



## **A new historical period?**

### **Civilization crisis, limits of the planet, inequality, assaults to democracy, permanent war state and people in resistance<sup>1</sup>.**

Edgardo Lander

*There is no time  
Other than the one that has touched us.*

Joan Manuel Serrat

### **Crisis of the hegemonic civilizational pattern**

We are experiencing the terminal crisis of an anthropocentric, monocultural and patriarchal civilizational pattern, based on endless growth and on systematic war efforts against the conditions that make life on planet Earth possible. The civilization of scientific and technological domain over “nature”, measuring human wellness through the accumulation of material goods and through unlimited economic growth -of which capitalism is the utmost expression-, is reaching its edge. Its destructive dynamics, the commoditization of all dimensions of life, is, hastily, undermining the conditions that allow this civilizational pattern to exist. Capitalism requires permanent economic growth, as a condition of reproduction of its accumulation patterns; this is obviously not possible in a planet with limited resources. The more capitalism seeks to outstrip its own limits, incorporating new territories, exploiting new common goods, usurping Others’ knowledge and manipulating the codes of life (biotechnology) and the codes of matter (nanotechnology), it deepens its own destructive dynamics and accelerates its advance towards its own limits.

In this historical moment, in which humankind has a deeper need of cultural diversity and the multiplicity of cultures, of various knowledge forms, ways of living inside

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1. Distant from proposing a closed-circuit characterization of humankind’s present situation, this text aims to highlight some of the main dynamic tendencies that must be incorporated to the debates about the historical moment which we are living. It also intends to indicate documentation sources for the discussion of such subjects.

the totality of lifestyles (as a condition to answer this civilizational crisis), indigenous and non-urban peoples and cultures of all the planet being threatened by the inexorable advance of the logics of “*accumulation by dispossession*”. Today, the matter we will be confronting is not whether capitalism is able to survive its terminal crisis. If in little time we are not able to end this systematic destruction machine, what will be at stake is the ability of humankind to survive the final collapse of capitalism.

## **Environmental crisis and the limits of the planet**

The fact that profound changes are being made to the climatic systems and to the conditions that make life on planet Earth possible is out of question. This is not only true about climatic changes, but also regarding other equally critical issues, such as the loss of biodiversity, the disintegration of fertile land, deforestation, water contamination, etc. We are not just taking into consideration statistical data and scientific consensuses. The impacts of these severe transformations constitute part of the everyday experience of hundreds of millions of people: droughts, floods, reduction of water availability, loss of genetic diversity, external heat, loss of crops, etc. Except for the corporate argumentation of those who have direct interest in the production and consuming of fossil fuels and for the perspective of right wing knowledge centers (*think tanks*), that defend the fundamentalism of free markets and its political expressions (especially in the United States) <sup>2F</sup>, it is practically unanimous to scientific communities around the world that the rise in the temperature of the planet is a direct consequence of the growing release of greenhouse gases into the atmosphere, mainly as a result of human action. If we do not put very short term brakes on this expansive logic of assaulting “nature”, human life is

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2. A total of 36 of the 85 new republican members of the Chamber of Deputies, elected in 2010, and 11 of the 13 senators recently elected by the Republican Party have publicly questioned the “climate change science”.(Center for American Progress Action Fund, “Republicans Slam GOP’s Climate Change Denial as “Incomprehensible” and “Embarrassing”, Think Progress, 2010 [<http://thinkprogress.org/>]).

According to Republican representative John Shimkus, there is no need to worry about the destruction of life by climate change; according to verse 22 of the 8th chapter in the book of Genesis, after the Universal flood, God guaranteed to Noah that such thing would never happen again (Mail Foreign Service, ‘The planet won’t be destroyed by global warming because God promised Noah,’ says politician bidding to chair U.S. energy committee”, Mail Online, November 10th 2010. [<http://www.dailymail.co.uk/news/article-1328366/John-Shimkus-Global-warming-wont-destroy-planet-God-promised-Noah.html>]).

In many states and school districts in the United States, the issue of teaching climate change is becoming a subject of fierce debate, following the example of evolution theory. Conservative groups have been demanding that climate change and its human-related causes be presented as one of the available scientific theories, and that study plans also include the arguments of those who deny global warming and climate change.

National Center for Science Education. “Climate Change Denial Is Affecting Education”, January 5th 2012 [<http://ncse.com/climate/denial/denial-affecting-education>]



severely threatened.

International negotiations focused on defining common agreements to reduce the impact on the planet's life systems have been, until this moment, a resplendent failure. This has been reiterated in Cop 17 (Durban, December 2011), where the largest commitment achieved was the creation of an *ad hoc* work group. This group's responsibility is to negotiate a new treaty to establish the reduction of greenhouse emissions until 2015; the treaty shall only come into force in 2020<sup>3</sup>. Despite the urgencies we are undergoing, the signature of new compulsory agreements is being postponed for more than a decade! The logic of capitalism has been installed as the dominant criteria to shape all decisions. The search for new fields of accumulation as a strategy to escape the economic/financial crises (such as carbon credit markets) has priority over the efforts to preserve human life.

In this context, the *Green Economy*, presented by the United Nations Environment Program (UNEP)<sup>4</sup>, does nothing but repeat the ludicrous promises that, *through market mechanisms and technology solutions*, without changing the power relations or the accumulation logic of capital, and without touching the world's profound social inequality, it would be possible to reach a world that is environmentally sustainable, with more accelerated economic growth, with jobs and well-being for all.<sup>5</sup>

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3. United Nations Framework Convention on Climate Change, "Establishment of an Ad Hoc Working Group on the Durban Platform for Enhanced Action", Durban, December 2011. [[unfccc.int/files/meetings/durban\\_nov.../pdf/cop17\\_durbanplatform.pdf](http://unfccc.int/files/meetings/durban_nov.../pdf/cop17_durbanplatform.pdf)]

4. United Nations Environment Program (UNEP). *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication. Synthesis for Policy Makers* 2011. [[www.unep.org/greeneconomy](http://www.unep.org/greeneconomy)]

5. Edgardo Lander, *Green Economy. The wolf in sheep clothing*. Transnational Institute, Amsterdam, 2011. [<http://www.tni.org/es/report/la-economia-verde-el-lobo-se-viste-con-piel-de-cordero>]

Meanwhile, after 20 years of negotiations since the Earth Summit in Rio de Janeiro, 1992, and in spite of the fact that the world's main economies are undergoing severe economic crises that have been limiting both consumption and production, the Energy Department of the United States of America calculated that, in the year 2012, the increase of greenhouse gases emissions will be of 564 million tons worldwide. This 6% rise in only one year is the largest ever registered<sup>6</sup>. The Intergovernmental Climate Change Panel affirms that at least part of the extreme climate events we have been observing, such as the droughts, floods and hurricanes that affected millions of people in the last years are a direct consequence of climate change<sup>7</sup>.

### **Profound and growing inequality**

The totality of life systems of the planet is under severe attack; however, in the immediate present and in the short term, the side effects of this situation are extremely unequal. There is an inverse relation between the countries, regions and peoples that have historically had (and continue to have) larger responsibility for the dynamics of destruction (including the accumulation of greenhouse gases in the atmosphere), and those regions and populations that are more affected by their effects. Those who are more responsible, the industrialized countries of the North, are located in temperate zones, where the effects of climate change have been milder. Also, they have had more financial and technological capacity to respond to such changes. This seems to account for the low commitment of these countries, especially the United States, to this subject.

On the other extreme, people's lives are being endangered: the populations of the lower South Pacific islands (that are threatened to disappear with the rise of sea level), of the inhabitants of the Sub-Saharan Africa (where the elevation of temperatures was much higher than the global averages and long lasting droughts have compromised crops and caused the death of livestock), and of the great deltas, such as Bangladesh (where hundreds of millions of people live, and where agricultural lands have suffered salinization and flooding). These regions of the planet, their populations, their states (whose historical responsibility over climatic transformations is limited) are not only experimenting processes which destroy their life possibilities, but also have a lack of financial and technological resources to respond to them. Not even migration appears to be an option, since racist policies to control and militarize borders and to build walls to keep "undesirable" populations away severely limit this possibility<sup>8</sup>. Instead of human solidarity, we find ourselves in face of the construction of *global apartheid*.

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6. Seth Borenstein, "Biggest jump ever seen in global warming gases", The Associated Press, November 3rd 2011

7. Justin Gillis, "UN Panel Finds Climate change behind some extreme weather events", New York Times, November 18th 2011



The current inequality in income distribution cannot be compared to any other historical period<sup>9</sup>. The growing concentration of income in the hands of a global financial oligarchy is notorious. Information about this process is gradually becoming more abundant. Many financial groups have published detailed reports, in the recent years, about the main tendencies in income distribution, especially in relation to the rich and the ultra-rich groups in the planet. Differently from comparative studies between nations and from the analysis of income destination inside countries, these studies focus on individual income distribution on a global level. Two examples are sufficient to illustrate the extreme levels of inequality that characterize the world we live in.

The financial group Credit Suisse has started an annual publication in which it analyzes income distribution (of real assets, such as real estate, plus financial assets) of the world's whole adult population<sup>10</sup>. According to its calculations, the poorest half of the world's adult population owns only 1% of global income. 3.051 million adults, who represent 67,6% of the world's adult population, own only 3,3% of global income. In contrast, the richest 10% own 84% of global income, the richest 1% own 44%, and the richest 0.5% own 38,5%<sup>11</sup>.

The economic crises in the last years have not attempted to hold back the tendency of rising income concentration; rather, they have enlarged it. Capgemini and Merrill Lynch Wealth Management publish a study of the situation of the rich around the world every year<sup>12</sup>. According to the 2010 edition, the total number of high-net worth individuals has grown 17.1% in 2009, regardless of the 2% contraction of global economy

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8. We are not only speaking of walls to stop the immigration of Southern workers to the industrialized North. India is finishing the construction of an approximately 2km barrier to stop the influx of migrants from Bangladesh. Hundreds of unarmed migrants have been killed by Indian security agents when trying to cross these borders. See: Scott Carney, Jason Miklian, Kristian Hoelscher, Fortaleza la India. ")Por qué es Delhi que construye un nuevo muro de Berlín para guardar hacia fuera a sus vecinos de Bangladesh? ", Foreign Policy, July-August, 2011.

[[http://www.foreignpolicy.com/articles/2011/06/20/fortress\\_india?page=full](http://www.foreignpolicy.com/articles/2011/06/20/fortress_india?page=full)]; Brad Adams; "India's shoot-to-kill policy on the Bangladesh border", The Guardian, London, Jan 23rd 2011

9. The International Forum on Globalization (IFG) Outing the Oligarchy. Billionaires who benefit from today's climate crisis. December 2011. [<http://ifg.org/programs/putonomy.html>]

10. Credit Suisse Research Institute Global Wealth Report 2011, Zurich, 2011

11. Idem, pp.11-14

12. Capgemini and Merrill Lynch Wealth Management, World Wealth Report 2010. This publication analyzes the wealth that is available to what they call high-net-worth individuals (individuals with more than a million dollars available for investment) and ultra-high-net-worth individuals (individuals with more than 30 million dollars available for investment)

registered in the same year. The total income of these individuals has risen 18.9%, totalizing 39 trillion dollars. The available income of the ultra- high-net- worth individuals grew 21.5%. Among all high-net worth individuals, the subgroup of those who possess ultra-high assets consists of less than 1%, who, nonetheless, concentrate over 35% of the global income confined to the richest individuals in the world<sup>13</sup>.

We are not only speaking of tendencies in the so-called developed world. The percentage rise in the number of rich and ultra-rich individuals and the escalation of the income volume they own has also been observed in “emerging countries”. In India, the country with the world’s largest population undergoing famine, the richest man in the country has built a family residence with 27 floors that has, among other things, 3 helicopter landing sites. The total cost of the construction is estimated around one billion dollars<sup>14</sup>.

In the United States, the average disposable income of 90% of the population was kept constant for the last 40 years. Since 1970, all the growth in national income was held in the hands of the 10% richest segment of the population. Growing income concentration in the hands of the ultra-rich oligarchs has been produced<sup>15</sup>. Between 2002 and 2007, 65% of the increase in the United States national income stayed in the hands of 1% of the population<sup>16</sup>. According to the United States Congress Center on Budget and Policy Priorities, the gap between the disposable income of the richest 1% of the population and the medium and lower income groups has tripled between 1979 and 2007; this has resulted in the highest income concentration in the hands of the richest 1% since 1928<sup>17</sup>. Regarding the United States Federal Government Database, Pew Investigation Center affirms that in 2009 the average income of the predominantly “white” households was 20 times superior to that of the predominantly “black” households, and 18 times superior to that of the predominantly “Hispanic” households. This was the most alarming result since this study started to be published, 25 years ago<sup>18</sup>.

As an inevitable result of these tendencies, according to data from the United States Census Bureau, the number of poor people has gone from 25 million in 1970 to

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13 13. Capgemini y Merrill Lynch Wealth Management, World Wealth Report 2010, Op. cit., p. 4.

14 14. Jim Yardley, “Soaring above India’s Poverty, a 27 story home”, The New York Times, October 28th 2010

15. Jeffrey A. Winters, “Oligarchy and Democracy”, The American Interest, November-December 2011

16. Christya Freeland, “The Atlantic”, January-February 2011

17. Arloc Sherman and Chad Stone, “Income Gaps between very rich and everyone else more than tripled in last three decades, new data shown”, Center on Budget and Policy Priorities, Washington, July 25th 2010 [www.cbpp.org]

18. United States Census Bureau, Income, Poverty and Health Insurance coverage in the United States; 2010, September 2011, Table 4, p.14



46.2 million in 2010<sup>19</sup>. Such inequality is gradually becoming hereditary. According to Paul Krugman, when analyzing the most renowned Universities in the United States, it was found that 74% of the students that are able to get in come from the 25% richest income group. Only 3% belong to the 25% less privileged income groups. Among those who are able to have access to University, the probability of finishing the chosen courses of study depends much more on family income than on the students' intellectual capacity<sup>20</sup>.

According to the Organization for Economic Co-operation and Development (OECD), the only countries belonging to OECD that have improved income distribution between the 1980s and the first decade of the 21<sup>st</sup> century were Greece and Turkey. France, Hungary and Belgium have had little variation. In all the other 22 countries, there was a rise in income concentration<sup>21</sup>.

These extraordinarily growing income, wealth and power concentrations apply to all human activities. For instance, the apparent democratization of access to communication, as a result of massive expansion of mobile communication around the world, is extremely deceitful. In fact, access to communication, a form of common good, is being limited, and the present situation has led to extraordinarily unequal use of mobile technology. It is estimated that 1% of all mobile users in the world use up 50% of the available bandwidth; 90% of this share is available to only 10% of users. This number is expected to be rising<sup>22</sup>.

Socialist countries have had, for decades, the most equal distributive structures in the planet. However, the collapse of the Soviet bloc and the market reforms in China and in Vietnam have produced accelerating income concentration processes. According to some studies, there are nowadays in Russia more millionaires than in any other part of the world<sup>23</sup>. In China, the sustained economic growth of the last three decades has allowed hundreds of millions of individuals to overcome poverty. However, this was possible at the cost of a huge rise of inequality. The available numbers suggest that, at

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19. Paul Krugman, "America's Unlevel Field", The New York Times, January 8th 2012

20. OECD, "Growing Income Inequality in OECD Countries: What drives it and how can policy tackle it?", Paris, May 2011, p.19 [www.oecd.org/els/social/inequality]

21. Kevin J. O'Brien "Top 1% of Mobile Users Consume Half of the World's Bandwidth, and Gap is Growing", The New York Times, January 5th 2012

22. Bill Kouwenhoven, "The glided generation: what is it like to grow up as part of Russia's new power elite? Russia now has more billionaires than anywhere else on earth", The Independent, London, July 3rd 2011

23. Damiah Tobin, "Inequality in China: Rural poverty persists as urban wealth balloons", BBC News Business, July 29th 2011 [http://www.bbc.co.uk/news/business-13945072]

the present moment, China is a more unequal country than the United States<sup>24</sup>.

The United Nations numbers for the mortality of the world's population allow us to have a more precise view of the implications of grotesque inequalities. While life expectation in the "developed" countries was of 78 years old in 2011, the corresponding number for Sub-Saharan Africa was of only 55 years old. A difference of 23 years! While child mortality (death of children under 5 years old) in the "developed" countries was, in the same year, of 8 per thousand, the corresponding number for Sub-Saharan Africa was of 21 per thousand, that is, 15 times superior<sup>25</sup>. The access to drinking water is the essential source of these differences. One billion people lack access to "treated water" and two hundred and forty million people have need of access to "basic sanitation".

*"In the vicious cycle of poverty and of bad health, the correct administration of water and of sanitation services is both cause and consequence: invariably, those who require an affordable and correct water supply are among the poorest social groups"*<sup>26</sup>

*92% of the neighborhoods that lack access to drinking water around the world and 93% of the neighborhoods that require water treatment services are in Africa and in Asia"*<sup>27</sup>.

These differences are equally found inside countries. It is estimated that the life expectation of the people living in Shanghai is 15 years superior to the life expectation of the inhabitants of the province of Guizhou, and that the annual income of Shanghai's inhabitants is about 20 thousand dollars superior to Guizhou's<sup>28</sup>.

Regarding the universe of labor, the most dramatic expression of inequality is in the expansion of slavery, including sexual slavery, workforce slavery and children trafficking. Some estimates show that there are more people being forced to cross borders against their will nowadays than in any other previous moment in history<sup>29</sup>. In 2005, the number of people submitted to forced labor (including slavery) worldwide was

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24. United Nations. Department of Economic and Social Affairs. Population Division. World Mortality 2011 [www.unpopulation.org]

25. The United Nations. Water for the People. Water for Life. World Water Development Report. Executive Summary. UNESCO, Paris, 2003, p.11 [www.unesco.org/water/wwap]

26. Op. Cit. p12

27. World Economic Forum, Global Risks 2012, Geneva, January 2012 p.19

28. Ethan B. Kapstein "The New Global Slave Trade", Foreign Affairs, November/December 2006

29. Among this number, 9.8 million are exploited by private agents, and more than 2.4 million are facing forced labor. Other 2.5 million are forced to work by the State or by rebellious military groups" World Labor Organization, "A global Alliance against forced labor", Geneva, 2005 pp 12, 14. [white.oit.org.pe/sindi/general/declarationweb.pdf]





of 12.3 million. A total amount of 1.32 million cases was registered in Latin America<sup>30</sup>. Work conditions that are similar to slavery have been detected in many parts of the world, involving some of the most well-known global brands; see the example of Spanish clothing retailer Zara<sup>31</sup>.

Bearing in mind the world's growing inequality, and the fact that the massive expansion of communications has made these brands known and desired by growing portions of the planet's population, the World Economic Forum (Davos) admitted that, considering the complex pattern of tendencies that point to a future of dystopia, in which life is characterized by difficulty and by hopelessness, the profound inequalities will be the main risk factor humankind must confront in the next 10 years, displacing the fears of climate change<sup>32</sup>.

### **Multiple assaults to democracy**

Such profound inequality is incompatible with democracy<sup>33</sup>. Such wealth concentration (and the concentration of political power that necessarily accompanies it) is the most dramatic expression of the limitedly democratic character of the world we live in. In the majority of countries, independent of political regime (democratic, authoritarian, autocratic, secular or religious), state institutions operate more as an instrument of those who own money than as representatives of the willpower of citizens. Capital's anti-revolution, the neoconservative/neoliberal project that begins, among other things, with the *Trilateral Commission* and with Thatcher and Reagan's governments in the 1970s was astonishingly successful. This movement fulfilled its main goals: the reversion of

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30. América Economía "Proveedor de Zara es acusado de esclavitud laboral en Brasil", São Paulo, August 18th 2011

31. World Economic Forum, op. Cit. This information is based on the inputs by 469 well-known "experts", from the industry, from governments and from civil society in different parts of the world.

32. According to the American Political Science Association Task Force on Inequality and American Democracy, one of the most conservative academic segments in that country: "Our country's ideals of inclusive citizenship and of idoneous government may be under growing threat, in an era of persistent and growing inequalities. The discrepancies in income, wealth and access to opportunities are growing in the United States more quickly than in many nations, and the hiatuses between races and ethnic groups persist. Progress towards implementing the American ideals of democracy has ceased and, in some areas, been reverted". American Political Science Association. Task Force on Inequality and American Democracy, 2004. [www.apsanet.org]

33. International Forum on Globalization, op. cit. pp1-2

democratic logic both in liberal societies and in the rest of the world, the promotion of extravagant income concentration, and the destruction of social democracy as an alternative to neoliberalism. In this sense, an anecdote about Margaret Thatcher spiritedly says that, years after having left the position of chief of State, she would have been asked what she considered to be the most important achievement in her carrier. With her usual demolishing precision, Thatcher would have answered: “Tony Blair”.

All alternatives to the current civilization crisis and to the destruction of the conditions of life that choose not to take into consideration the aspect of fighting this obscene inequality will naturally fail. In the first place, it only with radical redistribution, with extreme and massive transfer of resources and access to the common goods that were appropriated by the richest, would it be possible to reduce unsustainable human pressure over the ecological systems that sustain life, and to enable the majority of the world’s population to have decent life conditions.

In the second place, no significant change of the destructive logic of capitalism is possible while a minority, exclusively benefited by the current state of affairs, retains such a high amount of global wealth and such significant capacity of interfering in decisions regarding investment and policymaking.

The relationship between wealth concentration and the devastation of the planet’s ecosystems has been analyzed by the International Globalization Forum in their publication

*“Outing the Oligarchy. Billionaires who benefit from today’s climate crisis”*. This study analyzes the world’s richest men and women who (besides owning a billion dollars each) have massive investment in activities that are related to fossil fuels, and, equally, the enormous capacity of influencing political decisions. They conclude that this group of multimillionaires (from the United States, Europe, Russia, India, China, Brazil, Mexico, etc.), are the largest beneficiaries from the activities that are destroying the planet’s live systems.

“Nowadays, the main threat to common global climate goods constitutes of multi-millionaires, the group that benefits most from the contamination of the planet and that exerts influence upon governments to promote fossil fuels.

Despite the need for new standards to reduce the emission of greenhouse gases, there are few possibilities of significant progress until we do not gain awareness of how this extreme concentration of wealth and power has corrupted the democratic perspective of decision-making. The climate change negotiators know that they are not the ones who are making decisions; contrarily, they are limited by the political pressure of the group that benefits most from the contamination of the planet<sup>34</sup>”.

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34. Público, “PSOE y PP pactan una reforma constitucional sin referéndum”, Madrid, August 23rd



Growing mutilations of democratic principles are deeply rooted in the tendency towards the creation of an economic and financial oligarchy. The privileged sectors do not only identify their common interests (deregulation, low taxation, preservation of tax havens, etc. and, in times of crises, the guarantee to be bailed out by States), but also are able to act collectively in order to defend them.

They count on many different instruments. We shall highlight the complicity and unconditioned support of the science of Economics, as it is practiced and taught in the world's main universities, providing scientific support and legitimacy to concentration processes.

Great corporations and financial capitals have a growing ability to impose their will upon public policies. In the year 2011, in the European Union, the so called "markets" imposed an unexpected shift to the Spanish Constitution, with no correspondent public debate. This reformed focused on constitutionally limiting the fiscal deficit. The demands for a national debate and for a referendum to be submitted to popular appreciation were dismissed by the main political parties<sup>35</sup>.

Greece and Italy were imposed the replacement of two democratically elected governments with technocrats intimately connected with the financial group Goldman Sachs, a "financial coup d'état", Goldman Sachs' planning of a coup d'état<sup>36</sup>" (How far away the times of social democracy and welfare state seem to be!). In Ignacio Ramonet's words:

"The EU is the last territory in the world in which the brutality of capitalism is quilted by social protection policies, in the form of a "welfare state". The markets no longer tolerate this format and wish to demolish it. This is the strategic mission of the technocrats who have ascended to the governmental sphere by means of a new way of taking up power: the financial coup d'état.

Have European democracies been converted into "authoritarian democracies"<sup>37</sup>?

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35. Stephen Foley, "What price the new democracy: Goldman Sachs conquers Europe", The Independent, London, November 18th 2011

36. La Gran Regresión", Le Monde Diplomatique, París, December 2011

37. Slavoj Zizek, "Now the field is open", Al Jazeera, Al Jazeera.net, October 29th 2011

The political systems of liberal democracies, their institutions and their political parties have gradually been turned into instruments of financial capitals, which do not serve the democratic will of citizens. We are achieving what Slavoj Žižek has called the “end of the matrimony between capitalism and democracy”.<sup>38</sup>

Risk evaluation agencies, particularly the three most important ones - Standard & Poor's, Moody's and Fitch - , have not been designated this role by any public or democratic authority; however, they have been converted into judges of the countries' economic and political situation<sup>39</sup>.

These agencies have taken control not only of the evaluation of whether public policies correspond to “market interests”, but also of whether these policies contribute towards amplifying “market trust”. Hence, these groups have transformed into direct policymakers, imposing clear demands to governments' decision making and threatening to increase the risk classification of the countries that do not do as they please<sup>40</sup>. Negative evaluation from these agencies usually produces the rise of interest rates on future credit acquisition, representing a potential extra cost of hundreds of millions of dollars; this can also cause an immediate escalation of the loss of private financial funds.

The behavior of political authorities in these countries, in relation to the orders dictated by these “judges” has demonstrated that, in moments of crisis, a new model of “democracy” operates: the threats or the commands of these agencies weigh more significantly upon economic policy decisions than the desires of the citizens.

Moreover, when “the markets” consider that there are not enough conditions of “confidence”, the mere promise of massive capital outflow may be sufficient to impose change to political decisions which have been rejected by financial institutions.

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38. “ These agencies, which are considered to have great capacity of assessing the risk presented by public debt around the world, were absolutely incapable of previewing the risk of some of the main financial institutions since the 2007 collapse. “Throughout the last two decades, the technical incapacity, the lack of methodological accuracy, the inexistence of effective regulation and the systematic fraud promoted by risk agencies when analyzing the payment capacity of States and the diversity of available financial instruments. The mortgage crisis in the United States and the approach of a structural crisis in the Eurozone are some of the most recent episodes in a long path of irregularities and limitations of the risk agencies. Another event worth noticing is the AAA, the safest and highest risk classification, which was granted to Enron in 2001 and Lehman Brothers in 2008, just before both companies broke.

39. The examples of such demands are various. Once elected as Spain's chief of State, Mariano Rajoy was rushed by Fitch Agency to take advantage of the “opportunity window” that his “unquestionable majority” allowed him and approve “ambitious and radical” structural reforms. (Público, “Fitch reclama a Rajoy medidas adicionales de austeridad en España”, Madrid, November 22nd 2011). In January 2012, in the same moment of the announcement that Spain's risk has risen, Standard and Poor's threatened to release an even higher risk evaluation in case the Spanish government did not implement a radical reform in the labor market. (Yiannis Mantás, “S&P rebaja dos escalones a España y quita la triple A a Francia y Austria”, Público, Madrid, January 24th 2012)

40. Edgardo Lander, “La utopía del mercado total y poder imperial”, Revista Venezolana de Economía y Ciencias Sociales, vol.8, no.2 May-August 2001- pp51-79



One of the main reasons why the current capitalist crisis is so severe can be found in the loss of the system's regulation capacity. Neoliberal globalization has created conditions for capitals can move freely, without any obstacle. The capacity of state regulation is in decline, even in the most powerful states. The success of the *expected total market utopia*<sup>41</sup> is converting into a burden, once the lack of instruments to deal with its inevitable excesses is revealed and the short-term interests of speculative capitals gain predominance over the notion of general well-being and stability. After this genie has been freed, it cannot be drawn back into the lamp. As Polanyi has lucidly stated:

“ ... the idea of a market that regulates itself was a purely utopian idea. Such an institution could never have a lasting existence without annihilating human substance and the nature of society, without destroying humans and transforming their ecosystem into a desert. Inevitably, society has adopted protective measures, but all of them have compromised the self-regulation of markets, disorganizing industrial life and exposing society to other risks. This exact dilemma forced the market system to follow a certain pace in its development, which ended up rupturing the social organization upon which it was based<sup>42</sup>”

The global asset market, speculative and relaxed, has limited the control exerted by Central Banks over currency, weakening, thus, one of the most important instruments of monetary policy. With the argument that financial institutions are “too large to break” (on account for the effects this would have over the totality of economy), since the beginning of 2007 the public sector has performed a colossal transfer of resources to the same banks and financial institutions which were responsible for the start of the crisis. The perspectives of some regulation measures, initially planned by part of the G-20 as a response to the financial crisis, were gradually diluted by the (completely unrealistic) idea that the crisis had ended. Banks quickly returned to their usual practices, counting on the use of public resources to bring the compensations of their high executives to the pre-crisis levels and lobbying towards the ban on new regulations to the financial sectors.

In these crises years, the European Union has demonstrated the true nature of its constitutional pact. The original constitutional project was slightly remodeled and

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41. Karl Polanyi. *La gran transformación. Crítica del liberalismo económico*. Ediciones La Piqueta, Madrid, 1989 p.26

42. Spain had a more than 20% unemployment rate in 2011, with juvenile unemployment of over 40%

renamed, less threateningly, the “Lisbon Treaty”, after being refused in the *referendums* that took place in France and in the Netherlands. In fact, the Lisbon Treaty brings along a growingly less democratic political regime, in which transcendent political decisions move gradually away from citizens. With the “constitutionalization” of neoliberalism, the dream of a democratic and egalitarian Europe is left behind, while power is getting more concentrated in authoritarian structures -the European Central Bank (“autonomous”), the European Commission and the German government. This process has left aside national parliaments and the European parliament. Countries facing profound recession, with very high unemployment rates<sup>43</sup>, are forced to adopt austerity measures: the lay-off of public staff, the increase of retirement ages, the reduction of welfare budgets and the relaxation of labor regulations.

The defense of the euro (followed by an apocalyptic account of what might happen in case the value of such currency is not sustained) has allowed new steps to be taken in the direction of a larger transfer of sovereignty to non-democratic institutions inside the European Union<sup>44</sup>. In Latin America we have already undergone this process and the social costs of brutal structural adjustment are well known.

In the United States, where the power of money has historically operated in a much more unrestricted way than in European countries, the Supreme Court issued a decision that fortifies the power exerted by corporations over the whole political system. Parting from the bizarre supposition that corporations should have the same rights as individuals, in January 2010 the Supreme Court lifted restrictions that were over a century old and went against constitutional doctrines that had been reaffirmed in previous decisions issued by this same Court and by the United States Congress. The Supreme Court determined that establishing limitations to the financial support of political campaigns by corporations and unions is a violation of the constitutional right of freedom of expression set by the First Amendment<sup>45</sup>.

Considering the extremely high costs of electoral campaigns in the United States, this decision intensifies the power of influence groups to purchase legislative and executive decisions which favor their interests. This decision was celebrated by rightwing groups in as a restoration of the basic principles of the Republic<sup>46</sup>; at the same time, it

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43. In the words of Susan George: “One of the reasons why we fought, in France, against the Lisbon Treaty was the fact that this treaty aimed at installing neoliberal politics in the heart of Europe. Now, the European Commission is willing to revise the plans of action of each one of the member nations before they are voted by national parliaments, to ensure they attend certain criteria. This is an undisguised attack to democracy” Nick Buxton, “End financial control of European governances” (interview to Susan George), Transnational Institute, Amsterdam, s/f [<http://www.tni.org>]

44. This case is known as Citizens United vs Federal Election Commission. Adam Liptak, “Justices 5-4, Reject Corporate Spending Limit”. The New York Times. January 21st 2010

45. Hans A. von Spakovsky, “Citizens United and the Restoration of the First Amendment”, Legal Memorandum no.5, Heritage Foundation, February 17th 2010

46. For an analysis of the hugely non-democratic consequences of this decision, see: Public Citizen, “12 Months After the Effects of Citizens United on Elections and the Integrity of the



was understood as a severe attack on democracy by progressist and liberal political groups<sup>47</sup>.

There are multiple mechanisms through which inequality and restrictions to democracy are mutually enforced. The tax policies in the United States illustrate this point. As a result of growing corporate power, in the last decades the country's taxation structure has shifted to attend corporate interests, contrary to the majority of paid workers. In this sense, the tax rate over salaries is higher than the tax rate over return on investment. The more benefit this logic provides to the funding of electoral campaigns, the larger obstacles will rise against any intention to modify these tax rules.

Another similarly important threat to global democracy stems from the multiple connotations that the concept of "*national security*" gains in the present political scenario. This process, resulting of the convergence of many political, technological and economic tendencies, has various anti-democratic repercussions. The terrorist attacks to the World Trade Center in 2011 have set new ground for this discussion. A permanent state of fear was systematically encouraged by the media and by the entertainment industry: fear of terrorism, drugs, personal security, undesired migrants, threats presented by new global powers. Since the enemy can be anywhere, it should be searched for in all places. Authoritarian neoconservative political thought gives *raison d'état* priority over the democratic rights of citizens. The Patriot Act, crushingly approved by both chambers of the United States Congress, represents a radical assault to civil and political rights which are supposedly guarded by liberal democracy. It found legitimacy in the atmosphere of fear. This law provided legal grounds for the creation of the legal entity of "enemy combatants", to the violation of the Geneva conventions, to the application of torture the Iraqi prison of Abu Ghraib and to the establishment of the detention (and torture) camp in Guantánamo.

The consequences over civil and political rights inside the United States have been equally distressing, not only under Republican governments. According to a two-year investigation conducted by the *Washington Post*, the post 9-11 period was marked by the appearance of a secret security apparatus of unknown dimensions. Some of the investigation results show 1271 government organizations and 1931 private companies engaged in intelligence and counterterrorism activities, employing more than 854 thousand people providing "certified security" in ten thousand different locations around

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Legislative Process", Washington, January 2011 [<http://www.citizen.org/12-months-after>]

47. Dana Priest and William M. Arkin, "Top-Secret America: A hidden world, growing beyond control", *The Washington Post*, July 20th 2010

the nation, and producing about 50 thousand intelligence bulletins per year<sup>48</sup>.

In December 2011, as part of the 2012 Defense Plan, the United States Congress authorized the Armed Forces to conduct investigations and interrogations to combat national terrorism, allowing the detention of any person classified as a terrorist –including American citizens – for undetermined time, with no access to due process of law<sup>49</sup>. Even though facing strong opposition in many social sectors (some of which classified the Plan as a leap towards a “police state”), President Obama signed this law, indicating that he had “severe reservations” about it<sup>50</sup>.

All the fear and insecurity installed by the media and by rightwing politicians operate common senses aimed at reducing the resistance against measures that, gradually, build up a *surveillance society*, with technology that goes much beyond Orwell’s imagination. Enormous business opportunities emerge for designing new surveillance technology, in the “*security industrial complex*”. The direct role of companies from this segment in lobbying for the definition and for the expansion of policies in the field of security, in Europe and in the United States<sup>51</sup>, has been broadly documented.

Wikileaks has revealed the ties between security agencies and private companies that provide espionage services in 21 countries<sup>52</sup>. This allows: undetectable interception of phone calls; satellite monitoring; voice analysis and voiceprint identification; tracking cell phone users through the use of GPS systems, even when this service is inactive; biometric identification and design of viruses that can introduce themselves in any type of electric device<sup>53</sup>.

Security cameras are being installed both in public and in private spaces. Non-manned aircraft of many different sizes are being designed and employed in surveilling

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48. National Defense Authorization Act for Fiscal Year 2012. [<http://thomas.loc.gov/cgi-bin/query/z?c112:S:1867>]

49. Julie Pace, “Obama signs defense bill despite ‘serious reservations’”, *The Christian Science Monitor*, January 1<sup>st</sup> 2012

50. Ben Hayes, NeoConOpticon The EU Security-Industrial Complex, Transnational Institute, Amsterdam, September 2009. [<http://www.tni.org/report/neoconopticon>]

51. The latest revelation of the organization directed by Julian Assange reveals the million-dollar business of the surveillance companies that have converted their business into a massive espionage industry to provide intelligence services to governments and private companies. The latest Wikileaks revelation shows the numbers of the companies what, in many countries, intercept phone calls, track text messages, rebuild internet navigation and create voice identification for the individuals who are under investigation. All this is done to large extent with software that is sold to democratic governments and to dictatorships. “El último golpe de Wikileaks: mapa identifica a las empresas que tienen al mundo bajo vigilancia”, CIPER. Centro de Investigación Periodística, Santiago de Chile, 2011[<http://ciperchile.cl/2011/12/02/el-ultimo-golpe-de-wikileaks-mapa-identifica-a-las-empresas-que-tienen-al-mundo-bajo-vigilancia/>]

52. Ben Hayes, Arming Big Brother. The EU Security Research Programme, Transnational Institute y Statewatch, Amsterdam, 2006. [[www.tni.org/es/archives/act/3928](http://www.tni.org/es/archives/act/3928)].

53. Ben Hayes, Arming Big Brother. The EU=s Security Research Programme, op. cit





not only “enemy territories”, but also for carrying out domestic investigation. The accelerated expansion of the “*security industrial complex*” is eroding the traditional boundaries between national (military) security, domestic (police) security and “law enforcement”<sup>54</sup>.

This surveillance society has very little to do with the ideal of “free citizens”, expressing their maximum potentials without state interference, which is supposedly the maximum value of liberalism.

### **Global power rearrangements and decline of the unilateral imperial power of the United States.**

Once the collapse of the Soviet Union caused the disappearance of their main strategic rival, the groups governing the United States announced that the 20th century would be *the American century*<sup>55</sup>, meaning this country would be able to exert widespread domain and to stop the rise of any country or any group of countries against its unquestionable hegemony. This ideology had its maximum expression in the neoconservative group (known as the “New American Century”) that integrated the George W. Bush government, between 2001 and 2009.

However, this imperial illusion has resulted to be a short-range view. Even in the military field, from which the United States continues to derive its largest global domain, the wars in Iraq and in Afghanistan have demonstrated the limits of this imperial power. After more than one decade of continuous war, the withdrawal from Iraq is taking place without the accomplishment of the war’s declared objective, to convert the Iraq into an example of liberal democracy to the Middle East. Not even minimal political stability was attained. The war in Afghanistan continues to be fought, in spite the fact that the sense “victory” and the justification for sending out troops have been lost.

In the economic sphere, the displacement of the United States hegemony in the world system, with the emergence of new actors, is operating in vertiginous pace. The distance between the accelerated growth rates of the “emergent “economies and the lethargy of the industrialized countries is in permanent repositioning. The consolidation of China as a serious rival to the economic hegemony of the United States has been particularly daring. After three decades of annual growth rates around 10%, China

54. Project for the New American Century. *Rebuilding America= & Defenses. Strategy, Forces and Resources. For a New Century*, [[Http://www.newamericancentury.org/](http://www.newamericancentury.org/)].

55. International Center for Trade and Sustainable Development. “China Reclaims Former Perch as World’s Biggest Manufacturer”. *China Programme*, vol. 15. Number 9, March 16th 2011

outstripped Japan, to become the world's second economy, and Germany, to become the biggest exporter in the world. According to the International Center for Commerce and Sustainable Development, in 2011 China surpassed the United States, now owning the world's largest industrial production and recovering the position it held in the first decades of the 19th century<sup>56</sup>.

Another expression of these global rearrangements is the fact that, according to the *Centre for Economic and Business Research* in London, Brazil took up the United Kingdom's position as the world's sixth largest economy in 2011. The same source shows that, while Chinese economy represents less than 50% of the economy of the United States in 2011, it will represent 84% one decade later, in 2020. There are also estimates that Russia will skip from the world's ninth economy to being the fourth in 2020, and that India will rise from tenth to fifth place in the same ranking<sup>57</sup>.

A couple of years ago, Goldman Sachs named the group of emerging countries with the highest growth rates "BRICs" (Brazil, Russia, India and China). Since then, close follow up on the economy of these countries has been made. The analysis this corporation produced to analyze the impact of the 2007-2008 crises concluded that this group of countries left the crises in better conditions than the developed world. As a consequence, it is expected that Chinese economy will overtake the economy of the United States in 2027, and that, as a group, the BRIC will have a larger economy than the main developed countries, the G-7 (United States, Japan, Germany, United Kingdom, France, Italy and Canada<sup>58</sup>). This implicates in astonishing shift of global consumption towards these countries. It is calculated that, in 2020, the number of people belonging to middle classes (income varying from 10 to 30 thousand dollars per year) in the BRICs will be twice the number of middle-class people in the G-7 countries. China alone would have, in that occasion, a larger middle class than all the G-7<sup>59</sup>.

The idea of "displacements" does not only refer to the relative strength of national economies. It is also verified when looking at the relative strength of corporations of different origins over global economy. The *Boston Consulting Group* has produced annual reports about the roles and the global impact of transnational corporations over "economies in fast development", which are classified as "new global rivals" who are "shaking the established economic order". These new global rivals (especially from China,

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56. Centre for Economics and Business Research Ltd, "Brazil has overtaken the UK's GDP", The CEBR World Economic League Table, London, December 26th 2011

57. Goldman Sachs, "The Long-Term Outlook for the BRICs and N-11 Post Crisis", Global Economics Paper No. 192, December, 2009.

58. Goldman Sachs, "Is this the 'BRICs Decade'?", BRICs Monthly, May 20th 2010. [<https://360.gs.com>]

59. Boston Consulting Group, 2011 BCG Global Challengers. Companies on the Move. Raising Stars from Rapidly Developing Economies Are Reshaping Global Industries, Boston, January 2011. [[www.bcg.com/documents/file70055.pdf](http://www.bcg.com/documents/file70055.pdf)]



India, Brasil, Russia and Mexico) have seen their sales rise 18% and their turnover grow an average of 18% in the 2000-2009 period; in comparison, the same numbers for corporations based in developed countries are 6% and 11%. Some of these corporations have recently become the biggest in the world in their activity areas. The number of corporations based in these countries that are listed among the world's 500 largest global companies by *Fortune* has gone from 21 to 75 in the last decade<sup>60</sup>.

The drawbacks the United States are experiencing with these processes are not limited to the economic field; they are also noticeable in other areas, such as technology, education and defense. In the end of 2011, the Chinese government brought to public the launch of their space program for the next five years. This program includes building space laboratories, launching manned spacecraft and laying ground for the construction of space stations.

Other announcements have been made: towards the improvement of launch vehicles, the upgrade of communications and the development of a global satellite navigation system to compete with the dominant position the United States occupies in this segment with GPS positioning<sup>61</sup>.

All this happens in a moment when the United States is in demand of their own launching vehicles and is depending on Russia to send astronauts and material to the international space station, due to the fact that the service life of the North American space shuttle is over.

Every year the OECD International Student Evaluation Program (PISA) promotes a comparative evaluation of 15 year-old students in the 34 countries which are members of the organization and in other countries associated with the program. A large scope of subjects is analyzed, such as written comprehension, text interpreting, mathematics, science, etc. In 2009, the Chinese province of Shanghai was first included among the 75 participating countries. The students in Shanghai had the best grades in 6 of the 7 chosen categories and reached the best punctuation in global evaluation, outdoing students from the countries which had the best students in the previous years, Finland and South Korea<sup>62</sup>. In most categories, the United States occupied the 23rd/24th position<sup>63</sup>.

Another evidence of the progressive loss of the United States hegemony in the

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60. The New York Times, "China Reveals Its Space Plans Up to 2016", December 29th 2011

61. The OECD Program for International Student Assessment (PISA). [[www.oecd.org/edu/pisa/2009](http://www.oecd.org/edu/pisa/2009)] It is clear that the province of Shanghai does not represent China as a whole and has educational conditions which are superior to those of the rest of the country. However, with more than 23 million inhabitants, its population is superior to that of many of the countries participating in the program.

world system consists of the slow but significant advances that have been made to reduce the role of the dollar as reserve currency. The dollar has been a fundamental pillar of the United States hegemony, mainly since the moment this country abandoned the gold standard under President Richard Nixon. In Immanuel Wallerstein's words:

We have been living in a world in which the US dollar has been the world's reserve currency. This has reasonably given the United States a privilege that no other country has: to be able to print money at their own will, whenever this action is thought to solve some immediate economic problem. No other country is able to do that; moreover, no other country can do that without dealing with penalties while the dollar manages to maintain itself as the accepted reserve currency<sup>64</sup>.

There are many signals of a gradual de-dollarization of global economy, more pointedly from the BRIC countries<sup>65</sup>. In the end of 2010, Russian president Vladimir Putin and Chinese prime-minister Wen Jiabao announced that they would quit the use of the dollar in bilateral transactions, to adopt the Yuan and the ruble instead<sup>66</sup>. Likewise, in the end of 2011, the prime ministers of China and Japan negotiated an agreement by means of which they are able to implement bilateral trade using their own currencies. The terms of the negotiation also include the permission for Japan to use the Yuan as reserve currency. As we are speaking of the world's second and third economies, with very high trade levels, this agreement could transcendently affect the dollar's international role<sup>67</sup>.

In Latin America, the trading in national currencies between Argentina and Brazil and, on a different scale, the "SUCRE" (Unified System for Regional Compensation) between the ALBA countries point in the same direction.

### **The military hegemony of the United States and the permanent war situation**

Military affairs are the area in which the United States preserves its hegemony,

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62. Sam Dillon, "Top Test Scores from Shanghai Stun Educators", The New York Times, December 7th 2010

63. "¿Guerra de divisas?, por supuesto", La Jornada, México, November 6th 2010

64. "Plantea China una nueva divisa de reserva para sustituir al dólar", La Jornada, México, August 7th 2011

65. "Fuera el dólar: China y Rusia usarán el Yen y el Rublo en su comercio bilateral", Chinadaily-Aporrea, Caracas November 25th 2011. [www.aporrea.org/internacionales/n170213.html]

66. Andrew Miller, "China and Japan Agree to Far-Reaching Currency Pact", TheTrumpet.com December 28th, 2011.

67. The North Atlantic Treaty Organization (NATO) has gradually abandoned its regional character to organize military operations in all parts of the planet. See: Ivo Daalder y James Goldgeier, "Global NATO", Foreign Affairs, September-October 2006.



relying on the participation of its allies whenever possible, but frequently adopting unilateral measures. This is that country's main strategic advantage in the quest for preserving global hegemony. In the last years, it has shown a progressively growing will to use this military power, both in Republican and in Democrat presidential terms.

An expression of the continuity of the United States unilateral imperial ambitions is the approximately one thousand military bases outside its borders<sup>68</sup>, which constitute 95% of the existing overseas military bases around the world. As historian Chalmers Johnson points out, it is a new form of colonialism that is not characterized, as in the European case, by territorial occupation, "military bases are the American version of colonies"<sup>69</sup>.

According to one of the most trustworthy centers of study of military spending, the Stockholm International Peace Research Institute, the United States was responsible for 43% of the world's military investment in 2010, a number that is much higher than the investment performed by the sum of the next nine countries with largest military budgets, 32%<sup>70</sup>. What this number means, as a proportion of the United States federal budget, varies according to the adopted calculation methodology. Official statistics convey it a smaller importance than it actually has, as it excludes a large number of military-related investments which are not directly connected to the Pentagon. The anti-war organization *War Resisters League* indicates that if the spending with war veterans, the public debt created from the financing of military activity and the cost of the wars in Iraq and Afghanistan are added to the Pentagon's budget, the total military spending in the United States will reach 54% of the federal budget<sup>71</sup>.

An extensive study by the Watson Institute for International Studies of Brown University suggests that the total cost of wars in the United States during the last decade varies between 3.2 and 4 trillion dollars. The "conservative" estimates by this institute point that 236.000 deaths occurred in Iraq, in Afghanistan and in Pakistan, mostly of civilians (40.000 to 60.000 occurred in Pakistan, where, supposedly, there is no war being

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68. According to the Pentagon's list, the number of bases is 865, however, if the bases in Iraq and Afghanistan are included in the calculations, the total number would get to over one thousand. [[www.thebulletin.org/print/web-edition/columnists/hugh-gusterson/empire-of-bases](http://www.thebulletin.org/print/web-edition/columnists/hugh-gusterson/empire-of-bases)]

69. Stockholm International Peace Research Institute, Background paper on SIPRI military expenditure data, 2010, Stockholm, 2010. [[www.sipri.org](http://www.sipri.org)]

70. War Resisters League, "Where your income tax money really goes", New York, July 5th 2011. [<http://warresisters.org/pages/piechart.htm>]. This calculation refers to "discretionary spending". It does not include social security expenses that are outside the federal budget

71. The costs of war, Eisenhower Study Group. Eisenhower Research Project. Brown University, June 2011 [<http://costofwar.org>]

fought). They also estimate that each one of these deaths have caused 4 other indirect fatalities (starvation, environmental devastation and damaging of infrastructure), which would escalate the number of deaths caused by these wars to 1.180.000. Also, the number of war refugees and displaced populations is around 7.800.000 individuals<sup>72</sup>.

In order to politically sustain this state of blood shedding and costly *permanent war/ endless war*, fundamental transformation in the ways war is conducted were proven necessary. The experience in Vietnam demonstrated that a war is not politically sustainable throughout time if it has constant presence in public opinion and if privileged social sectors suffer its consequences directly. Hence, some adjustments regarding the levels of opacity in relation to the war itself and the transfer of the effects to other segments of the population. This was achieved through three fundamental transformations in the conduction of war, concerning the personnel and the technology employed. In the first place, recruitment was replaced by “voluntary” enlistment based on economic incentives. The resistance to the War in Vietnam place great emphasis on fact that the “universal” recruitment policy applied to many individuals from privileged social sectors, including students from the country’s most elitist universities. Each student recruited against his or her will and each body that would fly in from overseas would hence motivate political action and nourish war opposition, until the conflict became politically unsustainable. The replacement of “forced recruitment” by economic incentives towards voluntary enlistment caused the core of the men and women dying in the front to be from the poorest social sectors, and, thus raising less concern from public opinion.

Another strategy for reducing recruitment is the outsourcing or privatization of war. In 2011, the number of mercenaries, called “military private contractors”, surpassed the number of uniformed soldiers actively fighting in Iraq and in Afghanistan<sup>73</sup>. The privatization of war broadened the scope of influence of *the “military-industrial”* complex and, along with that, the influence of corporate and economic sectors whose profit depended on the continuity and on the amplification of the wars.

The implications of technological transformations of the “art of war” are equally relevant.

The development of high-tech weapons has cost billions of dollars, with the tactical gain of allowing the countries who have them to reduce human participation in the battlefield. The employment of fewer soldiers in the front is compensated by new artillery that, besides offering a higher destruction power, can be remotely controlled and operated with computers. This reduced the number of war casualties and allows a war to be carried on without even “setting foot on enemy territory”. NATO’s official spokesmen have affirmed that the war in Libya, which caused the deposition of Muammar Khadafi’s government,

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72. Jeff Shear, “Professional Military and the Privatization of Warfare”, Miller-McCune, April 22nd 2011



was conducted without one single fatal victim among the “allies”. Obviously, the same did not happen to the Libyan population.

Under these conditions, without recruitment and with few dead North-Americans, the state of *infinite war* becomes natural, against all imaginable enemies: terrorism, failed states, weapons of mass destruction, pirates, drugs. The main difference in comparison to previous historical moments is that war does no longer consist of a succession of discontinuous events that have a start and an end; rather, permanent war is fought, declared or not, simultaneously in many fronts: Iraq, Afghanistan, Libya, Sudan, Somalia, Iran...

In face of the growing financial limitations and of the present hegemony rearrangements, the Obama government has announced a new military strategy with which it seeks to preserve the United States leadership in the 21st century. Two main aspects of this strategy ought to be highlighted: first, more reduced though “more efficient, more flexible, more prepared and more technologically advanced” Armed Forces; second, the strategic priority given to the contention of China, identified as a rival to the United States global hegemony.

The economic and security interests of the United States are deeply connected to the state of affairs in the region that includes the West Pacific, the East Pacific, the Indic Ocean and southern Asia, creating a fluctuating combination of challenges and opportunities. In this sense, the US military will have the need to rebalance their role in the Asia-Pacific region, though they must still contribute to global security.

Our relation with allies and Asian partners provides vital ground to Asian-Pacific Security. We will also expand our cooperation network with emerging partners in this region, to ensure the collective ability to guarantee our common interests.

In the long term, the emergence of China as a regional power will have potential effects over the economy of the United States and over our security in various ways. Our countries have strong common interest in peace and stability in Eastern Asia and in the establishment of bilateral cooperation. On the other hand, the growth of China’s military power must be followed of an increase in transparency of its strategic intentions to avoid regional tension<sup>74</sup>.

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74. Rich Morin, “Rising share of Americans see conflict between rich and poor”, Pew Research Institute Center. Pew Social & Demographic Trends, January 11th 2012. [<http://pewsocialtrends.org/2012/01/11/rising-share-of-americans-see-conflict-between-rich-and-poor/?src=prc-headline>]

Secretary of State Hillary Clinton has named this new strategy “America’s Pacific Century”, and affirms that the “future of global politics will be decided in Asia, not in Afghanistan or in Iraq, and the United States will be just in the center of action” <sup>75</sup>. In her speech to the Australian in 2011, President Obama highlighted that, after the wars in Iraq and Afghanistan, the United States were drawing attention to the vast potential of Asia and the Pacific, including “vast military presence in the region”. <sup>76</sup>

Obama announced the establishment of a new military base in Australia, the first investment in this area since the War in Vietnam. This provoked an annoyed reply of the Chinese government, accusing Obama of “escalating the military tension in the region”

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## **People in motion**

As a result of such an extraordinary combination of threats to democracy, to peace and to human dignity, if not to life itself, we are today facing people in motion and people in resistance. In 2011, extraordinary mobilization was produced around the world, expressing resistance to these tendencies and the fight for another possible world. Latin America, which has been the most active continent in the last decades in this sense, many movements and fights have continued and “radicalized”, especially against multiple forms of extractivism: open-pit mining, extraction of hydrocarbon compounds, monoculture of transgenic soybeans, eucalyptus, pinnus and African palm, enormous hydroelectric dams. Among the most prototypical fights we can point out the actions against mining in Argentina, the resistance to the Belo Monte dam in the Brazilian Amazon, the great actions against mining corporations in Cajamarca (Peru) and the opposition against road building across the “Territorio Indígena Parque Nacional Isiboro Sécuré (TIPNIS)”, an area of Indian reservation lands in Bolivia. The logics of extractivism

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75. Barak Obama, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, Washington, January 2012

76. Hillary Clinton, “America’s Pacific Century”, *Foreign Policy*. November 2011. [[http://www.foreignpolicy.com/articles/2011/10/11/americas\\_pacific\\_century](http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century)]

77. Barak Obama, “Remarks by President Obama to the Australian Parliament”, Canberra, Australia, November 17th 2011. [<http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament>].

78. Jackie Calmes, “A U.S. Marine Base for Australia Irritates China”, *The New York Times*, November 16th 2011





and the primary-export insertion of these economies have continued, in spite of the profound political changes that have been observed in the continent; this represents the main source of internal contradiction and of deceiving in regard to the “progressist” leftwing governments that have risen to power in the last decade.

Old subjects and scenes have also returned to light. Some relevant examples include the student movements in Colombia and in Chile, in defense of public education. In Chile, country where Pinochet’s dictatorial government had installed broad neoliberal political and cultural hegemony, with the rule of individualism and the loss of value of public and collective goods, the fights of the miners, of the “mapuches” and, especially, of the students seem to have torn the common sense around this model of society. The massive and sustained student mobilization in 2011, in demand for quality public education – inscribed inside the democratic notions of equality and respect for public institutions- has achieved extraordinary popular support, although it has not managed to change the course of governmental actions. According to the national public opinion survey conducted by the Center of Studies of Contemporary Reality in December 2011, “89% of the population supports the demands of the students”; “77% agree that education should be free”; “78% that all higher education institutions should be non-profit; and 82% say that the demands of the students are the correct way to improve the quality of education”. The support to the students and to their demands is massive even among those who identify themselves as “rightwing” voters. Only 21% of the population supports the Piñera government<sup>79</sup>.

In the Arab world, political change that a little time ago was unthinkable is being produced, starting by wide-ranging and persistent popular mobilization, the “Arab Spring”, which deposed the dictators Ben Ali in Tunisia and Hosni Mubarak in Egypt. Organizations that were previously illegal, such as the Islamic Brotherhood, have become protagonists of the political game. The denial of any democratic right, along with the intensification of social exclusion, poverty and inequality due to the advance of neoliberalism lit a fire in the core of global geopolitics and opens up a historical period of profound change and great instability. The position of this region as a safe source of hydrocarbon compounds to supply the energy needs of the United States and of the European Union is over, following the gradual loss of acceptance faced by authoritarian governments, traditional allies of the great powers in this region.

The “allies” respond to these new conditions with direct military actions (Libya) or with the threat of military intervention and secret espionage actions (Syria, Iran). Israel,

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79. Centro de Estudios de la realidad contemporánea (CERC), Barómetro de la política, Santiago de Chile, December 2011. [<http://www.cerc.cl/>]

that has lost many of its allies in the systematic oppression of the Palestinian people, is putting into service growingly aggressive measures, particularly regarding Iran.

In Europe, the broadest, most consistent and most durable movement has been that of the *"indignados"*. Combining the occupation of city center areas, protesting (especially in Madrid and in Barcelona) and neighborhood assemblies, the *"real democracy"* movement has already caused the profound questioning of the Spanish political system and of its political parties, including the leftwing parties. Among the most frequent demands of the *"indignados"*, are: the elimination of the privileges of the political class; fighting unemployment (sharing work positions by reducing shifts); universal access to housing; quality public services (healthcare, education, transportation, etc.); control of financial activity (banning state actions to "bail out" finance institutions, prohibition of investment in tax havens, etc.); tax reform (increase the taxation on great fortunes, effective control of fiscal fraud, return of Tobin taxation...); citizenship, individual freedoms and participative democracy (no control of internet activity; protection of the freedom of access to information; mandatory binding referendums; reform of electoral law to guarantee a truly representative proportional system; independence of judges; establishment of effective mechanisms to guarantee internal democracy); reduction of the military budget. In their questioning of institutional politics, following the example of movements in other parts of the world, the *"indignados"* have privileged direct democracy and assemblies as forms of debate and decision-making.

In the United States, "Occupy Wall Street" was extended to about one thousand localities in the whole country. The main motto of this movement, "we are the 99%", expresses and publicizes the existence of conflict between the "rich" and the "poor" in this society. According to a public opinion survey by the Pew Research Center<sup>80</sup>, 66% of the US population considers there is "strong conflict" between the "rich" and the "poor", a result that is 19% higher than the one the same study reached in 2009. This perception is shared by 74% of the black population. The proportion of individuals who consider these conflicts are very strong (30%) is the highest since this question started to be asked, in 1987, and twice the number of people who thought this way in 2009. The class conflicts between the "rich" and the "poor" are placed above other potential conflict sources: native populations versus immigrants; black people versus white people; young people versus older people<sup>81</sup>. The programmatic platforms the movement has elaborated highlight the fight against racism and patriarchy, against inequality and for the right to labor and collective employment. Among many other topics, they reveal that "the corporations that place themselves above public interest, above justice and above the fight for justice and for the end of oppression are the ones that manipulate our

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80. "Democracia real YA!", [<http://www.democraciarealya.es/documento-transversal/>]

81. Rich Morin, "Rising Share of Americans See Conflict Between Rich and Poor", Pew Research Center. Pew Social & Demographic Trends, January 11th 2012



governments”.<sup>82</sup>

They affirm that these corporations have perpetuated inequality and discrimination in the work environment, in terms of age, skin color, sex, gender identity and sexual orientation<sup>83</sup>.

Just as the Spanish movement, they defend direct, transparent and participative democracy, rejecting hierarchical power structures and old political traditions. Their decisions are broadly discussed, in large assemblies, and are finally made by consensus.

These gatherings of multiple social sectors express an important process of reassuming contact with politics, after the disappointment the Obama government caused among millions of young people and among other segments who were actively involved in the presidential campaign of 2008. They represent a “street alternative” to the extreme-right’s Tea Party populism, which has been largely supported financially by corporations.

The recent movements in many parts of the world have as many differences as similarities. They are very different in terms of political efficiency and in terms of reaching their short term objectives. The most common demands are the plaid for democracy, against inequality, exclusion and unemployment and the end of environmental destruction. One point in common among some of these movements is the suspicion of institutional politics, frequently including leftwing parties, and the option for direct democracy through non-violent civil disobedience and active resistance when they are repressed by official security forces. Another similarity is the option for the assembly model and for consensual decision making.

In some cases, such as Tunisia and Egypt, dictatorial governments were overthrown. In others, repression has continued. The Greek case is notorious: thousands of Greek citizens have gone to the streets of Athens, Thessalonica and other cities day after day, to express their absolute dissatisfaction with not having been able to stop the draconian adjustments imposed by the European Commission, the European Central Bank and the International Monetary Fund.

After loud and repeated student protests in the United Kingdom against the rise of

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82. However, this study highlights that this rise in the perceived importance of class conflicts does not change the perception they have about rich people (46% think that most rich people are only rich because of good networking or because they were born to rich families and 43% consider that the rich have accumulated wealth thanks to their own efforts, and do not suggest an increase of the support to government policies aimed at reducing unequal opportunities” (idem.)

83. Declaración de principios de la ocupación de la Ciudad de Nueva York (Document released by the UN General Assembly), September 29th, 2011. [<http://www.nycga.net/resources/declaration/>]

university enrollment fees, the Conservative Party, that was proposing even higher adjustments, massively won the general elections in 2010. In Spain, the large mobilization of the *"indignados"*, which was centered on the opposition to neoliberal adjustment policies, did not stop the election of the Popular Party, that –as it was expected–, imposed much more severe adjustments than the ones performed by the PSOE.

However, many of these fights have achieved important victories – and, most significantly–, have apparently brought politics closer to the lives of young people who do not find any meaning in traditional institutional politics, and have raised their attention to debating changes to the common sense of societies and to the political and cultural displacement of important subjects such as democracy, equality and the value of the public sphere. This is the case of the the *"indignados"*, of *"Occupy Wall Street"* and of the students in Chile. Perspectives inside the political debate and the discussions regarding political action – of finding a new way of doing politics– have been opened, in opposition to the lack of change possibilities presented by institutional politics.

The Social Democratic European parties have aided and abetted the neoliberal reform plans that *"the markets"* have demanded, and become gradually incapable of defending the conquests of the welfare state, which was its historical project. The political left organizations have not been able to offer alternatives to the crises. After spending a long time repeating that such crisis was inevitable, they lost all their ability to respond to it when it finally came true. The other, less institutional, more vertical and less hierarchical ways of doing politics, place a great amount of subjects which must be critically discussed under the carpet.

One point is that of the use of communication and information technology to do radically democratic politics. These technologies (mobile phones, YouTube, Twitter, Facebook) are obviously incapable of producing social action on their own. Nonetheless, they have been incorporated into multiple creative social movements and fights in the last years. These instruments have real and potential uses to broadcast authoritarian and non-democratic content, to serve the *"surveillance society"* which was described in another section of this text.

On the other hand, they have opened, in many contexts, potential access to information and to communication, they have created virtual spaces of political debate and exchange of experiences in social organization. This was the case, for instance, of the use of mobile phones in Venezuela, in April 2002, to share information and to coordinate meetings and mass mobilization that were successful in defeating the coup d'état and providing Chávez's return to the presidential palace. This happened in a moment in which there were no pro-Chávez organizations able to coordinate the resistance to the coup and in conditions in which the architects of the coup tried to implement total blockage of the access to information. All the public media had been silenced and the private communication groups did not broadcast any news about what was going on in the country, replacing all information with soap operas, comedy shows and North-American



series.

These technologies have allowed the rupture of the corporate/state media monopoly. Repression is almost transmitted “live” on YouTube, and this can frequently generate counterproductive effects for authorities, increasing the number of protesters they wished to reprimand. As the number of internet users in China increases, the success of state control of contents will become each time more difficult.

Another key issue has to do with old debates in the field of transformative political action. It refers to the possibility or convenience of reconnecting these multiple forms of resistance and popular action with institutional politics. There is no sense in searching for one single answer to this dilemma, but it is important to ask which conditions (and experiences) could be mirrored democratically over institutional politics and over state action without losing autonomy and their utopian horizon, without being captured by the reproductive and conservative logic of politics and constituted powers?

From the point of view of the diversity of movements and fights associated to the World Social Forum, it is essential to deepen the debate about the meaning and the potentials of these new movements. How to debate, relate and articulate with this new wave of protests without seeking to absorb them in a way that political parties would do?

It is necessary to start from the recognition of the plurality and of the different contexts from which they stem and in which they operate, as well as of the diversity in backgrounds, objectives and conceptions of how and why to fight

In Raúl Zibechi’s words:

“To anti-systemic forces... it is impossible to draw one single strategy for the planet and it is useless to attempt to establish universal tactics. Although there are common inspirations and general shared objectives, the different speeds of the post-capitalist transition, and the notable differences between the anti-systemic subjects, raise awareness of the risk of making universal assumptions”<sup>84</sup>

Caracas, January 2012

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84. “Las izquierdas y el fin del capitalismo”, La Jornada, Mexico, January 13th, 2012.