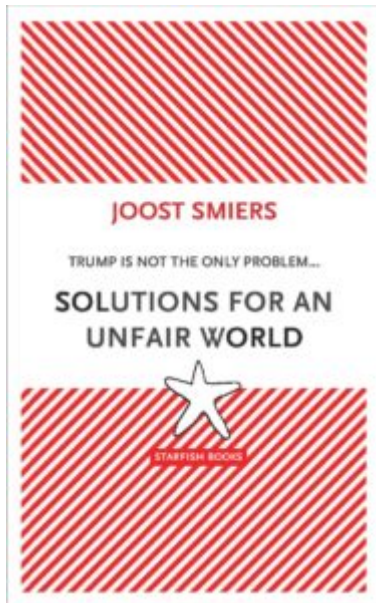


# Solutions For An Unfair World ~ The World In Which We Live Is Too Complex



It is beyond any doubt: for many citizens life in the second decade of the twenty-first century is difficult. Many are burdened with debt. In the United States and, for example, in Spain, residents can be evicted from their homes at any time. The chance that people will find a decently paid job is decreasing. Long-term unemployment is rather rule than exception. Industries are disappearing. Many suburbs need proper maintenance, but it's not happening, and the police there will not always be seen as your best friend. Worst of all perhaps is that the social safety nets, which have helped people through difficult times in their lives,

are becoming increasingly wide-meshed. You often are on your own, in an environment in which you suspect - or are convinced - that immigrants are driving you out of the housing and job market, and have easier access to social services. The neighbourhood in which you live has less social cohesion than before, and mutual trust is gone. Daily life has almost no certainties anymore.

Of course we do not know this precisely, but the shaming of the political elite that is the order of the day may have something to do with this. After all, is it not the responsibility of politics to provide citizens with a safe and secure existence?

When we think about this, some paradoxes stand out. First of all, there is hardly any anger directed at the business establishment. The leaders of big companies always claim to be the true leaders of the free world, but if something goes wrong in society - and that is really the case now - they are not held responsible. Secondly, by confronting the political elites angry citizens make it abundantly clear that they expect a lot of care from the government. Despite decades of neoliberalism - which advocated the perishing of the state - for many citizens the state still seems to be the entity that needs to keep society in order.

And the third paradox is that citizens have chosen time and again for political

leaders who, according to the principles of neoliberalism, have denied the state the financial and organisational means of realising something for individual citizens and the society as a whole. At the same time the state should look after jobs and pensions, affordable health care, safety and everything that gives life perspective. In the absence of resources and competence, states, and thus politicians, can not provide all these things under neoliberal regimes. Nevertheless, the state is expected to deliver protection and social security to its citizens. After all, markets can only flourish if the state is strong enough to make life liveable for its citizens.

The relative impotence of the state to provide citizens with security in their lives is in stark contrast with the power that big companies have acquired over the course of several decades. These are companies that have grown into transnational corporations. Their structure is usually so complex that it is hardly understood what they do – anywhere in the world – and what the consequences might be. They can regard any form of regulation as being irrelevant to them and even prevent these rules from being implemented, including by lobbying at a large scale, wherever appropriate. Such transnational corporations act as collaborative entities that secure their interests on a worldwide scale.

If there are losers, because of the growing power of companies and the globalisation of our economies, there are also winners. A class conflict of formidable size has arisen: an increasing number of super-rich people is flanked by a small part of the population that is affluent, able to travel and having interesting work – the young urban professionals. But even their security of life is not guaranteed; they can be sacked any minute, and then it does not seem to matter that they once had a fantastic job.

On the use of the word class conflict nowadays rests a big taboo, as if the difference between the very rich and the very poor has no economic origins. It is as if it does not matter that there is a significant inequality in opportunities and wealth. What matters to many people is what is happening close to home. For example, when they meet people in the street whose roots lie elsewhere. Cultural contrasts and inconveniences – which are real in some situations – overshadow the other distinction: between a life that offers little perspective and the horn of plenty that some people can enjoy, say the sunny side of the street.

By furthering the globalisation of companies and financial institutions, and by

freeing markets and economic traffic between countries, the idea was that there should be prosperity for everyone in every corner of the world. As could be expected, this did not happen. But something else did: the relationships between people have become harsher; people are sometimes fiercely opposed to each other. This is not surprising. Neoliberalism maintained that everybody should look after his or her own interests, so people should not expect too much collective solidarity. They must compete almost permanently with each other, and if possible treat others and society to a nasty trick. Taxes are no longer something you pay, be it grudgingly, because you know what they are for; paying taxes has become something for idiots. Additionally, the concept of the citizen – and the dignity associated with it – has been replaced by the concept of the consumer. What for are we on earth, according to neoliberalism? To buy and sell.

In his beautiful essay *Discomfort* essayist Bas Heijne writes about the permanently dissatisfied citizen who is used to being approached as a consumer and who has no room for any sense of community. For people who primarily have to deal with the economic and social disadvantages of globalisation, it is hard to swallow that their desires will not be realised: *'These citizens are used to getting their way, they have been promised that they can make their own world; what does not satisfy their desires causes their disinterest, or, if they feel thwarted, their anger. These citizens are diva's, utterly egocentric and pampered, intolerant to other views, essentially for everything that is perceived as different.'* (2016: 65, 6)

This statement is pretty bold. But if you put it next to the nearly endless possibilities that the rich of this planet have, it is true. There is no reason for them to be furious, because their desires and the realisation of them are lying along the same route. At the same time it is not in their interest that there will be a class struggle. Nevertheless, the anger of the losers of the merciless economic competition will have to focus on something, on people who are perceived to be guilty of their loss. Then they will soon arrive at people in their own neighbourhood who are different. It does not matter if the other is a migrant, a homosexual, a Jew, an Arab, a Muslim, a Mexican or a self-conscious woman: so many flavours, so many options to be angry, depending upon the cultural sensitivities which lead a dormant existence in any particular society. Thus, Trump and his fellow-thinkers act as pyromaniacs. It's not hard to stir these animosities and to make the flames flare up.

Perhaps only this is surprising: even then there is no trace of the idea that the main distinction is not that between you and your neighbour, near or far, but that everything should turn around the antithesis between classes. A bizarre example: in December 2016 it appears that top soccer players, like Cristiano Ronaldo, evade taxes on a large scale. For his fans, that's no problem: '*Anyone in Spain with money would do exactly the same.*' (NRC Handelsblad, December 5, 2016)

The blame for the shortcomings – either real or purely perceived as such – can also be given to foreign powers. Trade relationships that are unfair, or branded as such, may be the spark to the tinder. The world is getting ever more disordered. There are many issues in the world that are too complex to comprehend and control. They can cause tensions between countries, until they are no longer containable, after which they will be followed by wars. The image of the enemy has been given so much magic power that, under the great enthusiasm of the populations, armies can be sent to the battlefield and cyber attackers make overtime. *Peace in our time.*

Which leaders of important countries dare to recognise that wars – for example, between the US and China – are no longer unthinkable, and that peace is no longer self-evident? They even make threats with it.

So we have arrived at a crucial point in history. It could happen that governments will rouse their citizens, after which wars of enormous magnitude could occur. Here's a task for global peace movements: make people around the world aware of the fact that armed conflicts and cyber attacks on an unprecedented scale can actually become like the familiar scenes of Hollywood movies. These latter ones have to be restricted a little bit anyway. It's not a good idea to put war in the imagination of people: the step from fiction to reality is quickly made, as if reality is the same as fiction. Don't we live in the post-truth era?

Just warning for the threat of violence is not enough. It is time for us to realise that the world in which we live has become too complex and is exceeding the human scale. Communication networks are no longer controllable and will be targeted by anyone who wants to hurt and disrupt societies. Transnational companies do what they think their shareholders want from them, without any regard for fundamental societal interests – think of the climate, social care, fair competition, research on what is urgently needed, decent wages and strong

unions. Investments in innovations involve ever-increasing costs, without the actual costs being outweighed by the benefits: the law of reduced profitability. On the other hand, investments are being made in robots, which will only increase unemployment. Robots do not come out of the blue. It is a choice to do large-scale research on them. For example, there is little or no investment in research into renewable energy sources and the limitation of the use of raw materials.

Systems are becoming increasingly complex: those of producing companies, transport chains, political structures, the European Union, intellectual property rights and the 'theft' thereof, stock markets, the energy supply, climate control, high-speed capital, trade agreements, sanctions, and criminality of all stripes. This turmoil of complexities is now reaching its limits. Democratic control over all those elusive processes threatens to become illusory. No society can function if it suffers from excessive complexity.

We must acknowledge that this complexity, which does not make our lives any better and safer, is largely human-made. Granted, new transport and communication technologies have taken down boundaries and made processes unclear. But it was not a law, set in stone, that the removal of trade barriers, from the 1980s and 1990s, and the introduction of new communication channels would unfold in the way we have witnessed. The importance of unregulated global markets was made crucial. The problem with it – and with the principle of free trade, proclaimed by neoliberalism – is that these markets are not – or hardly – embedded in our societies. There is simply no global society, and certainly no global democracy.

In ordinary circumstances *national* markets are being managed by national politics and supervised by special authorities. But in the *global* context, where companies can do what they want, issues that are important to citizens in specific societies are not taken care of. There is no global competition authority, no global supervisor of business operations, no *global lender of last resort*, no global safety net to safeguard citizens from excessive disaster, no global bank that can effectively manage money traffic, no global environmental agency, and no global prosecutor who can institute criminal proceedings in a global court against worldwide operating corporations and those responsible for those companies.

Because of neoliberalism governments have come to a disadvantageous position in relation to the markets, and at the global level there are no governments that

can act on a level playing field with market parties. But we must make sure that markets and governments are complementary. If we want better and fairer markets, strong governance is required from the public sector. That means: powerful public authorities that are not subordinate to the markets. That's what we lack nowadays.

Economic, social and cultural globalisation has become an imperative: that requires from all countries that they pursue the same policy in areas such as making room for companies without too many obstacles; imposing taxes on companies which are as low as possible; deregulating markets; privatising knowledge and creativity according to the high standards of intellectual property rights; limiting the power of unions; introducing equal rules for food safety, as coarse-grained as possible, introducing environmental measures, and admitting the free movement of capital - as if local interests regarding the circulation of capital are not essential for the well-being of local economies.

Is it possible to imagine that the current hyper-globalisation will be tamed by a global government which is at least as strong? Asking the question is answering it. If even the European Union - in spite of all its good intentions - does not succeed in adopting a common policy in all these areas against the self-centered power of large companies, which is seen by people of all walks of life as beneficial and enriching, it is impossible to think that such a strong government could exist on a global scale. The differences between countries and the needs of their populations differ in such a way that *one size fits all* is impossible and especially undesirable. As is apparent now, there is an increasing abhorrence of super-national structures.

If democracy at a global level is out of reach, the illusion must also be relinquished that open global markets and unrestricted financial traffic are desirable. So we have to think of something else. It is good to maintain the benefits of limited globalisation and not to retreat into protectionism; that has led to the Second World War, so we don't want that anymore.

What matters now is to explicitly recognise the benefits of national diversity, I would almost say to celebrate them. The authority of national governments must be restored to primacy, in all areas of economic, social and cultural life, not to mention the fields of environment, agriculture and energy. Markets work best if they are well-organised, for the benefit of citizens, for the profit expectations of

entrepreneurs who should not be overrun by strong market parties, for the protection of property rights, and for all that is needed to give citizens – who are not consumers for a change – the feeling and, above all, the certainty that their interests will be taken seriously, and that the income differences between the rich and the poor will not become too extreme.

If the parties of the simplifying right claim to be the only ones to have put globalisation on the agenda, the center-left needs to be blamed. Together with the parties of the conservative right, the social democrats in Western Europe and the Democrats in the United States have cleared the way for uncontrolled globalisation. They have embraced the idea and practice of uncontrolled and unregulated global free markets, which did not have to protect anything that was weak and vulnerable. Was it not under the presidency of Bill Clinton that the watershed, which banks had to apply between their clients' money and their own economic activities, was made undone?

This watershed was the 1933 Glass-Steagall Act, which – until Clinton cancelled it – kept the banks under control. After that, the banks could speculate with their customers' money – slicing and selling risks until no-one was responsible anymore – until the system collapsed in 2008. Under Obama, with the 2010 Dodd Frank Act, an attempt was made to tame the banks again. One of the electoral promises of Donald Trump was to undo this law, or at least to make it weaker, and that is what he has done. This will lead to the next financial crisis caused by banks that have too much freedom and can not quit speculating.