

# What Would A Real Renewable Energy Transition Look Like?



*Richard Heinberg*

10-07-2024 ~ *The seven steps that could help build a social movement and ensure a sustainable future.*

The transition from relying overwhelmingly on fossil fuels to using alternative low-carbon energy sources could be “[unstoppable and exponential](#),” according to some experts. A boosterish attitude by many renewable energy advocates is understandable; overcoming people’s climate despair and sowing confidence could help muster the groundswell of motivation needed to end our collective fossil fuel dependency. But occasionally, a reality check is required.

In reality, [energy transitions](#) are a big deal and typically take centuries to unfold. Historically, they’ve been transformative for societies—whether we’re speaking of humanity’s taming of fire hundreds of thousands of years ago, the agricultural revolution 10,000 years ago, or our adoption of fossil fuels starting roughly 200 years ago. Given 1) the current size of the human population—there are eight times as many of us alive today compared to 1820 when the fossil fuel energy transition was underway, 2) the vast scale of the global economy, and 3) the unprecedented speed with which the transition will have to be made to avert catastrophic climate change. A rapid renewable energy transition is easily [the most ambitious enterprise](#) our species has ever undertaken.

The evidence shows that the transition is still in its earliest stages, and at the current rate, it will fail to avert a [climate catastrophe](#). This will result in the death of an unimaginable number of people or forced migration, with most ecosystems transformed beyond recognition.

We'll unpack why the transition is such an uphill slog. Then, crucially, we'll explore what a real energy transition would look like and how to make it happen.

### *Why This Is (So Far) Not a Real Transition*

Despite trillions of dollars being spent on renewable energy infrastructure, [carbon emissions are still increasing](#), not decreasing, and the share of world energy coming from fossil fuels is only [slightly less](#) today than 20 years ago. In 2024, the world [will use](#) more oil, coal, and natural gas than it did in 2023.

While the U.S. and many European nations have seen a declining share of their electricity production coming from coal, the continuing [global growth](#) in fossil fuel usage and CO2 emissions [overshadows any cause for celebration](#).

Why is the rapid deployment of renewable energy not resulting in declining fossil fuel usage? The main culprit is economic growth, which consumes [more energy and materials](#). So far, the annual increase in the world's energy usage has exceeded the energy added each year from new solar panels and wind turbines. Fossil fuels have supplied the difference.

So, for now, we are not experiencing a real energy transition. All that humanity is doing is adding energy from renewable sources to the growing amount of energy it derives from fossil fuels. The much-touted energy transition could, if somewhat cynically, be described as just an aspirational grail.

How long would it take for humanity to fully replace fossil fuels with renewable energy sources, accounting for both the growth trajectory of solar and wind power and the continued expansion of the global economy at 3 percent per year? Economic models suggest the world could obtain most of its electricity from renewables [by 2060](#) (though many nations are not on a path to reach even this modest marker). However, electricity represents only about [20 percent of the world's final energy](#) usage; transitioning the other 80 percent of energy usage would take longer—likely many decades.

However, to avert catastrophic climate change, the global scientific community says we must achieve [net-zero carbon emissions](#) by 2050—in just 25 years. Since it seems physically impossible to get all of our energy from renewables that soon while still growing the economy at 3 percent, the Intergovernmental Panel on Climate Change ([IPCC](#)), the international agency tasked with studying climate change and its possible remedies, assumes that humanity will somehow [adopt](#)

[carbon capture and sequestration](#) technologies at scale—including technologies that have [shown to be ineffective](#)—even though there is [no existing way of paying](#) for this vast industrial build-out. This wishful thinking on the part of the IPCC is surely proof that the energy transition is not happening at sufficient speed.

The energy transition is not happening at the required pace because governments, businesses, and many advocates have set unrealistic goals of reducing emissions while still pursuing economic growth. Also, the tactical and strategic global management of the effort is insufficient. We will address these problems and provide answers concerning how we can support a true energy transition.

### *The Core of the Transition is Using Less Energy*

At the heart of most discussions about the energy transition lie two enormous assumptions: that the transition will leave us with a global industrial economy similar to today's in terms of its scale and services, and that this future renewable energy economy will continue to grow, as the fossil-fueled economy has done in recent decades. But both of these assumptions are unrealistic. They flow from irrational expectations: we want the energy transition to be completely painless, with no sacrifice of profit or convenience. That goal is understandable since it would presumably be easier to enlist the public, governments, and businesses in an enormous new task if no extra cost is incurred (though the history of overwhelming societal effort and [sacrifice during wartime](#) might lead us to question that presumption).

But, the energy transition will undoubtedly entail costs. Aside from tens of trillions of dollars in [required](#) monetary investment, the energy transition will [require](#) energy—lots of it. It will take energy to build solar panels, wind turbines, heat pumps, electric vehicles, electric farm machinery, zero-carbon aircraft, batteries, and the rest of the vast panoply of devices that would be required to operate an electrified global industrial economy at the current scale.

In the early stages of the transition, most of that energy for building new low-carbon infrastructure will have to come from fossil fuels, since those fuels still supply more than 80 percent of world energy, and using only renewable energy to build transition-related machinery would take far too long. So, the transition itself, especially if undertaken quickly, will entail a large pulse of carbon emissions.

Several teams of scientists have been seeking to estimate the size of that pulse; according to a study published in the journal *Nature* in November 2022, transition-related emissions will be substantial, ranging from 70 to 395 billion metric tons of CO<sub>2</sub> “with a cross-scenario average of 195 GtCO<sub>2</sub>”—the equivalent of [more than five years’](#) worth of global carbon CO<sub>2</sub> emissions at current rates. The only ways to minimize these transition-related emissions would be, first, to aim to build a substantially smaller global energy system than the one we are trying to replace, and second, to significantly reduce energy usage for non-transition-related purposes—including transportation and manufacturing, cornerstones of our current economy.

In addition to energy, the transition will require materials. While our current fossil fuel energy regime extracts billions of tons of coal, oil, and gas, plus much smaller amounts of iron, bauxite, and other ores for making drills, pipelines, pumps, and other related equipment, the construction of renewable energy infrastructure at commensurate scale would require [far larger quantities of non-fuel raw materials](#)—including copper, iron, aluminum, lithium, iridium, gallium, sand, and rare earth elements.

While [some estimates](#) suggest that global reserves of these elements are sufficient for the initial build-out of renewable energy infrastructure at scale, there are still two big challenges. First, obtaining these materials will require greatly expanding extractive industries along with their supply chains. These industries are inherently polluting and inevitably degrade the land. For example, [more than 125 tons of rock and soil](#) must be displaced to produce one ton of copper ore. The rock-to-metal ratio is [even worse for some other ores](#). According to the [World Economic Forum](#), “As the push for clean energy technologies continues, demand for certain critical minerals is forecasted to rise by up to 500 percent.”

Mining operations often take place on Indigenous peoples’ lands, and the tailings from those operations pollute rivers and streams. [Nonhuman species](#) and [communities in the Global South](#) are already traumatized by land degradation and toxification; greatly expanding resource extraction—including [deep-sea mining](#)—would only multiply the wounds.

The second material challenge is that renewable energy infrastructure must be replaced periodically—[every 20 to 30 years](#). Even if Earth’s minerals are sufficient

for the first full-scale build-out of panels, turbines, and batteries, will limited mineral abundance permit continual replacements?

Transition advocates say that we can avoid depleting the planet's ores by recycling minerals and metals after constructing the first iteration of solar and wind technology. However, recycling is never complete, with some materials degraded in the process. One analysis, published in the *Emergent Scientist* in 2022, suggests recycling would only [buy a couple of centuries worth of time](#) before depletion would lead to the end of replaceable renewable energy machines—and that's assuming a widespread, coordinated implementation of recycling on an unprecedented scale. Again, the only real long-term solution is to aim for a much smaller global energy system.

A societal transition from fossil fuel dependency to reliance on low-carbon energy sources will be impossible without substantially reducing overall energy usage and maintaining this lower rate of energy usage indefinitely. This transition isn't just about building lots of solar panels, wind turbines, and batteries. It is about organizing society differently so that it uses much less energy *and* gets the energy it uses from sources that are sustainable over the long run.

### *How We Could Achieve This in Seven Concurrent Steps*

We need to act now to turn the tide on the climate crisis. By taking these seven steps, we can ensure that we end the cycle of destruction and move toward a more sustainable way of living:

#### *Cap global fossil fuel extraction through international treaties and annually lower the cap*

We will not be able to reduce carbon emissions until we reduce fossil fuel usage—it's just that simple. Rather than trying to achieve this by expanding on the existing renewable energy sources (which haven't resulted in lower emissions), it makes far more sense to limit fossil fuel extraction. In 2007, I wrote up the basics of a treaty in my book, [The Oil Depletion Protocol](#), explaining how nations could cooperate to reduce their dependence on oil and move toward a global rationing system.

#### *Manage energy demand fairly*

Reducing fossil fuel extraction presents a problem. Where will we get the energy required for transition purposes? Realistically, it can only be obtained by

repurposing the energy we use. That means most people, especially in highly industrialized countries, would have to use significantly less energy directly and indirectly (in terms of energy embedded in products and services provided by society, like road building). Social means of managing energy demand will be required to accomplish this with minimum societal stress.

The fairest and most direct way to manage energy demand is via [quota rationing](#). Tradable Energy Quotas ([TEQs](#)) is a system [designed](#) by British economist David Fleming; it rewards energy savers and gently punishes energy guzzlers while ensuring everyone gets the energy they need. Every adult would be given an equal free entitlement to TEQ units each week. If you use less than your entitlement of units, you can sell your surplus. If you need more, you can buy them. All trading takes place at a single national price, which will rise and fall in line with demand.

### *Manage the public's material expectations*

Persuading people to accept using less energy will be hard if everyone still wants to use more. Therefore, it will be necessary to manage the public's expectations. This may sound technocratic and scary, but society has already been managing the public's expectations for more than a century via advertising—which constantly delivers messages encouraging everyone to consume as much as possible. Now, we need different messages to set different expectations.

What's our objective in life? Is it to have as much stuff as possible or to be happy and secure? Our current economic system assumes the former, and we have instituted an economic goal (constant growth) and an indicator (gross domestic product, or GDP) to help us achieve that goal. But more people using more products and energy leads to increased rates of depletion, pollution, and degradation, thereby imperiling the survival of humanity and the rest of the biosphere. In addition, the goal of happiness and security is more in line with [cultural traditions](#) and human [psychology](#).

If happiness and security are to be our goals, we should adopt indicators that help us achieve them. Instead of GDP, which measures the amount of money changing hands in a country annually, we should measure societal success by monitoring human well-being. The tiny nation of Bhutan has been doing this for decades with its gross national happiness ([GNH](#)) indicator, which it has offered as a model for the rest of the world.



### *Aim for population decline*

If the population is constantly growing while available energy is capped, that means ever less energy will be available per capita. Even if societies ditch GDP and adopt GNH, the prospect of continually declining energy availability will present adaptive challenges. How can energy scarcity impacts be minimized? The obvious solution is to welcome population decline and plan accordingly.

The global population will start to decline [sometime during this century](#). Fertility rates are [falling](#) worldwide, and China, Japan, Germany, and many other nations are already seeing population shrinkage. Rather than viewing this as a problem, we should see it as an opportunity. With fewer people, energy decline will be less of a burden per capita.

There are also side benefits: a smaller population puts less pressure on wild nature and often [raises wages](#). We should stop pushing a pronatalist agenda; ensure that women have the educational opportunities, social standing, security, and access to birth control to make their own childbearing choices; incentivize small families, and [aim for the long-term goal](#) of ensuring a stable global population closer to the number of people who were alive at the start of the fossil fuel revolution (voluntary population shrinkage, however, will only help us to a small extent in reaching immediate emissions reduction targets).

### *Target technological research and development to the transition*

Today, the main test of any new technology is its profitability. However, the transition will require new technologies to meet a different set of criteria, including low-energy operation and minimization of exotic and toxic materials. Fortunately, a [subculture](#) of [engineers](#) is already developing low-energy and intermediate technologies that could help run a right-sized [circular economy](#).

### *Institute technological triage*

Many existing technologies don't meet these new criteria. So, during the transition, we will be letting go of familiar but ultimately destructive and unsustainable machines.

Some machines will be easier to live without than others. For instance, [gasoline-powered leaf blowers](#) will be easy to say goodbye to. [Commercial aircraft](#) will be harder. Artificial intelligence is an [energy guzzler](#) we managed to live without until very recently and might be something we use only sparingly in the future.

Weapons industries offer plenty of examples of [machines we could live without](#). For guidance along these lines, consult the [literature](#) of technology criticism.

### *Help nature absorb excess carbon*

The IPCC is right: if we are to avert catastrophic climate change, we must capture carbon from the air and sequester it for a long time. But not with machines. Nature already removes and stores enormous amounts of carbon; we just need to [help it do more](#) (rather than reducing its carbon-capturing capabilities, which is what humanity is doing now). Reform agriculture to [build soil](#) rather than destroy it. [Restore ecosystems](#), including grasslands, wetlands, forests, and coral reefs.

Implementing these seven steps will change everything. The result will be a world that's less crowded, where nature is recovering rather than retreating, and where people are healthier (because they're not soaked in pollution) and happier.

Granted, this seven-step program appears politically unachievable today, but that's largely because humanity hasn't yet fully faced the failure of our current path of prioritizing immediate profits and comfort above long-term survival—and the consequences of that failure. Given better knowledge of where we're currently headed and the alternatives, what is politically impossible today could quickly become inevitable.

Social philosopher Roman Krznaric [writes](#) that profound social transformations are often tied to wars, natural disasters, or revolutions. But crisis alone is not positively transformative. There must also be ideas for different ways to organize society, and social movements energized by those ideas must also exist. We have a [crisis](#) and (as we have just seen) some good ideas for how to do things differently. Now we need a movement.

Building a movement takes [political and social organizing](#) skills, time, and hard work. Even if you don't have the skills for organizing, you can help the cause by learning about what a real energy transition requires and educating people you know about it, advocating for [degrowth](#) or related policies, and [reducing your own energy and materials consumption](#).

Even with a new social movement advocating for a real energy transition, there is no guarantee that civilization will emerge from this century of unraveling in a recognizable form. But we all need to understand this is a fight for survival in which cooperation and sacrifices are required, just as in war. Until we feel that



level of shared urgency, there will be no real energy transition and little prospect for a desirable human future.

*By Richard Heinberg*

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# Israel Has Successfully Provoked Iran To Enter War



*Mireille Rebeiz -  
Dickinson College*

10-06-24 ~ *An interview with Lebanon expert Mireille Rebeiz, who says that “I would like to believe that Lebanon will not turn into a second Gaza,” but now finds itself “in the middle of a major storm.”*

After nearly a year since the Hamas-led terror attack on southern [Israel](#) that resulted in the deaths of close to 1200 people (roughly 800 civilians and nearly 400 security forces though some Israeli civilians and soldiers may have been killed by friendly fire as the controversial “[Hannibal Directive](#)” was deployed on that date, according to reported testimonies of soldiers and officers), Israel’s destruction of [Gaza](#) continues unabated.

Israel has rejected calls from the international community for a ceasefire/prisoner swap deal and blatantly ignored an [International Court of Justice ruling](#) not to engage in any military offensive in Rafah where the situation in the southern Gaza city was already “disastrous.” Now, however, after having killed more than 41,000 Palestinians (though the toll could reach up to 186,000 dead according to a study published in early July in the prestigious medical journal [Lancet](#)) and making Gaza practically unlivable, Netanyahu’s neo-fascist government that makes Europe’s right-wing extremists seem like little farceurs has turned its focus to Lebanon. A joint operation between the [IDF and Mossad](#) spread terror by exploding walkie-talkies and [pagers](#) that people in Lebanon used, killing many and [severely wounding thousands](#), while the Israeli military carried out massive airstrikes across southern Lebanon that have already killed more than 1,000 people, including many children, and wounded thousands.

Airstrikes have killed scores of senior Hezbollah figures, including its long-time leader, [Hassan Nasrallah](#). But the airstrikes on Lebanon did not stop even after Nasrallah’s death despite calls for de-escalation, raising fears of a regional war between Israel and Iran. The Israeli military has even targeted [central Beirut](#), and [up to one million people may have been displaced](#). And as even further evidence that Israel is seeking to provoke a regional war, it launched a [ground offensive](#) in the south of Lebanon where heavy fighting is apparently taking place between Israeli forces and Hezbollah fighters. Indeed, Iran seems now to have been dragged into a regional war by launching a major [missile attack](#) on Israel.

What is Israel after in Lebanon? Has Nasrallah’s death altered the direction of the conflict? Are we on the brink of a full-blown war in the Middle East? In the interview that follows, Mireille Rebeiz, a Lebanon and Hezbollah expert tackles these and other related questions. Rebeiz is Chair of Middle East Studies and Associate Professor of Francophone Studies & Women’s, Gender and Sexuality Studies at Dickinson College (Pennsylvania).

*C. J. Polychroniou: Almost a year after launching its devastating attack on Gaza, which the International Court of Justice, scores of international human rights organizations and leading international law scholars and historians have called a genocide, Israel has turned its focus on Lebanon. It blew up communication devices that the armed group Hezbollah had ordered months before the explosions, killing dozens and wounding thousands, and the Israeli military launched a wave of deadly attacks on Lebanon's capital, one of which struck Hezbollah's headquarters killing its long-time leader, Hassan Nasrallah. Israel's war objectives in the Gaza Strip are to wipe Hamas off the earth and make Gaza unlivable. What is Israel trying to accomplish with its attacks on Hezbollah and Lebanon?*

*Mireille Rebeiz: From Israel's point of view, the on-going war on Lebanon falls under its right to self-defense against terrorism.*

Last week, we saw a series of attacks on Hezbollah fighters including the explosions of [pagers and other wireless devices](#) and the assassinations of several leaders. Although Israel has not officially commented on the attacks, evidence suggests that it has been planning this action for some time now.

Escalation continued with the assassination of Hezbollah's Secretary General Hassan Nasrallah and several other commanders. Israel dropped at [least fifteen-times, American - manufactured, 2,000-pound bombs on south Beirut](#). Dubbed the "bunker busters" for their ability to pierce the ground before detonating, these bombs leveled several concrete buildings.

More recently, Israel started a [ground invasion on south Lebanon](#) and [bombed Damascus](#) by air.

The announced goals are clear: eliminate Hezbollah at all costs and send a message to Iran and Syria that Israel will no longer tolerate Iranian-backed militias in the region.

On the surface, one may look at these facts and consider that Israel is justified in its actions. However, international law tells a different story for Israel is piling violations of several rules and regulations related to armed conflicts. Furthermore, the war on terrorism is never innocent and always carries other motives.

[Article 7 of Amended Protocol II on the Prohibitions or Restrictions on the Use of Mines, Booby-Traps and Other Devices](#), to which Lebanon, Israel, and the United States are parties, explicitly bans these types of weapons and methods of warfare. Article 2(4) of Amended Protocol II defines “booby-trap” as “any device or material which is designed, constructed, or adapted to kill or injure, and which functions unexpectedly when a person disturbs or approaches an apparently harmless object or performs an apparently safe act.”

Clearly, the pagers and other wireless devices have been tampered with to cause harm irrespective of its holder. As a result, [at least 32 people, including two children were killed and thousands more were injured](#), and it is impossible to argue that every single person killed or injured is a Hezbollah fighter.

Common [Article 3 of the Geneva Conventions](#) specifically states that persons not taking part in the hostilities and those placed “hors de combat” should not be targeted and shall be treated humanely. The wireless communication device explosions and the intense bombing of south Beirut cannot guarantee any protection to civilians and those unrelated to Hezbollah. Many civilians — Lebanese citizens, Palestinians and Syrian refugees — live in south Beirut for its affordable housing.

Beirut itself ranks as the [6<sup>th</sup> most expensive city in the Arab world](#), coming after Dubai, Abu Dhabi, Doha, Riyadh, and Jeddah. Globally, it ranks as the 113<sup>th</sup> most expensive city out of 178.

According to [the World Bank 2023 report](#), inflation rate in Lebanon is in the triple-digit. There is serious decline in income as the Lebanese pound lost over 90% of its value. This led to the erosion of the middle class, and half of the population plunged under poverty line with unemployment nearing 30%.

Major events aggravated the financial crisis in Lebanon: the collapse of the infrastructure, the severe shortage of fuel, the pandemic that put a lot of stress on medical care, and finally the [Beirut port explosion of 2020](#).

These factors pushed many Lebanese and others to rent apartments in south Beirut, and Israel cannot guarantee that every resident of this part of town is a Hezbollah fighter.

There is no doubt that these tactics imply a major escalation and a serious violation of international law. [Former CIA director Leon Panetta](#) labelled these attacks in Lebanon as terrorism: “I don’t think there’s any question that it’s a form of terrorism.”

Since the United States of America is the one providing many of these weapons, there might be [criminal implications under U.S Law](#) as the violation of Article 7 (2) could amount to federal offense. This prompted [Secretary of State Anthony Blinken](#) to quickly dissociate the US from the attacks and call for restraints. This comes at a time when the [Biden Administration is under investigation](#) for the export of billions of dollars in arms to Israel in assistance of a foreign government accused of committing gross human rights violations including blocking humanitarian aid.

Furthermore, Israeli Prime Minister Benjamin Netanyahu has a strategy that goes beyond the Israel - Hezbollah war. His political survival is dependent on him staying in power.

Before the October 7 attacks, Netanyahu was on trial for corruption. After winning the election, he aligned himself with extremists, forming a far-right government, one that sought to transform [Israel into an autocratic theocracy](#). For instance, his government proposed [a contentious law](#) to reduce minority rights, make it harder to file complaints against corruption, and legalize the annexation of the West Bank. His plans triggered massive protests around the country.

The October 7 attacks were heinous, and they provided Netanyahu with the perfect excuse that would allow him to stay in power: he shifted the narrative to Palestinian rights - including the right to self-determination - as an existential threat to all Jews, justifying thus the need for a long war in Gaza.

In other words, it is in Netanyahu’s interest to keep Israel in a permanent state of war. To do so, he must reject all diplomatic negotiations and place the blame of their failure on the other party.

At this point, Netanyahu is buying time to present the messianic radicals, on whom he relies on to stay in power, with concrete results, ones that would save his image and political career. His undeclared goals would be the annexation of Gaza, the West Bank, and possibly south Lebanon. The hostages are not among his primary concerns.

Under international law, annexation of territory is illegal. The [International Court of Justice](#) (ICJ) said Israel's occupation of the West Bank is illegal and ordered Israel to stop its illegal settlements in the West Bank, East Jerusalem and the Gaza strip. The United Nations even declared these settlements as "[settler-colonialism](#)." Netanyahu's response was that the ICJ's decision is based on lies.

The occupation of the [Syrian Golan Heights](#) is equally illegal, and the on-going ground invasion in Lebanon is not only a violation of Lebanon's sovereignty and an act of war, but also may be the excuse to occupy south Lebanon and annex it.

*C. J. Polychroniou: Hezbollah emerged in Lebanon largely in response to the Israeli invasion of that country in 1982. It is an Iran-backed Shiite Islamist militant group and political party with lawmakers in the Lebanese parliament and is seen in fact as something like "a state within a state." What does Hezbollah do in Lebanon and how much support does it have?*

*Mireille Rebeiz: Over time, Hezbollah's popularity shifted inside Lebanon. [Hezbollah itself was born in 1982](#) when Israel invaded Lebanon and imposed a brutal two-months siege on Beirut killing an estimated number of [17,000 to 19,000 people](#). While Israel retreated from Beirut, it kept south Lebanon under occupation till 2000. During this period, it illegally detained thousands of Lebanese resisting the occupation. Over 200 were detained and tortured in the [Khiam Detention Center](#).*

From 1982 till early 2000, many Lebanese supported Hezbollah and saw it as the guardian of Lebanon's sovereignty and its liberator. The shift began in 2000 when Israel withdrew from the south. Many Lebanese started speaking up against Hezbollah's armed presence in Lebanon, its alliance to the Syrian regime, and its commitment to Iranian ideology.

As a matter of fact, Hezbollah explicitly supported the Syrian dictator Bashar al-Assad despite the numerous reports of [severe human rights violations in Syria](#). As to Iran, in its [1985 Manifesto](#), Hezbollah vowed its allegiance to Iran's Supreme Leader Ruhollah Musavi Khomeini and made explicit its wish to create an Islamic state in Lebanon.

And many paid a heavy price for speaking out. [Former Prime Minister Rafic Hariri](#) was assassinated on February 14, 2005, and fingers pointed at Hezbollah and Syria. Many Lebanese journalists and political figures were also assassinated: a



blast killed the anti-Syrian journalist, [Samir Kassir](#). The former Communist party leader [George Hawi](#) and the journalist and lawmaker [Gibran Tueni](#) were also killed in car bombs.

This wave of killings sparked the [Cedar Revolution](#), which clearly expressed the Lebanese's opposition to Hezbollah and Syria.

In the past two decades, this opposition continued and took different forms.

In 2005, the anti-Hezbollah and anti-Syria bloc won the parliamentary elections.

In 2015, the environmental movement ["You Stink"](#) was born. It criticized the State's inability to sustainably manage waste, and it opposed all political parties, including Hezbollah. In 2019, massive protests erupted all over the country under the slogan of ["All Means All"](#) to denounce the corrupt elites.

There is no doubt that Hezbollah operates as "a state within a state." In light of the weakness of the State of Lebanon, Hezbollah offers its own healthcare, education system and other social services to the Shiite community. It functions inside and outside the governmental structure and unilaterally holds the decision for peace/war.

In 1992, Hezbollah participated in parliamentary elections and won several seats in the Parliament. In 2005, it entered the government. Alone, they were never a majority. However, their presence was strong enough to oppose any parliamentary or governmental decision that would go against their own interests.

*C. J. Polychroniou: Nasrallah was being considered as something of a pragmatist rather than an ideologue. It is now quite conceivable that the next Hezbollah leadership might be more driven by revenge than Nasrallah was. At any rate, what does Nasrallah's death mean for Hezbollah, Lebanon, and the Middle East? Will Iran become directly involved in the conflict?*

*Mireille Rebeiz: Nasrallah's death is a definite blow to the group, and it did not take long for Iran to respond. In fact, [Iran launched several missiles into Israel](#) to avenge the killing of [three of its top leaders](#): Hamas Chairman Ismail Haniyeh, Hezbollah Secretary General Hassan Nasrallah, and Deputy Commander in the Iranian Revolutionary Guard Abbas Nilforushan. Iran made it clear that this is a*

self-defense attack and that it will respond further should Israel attack Iran.

Ironically, Hezbollah started this war to support Hamas and the Palestinian cause. Now, the attention has completely shifted from Gaza and the West Bank to Iran, Israel, and the United States.

*C. J. Polychroniou: Under president Joe Biden, US foreign policy in the Middle East has been a complete failure. Over the past several months, Biden has said on countless occasions that “we are closer than ever” to a Gaza ceasefire only to see Netanyahu turn Gaza into a graveyard. Biden called for a 21-day ceasefire along the Israel-Lebanon border only to see Netanyahu make him look again like a bumbling idiot. How do you explain the US-Israel relationship?*

*Mireille Rebeiz: The US is Israel’s closest and proudest ally. However, the failure of US foreign policy in the Middle East is in large part to blame for the recent events. At no point in the past two decades did the US lead any serious diplomatic dialogue on Israel - [Palestine](#).*

President Biden continues to support a far-right government in Israel irrespective of the consequences in the region and the major escalation we are witnessing. [Many Americans](#) are horrified by this support and the US’ potential complicity in atrocities in Gaza.

Netanyahu’s’ visit to the United Nations, his rejection of the 21-day cease-fire, and the immediate attacks that followed in Lebanon indicate a clear separation between what the US would like to see and what Israel wants.

Stephen Collinson speaks of a [humiliating pattern indicating American impotency](#) in curtailing Israel’s defiance, and the results are obvious: Gaza is leveled with over 41,000 civilians killed, of which 17,000 are children. Lebanon is under attack with a ground invasion in progress, and violence is escalating in the West Bank.

*C. J. Polychroniou: Gaza is gone, and there are fears that Israel could turn Lebanon into a second Gaza. In your view, what does the future hold for Lebanon?*

*Mireille Rebeiz: So far, the rhetoric is that Israel will only bomb areas where Hezbollah fighters are located or areas suspected of storing Hezbollah’s weapons.*

The level of destruction is massive, and the number of casualties is on the rise. I would like to believe that Lebanon will not turn into a second Gaza. However, the

situation is fluid, and it depends on on-going diplomatic negotiations and the arrival of other actors on the scene such as the [Houthis](#) in Yemen or [Kata'ib Hizballah](#) in Iraq or even Iran.

In any case, I pray that Lebanon will be spared. Lebanon is in the middle of a major storm. As US-backed Israel and Iran-backed Hezbollah militants are exchanging fires and settling debts, the Lebanese people are caught in the middle of the crossfire.

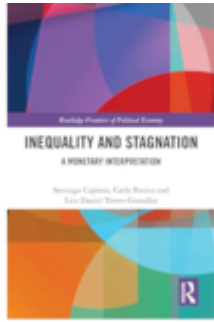
Source: <https://www.commondreams.org/opinion/iran-lebanon-israel-war>

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## **Interview With Economists Santiago Capraro, Carlo Panico & Luis Daniel Torres-Gonzàles On The Causes Of Inequality**



09-26-2024 ~ Economic inequality is one of the most pressing issues of our times. Inequality has pernicious effects on individuals and society at large. It causes a wide range of health and social problems, from reduced life expectancy and lower social mobility to violence and mental

illness. Economic inequality erodes societal cohesion and fuels support for authoritarian leaders. But what is driving inequality in the contemporary world? A recently published book, titled [\*Inequality and Stagnation: A Monetary Interpretation\*](#), and co-authored by academic economists Santiago Capraro, Carlo Panico and Luis Daniel Torres-González, attributes rising inequality to the outgrowth of the financial sector. In the interview that follows, Santiago Capraro, Carlo Panico and Luis Daniel Torres-González make the case for an economic approach that, in their own view, offers the best explanatory framework for understanding the driving forces behind inequality.

*J. Polychroniou: Income and wealth inequality has risen sharply since the 1980s in most advanced economies around the world and has been blamed for many of the social ills facing capitalist societies in the 21<sup>st</sup> century. Economic inequality is also particularly problematic in most emerging and developing economies—and there is little evidence to suggest that this is due to less redistributive pressures in the developing world than there are in advanced liberal democracies. Indeed, in your new book titled [\*Inequality and Stagnation: A Monetary Interpretation\*](#), it is argued that the cause of inequality, along with the sluggish growth of recent decades, is the outgrowth of the financial sector. In your view, how did the changing character of the financial system following the collapse of the Bretton Woods system lead to rising inequality and sluggish growth?*

*Capraro, Panico & Torres-González:* Our book addresses theoretical, historical, and institutional issues, deriving from the writings of Keynes and Sraffa a Classical-Keynesian approach that focuses on the interactions between political arrangements, distributional variables, and the level of output and growth. This approach is used to argue that the outgrowth of the financial sector is the main cause of low growth and rising inequality observed during the last decades.

The Classical-Keynesian approach denies that money is neutral in long-period

analysis, i.e. denies the absence of persistent monetary influence on the levels of growth and distribution. It highlights that monetary factors and the institutional organization and conduct of economic policy play a key role in affecting the path of the economy, offering the following interpretation of recent events.

After the abandonment of the Bretton Woods Agreements, financial regulation shifted from an approach based on the discretionary powers of the authorities over the managers of financial firms to one based on fixed rules, such as capital requirements. The pressures of the financial sector on the political world favored this change that led to the transformation of the *specialized* system, which forces financial companies to operate in a single type of activity, into a *universal* one, which allows them to operate in multiple businesses, such as credit intermediation, capital market operations and insurance.

The new approach to regulation has allowed for the introduction of a wide range of financial innovations and has made speculative activity predominant over the funding of production and international trade. As a result, the sector has grown at higher rates than the rest of the economy and has increased its degree of concentration and its ability to obtain legislation favorable to its interests.

The outgrowth of the financial sector has raised its share of national income and intensified distributional conflicts to the detriment of workers. Other effects have been the rise of instability and of a number of crises, which have

- forced central banks to cut interest rates;
- led to a modification of the process of coordination between monetary and fiscal policies;
- restricted the use of fiscal policy;
- generated negative effects on effective demand and growth;
- increased job insecurity;
- reduced workers' bargaining power.

At the same time, the alterations of the financial markets have modified the behavior of corporate firms, which have replaced a *short-period capital gains* strategy for that previously adopted known as *retain and reinvest*.

This course of action has increased managers' incomes and produced negative effects on investment, which have further contributed to the decline of effective demand and growth.

This monetary interpretation differs from those offered by other literature.

*How did the outgrowth of the financial sector affect the working of the economy?*

The book focuses on the distributional motivations of the pressures of the financial industry on the political world to describe how it has played a key role in shaping the recent behavior of the economy. The changes in legislation, caused by the large expenditures of this sector in lobbying activities, has led to its outgrowth and to a large number of modifications in the working of the economy and in the organization and conduct of economic policy.

Chapter 2 of our book presents information on these changes starting with those caused by the financial regulation introduced after the Bretton Woods era. The new legislation has allowed the financial sector to grow at higher rates than the rest of the economy. Among the evidence of the expansion of this sector we can here recall that, from 1977 to 2007, the annual growth rate of international financial transactions at constant dollars was 18.33%, while international trade grew by 8.76% and world GDP by 3.12%.

A process of concentration of the sector has accompanied this expansion. In 2007 the gigantic international financial business was dominated by 17 *mega-banks*. Now 12 dominate it. In addition, between 1984 and 2021, the number of financial companies protected by FDIC has decreased by 70%, from 14,261 to 4,236.

While the financial industry grew and concentrated, instability and the number of crises worldwide increased after the long period of stability of the Bretton Woods era. The following table, based on data presented by Laeven and Valencia (2020), reports the number of banking, debt and currency crises that have occurred since 1970.

1970-79	35
1980-89	164
1990-99	211
2000-17	130

The large number of crises in the 1990s induced national governments to consider financial stability as the prior objective of fiscal policy. Austerity began to dominate in many countries and the authorities changed the organization of policy. For the first time in history, monetary policy became the leading part of



economic policy and the public sector became a big creditor of the central bank.

Instability has also manifested itself through exchange rate volatility. This has modified the conduct of monetary policy in less rich countries, imposing a large accumulation of international reserves and huge sterilizing operations that have further promoted the use of austere fiscal policies (see Chapter 12 of the book).

In the richest countries financial instability has imposed the conduct of a monetary policy based on large liquidity issues and low interest rates. As argued in Chapter 11 of our book, the Federal Reserve has been forced, since the early 1990s, to a persistent and widespread fall in interest rates, which has also reduced the rate of return of shares causing other relevant effects on income distribution.

These results have been accompanied by a marked reduction in the annual growth rate of global GDP from around 5% in the 1960s to around 2% in the 2010s. Job insecurity has increased plummeting the ability of workers to appropriate productivity gains, as shown by the following Figure.



Productivity-compensation gap for the US economy,  
1950-2019

Low wage increases have reduced inflation. Thus, while instability grew, inflation vanished for a long period of time, inducing the monetary authorities to be more concerned about the former and to implement a policy of *financial stability targeting*, instead of the announced *inflation targeting*.

The effects on income distribution have been that the wage share has fallen. At the same time, the remunerations of the managers of large corporations have risen sharply. Taking advantage both of workers' difficulty in appropriating productivity gains and of the declining path of stock rates of return, managers have been able to attribute to themselves a large portion of firms' value-added gains. As Piketty (2014: 278, 302-3, 334) points out, in recent years 65% of those who make up the top 1% group in the US are managers of large corporations, mainly those of the financial sector.

The new position of managers has generated a rising distribution of dividends

that has negatively influenced the funding of investment, further contributing to the fall in effective demand and growth.

*To what extent did the technological advances of the 1970s contribute to the reshaping of the financial industry?*

Technological advances are always relevant in the restructuring of an industry. Nonetheless, one can argue that the new approach to financial regulation, spawned by the change in legislation after the Breton Woods era, has been the main source of the reshaping of the financial industry and its outgrowth.

Chapter 9 of the book employs the Classical-Keynesian approach to examine the evolution of financial regulation in the United States, arguing that, without the introduction of these changes, legislation would have prohibited the explosive growth of the financial sector. Based on the Classical-Keynesian approach, the chapter interprets the evolution of regulation as the result of the pressures of the financial industry on the political world. It presents statistical information showing that this industry has constantly spent more than the others in lobbying activities.

After the Bretton Woods era financial regulation has changed from an approach based on the discretionary powers of the financial authorities over the managers of financial firms, which was introduced by Roosevelt after the crisis of 1929, to one based on pre-established rules, like capital requirements. The new regulation has permitted the introduction of different forms of financial innovation and has favored the outgrowth of the financial sector. Moreover, it has contributed to

- modifying the functioning of markets,
- altering the strategy of corporate enterprises,
- increasing financial instability and the number of crises,
- reordering the conduct and organization of economic policy,
- influencing negatively income distribution and growth.

*Financial crises have become more common and more intense during the last decades. Is it simply because of deregulation?*

>Always employing a Classical-Keynesian approach, Chapter 10 of our book examines the causes of the increase in systemic risk and the number of crises. It considers the powers that legislation attributes to the authorities as the crucial element in the analysis of financial stability, stressing that the study of crises should focus on the formation of legislation and financial policy.

The chapter argues that the failures of the institutional organization of financial markets can destabilize the operators' expectations that determine the degree of liquidity of assets and thus cause solvency problems and crises. In addition, it shows that the same failures of institutional organization can be observed in the periods that preceded the crises of 1929 and 2007. In the years prior to the two crises the same conflicts developed between the financial industry and the rest of society over the transformation of the *specialized* system into *universal*. During those years one can also observe

- the same explosive growth of the financial industry,
- the same process of concentration of this sector,
- the introduction of the same forms of financial innovation,
- the use of the same incentives for managers, executives and employees of the sector,
- the presence of the same deceptive behaviors in the financial world.

Thus, the Classical-Keynesian approach allows one to state - as Stiglitz (2003: 79) does - that the crises are characterized by *irrational exuberance* and speculative bubbles. Yet, unlike Stiglitz, the Classical-Keynesian approach leads to make the crucial addition that the exuberance and the bubbles are caused by the faults of the legislation regarding the institutional organization of markets and the powers of the authorities.

*The post-Bretton Woods Monetary System ushered in a new era of economic policies and brought into play different theories of income distribution. In Inequality and Stagnation, you propose a monetary interpretation based on the Classical-Keynesian model of inequality and stagnation. What are the advantages of this approach for understanding the role of the organization of financial markets and in explaining financial crises?*

The advantages of using a Classical-Keynesian approach for interpreting the role of the financial sector in recent years can be perceived by recalling the main interpretations of the rising inequality proposed by the literature.

The dominant interpretations, which our book names “real”, accept the neutrality of money in long-period analysis. Some “real” interpretations try to acknowledge that monetary and financial factors can play a role. Yet, the way they integrate these factors in the theoretical foundations of the discipline leads them to offer a false description of how these elements operate.

An important review of this literature states that the weakness of these interpretations is due to the lack of ‘a satisfactory theoretical framework for considering the joint and endogenous evolution of finance, growth and inequality’ (Demirgüç-Kunt and Levine, 2009: 289). Our book uses the Classical-Keynesian approach to provide the interpretation of the recent inequality and stagnation with a satisfactory theoretical framework.

The literature also presents a group of Post Keynesian interpretations emphasizing the role of monetary and financial factors. The Classical-Keynesian approach belongs to this group. It considers that the analysis of monetary and financial events must move from the distributional conflicts that shape political agreements and influence legislation and financial policies (see Palma, 2009). These elements define the technical aspects of the working of financial markets and the way the authorities can intervene to stabilize them.

By adopting this perspective, the Classical-Keynesian approach avoids assuming the existence of ‘ironclad tendencies’ in the working of the economy. It allows understanding why processes of greater or lesser growth and inequality are observed over time, inciting to inquire how the political setting can be modified and the current tendencies reversed.

The following summary of the main interpretations of recent inequality and stagnation can better clarify the convenience of adopting a Classical-Keynesian approach.

### *“Real” interpretations*

The interpretation of our book differs from that derived from neoclassical theory, which accept the tendency to full employment, the neutrality of money in long-

period analysis, and the view that the level of distributive variables depends on the relative scarcity of productive factors. Mankiw (2013) uses this theory to argue that the recent rise in inequality is due to the increased demand for the talents of sports and music stars.

Alvaredo, Atkinson, Piketty and Saez (2013) criticize Mankiw presenting statistical information, which shows that the group that has benefited most from the recent change in distribution is not composed of sports and music stars, but of the managers of large corporations, particularly of financial companies.

Piketty's (2014) interpretation argues that the greater inequality has been caused by an *exogenous* and *inevitable* reduction in the growth rate of economies.

Acemoğlu and Robinson (2015) criticize Piketty (2014) saying that his description of the dynamics of technology and growth fails to capture crucial elements of the functioning of the economy and to understand why, over time, processes of greater or lesser growth and equality are generated. Acemoğlu and Robinson recall some examples in which increases in inequality caused social reactions that changed political balances and legislation and favored a better distribution of income. However, when Acemoğlu and Robinson (2015) describe the aforementioned dynamics, they focus on the evolution of "real" factors such as technology, education, and labor market institutions, overlooking the evolution of monetary and financial institutions and the legislation that generates them. Acemoğlu and Robinson (2015) have inspired a wide body of literature, which has also overlooked the evolution of financial institutions (see De Loeker, Eeckhout, & Unger, 2020).

*"Real" interpretations that recognize the role of some monetary factors*

While accepting the view of Acemoğlu and Robinson, Rajan (2010) acknowledges the role of financial institutions but does not admit that the rise in inequality depends on the pressures of the financial industry to obtain legislation favoring their incomes. According to him, the rise is the result of the increased instability and of the fact that it is not possible to prevent greedy operators and inept and corrupt public officials from harming the work of spontaneous market forces that guarantees the efficient functioning of a competitive economy. The effects of incompetence, cheating and corruption - Rajan says - have been even felt in the American system, despite it enjoys well-shaped institutions. Rajan (2010)

concludes that the presence of elements of inefficiency and corruption has increased with the recent integration of emerging countries into international markets.

Stiglitz (2012) too refers to monetary factors but, unlike Rajan, recognizes the role of lobbying activity in influencing the behavior of the authorities. Stiglitz (2012: 111-2 and 119-120) accepts the neoclassical view that in a competitive economy money is neutral in long-period analysis and spontaneous market forces produce efficient results that make government interventions unnecessary.

According to him, market imperfections generate the problems of inequality that economic policy must eliminate. Unfortunately, in recent decades governments have been more likely to favor the interests of rich and powerful groups than social justice.

Stiglitz's interpretation presents two elements of weakness. First, it does not analyze the distributional conflicts that have influenced the behavior of the authorities. Second, accepting the neoclassical foundations, Stiglitz does not have a logical critique of this theory and must prove, through empirical analyses that are difficult to elaborate, that the effects of imperfections are more relevant than those of "real" factors. Mankiw (2013: 30) has highlighted the weakness of this position, observing that Stiglitz would have had to empirically demonstrate that the high incomes of the top 1% are the result of the operation of market imperfections and do not reflect the greater demand for the talents of the people who make up this group.

In the 1990s, the essays of the *New Growth Theories* also asserted that, when markets are not competitive, financial policies and innovation influence inequality and the growth of economies (see Greenwood and Jovanovic, 1990; King & Levine, 1993; Pagano, 1993). The review by Demirgüç-Kunt and Levine (2009) recognizes that this literature

'underestimates the potentially enormous impact of financial policies on inequality... Financial regulation legislation deserves a much more prominent place in the study of inequality... Literature ... lacks a satisfactory theoretical framework to consider the joint and endogenous evolution of finance, growth and inequality ... There is good reason to believe that income distribution shapes public policy, including financial policy. Thus, understanding the channels through which income



distribution shapes the functioning of financial systems and financial policies are extraordinarily valuable lines of research (Demirgüç-Kunt and Levine, 2009: 289-290).'

Citing the *Handbook of Income Distribution* by Atkinson and Bourguignon (2000), Demirgüç-Kunt and Levine (2009) conclude that this literature has failed to develop these lines of research. The Classical-Keynesian approach used by our book attributes to these lines of research a central position.

### *“Monetary” interpretations*

A large part of the Post Keynesian literature emphasizes the role of monetary and financial factors. It proposes a homogeneous view on the functioning of the economy, examining it from various perspectives but elaborating them through different methodological procedures.

Lavoie (2016: 60) states that ‘the drawbacks and weaknesses of modern capitalism are due not to price rigidities or market imperfections, but rather to the intrinsic dynamics of the market system’. He recalls Minsky’s financial fragility hypothesis to argue that ‘capitalism is inherently unstable [because] ... in a world of fundamental uncertainty ... speculative euphoria ... is an inevitable outcome’ (Lavoie, 2016: 61).

Boyer (2000), on the other hand, focuses on the changes in the relationships between shareholders, managers and workers of large corporations, formalizing a *finance-led growth model*, which competes with the *wage-led* and *profit-led models* of Bhaduri and Marglin (1990).

A different line of research in Post Keynesian literature argues that analyses of monetary phenomena make theoretical sense if, instead of merely examining the technical aspects, they consider the distributional conflicts that shape political agreements and influence legislation and financial policies (see Palma, 2009).

This line of research can be found in the Classical-Keynesian approach, derived from the writings of Keynes and Sraffa, which moves from the degree of liquidity of assets and argues that it ends up being shaped by the institutional organization of markets and the ability of the authorities to control stability. As Crotty (2019: 239-57) points out, in the *General Theory*, Keynes (1936: 162) argued that, if political agreements establish legislation that generates a well-set institutional

organization and regulation, expectations are directed towards stability and the economy lives 'normal times'. On the contrary, when the pressures of economic groups succeed in shaping legislation, the work on institutional organization must be considered 'ill done' (Keynes, 1936: 154) and the economy will live through 'abnormal times', during which the functioning of markets is close to that of a casino.

According to the Classical-Keynesian approach, distributional conflicts are key elements in the analysis of financial stability. The adoption of this approach makes it possible to clarify how political elements shape the ordinary functioning of a competitive economy and allows for an analytical critique of the logical coherence of neoclassical theory.

*What about Thomas Piketty's documentation of the long-term evolution of wealth and income distributions? What are the strengths and shortcomings of his approach to income and wealth distribution?*

Piketty (2014) offers a great contribution to the long-term evolution of wealth and income distributions. His empirical reconstruction allows a deep comprehension of these phenomena. His theoretical positions are however weak. Acemoğlu and Robinson (2015) rightly criticize his view that the greater inequality has been caused by an *exogenous* and *inevitable* reduction in the growth rate of economies. Moreover, his sparse and meager references to the role of monetary and financial factors highlight the defective way he integrates these factors in the theoretical foundations of the discipline.

The weakness of his theoretical positions is also exposed by Piketty's (2014: 215-216) statement that the assumption of decreasing marginal productivities is something *natural* to accept. He fails to appreciate that this assumption was at the center of the 1966 debate on capital theory published by the *Quarterly Journal of Economics*, which proved that this assumption faces serious logical shortcomings when the analysis supposes that the economy produces more than one commodity.

Piketty (2014: 200, 215-216, 231-232) provides an account of that debate in terms of 'postcolonial behavior' ignoring that in its *Summing up* Samuelson (1966: 583) recognized that, being derived from mathematical procedures, the shortcomings of the assumption of decreasing marginal productivities represent 'facts' that

everybody can verify and not personal or ideological standpoints.

Part 2 of our book deals with the state of scientific knowledge on the theoretical foundations of the economic discipline, highlighting the consequences of the logical shortcomings of neoclassical theory. Then, Part 3 highlights that Keynes and Sraffa jointly worked to *revolutionize* the theoretical foundations of the discipline, proposing a monetary theory of production and distribution and identifying what must be done from a scientific perspective to achieve this result.

*What sorts of reforms are needed to counter the problems generated by the dominance of finance in the 21<sup>st</sup> century?*

The main problem that countries face nowadays is the imbalance in power relations that the dominance of finance has generated. The history of human societies teaches us that the concentrations of power are the worst enemy of democracy. They influence political life, changing the distribution of income to favor their interests while impairing social and economic stability. Thus, each country has to strengthen, in the first place, the unity and the security of its national institutions.

Achieving positive results is not easy, particularly when the concentration of power enjoyed by the financial industry has reached the current levels. It requires long period commitments and a broad consensus on the need to introduce indirect measures like

- improving the education system,
- reforming the funding of parties and electoral campaigns,
- regulating the media,
- strengthening the institutions that guarantee the balance of powers and the democratic game.

The political strategy is difficult. Yet, it is important to consider it because the problems that the dominance of finance will continue to generate are not sustainable over time from an economic, social, and political point of view.

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## The Left Wins Presidential Election In Sri Lanka



09-25-2024 ~ On September 22, 2024, the Sri Lankan election authority announced that Anura Kumara Dissanayake of the Janatha Vimukthi Peramuna (JVP)-led National People's Power (NPP) alliance won the presidential election.

Dissanayake, who has been the leader of the left-wing JVP since 2014, defeated 37 other candidates, including the incumbent president Ranil Wickremesinghe of the United National Party (UNP) and his closest challenger Sajith Premadasa of the Samagi Jana Balawegaya. The traditional parties that dominated Sri Lankan politics—such as the Sri Lanka Podujana Peramuna (SLPP) and the UNP—are now on the back foot. However,

they dominate the Sri Lankan Parliament (the SLPP has 145 out of 225 seats, while the UNP has one seat). Dissanayake's JVP only has three seats in the Parliament.

Dissanayake's triumph to become the country's ninth president is significant. It is the first time that a party from the country's Marxist tradition has won a presidential election. Dissanayake, born in 1968 and known by his initials of AKD, comes from a working-class background in north-central Sri Lanka, far from the capital city of Colombo. His worldview has been shaped by his leadership of Sri Lanka's student movement, and by his role as a cadre in the JVP. In 2004, Dissanayake went to Parliament when the JVP entered an alliance with Chandrika Kumaratunga, the president of the country from 1994 to 2005 and the daughter of the first female prime minister in the world (Sirimavo Bandaranaike). Dissanayake became the Minister of Agriculture, Land, and Livestock in Kumaratunga's cabinet, a position that allowed him to display his competence as an administrator and to engage the public in a debate around agrarian reform (which will likely be an issue he will take up as president). An attempt at the presidency in 2019 ended unsuccessfully, but it did not stop either Dissanayake or the NPP.

### *Economic Turbulence*

In 2022, Colombo—Sri Lanka's capital city—was convulsed by the *Aragalaya* (protests) that culminated in a takeover of the presidential palace and the hasty departure of President Gotabaya Rajapaksa. What motivated these protests was the rapid decline of economic possibilities for the population, which faced shortages of essential goods, including food, fuel, and medicines. Sri Lanka defaulted on its foreign debt and went into bankruptcy. Rather than generate an outcome that would satisfy the protests, Wickremesinghe, with his neoliberal and pro-Western orientation, seized the presidency to complete Rajapaksa's six-year term that began in 2019.

Wickremesinghe's lame duck presidency did not address any of the underlying issues of the protests. He took Sri Lanka to the International Monetary Fund (IMF) in 2023 to secure a \$2.9 billion bailout (the 17th such intervention in Sri Lanka from the IMF since 1965), which came with removal of subsidies for items such as electricity and a doubled value-added tax rate to 18 percent: the price of the debt was to be paid by the working class in Sri Lanka and not the external lenders. Dissanayake has said that he would like to reverse this equation, renegotiate the terms of the deal, put more of the pain on external lenders,

increase the income tax-free threshold, and exempt several essential goods (food and health care) from the increased taxation regime. If Dissanayake can do this, and if he earnestly intervenes to stifle institutional corruption, he will make a serious mark on Sri Lankan politics which has suffered from the ugliness of the civil war and from the betrayals of the political elite.

### *A Marxist Party in the President's House*

The JVP or the People's Liberation Front was founded in 1965 as a Marxist-Leninist revolutionary party. Led by Rohana Wijeweera (1943-1989), the party attempted two armed insurrections—in 1971 and again from 1987 to 1989—against what it perceived as an unjust, corrupt, and intractable system. Both uprisings were brutally suppressed, leading to thousands of deaths, including the assassination of Wijeweera. After 1989, the JVP renounced the armed struggle and entered the democratic political arena. The leader of the JVP before Dissanayake was Somawansa Amerasinghe (1943-2016), who rebuilt the party after its major leaders had been killed in the late 1980s. Dissanayake took forward the agenda of building a left-wing political party that advocated for socialist policies in the electoral and social arenas. The remarkable growth of the JVP is a result of the work of Dissanayake's generation, who are 20 years younger than the founders and who have been able to anchor the ideology of the JVP in large sections of the Sri Lankan working class, peasantry, and poor. Questions remain about the party's relationship with the Tamil minority population given the tendency of some of its leaders to slip into Sinhala nationalism (particularly when it came to how the state should deal with the insurgency led by the Liberation Tigers of Tamil Eelam). Dissanayake's personal rise has come because of his integrity, which stands in stark contrast to the corruption and nepotism of the country's elite, and because he has not wanted to define Sri Lankan politics around ethnic division.

Part of the refoundation of the JVP has been the rejection of left-wing sectarianism. The party worked to build the National People's Power coalition of twenty-one left and center-left groups, whose shared agenda is to confront corruption and the IMF policy of debt and austerity for the mass of the Sri Lankan people. Despite the deep differences among some of the formations in the NPP, there has been a commitment to a common minimum program of politics and policy. That program is rooted in an economic model that prioritizes self-sufficiency, industrialization, and agrarian reform. The JVP, as the leading force in

the NPP, has pushed for the nationalization of certain sectors (particularly utilities, such as energy provision) and the redistribution of wealth through progressive taxation and increased social expenditure. The message of economic sovereignty struck a chord amongst people who have long been divided along lines of ethnicity.

Whether Dissanayake will be able to deliver on this program of economic sovereignty is to be seen. However, his victory has certainly encouraged a new generation to breathe again, to feel that their country can go beyond the tired IMF agenda and attempt to build a Sri Lankan project that could become a model for other countries in the Global South.

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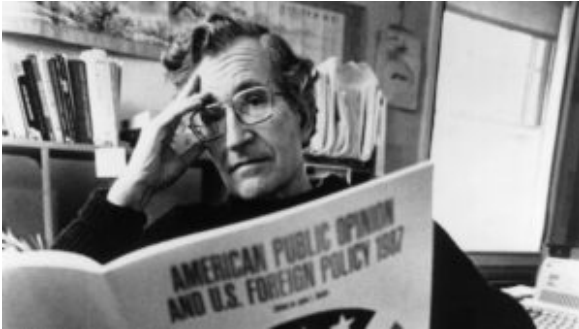
*Source:* Globetrotter

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# Noam Chomsky: The Persistent Prompt Out Of Propaganda



# Bubbles



*Noam Chomsky*

09-23-2024 ~ In June 2024 I was listening to Noam Chomsky (recorded) trying to make sense with extremely good poise to a *Times* journalist to think outside western propaganda bubble.

In 2023 and 2024 I have listened to him responding to the polemic-interviews like that of *Times* as well as the more independent, alternate or amateur media. I get transported in time back to the 1999-2000 when I listened to the voice for the first time, except for the fact that now I was listening to a mind in his mid-nineties. This was, the opposite of the fast fatalistic human beings who often surround us with their system conservative spiritualisms, not a mind that aged chronologically and hence finds solace in a time they froze at, nor was this an unprovocative mind to whom the demagogues could find consensus.

When an interviewer asked polemically in 2023 whether he thought, after all these years, he was wrong on occasions, Noam peacefully replied "many times". And then he went on to say that he was for example wrong to get later that he should have in the opposition movement to the US led war on Vietnam. This from a human being in his mid-nineties is nothing short of sheer hope. It increases the spectrum of possibilities, whether or not one uses it. I know that after the massive stroke he had in 2023, Noam may not speak his mind out again. But I heard that expressions rise in him when he listens to the ongoing wars on Palestine and violence on life. That is the most a brain can be in a life time I suppose.

Personally, the new, profound and disruptive voice I first heard in a documentary by the end of 90s, have transformed to an insistent voice of hope. Video cassettes that were played in old VCR machines of the day that brought out often flickering

images and analogue tape VHS output has long gone. I sense somewhere along the days I have also lost much of my ability to listen, though audio-visual hours have statistically increased in the digital-now.

Noam's academic trajectories in the domain of linguistics, morphophonemic (s), generative grammar, syntactic structures or mathematical linguistics, are of course archipelagos far away for me. I have been caught in the crossfires of the more informed agreements and disagreements about those worlds, but in my comfortable ignorance. On the other hand, *Manufacturing Consent: Noam Chomsky and the Media*, the 1992 documentary, brought home by a friend as a video cassette recording, left a great imprint. I had never imagined Media through the sieves of elite groups, propaganda or the unwillingness to portray certain events coupled with the added emphasis on others.

I vividly remember the shots of the Chimpanzee that was named Nim Chimsky as an evident pun on Noam Chomsky, in a Columbia university language project. Apart from the stage setting part wherein the linguistic work, the development of his particular rationalistic explanations, syntactic structures vis a vis the semantics, human cognition as against behaviorisms as well as the schools he was associated with as a linguist, the documentary was more about how thought controls happen in modern democracies.

The media, the agenda settings and the opinion making on which he let loose unprecedented disruptive thoughts, made *The New York Times* describe him as arguably the most important intellectual alive. But of course, the NYT had more to add. They went on to describe him as "disturbingly divided in intelligence". They lamented that despite being an intellectual he writes such terrible things about American Foreign policy. They characterized his science as complicated and political views as "simple minded" (and hence irrelevant). Chomsky though was evidently relieved that the New York times in 1979 had the negatives to follow the opening exaltations. In fact, the irritations of the mainstream media are a good preface to what Chomsky has been doing throughout his responsible interventions right from the 60s to the day he suffered the stroke.

Noam introduced me to ideas in the political spectrum like libertarian socialism or anarcho-syndicalism. It told me how he and others who came out of civil war and anti-war movements saw the system. There was the occasional tuning into the alternate radio stations and the recordings of the telecasts by David Bersamian

and those at Z magazine. Later some of these conversations came out in print. What got me hooked to his thoughts was the analysis of technologies within democracies that envisage ignorant masses, who in fact can only be meddlesome and hence needs to be controlled for their own good.

*Manufacturing Consent: The Political Economy of Mass Media* (1988) coauthored by Edward S Herman as well as *Necessary Illusions: Thought Control in Democratic Societies* with which this was followed up in 1989, in retrospect were even more perceptive of the unipolar world order and the eulogies that celebrated liberal democracies post 1990s in the mainstream. The former, donated the undergraduate psychology-thesis writer a name to title his small dissertation on political opinion making in 2001. My writing innocently and confidently claimed to throw light on how cognitive consent for the prevailing political order, then acquiring communal and neoliberal tenor across India, was crafted through every day deployment of themes, agendas, frames, and modes of interactions.

The haunt of Noam had already prompted longer trajectories, one of which was my post-graduation. For someone who was otherwise enthusiastic about ecologies, behaviours, animals and cognition, 'International relations and Politics' was smuggled in alongside the persistent urge to explore the tracks suggested. I followed up *Necessary Illusions* with *Deterring Democracy* (1991) that for the first time opened frames of cold war, global system, post cold war or imperialism. *Understanding Power* (2003) further widened the possibility of exploring how power of the empire designed in the shape of the United States of America operated simultaneously outside (Vietnam) and inside (on Welfare system), sovereign states.

I remember getting thrilled to find two other works on a stroll across a book fest in the Kochi City's marine drive. Those days the book strolls were all about gathering as many works by Chomsky as I can! *Powers and Prospects: Reflections on Human Nature and the Social Order* (1996) and *Profit Over People: Neoliberalism and Global Order* (1999) added more reasons to charge up for the post-graduation. The intensity of the brutal suppressions in East Timor by the Indonesian military with a complicit and often supportive US regime ever since the mid-60s that Powers and Prospects talked about was a major prompt to get beyond the given. Why did the liberal global media play down a genocide that reached almost a million and practically eliminated one of the largest communist workers parties the PKI, while playing up others? This was a great lesson on the

profound idea of propaganda bubbles we live in. I already had a counter opinion to the celebrated liberal internationalist Woodrow Wilson, through the perspectives in *Media Control* (2002) of Creel Commission in turning a population as a war mongering mass. More Indian edition publications and those by alternate publishers and leftwing groups stacked the shelves. *Class Warfare* (1996), *Rogue States* (2000), *Propaganda and the Public Mind* (2001) were some of them. I thought I was ready to be a critical voice in my Masters classes. I realised later that other designs other than mainstreams in IR were taking shape through those years.

The last work in print I got was perhaps a booklet by Leftword called *Government in the Future* (2005) which was a reprint of his earlier lecture. Before the time when digital downloads got upper hand and print purchases went downhill for a while, Chomsky introduced me to others like Howard Zinn's *A People's History of the United States* (1999) and Walter Lippman's ideas of 'Spectator Democracy' wherein the public is reduced to complacent herds in capitalism. I owe the greater share of my engaged interactions during post-graduation to Noam Chomsky. I thought his voice faded away ever since, though the few instances I came across the audio of the man now in his 80s, I stayed put. By now I was in my research phase. I moved increasingly to ethnographies, urban ecologies and gradually into political ecologies.



*Noam Chomsky - Photo: Mathew A. Varghese*

It is amazing that off late; while designing courses in political ecology and the politics of climate, Noam Chomsky re-emerges as prompt par excellence. His

perspectives on the IPCC, legislative regimes of climate, and reflections on consequences to organised life were of a fresh researcher in her/his prime. Critical scholarship on broad frames like climate economics and observations on hegemonic actors like ExxonMobil was as updated as during the 1960s. I have listened to the extrapolations he made on the nexus between Koch brothers and GOP, or the hijack of the COP28 by oil conglomerates and companies like *Adnoc* (Abhu Dhabi). In the last couple of years Noam spoke tirelessly and in volumes to disparate groups about alternative designs to capitalism. He elaborated on green commitments that needs to be made out of the GDPs as well as the domination by finance capital and banking systems, even to belligerent interviewers.

There are inevitable bio-physical silences that all life gets into, while alive or otherwise. But what matters is what went on before those silences. We live in times when, strings of silences can be garbed as a loud continuum of breaking news, facts and technologies of mediation proliferate, or fixes and fatalisms precede any attempt to understand the leviathan. Perhaps why I always pause and listen every time I hear Noam speak is because I have felt that he was never silent. He spoke for seven decades despite the behemoths and myths of capitalist consensus. An interviewer started off in 2023 with the sarcastic statement of Noam being the greatest intellectual on par with big names. Then he asked how he likes to be described or would write if he fills a form and whether he is a public intellectual. The nonagenarian with a smile told him not to read too much PR. Then he replied that he teaches continental science and philosophy like any other who works as a teacher in a university. He said he never took the latter tag seriously and that the interviewer and himself probably has more privilege to get public with their intellect than another one who might hold better opinions but no privilege! The MIT professor kept communicating with the public often written off by mainstream as “ignorant meddlesome outsiders” and on the face of the newer avatars of *The New York Times* of 70s that forever failed in writing him off as “disturbingly disconnected” and “maddeningly simple minded”.

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# Forests Thrive When Indigenous People Have Legal Stewardship Of Their Land



09-18-2024 ~ *The fate of intact forests is closely linked to that of Indigenous peoples.*

Forests are essential for life on Earth. Because they produce oxygen and help regulate the balance of carbon dioxide and oxygen in the atmosphere, forests are known as the “lungs of the Earth.”

For millions of local and Indigenous people, forests are also homes, hunting grounds, and traditional cultural and ceremonial spaces. These communities have been caring for forests for countless generations because doing so ensured their survival and the preservation of their societies. Yet, despite [scientific evidence](#) showing that recognizing Indigenous land rights is crucial to stopping deforestation, governments and corporations often fail to do so.

## *Carbon Sinks*

Trees and forests are among the world’s best [carbon capture technologies](#). Excess carbon is stored in trees’ trunks, roots, and surrounding soil. On average, global forests annually absorb [7.6 billion metric tons](#) of carbon dioxide, or about [1.5 times](#) the emissions of the United States.

Deforestation removes these essential carbon sinks, increasing the amount of greenhouse gases in the atmosphere. According to the Environmental Defense Fund, tropical forest destruction contributes around [20 percent](#) of annual anthropogenic carbon dioxide emissions.

Beyond functioning as carbon sinks, forests are essential to environmental health, providing invaluable [ecosystem services](#) to human and nonhuman animals. These services include preventing soil erosion, improving water quality, assisting

[watershed development](#), and creating a barrier against strong winds, heavy rain, and flooding.

Healthy forests also foster biodiversity. Although they cover only [31 percent](#) of the globe, “they are home to more than [80 percent](#) of all terrestrial species of animals, plants, and insects,” points out the United Nations Sustainable Development Goals.

### *Indigenous Forest Defenders*

The fate of intact forests is [closely linked](#) to that of Indigenous peoples. Many forest-dwelling communities have managed their homelands for centuries based on customary laws rooted in spiritual beliefs and conservation principles. Former UN Special Rapporteur on the Rights of Indigenous Peoples Victoria Tauli-Corpuz [argued](#), “World leaders have a powerful solution on the table to save forests and protect the planet: recognize and support the world’s Indigenous Peoples.”

Indigenous Peoples and local communities have been managing some of the last intact rainforests for generations, and they’ve been doing so [successfully](#). About [36 percent](#) of the world’s remaining intact forests are on “land that’s either managed or owned by Indigenous peoples’ land,” states a Mongabay article referring to a 2020 study published in the *Frontiers in Ecology and the Environment*. “The [rate of tree cover loss](#) is less than half in community and Indigenous land than elsewhere,” [said](#) Tauli-Corpuz.

In a 2021 [article](#) in the journal *Ambio*, more than 20 researchers argued that “[b]iodiversity is declining more slowly in areas managed by [Indigenous peoples and local communities] than elsewhere.”

[Several studies](#) confirm that forests managed by Indigenous and local communities with secure land rights have lower deforestation rates, greater biodiversity, improved livelihoods, and reduced greenhouse gas emissions.

[Nemonte Nenquimo](#), a leader in the Waorani community in Ecuador and founding member of the [Ceibo Alliance](#), [says](#), “As go our peoples, so goes the planet... The climate depends on the survival of our cultures and our territories.

### *These Defenders Face Constant Threat*

These communities, however, face constant threats from companies seeking to log and develop their lands. On the [front lines of deforestation](#), they frequently

suffer violence, intimidation, and criminalization when they defend their lands. The assassination of Honduran Indigenous leader [Berta Cáceres](#) in March 2016 highlights such dangers. Between 2012 and 2021, the total number of environmental defenders killed was at least 1,733. The maximum deaths took place in Brazil, where a third of the 342 activists killed were Indigenous or Afro-descendant, [according](#) to a report by the nonprofit Global Witness.

The report further stated that in 2021 alone, [200 land defenders were murdered](#) across the globe, with more than three-quarters of the attacks taking place in Latin America.

Indigenous resistance has successfully stopped pipelines, coal plants, and deforestation. From [Standing Rock](#) to [the Amazon](#), these communities have been challenging corporate power. Supporting Indigenous and front-line communities is essential. By gaining legal rights to their land, they can protect and manage it, preserving their way of life and safeguarding biodiversity.

#### *A Case Study: The Dayak Bahau Community's Resistance to Deforestation*

In Indonesia, the Dayak Bahau community of Long Isun on Borneo Island is fighting to protect some of the country's last intact forests. However, [two-thirds](#) of these forests are at risk from industrial development.

Dayak, roughly translated as "interior people," refers to about [200](#) riverine and hill-dwelling ethnic groups in Borneo. The Dayak Bahau people mainly live in the east of Borneo. During the late 19th century, a large group [settled](#) in Long Isun on the banks of the Meraseh River, a tributary of the Upper Mahakam River in East Kalimantan.

Long Isun's forests cover more than [80,000 hectares](#) of rich forests, larger than all five boroughs of New York City combined, and the Dayak Bahau has managed most of this area. They manage this area through 11 forest functions and land use categories, including settlement areas, production forests, hunting grounds, medicinal plant areas, and grave sites. They also have a forest reserve area, *Tana Peraaq*, protected to [sustain](#) future generations.

They sustainably grow crops like rice, cacao, and durian, rotating their farms so that the forest can regenerate. While modern forms of mechanized agriculture can lead to desertification, the Dayak Bahau use [swidden agriculture](#) (letting a field fallow for some time to regenerate), foraging, and other [traditional farming](#)



[techniques](#) designed to conserve the forest and biodiversity instead of eradicating it.

Land-use decisions are made through community processes led by Indigenous leaders or *Hipui*. The community's connection to its land is also spiritual, as reflected in its continued practice of customary rituals passed down for generations to honor its deities and ancestors. Because each element of nature is considered imbued with a spirit, the Dayak people strive to be in harmony with the natural world.

There are many customary regulations and rituals around rice farming. For example, many Dayak Bahau villages celebrate [Hudoq](#), where masked dancers pay homage to "[Hunyang Tenangan](#)," a rice-keeping divinity, and ask him to protect their rice paddies and bring a bountiful harvest.

The community also customarily respects the Ulin tree, an ironwood tree native to Borneo. If a community needs to cut down an Ulin tree, a ritual must be performed as requested by the original ancestral parents. The Long Isun believe that their ancestors' spirits flow through the food they consume and the land, rivers, and forests they depend on. In the words of spiritual leader [Inui Yek](#), "Though we humans can give birth, the land cannot. If we chop down the forest, what hope is there for our grandchildren? Dayaks can't be separated from the forest; our lives are spent in the forest. Without her, we lose our identity."

Despite the Long Isun community's sustainable practices, the Indonesian government has allocated their land for logging and palm oil plantations. From 2009 to 2019, more than [487,631 hectares](#) of forests were destroyed in East Kalimantan. The Harita Group now controls the community's land.

Harita Group timber concessions now occupy more than [one-quarter](#) of Long Isun's territory. Borneo's rainforests, home to many unique species, are rapidly disappearing, with only 50 percent of the forest remaining due to "decades of logging, land clearing, and agricultural conversion," according to a [March 2023 article on Earth.org](#).

Global brands (including Mondelēz and Procter & Gamble) that source palm oil from mills operated by Harita can help protect these forests by respecting Indigenous rights. The Long Isun community is demanding legal recognition of their land as a customary forest, which would grant them ownership and

management rights. Without this recognition, their forests and way of life remain at risk.

### *Indigenous Land Stewardship Keeps Forests Standing*

Having Indigenous communities be stewards of our forests is integral to combating the climate crisis. According to scientists, intact forests can [reduce emissions](#) by more than 30 percent by 2050, which is essential to keeping temperatures below the agreed-upon 2 degrees Celsius required to avoid a climate catastrophe.

“Climate change poses threats and dangers to the survival of Indigenous communities worldwide, even though Indigenous peoples contribute the least to greenhouse emissions,” the United Nations [points out](#).

Highlighting how their knowledge and understanding of the natural world are pertinent to shaping a more sustainable world and combating the threat faced due to extreme temperatures, the UN further [adds](#), “[I]ndigenous peoples interpret and react to the impacts of climate change in creative ways, drawing on traditional knowledge and other technologies to find solutions which may help society at large to cope with impending changes.”

*By Fitri Arianti*

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