the “bread” that the people receive today—relative to the exponential growth of different basic needs (food, health, housing, education, healthy environment, etc.)—is proportionally less today than in the time of the Roman Empire.

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society. But what is democracy? Or rather, what democracy?

The two great contenders today are the concepts of representative democracy and direct democracy.² And it is important to discuss highly technical aspects such as the form of democracy because the shift to the Anthropocene has a new form of society as its only way out. And while the discussion about the new society involves mainly social, environmental and economic aspects, the political aspect is also important.

Parting from the fact that the Anthropocene has pushed us beyond the limits of Mother Earth's resilience, it is urgent to impose strict rules in order to curb the overflowing anthropic impact that is leading us towards an unknown that appears, alas, sadly known to us. It is in this context—the imposition of insuperable limits—that politics becomes fundamental. At first glance, the most appropriate political form to impose strict rules is certainly not a democracy; any form that allows for a more centralised power - from the direct election of the 'leader' to dictatorship, and the various other attributes of '-cracy' - is easier than true democracy proper.

My conviction, however, is that the new society must be established by deliberation, not by imposition. In this sense, it is democracy that these pages will deal with; trying also to overcome the dispute between representative and direct democracy. I advocate for the proportional system,³ considering it the maximum representation of elective democracy.

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IMPERIALISM IN THE ANTHROPOCENE — John Bellamy Foster

On 21 May 2019, the Anthropocene Working Group, established by the Subcommittee on Quaternary Stratigraphy of the International Commission on Stratigraphy, voted by more than the necessary 60 percent to recognise the existence of the Anthropocene epoch in geological time, beginning around 1950. It defined this new "chronostratigraphic" epoch as "the period of Earth's history during which humans have a decisive influence on the state, dynamics, and future of the Earth System." Anthropogenic change, beginning in the mid-twentieth century, was designated as the principal force in the accelerated evolution of the entire Earth System. The Anthropocene Working Group will proceed next to the designation of a specific "golden spike," or stratigraphic location, standing for the Anthropocene in the geological record, with the aim of getting the new epoch officially adopted

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Imperialism in the Anthropocene

John Bellamy Foster

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Image by Bob Suda, 1991-2000

A strong international scientific consensus is thus emerging with respect to the designation of the new geological epoch of the Anthropocene—a term often said to have been "coined" by Paul Crutzen and Eugene Stoermer in 2000, though it first appeared in English decades earlier in "The Anthropogenic System (Period)" in *The Great Soviet Encyclopedia*.² The

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In the view of the Anthropocene Working Group and today's Earth System scientists more generally, the advent of the Anthropocene epoch is the product of a Great Acceleration of economically driven change in the mid-twentieth century, associated with what is sometimes called by economists the "golden age" of capitalist growth after the Second World War. This led to the crossing of numerous planetary boundaries, generating various "anthropogenic rifts.

Today there can be no doubt about the main force behind this planetary emergency—the exponential growth of the capitalist world economy, particularly in the decades since the mid-twentieth century. Capital itself can be described as a social relation of self-expanding economic (commodity) value. Capitalism, or the system of capital accumulation based in

class exploitation and conforming to laws of motion enforced by market competition, recognises no limits to its own self-expansion. There is no amount of profit, no amount of wealth, and no amount of consumption that is "enough" or "too much." In this system, the planetary environment is not viewed as a place with inherent boundaries within which human beings must live, together with Earth's other species, but rather as a realm to be exploited in a process of growing economic expansion in the interest of unlimited acquisitive gain, most of which ends up in the hands of a very few. Businesses, according to the inner logic of capital, must either grow or die—as must the system itself.

Capitalism thus promotes a "madness of economic reason" that can be seen as undermining the healthy human metabolic relation to the environment. The mere critique of capitalism as an abstract economic system, however, is insufficient in addressing today's environmental problems. Rather, it is necessary also to examine the structure of accumulation on a world scale, coupled with the division of the world into competing nation-states. Our planetary problems cannot realistically be addressed without tackling the imperialist world system, or globalised capitalism, organised on the basis of classes and nation-states, and divided into center and periphery. Today, this necessarily raises the question of imperialism in the Anthropocene.

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THE COMMONPLACES OF ENVIRONMENTAL — Richard Douglas



The Commonplaces of Environmental Scepticism

Richard Douglas

Abstract

In the nearly five decades since its publication, the Club of Rome's *Limits to Growth* report has failed to secure a decisive victory in political debate, despite being based on the seemingly common-sensical proposition that infinite growth is impossible on a finite planet. To investigate why the "limits to growth" has not led to decisive political action, this paper examines the thought of its most explicit critics in debate, defined here as "environmental sceptics". While many studies of this discourse have examined the economic interests and political motivations of its speakers, this paper (while also drawing on the theories of Dryzek, and of Boltanski) employs Wayne Booth's "Listening Rhetoric", used to understand opposing discourses on their own terms. In this context, this means performing an attentive reading of the rhetorical commonplaces—the taken-for-granted truths and values a speaker would expect to be shared with their audience—drawn on by environmentally sceptic speakers, in order to "read off" the positive values and vision of the world that they are keen to defend.

The paper performs a close reading of a range of texts, which, while produced over four decades up to the present day, embody a coherent corpus of thought. It finds in the commonplaces on display a defence of individualism, practical reason, humanism, material power, an unbounded sense of destiny, and the fundamental benevolence of our world. In this sense, it argues that the discourse of environmental scepticism could be viewed as delimiting an overarching worldview of modernity against an attack on its foundations implied by the "limits to growth" thesis. In the extent to which this is true, it suggests that the challenge posed by the "limits to growth" runs beyond the level of ordinary political debate, pointing to a crisis of philosophical anthropology: who are we, and how should we live, if we now believe that progress will not continue forever?

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WORK AND UNIONISM IN MEXICO — Enrique de la Garza Toledo and Gerardo Otero

Andrés Manuel López Obrador's (AMLO) landslide electoral triumph as Mexico's president in 2018 has provoked wrathful criticisms by the groups and classes that see their privileges in danger. On the other hand, this win by AMLO and his Movement for National Regeneration (MORENA) party has raised huge expectations for the left about his promised fourth historical transformation (4T) of Mexico. AMLO compares such transformation with the three great historical transformations that have taken place in Mexico, each of which

necessitated violent means for power ascension: the 1821 revolution of independence from Spain, the liberal reform expressed in the 1857 Constitution and, finally, the Mexican Revolution that yielded the 1917 Constitution. The vast contrast of the 4T pledged by AMLO and MORENA is that these actors reached power through an overwhelming, legal and legitimate electoral triumph with over 53% of the vote for the presidency and absolute majority control of both chambers of Congress.



Work and Unionism in Mexico:

Challenges for MORENA and the Fourth Transformation Government

Enrique de la Garza Toledo and Gerardo Otero

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TBGAImage30 (044) November 2020 Garza Toledo and Otero

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THE PHARMACEUTICAL INDUSTRY IN CONTEMPORARY CAPITALISM — Joel Lexchin



The Pharmaceutical Industry in Contemporary Capitalism

Joel Lexchin

The pharmaceutical industry has remained near or at the top of the list for profitability for many decades.¹ The myth is that its profits come from producing and selling the many therapeutic advances that industry research has generated, but the reality is far different. In the first place, after tax deductions only about 1.3 percent of the money that the industry spends actually goes into basic research, the type of research that leads to new medications.² Second, most of the new medicines that come from the pharmaceutical corporations offer little to nothing in the way of new therapeutic options. For the decade 2005 to 2014, among 1,032 new drugs and new uses for old drugs introduced into the French market, for example, only sixty-six offered a significant advantage, whereas more than half were rated as 'nothing new' and 177 were judged 'unacceptable' because they came with serious safety issues and no benefits.³



Image by Gordon Johnson from Pixabay

The industry also justifies its high level of profits with the claim that drug development is inherently risky. To this end, the pharmaceutical corporations maintain that only one in every 10,000 molecules actually results in a new drug. Though this may be true, most of the molecules that fall by the wayside do so in the very early stages of development when costs are minimal. The \$2.6 billion figure that is now cited as the cost to bring a new drug to market⁴ comes from data that are confidential, and the calculations are based on a set of

¹Harriet Washington, *Deadly Mycotoxins* (New York: Anchor, 2011); Richard Anderson, "Pharmaceutical Industry Gains High Fat Profits," BBC News, November 6, 2014.
²Donald W. Light and Joel Lexchin, "From Free Riders and the High Price of US Medicines," *BMJ* 311 (2005): 918-60.
³Thomas Edward Bell, "New Drug and Indications in 2014," *Pharmacoeconomics* 24 (2015): 107-16.
⁴Joseph A. DiMasi, Henry C. Grabowski, and Ronald W. Hansen, "Innovation in the Pharmaceutical Industry: New Estimates of R&D Costs," *Journal of Health Economics* 47 (2016): 20-33.
 TBGAImage30 (039) September 2020 Joel Lexchin

The pharmaceutical industry has remained near or at the top of the list for profitability for many decades. The myth is that its profits come from producing and selling the many therapeutic advances that industry research has generated, but the reality is far different. In the first place, after tax deductions only about 1.3 percent of the money that the industry spends actually goes into basic research, the type of research that leads to new medications. Second, most of the new medicines that come from the pharmaceutical corporations offer little to nothing in the way of new therapeutic options.

The industry also justifies its high level of profits with the claim that drug development is inherently risky. To this end, the pharmaceutical corporations maintain that only one in every 10,000 molecules actually results in a new drug. Though this may be true, most of the molecules that fall by the wayside do so in the very early stages of development when costs are minimal. The \$2.6 billion figure that is now cited as the cost to bring a new drug to market comes from data that are confidential, and the calculations are based on a set of assumptions that have been widely challenged. Were drug development such a risky proposition, then one would expect that from time to time the fortunes of corporations would vary. On the contrary, since 1980, all the large corporations have done well financially.

Despite the continuing impressive level of profit, the industry is undergoing a crisis. But the industry is able to manipulate knowledge about the value of pharmaceuticals not only to the detriment of what doctors know, but more important, to the detriment of people's health.

At the same time as the industry is developing ways of coping with its internal crisis, a crisis that is inherent in the capitalist organisation of pharmaceutical production, there are also serious proposals to curb its power and to ensure that drugs are developed and priced to meet real health needs and not the need for ever larger profits.

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FACING THE ANTHROPOCENE — AN UPDATE — Ian Angus



Facing the Anthropocene — An Update

Ian Angus

I wrote Facing the Anthropocene to help bridge the gap between Earth System science and ecosocialism—to show socialists why they must understand the Anthropocene, and to show Earth System scientists why they must understand ecological Marxism.



When Facing the Anthropocene was published in 2016, it reflected, to the best of my ability, the state of scientific knowledge and debate at the time. But the world does not stand still, so it may be helpful to outline some important recent developments in Anthropocene science in the two main fields involved: geology, which has mainly been concerned with formally defining the new epoch; and Earth System science, which studies the global biological, chemical, and physical changes that are reshaping the conditions of life on this planet.

Formalisation

Geologists have divided Earth's 4.5 billion years into a hierarchy of eons, eras, periods, epochs, and ages—divisions that reflect major changes in the dominant conditions and forms of life on Earth, as revealed in geological strata. The procedures for changing the Geological Time Scale, developed over two centuries, are rigorous and time consuming: it is not unusual for a proposed change to be investigated and debated for decades before a decision is made.

By 2016, a clear majority in the Anthropocene Working Group favoured recognising a new epoch, but they needed more specifically stratigraphic evidence before a formal proposal could be made to geology's governing bodies, where a required 60 percent majority vote is required to approve any change to the Geological Time Scale. Subsequent research has focused on two questions.

WHEN DID THE ANTHROPOCENE BEGIN... AND WHY DOES IT MATTER? — Ian Angus



When Did the Anthropocene Begin... and Why Does It Matter?

Ian Angus

The word Anthropocene, unknown twenty years ago, now appears in the titles of three academic journals, dozens of books, and hundreds of academic papers, not to mention innumerable articles in newspapers, magazines, websites, and blogs. There are exhibitions about art in the Anthropocene, conferences about the humanities in the Anthropocene, and novels about love in the Anthropocene. There is even a heavy metal album called The Anthropocene Extinction. Rarely has a scientific term moved so quickly into wide acceptance and general use.



Behind what might appear to be just a trendy buzzword are important scientific discussions that have radical implications for the future of life on Earth. Three leading authorities on the science of the Anthropocene express the issues clearly:

The term Anthropocene...suggests that the Earth has now left its natural geological epoch, the present interglacial state called the Holocene. Human activities have become so pervasive and profound that they rival the great forces of Nature and are pushing the Earth into planetary terra incognita. The Earth is rapidly moving into a less biologically diverse, less forested, much warmer, and probably wetter and stormier state!

¹ - Will Steffen, Paul J. Crutzen, and John R. McNeill, "The Anthropocene: Are Humans Now Overwhelming the Great Forces of Nature?" *Ambio* 36, no. 8 (December 2007): 614.

TJGAS0495D (04/11 November 2020) Ian Angus

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In 1995, Paul Crutzen, then vice-chair of the International Geosphere-Biosphere Program (IGBP), received a Nobel Prize for showing that widely used chemicals were destroying the ozone layer in earth's upper atmosphere, with potentially catastrophic effects for all life on Earth. In his Nobel acceptance speech, he said that his research on ozone had convinced him that the balance of forces on Earth had changed dramatically. It was now "utterly clear," he said, "that human activities had grown so much that they could compete and interfere with natural processes."³ Over the next five years that insight developed until, at an IGBP meeting in 2000, he argued that human activity had driven the earth into a new geological epoch, which he proposed to call the Anthropocene.

Earth is currently operating in a no-analogue state. In terms of key environmental parameters, the Earth System has recently moved well outside the range of natural variability exhibited over at least the last half million years. The nature of changes now occurring simultaneously in the Earth System, their magnitudes and rates of change are unprecedented and unsustainable.

A no-analogue state. Planetary terra incognita. Unprecedented and unsustainable. These phrases are not used lightly: the earth has entered a new epoch, one that is likely to continue changing in unpredictable and dangerous ways.

This radical transformation was first extensively described by the IGBP in 2004, in *Global Change and the Earth System*, a broad synthesis of scientific knowledge about the state of our planet that remains the most authoritative book on the Anthropocene. Since then, a great deal of scientific discussion has focused on a question that book did not answer: When did the Anthropocene begin? Of course this has involved technical discussions among experts in various disciplines, but it is not just a technical question. Technical studies can determine when an asteroid hit our planet or when an ice age ended, but a discussion of when human society pushed the Earth system into a no-analogue state must address social, economic, and political issues.

There is a reciprocal process here. Examining social, economic, and political developments can help identify social changes that might have changed the Earth system, and determining when radical physical changes in the Earth system happened provides a basis for determining which human activities were responsible, and thus what measures humans might take to prevent the change from reaching catastrophic proportions. In this article I offer an overview of the issues and stakes in the "when it happened debate."

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BEYOND CONSUMER CAPITALISM — Tim Jackson

Consumer capitalism is unsustainable in environmental, social and even in financial terms. This paper explores the ramifications of the combined crises now faced by the prevailing growth-based model of economics. It traces briefly the evolution of western notions of progress and in particular it critiques the yep/narrow view of human nature on which these notions were built. A wider and more realistic view of human nature allows us to recover more robust meanings of prosperity and to establish the foundations for a different kind of economy. The paper explores these foundations. It pays a particular attention to the nature of enterprise, the quality of work, the structure of investment and the role of money. It develops the conceptual basis for social innovation in each of these areas, and provides empirical examples of such innovations. The aim is to demonstrate that the transition from an unsustainable consumerism to a sustainable prosperity is a precise, meaningful, definable and pragmatic task.

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In the 1990s, Brazil lived through a process I have called neoliberal desertification. Its state-owned productive sectors were heavily privatised, workers' rights legislation was gradually deregulated, and the financial sector was monopolised, enormously expanding the hegemony of Cardoso's government in the steering of economic policies. Not only was anticapitalist opposition gradually deconstructed, but so was reformism (which had emerged especially during João Goulart's government between 1961 and 1964), which had been defending agricultural, urban, and tax reforms that were eliminated, little by little, from the Brazilian political scene. In this way, neoliberalism was consolidated in Cardoso's two terms.

the United Kingdom, neo-Nazism in Germany, Viktor Orbán in Hungary, and Matteo Salvini, the all-powerful neofascist minister, in Italy. The list of aberrations perpetuated by the right around the world is extensive. We are then entering a new cycle of counterrevolution that refuses any form of conciliation. As a metaphor, it can be said that platform capitalism, the capitalism of the digital, information, and financial era, has some similarities with early forms of capitalism. There seems to be something in common between the capitalism of the sixteenth and eighteenth centuries, and the capitalism of the twenty-first century.

Beyond Consumer Capitalism

Foundations for Sustainable Prosperity

Tim Jackson

Abstract

Consumer capitalism is unsustainable in environmental, social and even in financial terms. This paper explores the ramifications of the combined crises now faced by the prevailing growth-based model of economics. It traces briefly the evolution of western notions of progress and in particular it critiques the very narrow view of human nature on which these notions were built. A wider and more realistic view of human nature allows us to recover more robust meanings of prosperity and to establish the foundations for a different kind of economy. The paper explores these foundations. It pays a particular attention to the nature of enterprise, the quality of work, the structure of investment and the role of money. It develops the conceptual basis for social innovation in each of these areas, and provides empirical examples of such innovations. The aim is to demonstrate that the transition from an unsustainable consumerism to a sustainable prosperity is a precise, meaningful, definable and pragmatic task.



Introduction

Almost a decade on from the onset of the financial crisis, the fault lines within modern capitalism are widening. What once seemed tiny fissures, barely visible to the Western eye, have now become deep chasms threatening to engulf entire

TSCA10MS1 Essay 5D (040) October 2020/10 Jackson



The Preemptive Counterrevolution and the Rise of the Far Right in Brazil

Finally, the scum of bourgeois society forms the holy phalanx of order and the hero Capulinski installs himself in the Tuileries as the "saviour of society!"

—Karl Marx

Ricardo Antunes

Military Dictatorship and Neoliberalism: The Double Face of Barbarism

In 1964, after a period of intense capitalist development that significantly expanded the process of industrialisation, Brazil suffered a lasting political trauma. Politically unable to ensure their interests within the demarcations of bourgeois democracy, the ruling class turned to *manu militari*. A military coup was set and the dictatorship lasted until 1985. At the time, the dictatorship ensured the interests of the dominant classes, who feared the advances of popular and working-class struggles that had developed and intensified in the 1950s and '60s.



A swastika painted on a wall in São Paulo (Image/Fotogram). From 'Brazil: Germany's Deadly Empire' by Neil and Michael Smith. *SW*, September 20, 2019.

This began a dictatorial period (1964–85) that Brazilian sociologist Florestan Fernandes characterised as a preemptive bourgeois counterrevolution.¹ Since its inception, the military dictatorship had a mystifying and manipulative character.

¹ Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* (New York: International, 1964), 26.

² Florestan Fernandes, *A Revolução Burguesa no Brasil* (São Paulo: Zahar, 1975).

TSCA10MS1 Essay 5D (040) February 2021/Ricardo Antunes

In 2002, all signs pointed toward Brazil changing its path. But when the Workers' Party (PT) won the presidency in 2002, electing its main metalworker-union leader Luiz Inácio Lula da Silva ("Lula"), it was no longer the party it had once been. Transformism, a concept richly developed by Antonio Gramsci in *The Prison Notebooks*, had already hit what had been the strongest feature of the party: its popular and working-class social origins. This complex mutation was the founding cause of the policies developed by the PT during the governments of Lula (2003–11) and Dilma Rousseff, known simply as Dilma (2011–16). But at their root, their actions were characterised much more by continuation, rather than rupture, with neoliberalism.

Almost thirty years later, Jair Bolsonaro took on the role of supposed underdog and, in the face of the collapse of the other center and right-wing bourgeois candidates, became the only one capable of countering the risk of the "PT and the reds' victory. His bid for the presidency found its ideal moment in the international scenery: Trump in the United States, Brexit in

Will the left be capable of radically altering the political course it is currently on, which is mostly relegated to institutions and elections? If, throughout the twentieth century, the epicentre of the left's actions was institutional and parliamentary action, the biggest challenge in this period will be found elsewhere, somewhere different from that which has dominated and exhausted the left until now. It is imperative to reforge the organic ties between the labor and social movements, with their mosaic of multiple tools and without previous hierarchical structures, taking as a starting point the concrete actions of the working class. If we are on the side of reason and revolution, an indispensable beginning is to ascertain, in a Lukácsian way, what are the vital questions of our time if we want to walk together, in solidarity, toward a new, emancipated way of life.

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THE PREEMPTIVE COUNTER-REVOLUTION AND THE RISE OF THE FAR RIGHT IN BRAZIL — Ricardo Antunes

In 1964, after a period of intense capitalist development that significantly expanded the process of industrialisation, Brazil suffered a lasting political trauma. Politically unable to ensure their interests within the demarcations of bourgeois democracy, the ruling class turned to *manu militari*. A military coup was set and the dictatorship lasted until 1985.

In 1989, the first direct presidential election took place since the end of the dictatorship. At the beginning of the 1990s, neoliberalism effectively began to be introduced in Brazil with the electoral victory of Collor de Mello (1990–92), a sort of unqualified civilian semi-bonaparte. Its main consequences—which, it should be noted, occur in all countries in which this nefarious pragmatic ideology is installed—were: the increased hegemony of financial capital, the rise in profits and gains for capital, the significant expansion of privatisation of state-owned companies, and the near total dismantling of workers' rights and regulations. All of this resulted in a significant increase in the concentration of wealth in the country, especially during the presidency of Fernando Henrique Cardoso (1994–2002), since Collor was impeached in 1992.

MARX'S OPEN-ENDED CRITIQUE — John Bellamy Foster



Marx's Open-ended Critique

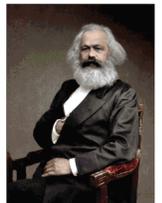
John Bellamy Foster

Two hundred years after Karl Marx's birth, the influence of his critique of capital is now as great as ever, in the context of what has been called the "Marx revival."¹ For those who believed that Marxism had simply died out with the fall of the Berlin Wall, a casualty of what Francis Fukuyama pronounced "the end of history," this is no doubt a startling development.

In 1942, during what he dubbed the "Marxian revival" of his own day, the great conservative economist Joseph Schumpeter wrote that

Most of the creations of the intellect or fancy pass away for good after a time that varies between an after-dinner hour and a generation. Some, however, do not. They suffer eclipses but they come back again, and they come back not as unrecognisable elements of a cultural inheritance, but in their individual garb and with their personal scars which people may see and touch. These we may well call the great ones—it is no disadvantage of this definition that it links greatness to vitality. Taken in this sense, this is undoubtedly the word to apply to the message of Marx.²

I will argue that the "greatness" and "vitality" of Marxian social science that Schumpeter notes derives primarily from its inner logic as a form of open-



¹ See Marcello Musto, ed., *The Marx Revival* (Cambridge: Cambridge University Press, forthcoming); *Marx for Today* (London: Routledge, 2018); introduction; Marcello Musto, "The Rediscovery of Karl Marx," *International Review of Social History* 51 (2007): 49–97.

² Francis Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992).

³ Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (New York: Harper and Row, 1942). J. Schumpeter was particularly concerned with the "Marxian revival" in economics, represented above all by John Robinson and Paul Sweezy, and especially by the revival of Marxism in the United States, of which he took Sweezy as the main example. See Joseph A. Schumpeter, *History of Economic Analysis* (New York: Oxford University Press, 1953), 881–85.

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I will argue that the “greatness” and “vitality” of Marxian social science that Schumpeter notes derives primarily from its inner logic as a form of open-ended scientific inquiry. Against attempts in the dominant ideology to characterise Marx as a rigid, dogmatic, deterministic, and closed thinker, it is precisely the open-endedness of his “ruthless criticism of all that exists”—an open-endedness inherently denied to liberal theory itself—that accounts for historical materialism’s staying power. This openness can be seen in the Marxism’s ability constantly to reinvent itself by expanding its empirical as well as theoretical content, so as to embrace ever larger aspects of historical reality in an increasingly interconnected world.

This open-endedness of historical materialism has long been understood by the most critical thinkers—Marxists and non-Marxists alike—and has been the basis for extensions of its dialectical vision made by such revolutionary thinkers as V. I. Lenin, Rosa Luxemburg, Antonio Gramsci, and Che Guevara. However, in the last few decades, the work of the Marx-Engels-Gesamtausgabe (MEGA) project, dedicated to publishing Marx and Frederick Engels’s complete manuscripts, has further impressed on scholars the lack of any final closure in Marx’s thought. The MEGA initiative has highlighted as never before the inherent incompleteness of Marx’s critique of political economy—a result not only of the inability of any single person to bring such a vast project to completion, but also of the project’s materialist-scientific character, which required unending historical and empirical research that could not be foreshortened by the imposition of suprahistorical abstractions.

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**A TALE OF TWO UTOPIAS:
WORK IN A POST-GROWTH WORLD**
— *Simon Mair, Angela Druckman and Tim Jackson*



A Tale of Two Utopias: Work in a Post-Growth World

Simon Mair, Angela Druckman and Tim Jackson

Abstract

In this paper, we aim to contribute to the literature on post-growth futures. Modern imaginings of the future are constrained by the assumptions of growth-based capitalism. To escape these assumptions we turn to utopian fiction. We explore depictions of work in Cokaygne, a utopian tradition dating back to the 12th century, and William Morris’s 19th century News from Nowhere. Cokaygne is a land of excessive consumption without work, while in News from Nowhere work is the route to the good life. These competing notions provide inspiration for a post-growth vision of work. We argue that biophysical and social dynamics mean that in a post-growth economy we are likely to have to be less productive and work more. But, this can be a utopian vision. By breaking the link between work and consumption at the level of the individual, we can remove some of the coercion in work. This would free us to do jobs that contribute to the social good, rather than generate exchange value, and empower us to fight for good work. Finally, we draw on eco-feminist analyses of capitalism to argue that by challenging labour productivity growth we can also challenge wider forces of oppression.



Fig. 1. The Land of Cokaygne, Peter Bruegel, 1567. Image Source: wikipedia

TSCASocSci50 (044) December 2020Mair, Druckman and Jackson

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WELLBEING MATTERS — TACKLING GROWTH DEPENDENCY — *Tim Jackson*



Wellbeing Matters — Tackling growth dependency

An Economy That Works

Tim Jackson

Summary

Economists have known for more than eighty years that the Gross Domestic Product (GDP) is not a good measure of social progress. Numerous attempts have been made to establish alternative indicators of progress. Recently, there have been several policy initiatives to articulate a different kind of economy in which the pursuit of wellbeing takes precedence over the pursuit of growth in GDP.

For the most part, UK policy still proceeds as though growth in GDP is the most important determinant of political and economic success. In the context of declining growth rates across the advanced economies and the need to tackle urgent challenges such as climate change, biodiversity loss and social inequality, this strategy is at best short-sighted and at worst disastrous both for societal wellbeing and for long-term sustainability.

This policy briefing highlights some alternatives to the conventional approach. It presents a three-fold strategy for moving beyond GDP by: changing the way we measure success; building a consistent policy framework for a ‘wellbeing economy’; and addressing the ‘growth-dependency’ of the economy.

TSCASocSci50 (0446) January 2021Tim Jackson



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These strategies are exemplified through various initiatives from around the world which are described in the briefing. The APPG on Limits to Growth seeks to bring these developments to the attention of Parliament and to encourage similar initiatives for the UK. In particular, this briefing recommends:

- a determined effort to develop new measures of societal wellbeing and sustainable prosperity;
- the full integration of these measures into central and local government decision-making processes;
- the alignment of regulatory, fiscal and monetary policy with the aims of achieving a sustainable and inclusive wellbeing economy;
- the establishment of a formal inquiry into reducing the 'growth dependency' of the UK economy;
- the development of a long-term, precautionary 'post-growth' strategy for the UK.

In this briefing note, we propose three strategies in response to this dilemma. The first is to integrate better indicators of prosperity into policy. The second is to use these new measures to move society away from an economy defined by the limitations of GDP and towards a 'wellbeing economy'. The third is to address and reduce the 'growth dependency' of the economy. The aim of this briefing is to describe these three strategies in more detail.

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THE CONTAGION OF CAPITAL – John Bellamy Foster



The Contagion of Capital

Financialised Capitalism, COVID-19, and the Great Divide

John Bellamy Foster, R. Jamil Jonna and Brett Clark

The U.S. economy and society at the start of 2021 is more polarised than it has been at any point since the Civil War. The wealthy are awash in a flood of riches, marked by a booming stock market, while the underlying population exists in a state of relative, and in some cases even absolute, misery and decline. The result is two national economies as perceived, respectively, by the top and the bottom of society: one of prosperity, the other of precariousness. At the level of production, economic stagnation is diminishing the life expectations of the vast majority. At the same time, financialisation is accelerating the consolidation of wealth by a very few. Although the current crisis of production associated with the COVID-19 pandemic has sharpened these disparities, the overall problem is much longer and more deep-seated, a manifestation of the inner contradictions of monopoly-finance capital. Comprehending the basic parameters of today's financialised capitalist system is the key to understanding the contemporary contagion of capital, a corrupting and corrosive cash nexus that is spreading to all corners of the U.S. economy, the globe, and every aspect of human existence.



TBCA/Issue 50 (01/21) March 2021/Bellamy Foster, Jonna and Clark

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THE POST-GROWTH CHALLENGE – Tim Jackson



The Post-Growth Challenge:

Secular Stagnation, Inequality and the Limits to Growth

Tim Jackson

Abstract

Critics have long questioned the feasibility (and desirability) of exponential growth on a finite planet. More recently, mainstream economists have begun to suggest some 'secular' limits to growth. Sluggish recovery in the wake of the financial crisis has revived discussion of a 'secular stagnation' in advanced economies, in particular. Declining growth rates have in their turn been identified as instrumental in increased inequality and the rise of political populism. This paper explores these emerging arguments paying a particular attention to the dynamics of secular stagnation. It explores the underlying phenomenon of declining labour productivity growth and unpacks the close relationships between productivity growth, the wage rate and social inequality. It also points to the historical congruence (and potential causal links) between declining productivity growth and resource bottlenecks. Contrary to some mainstream views, this paper finds no inevitability in the rising inequality that has haunted advanced economies in recent decades, suggesting instead that it lies in the pursuit of growth at all costs, even in the face of challenging fundamentals. This strategy has hindered technological innovation, reinforced inequality and exacerbated financial instability. At the very least, this paper argues, it is now time for policy to consider seriously the possibility that low growth rates might be 'the new normal' and to address carefully the 'post-growth challenge' this poses.



TBCA/Issue 50 (01/21) January 2021/Tim Jackson

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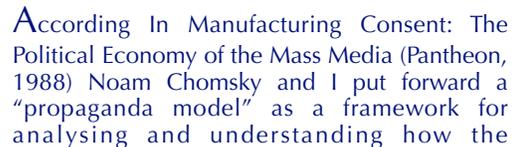
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THE PROPAGANDA MODEL REVISITED – Edward S. Herman



According In Manufacturing Consent: The Political Economy of the Mass Media (Pantheon, 1988) Noam Chomsky and I put forward a "propaganda model" as a framework for analysing and understanding how the mainstream U.S. media work and why they perform as they do. We had long been impressed with the regularity with which the media operate within restricted assumptions, depend heavily and uncritically on elite information sources, and participate in propaganda campaigns helpful to elite interests. In trying to explain why they do this we looked for structural factors as the only possible root of systematic behaviour and performance patterns.



The Propaganda Model Revisited

Edward S. Herman

Edward S. Herman died in November 2017, at the age of ninety-two. Because of his unassuming nature and genuine disinterest in claiming authorship for many of the ideas he generated, as long as they proliferated, his personal legacy may never do justice to his many contributions to those seeking a more just, humane, and sustainable world. I am but one of many people whose life he not only touched but whose life changed considerably because of his work and his counsel. Those fortunate enough to know Ed loved and respected him; he combined a powerful intellect with unimpeachable integrity and courage.

Although an accomplished economist during a long career as a professor at the Wharton School at the University of Pennsylvania, Ed was first and foremost a person of the left, with a deep and abiding commitment to a peaceful and just world. His overriding concern with U.S. imperialism and militarism had crystallized with his opposition to the war in Vietnam. Beginning in the late 1960s and 1970s, Ed wrote a number of searing, detailed critiques of U.S. foreign policy, including three volumes with Noam Chomsky and one with Richard Du Boif.

Through this work, Ed continually came across the enormous discrepancy between actual developments around the world and their treatment in the U.S. news media. This led to his pioneering work in media criticism, which became a core component of his research and writing on global politics and U.S. foreign policy over the last forty years of his life, and for which he is best known. Routinely infuriated by the way the mainstream press spoon-fed its audience the U.S. elite foreign policy consensus as unvarnished truth—even when transparently flawed and decontextualised, if not entirely bogus—Ed began developing a detailed critique of this coverage. As a graduate

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The propaganda model was and is in distinct contrast to the prevailing mainstream explanations—both liberal and conservative—of media behaviour and performance. These approaches downplay structural factors, generally presupposing their unimportance or positive impact because of the multiplicity of agents and thus competition and diversity.

In this article I will describe the propaganda model, address some of the criticism that has been levelled against it, and discuss how the model holds up nearly a decade after its publication. I will also provide some examples of how the propagand

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A LABOUR CODE FOR THE 21ST CENTURY — Alain Supiot



A Labour Code for the 21st Century

Alain Supiot

Today's labour laws were designed for a world of work that no longer exists. The pressures of neoliberalism on the individual and society require labour laws that go beyond defending or destroying past certainties and that instead give workers power over the quality, organisation, and purpose of their work.



Dual Perspective (2006) <https://www.9doc.com/obolastaythwa/10101021/>

You would have to be blind to deny the need for fundamental reform of labour laws. Throughout history, technological advances have always led to a restructuring of institutions. This was the case in past industrial revolutions which, after overturning the old order by opening the floodgates to proletarianisation, colonisation, and the industrialisation of war and killing, resulted in the rebuilding of international institutions and the invention of the welfare state. The post-war period of peace and prosperity enjoyed by European countries can be credited to this new kind of state and the foundations upon which it was built: integrated and efficient public services, a social safety net covering the whole population, and labour laws that guaranteed workers a minimum level of protection.

These institutions, born of the second industrial revolution, have now been called into question, undermined by neoliberal policies that lead to a social, fiscal, and environmental race to the bottom between nations, and by the digital revolution that is dragging the world of work from one of manual labour to one of knowledge! 'Connected' workers are no longer expected to follow orders like robots but instead to respond in real time to the information they receive. These political and technological factors work together. Even so, they should not be conflated, because neoliberalism is a reversible political choice whereas the digital revolution is an irreversible fact that can serve different political ends.

* Michel Volo (2017), *Anatomie de l'entreprise: Pathologies et diagnostic*. In Pierre Moule (Ed.), *L'Entreprise contre l'État*. Marne-la-Vallée, France: La Sorbonne.

TSCA/TORONTO BriefSD (0813) September 2020/Alan Supiot

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At an international level, we should fully acknowledge what is stated in the preamble to the ILO's constitution: "The failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries." And we should take account of the fact that the international division of labour and our environmental impact on the planet are inseparable. Social and environmental standards must therefore be given the same legal force as those governing international trade. This would require the creation of an international dispute settlement body with the power to authorise countries complying with these standards to close their markets to products made under conditions that do not. The European Union could regain political legitimacy by championing such a reform, thus renewing the commitment enshrined in EU treaties to "improved living and working conditions, so as to make possible their harmonisation while the improvement is being maintained", rather than encouraging a social and fiscal race to the bottom between Member States, as its Court of Justice does.

Ambitious reform of labour law should also include unpaid work, such as raising children and caring for elderly parents, which is as vital for society as it is ignored by economic indicators. Ever since artificial lighting made working 24 hours a day possible, labour law has provided a spatial and temporal framework compatible with our biological clock and the (human) right to respect for private and family life. This framework is now threatened by neoliberalism and information technology, which together extend paid work to any place and any time. The price, particularly in terms of family life, is exorbitant but never acknowledged by those obsessed with Sunday and night working, which are destroying the last vestiges of social time to have escaped the commodification of human life.

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AFTER INDUSTRIALISM: REVIVING NATURE IN THE 21ST CENTURY — Reinhard Olschanski

Ecologism as a school of thought emerges as a critique of industrialism, the ideology that binds liberalism, conservatism, and socialism. It develops these three dominant political traditions by recognising nature as the basis for the human's existence and development. Two decades into a 21st century already defined by the crisis of the human in nature, the ecologisation of human society is an urgent imperative.

Hardly anything escaped the titanic forces of industrial modernity. It ploughed up the world and created it anew. It shaped a way of thinking

that sees everything as dominated by the kinematic principles of machines. Humanity too became a kind of machine, with the relationship between the mind and the brain resembling that of bile and the gall bladder. The human spirit was banished, separated from the material world, which was subject to human control as a subordinate or yet to be subordinated space. One consequence of the naturalisation of human existence, or perhaps its banishment from nature, was the forgetting of the body.



After Industrialism: Reviving Nature in the 21st Century

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The Suppression of the Ecological Question

The great political concepts – liberalism, conservatism, socialism – were deeply influenced by industrialism. In the struggle over socialism, the market economy, and the "Third Way", that human dominance over nature could be extended indefinitely was common sense. Since the emergence of great industry in the 19th century, industrialism has been the true ideology of the epoch, tying the three main political traditions and their representatives closer together than they ever thought possible.

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CALIFORNIA'S MIGRANT WORKERS — Bruce Neuberger

In the era of Trump and his anti-immigrant fascist mongering, California stands out as a kind of fortress of tolerance—after all, it is a sanctuary state. This was not always the case. California was at one time, arguably, the most overtly racist state in the United States outside of the former slave states—ground zero for the Chinese Exclusion Act of 1882, Operation Wetback in 1954, and Proposition 187 in the mid-1990s. Something changed—partly demographically, partly due to persistent struggle, and partly because of the country's dependence on the very people Trump and his kind like to bash.

But if we should become too taken by the signs of progress in California toward embracing diversity and opposing overt white supremacy, Chasing the Harvest will help bring us, literally,

back down to earth. It is not a sweeping analysis of exploitation nor does it seek to unearth the mainsprings of that exploitation. But it does give a compelling and powerful picture of what exploitation and oppression—indeed, what an apartheid labour system—looks like up close. It brings us face to face with the fact that this is a society that cannot sustain itself, cannot feed itself, without a labour system that ensnares hundreds of thousands in a web of extremely oppressive social relations; a system that is, in all but in name, a caste system enforced by state power.

THE CASE FOR BASIC INCOME — Guy Standing



The Case for a Basic Income

Guy Standing

The COVID-19 pandemic has brought into sharp relief the irretrievable breakdown of the post-war income distribution system in the West that essentially ties income and benefits to employment. The past four decades have seen income, wealth, and power flowing increasingly to rentiers—owners of physical, financial, and so-called intellectual property—while the ranks of the global precariat swell, consigning workers to unstable jobs, low and erratic incomes, and insecure lives. But the pandemic may prove the undoing of that system, as paying people to stay home—indeed, to not do paid work—has become essential to survival.



As long as income depends on jobs, workers will feel a need to return to unsafe conditions. And as long as economic power remains concentrated at the top, companies will have every incentive to make workers come back. Even if we manage to weather the current pandemic, our system lacks the resilience to be ready for the next one—let alone other crises.

The glimmer of hope amidst the tragedy is that the economic recession triggered by the pandemic is a potentially transformative crisis. Many on the left were puzzled by the reversion to the neoliberal status quo following the 2007/2008 financial crash. However, a hegemonic paradigm will only be displaced if it cannot answer the questions that preoccupy people and if an alternative paradigm is ready. For too long, that second condition has been missing.

Fortunately, an alternative economic vision has been emerging, and a basic income system is an essential component of it. A basic income is not a panacea, merely a necessary pillar of the reimagining of work and economic security in our crisis-ridden world. As resolutely against old-style "labourist" social democracy as against neoliberal capitalism, it will

TSDG148#WSPD#0024# December 2020#Guy Standing

reimagining of work and economic security in our crisis-ridden world. As resolutely against old-style "labourist" social democracy as against neoliberal capitalism, it will foster greater freedom while helping us tackle the worsening crises of inequality, climate change, and authoritarian populism.

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California's Migrant Workers

A Caste System Enforced by State Power

Bruce Neuberger

California is by far the most important source of fruits, vegetables, nuts, dairy, meat, and other products of the U.S. food system. The list of U.S.-grown foods produced almost exclusively in California by the state's roughly eight hundred thousand farmworkers is a long one, including two thirds of the country's fruits and nuts, and one third of its vegetables. California growers employ one out of three of the nation's farmworkers. Some 70 percent of these workers were born in Mexico. Estimates are that at least 50 percent are undocumented, with little chance of changing that. They plant, cultivate, irrigate, harvest, pack, and haul a boomerang \$47 billion worth of farm products each year—17 percent of the total value of farm products nationally according to 2013 statistics. Their average annual income is \$14 thousand and 10 percent of farmworkers live in "informal dwellings" like garages, sheds, and abandoned vehicles. Despite many hazardous job conditions, only one out of three farmworkers has any kind of health insurance.



Telling the Stories

"No one comes out here. No one knows what we go through," Roberto Valdez, a farmworker in the Coachella Valley town of Thermal, California, tells Gabriel Thompson, the interviewer and editor of *Chasing the Harvest*, a recently published book of interviews with farmworkers, growers, union activists, teachers, and others. And as one reads through the compelling stories that are told here, one gets a deep sense of what Roberto means, as well as a passionate urge to have others know of the life and work of those who labour in California's fields.

That is the thread that binds the seventeen people whose narratives are found in *Chasing the Harvest*—all have worked or are still working in California's fields.

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The interviews in *Chasing the Harvest* flesh out a part of this picture—an important part. And they are an important beginning for grappling with this history and this current reality.

These narratives are meant to be used also as material for school curriculum, so that students can engage with experiences that are both little known and intimately connected to our lives and well-being. They offer the possibility that these windows to the world of farmworkers will inspire students to seek out causes of injustice and to uncover the system that has produced them. They are a starting point for challenging that which needs to be upended, for this oppressive and life-crushing farm labour system cannot be allowed to stand.

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REPORTS FROM THE OBSERVATORY OF LIVING WAGES — JUS SEMPER — UNIVERSIDAD LA SALLE, MEXICO CITY



A Collaborative Research Project

2020 REPORT: LIVING-WAGE ASSESSMENT – PPP WAGE RATE GAPS FOR SELECTED "DEVELOPED AND EMERGING" ECONOMIES FOR ALL EMPLOYED IN MANUFACTURING WORKERS (1996 UP TO 2018)

Our 2018 assessment reports divergent outcomes among selected economies that were predominantly the result of a meaningful increase of hourly wages in local currency (or lack of it), exchange rates and changes in their PPP cost of living. Six economies improved their position, four lost ground and four did not change. France, Germany, Italy, South Korea, Singapore and Australia improved their equalisation index (Eq-Idx). Canada, United Kingdom, Spain and Turkey lost ground compared to their 2017 position, whilst Brazil, Mexico, Japan and South Africa experienced no change.

Among the six economies that improved their living-wage equalisation position, the main factors were the substantial increase of their

hourly rates in local currency combined with a revaluation of their currency or a decrease in their cost of living in PPP terms for private consumption. In the case of the three euro-area countries (France, Germany and Italy), it was specifically the combination of the increase of their hourly wage rates with a revaluation of the euro. This allowed France, Italy and Germany to increase their equalisation Eq-Idx. This combination served to offset their increase of their PPP cost of living, and increased their advantage over the increase of the US hourly rates in real terms. A similar behaviour took place in the case of Singapore and South Korea. In this way, they clearly outperformed the increase of the US hourly rate in manufacturing and thus increased their equalisation Eq-Idx. In fact, Singapore's Eq-Idx is its best recorded since 1996. Australia, in contrast, devalued its currency, but it achieved the highest improvement of its equalisation Eq-Idx among all 41 economies in our reports, which is equal to its best position previously achieved in 2014. This was the result of a strong increase of its hourly rate in local currency and a currency devaluation, which contributed to a drop of its PPP cost of living.

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2020 REPORT: LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF ARGENTINA'S WAGE RATE GAP 1996-2018



Our analysis of Argentina's living wages in the manufacturing sector from a global perspective (purchasing power parities) no longer assumes that Argentina's government will continue to regard the appreciation of real wages as a fundamental element of its economic policy. As expected, the Macri government did everything possible to resume the old centre-periphery relationship that applies a neocolonial ethos to Argentina's economic policies. Unfortunately, his economic policies have proven disastrous, and in his four years, inflation and devaluation have exploded, the country fell into default of its sovereign debt, real wages collapsed and poverty increased very meaningfully. One clear direct consequence is that the equalisation indices for at least the 2018 - 2020 period will

drop dramatically, from 50 in 2017 to low to mid 30s, which is tantamount to the levels prevalent during the 1996 - 2000 period.

After the staunchly neoliberal Macri government left Argentina's socio-economic conditions in dire shambles, the new Fernández government is doing its best to recover the gains for the common citizen of the preceding Kirchner-Fernández governments, which will be a rather daunting task, given the recurring crises since the start of this century. For now, living wage equalisation in the manufacturing sector vis-à-vis equivalent US wages has collapsed and is destined to drop to levels reminiscent of the 2002 crisis before it begins to recover.

The new government of Alberto Fernandez immediately implemented a countercyclical package to return to demand-side policies aimed at reducing as much as possible Macri's neoliberal ethos and his economic policy errors. Some of these are tax hikes on foreign currency purchases, agricultural exports, wealth, and car sales as well as labour protections to increase compensation for unjustified work dismissals. Also, as it happened at the start of the century, Argentina was forced to default on its foreign debt, and has just reached an agreement with vulture funds and other foreign creditors that, for the most part, fulfils their demands and not those of Argentinians. Moreover, Argentina is once again under negotiations with the IMF to reduce its never ending sovereign foreign debt. Furthermore, the economic crisis has been convoluted by the COVID-19 pandemic, which will clearly exacerbate Argentina's deep recession. So far, inflation appears to be substantially lower in 2020 than in 2019, at 13,5% for the first six months, but expected to hover at 30% by the end of the year, despite the effect of the pandemic on an already depressed demand. As with the rest of the world, GDP will fall drastically, at least 11% and then gradually recover, more as a technical rebound rather than as true growth in 2021. All of these factors will make it difficult for Argentina to recover real wages in manufacturing and gradually bring them to their previous equalisation position relative to the 2002 crisis.

Parting from this rather negative context, the socio-economic picture for Argentina looks a lot like a loss of two decades. This would entail a colossal hardship particularly for the lower ranks of society. One of the greatest benefits of the appreciation of real wages of any country – in the context of a living wage ethos in a market society– is the direct impact on the eradication of the conditions of inequality and exclusion; conditions that have prevailed in Argentina for many decades and were only reduced substantially between 2004 and 2015. It remains to be seen if the new government is capable of performing a successful balancing act between the different variables in an extremely complex scenario.

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2020 REPORT: LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF BRAZIL'S WAGE RATE GAP 1996-2018



Temer's supply-side economic policies that continues with Bolsonaro's government, have stopped any effort to improve the labour's share of income and clearly reflect a policy of deliberate wage contention. Temer's government passed a new law (PEC 55) that freezes all public spending for 20 years, which implies that constitutionally-protected government expenditures in the areas of health, education and other social sectors would remain stunted until 2036. This has ended Brazil's commitment to sustain its minimum wage appreciation policy, after the minimum wage had more than doubled in real terms since 1996. As for manufacturing wages, they actually lost ground since 1996, which partially recovered from the recession at the start of the century, until the minimum wage appreciation policy had a positive influence from 2010 onwards that is now receding once again. Yet, with a renewed recession during the 2014-2016 period, that only began to subside in 2017 and will fall back into a deep recession due to the ongoing COVID-19 pandemic, and the staunchly neoliberal and predatory supply-side approach followed by Bolsonaro's government, Brazil will not resume any gains in real terms from a domestic perspective nor will it resume the closing of its Eq-Idx, from a global perspective, for the foreseeable future. In fact, it is likely to actually increase its equalisation gap with comparative wages in the US in the coming years.

For the entire 24-year period (1996-2018), living wage equalisation of manufacturing hourly wages have not made any improvement whatsoever, and they are slightly lower than in 1996. The hourly rates recovered gradually after the turn of the century recession but by 2018 their equalisation with equivalent US wages are down to a 32 index relative to the 34 index of 1996. Our estimate for 2019, indicates that their Eq-Idx would drop to 31 as the result of a meagre increase estimate in local currency, the actual erosion of the BRL and an increase of the PPP cost of living in local currency. The compounding effect of Bolsonaro's government predatory economic policy that is clearly anti-labour and the COVID-19 pandemic, make any change for the better rather unlikely for the

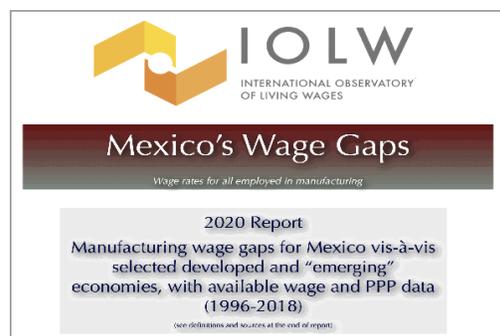
foreseeable future. Hence, the prospect for living wage equalisation appears grim.

Parting from the implications carried by the shift from demand-side to supply-side economic policy in Brazil's current government, it appears to be unlikely that any meaningful progress will be achieved in increasing manufacturing wages and wage rates for the entire economy in real terms. In the best case scenario, wages will keep their current value. All of this is further complicated by the deep recession triggered by the pandemic.

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2020 REPORT: LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF MEXICO'S WAGE RATE GAP 1996-2018



The staunchly predatory, corrupt and fraudulent governments of Mexico, imposed a policy of wage erosion and containment at an extremely precarious level in manufacturing and all economic sectors, as one of the pillars of their economic policy for nearly 36 years. With the current government, this appears to be changing.

Mexico's track record since 1996 exposed a deliberate state policy of maintaining modern-slave-work real wages between 1996 and 2015. However, their wage policy appears to have changed in 2017 after the execution of consistent supply-side policies over more than three decades. For the first time the federal minimum wage was increased above inflation in 2017 and 2018. Through a so-called "Independent Recovery Amount", the minimum wage for 2017 was increased arbitrarily by 9,6%, including 3,9% to offset the estimated CPI inflation rate. The same criterion was applied for 2018, for a total minimum wage increase of 10,4%, including a 3,9% increase to offset CPI inflation. In 2019, Mexico's new government, vowing to implement a strong minimum wage recovery policy, increased the minimum wage by 16,2%, including a 5% increase to offset inflation and by 20% in 2020, including 5% to account for inflation. This changes appear to have a direct positive impact on manufacturing wages in real terms and on its equalisation with comparative US wages.

Between 2015 and 2018 the manufacturing hourly rate in local currency increased 43,6%, and by 18,3% in US dollars after accounting for an erosion of the peso, which allowed the PPP conversion factor for private consumption to drop. The combination of these components allowed the Eq-Idx to gain five points in 2016 and then remain at this level in 2017 and 2018.

After two years, it remains to be seen if the government follows this path or resumes abiding by supply-side criteria. Mexico has the worst wages in Iberian America. We have observed 36 years of a deliberate policy of wage pauperisation that has forced a huge population to join the ranks of the precariat. While minimum wage policy appears to be moving on the right track, there are many instances of public matter with the government clearly siding with the interest of capital and not with the people. If, at the end, the labour's share of income does not improve steadily and shows a marked increase by the end of 2024, we would have to conclude that the only goal of the government was to mitigate the worst characteristics of exploitation and not to change the structures that sustain them.

On the other hand, if the government complies with its campaign promises, it will take decades to both achieve a living-wage ethos and to close the gap with equivalent wages in the manufacturing sector, under the equal pay principle. At the very least, it will take five six-year terms to fulfil this expectation under the presumption that the current government sets the path and materialises the progress that can be achieved by 2024, as illustrated in our projections.

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2020 REPORT: LIVING-WAGE ASSESSMENT – NEW ASSESSMENT OF SPAIN'S WAGE RATE GAP 1996-2018



In 2018 Spain widened the gap of its equalisation index (Eq-Idx) after a meaningful four-point gain in 2017. The increase in its gap was largely the result of the combined effect of a drop of its hourly rate in euros and a meaningful increase of its cost of living in purchasing power parity terms, with the latter being in turn a consequence of the revaluation

of the euro for the most part, since consumer prices increased less than two percent.

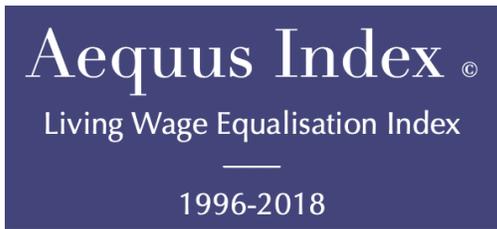
Since Spain joined the €uro area, hourly manufacturing wage rates generally performed better than the minimum wage, with rates consistently moving above CPI inflation, whilst the minimum wage increased at lower rates and lost value in real terms between 2001 and 2004. It was only until 2017 and 2018 that the minimum wage outperformed manufacturing wages in real terms relative to CPI inflation, ending 16% above the CPI versus only 9% for the manufacturing hourly rate. Undoubtedly, Spain's minimum wage will greatly outperform manufacturing wages in 2019 and 2020. We will see to what extent manufacturing wages are influenced by the pressure exerted by the increases to the minimum wage when the hourly manufacturing rates become available. The government has pledged to push for powerful increases to the minimum wage in the next three years for a total increase of 26% by 2023. Yet mounting opposition from employers already forced them to increase the rate in 2020 at half of what they pretended. According to the government, the 2019 minimum wage of Spain was still below the average for the rest of Europe at 80,6%. For now, inflation has not been impacted whatsoever by the unprecedented minimum wage increase. As for unemployment, it continued to drop in 2019, from 26% in 2013 to 13,8% by the end of 2019. But, as could be expected, by second quarter 2020, it has climbed to 15,3% as a result of the COVID-19 pandemic.

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Aequus Index — LIVING WAGE EQUALISATION INDEX FOR ALL EMPLOYED IN THE MANUFACTURING SETOR 1996-2018 (41 COUNTRIES)

LIVING-WAGE ASSESSMENT (1996-2018) – THE FOUR LARGEST ECONOMIES IN THE AMERICAS (CANADA, BRAZIL, MEXICO AND ARGENTINA)



- Argentina** PPP conversion factor (country currency x \$1)
- Exchange rate
- PPP conversion factor (in U.S. dollars)
- 2. Equalised PPP nominal wage rate US \$
- 3. Actual PPP Real wage rate US \$
- 4. Actual Nominal wage rate US \$
- Compensation Deficit in US \$ (2 minus 4)
- Wage Equalisation index (4÷2 or 3÷1)

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LIVING-WAGE ASSESSMENT – TABLE T5: 1996-2018 REAL WAGE-GAP RATES FOR FOURTEEN SELECTED ECONOMIES, IN PURCHASING POWER PARITY (PPP) TERMS, FOR ALL EMPLOYED IN MANUFACTURING. *(THE BASE TABLE USED FOR ALL PPP REAL-WAGE GAP ANALYSIS)

LIVING-WAGE ASSESSMENT (1996-2018) – EIGHT ASIA AND OCEANIA ECONOMIES

- Benchmark** (PPP conversion factor for private consumption)
- 1. U.S. Hourly Manufacturing Wage Rate*** (Hourly compensation costs)
- Canada** PPP conversion factor (in country currency)
- Exchange rate
- PPP conversion factor (in U.S. dollars)
- 2. Equalised PPP nominal wage rate US \$
- 3. Actual PPP Real wage rate US \$
- 4. Actual Nominal wage rate US \$
- Compensation Deficit in US \$ (2 minus 4)
- Wage Equalisation index (4÷2 or 3÷1)

- Benchmark** (PPP conversion factor for private consumption)
- 1. U.S. Hourly Production-line Rate** (Hourly compensation costs)
- Japan** PPP conversion factor (in country currency)
- Exchange rate
- PPP conversion factor (in U.S. dollars)
- 2. Equalised PPP nominal compensation US \$
- 3. Actual Real compensation US \$
- 4. Actual Nominal compensation US \$
- Compensation Deficit in US \$ (2 minus 4)
- Wage Equalisation index (4÷2 or 3÷1)

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LIVING-WAGE ASSESSMENT (1996-2018) – TWENTY-EIGHT EUROPEAN ECONOMIES

- France** PPP conversion factor (country currency x \$1)
- Exchange rate
- PPP conversion factor (in U.S. dollars)
- 2. Equalised PPP nominal wage rate US \$
- 3. Actual PPP Real wage rate US \$
- 4. Actual Nominal wage rate US \$
- Compensation Deficit in US \$ (2 minus 4)
- Wage Equalisation index (4÷2 or 3÷1)

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A final thought



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Mexico City policeman chains himself to the main doors of the City Assembly in protest because his salary does not make a living wage (19 December 2006).

A living wage is, universally, the most important element in the achievement of everyone's right to a dignified life and the eradication of poverty. Relative to the social responsibility of business, a corporation or organisational entity employing people, regardless of size or trade, public or private, cannot be considered to behave in a socially responsible manner if it does not pay a living wage, regardless of how responsibly it behaves in all other areas of activity.

Just as the International Labour Organisation's Decent Work Agenda states, *the decent work concept has led to an international consensus that productive employment and decent work are key elements to achieving poverty reduction*. Yet, everything remains in the realm of rhetoric and hypocrisy, and the system, imbued in the most perverse human instincts, remains.

