The Perilous Path From Western Domination To De-Dollarization



Justin P. Podur - Photo: York University

Two interesting things happened at the BRICS summit in South Africa in August. Several new members were invited to join BRICS in 2024: Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the UAE. And, at Brazil's urging, a commission was established to study the possibility of a new currency to replace the dollar in international trade. Currency swap agreements will continue to be the way the process moves forward in the short term, though, because the dollar cannot be replaced in a rush.

To escape the shackles of dollarization, Global South countries have a perilous path to walk. The major problems, as described by political economists Michael Hudson and Radhika Desai, are as follows: Global South countries are saddled with immense debts in dollars, and Western corporations claim ownership over their resources. The international legal structure favors the West, finding in favor of American corporations and vulture funds. The U.S.-run covert network continues to have the ability to foment wars and coups against those who defy Western rules—including financial ones. These problems now confront most countries of the world.

Thus far, most of the world is not polarized. Very few countries (mostly in Europe) are unconditional supporters of the U.S.-led West. On the other side, only a handful of states (e.g. Russia, China, Iran) dare to categorically refuse when the

West makes demands.

Everyone else—where the future of the global economy will play out—is inbetween. Will they find a way out of these traps?

Argentina's Politicized Debt

For about 200 years, Argentina has been the site of first British, and then U.S. experiments in debt-driven subjugation. Each time a developmentalist government came to power and tried to get the country out of a crisis, it would be followed by a right-wing government that would plunge the country back in.

Among the in-between countries, Argentina has a special role. The country is on the list of the new invitees to BRICS. Its finances are in disarray, and its leading presidential candidate, who takes economic advice from his four dogs, wants to close most of the government down and use the U.S. dollar as the currency. Like many right-wing Western politicians, from Berlusconi and Sarkozy to Trump and Bolsonaro, Milei's electoral brand is damaged neither by clown antics nor by infeasible economic plans.

And infeasible they are. The Economist notes that "Milei promises cuts worth 15 [percent]... of GDP, to a public sector that accounts for 38 [percent]... of GDP, but struggles to outline where they will come from."

Nor does he know

"how... Milei's government would find the \$40 [billion] his team thinks is necessary to make the switch to dollars. Currently, Argentina cannot even repay the [International Monetary Fund (IMF)]... to which it owes \$44 billion. Having run out of American currency, the central bank is instead burning through yuan borrowed from China... Milei has suggested selling state-owned firms and government debt in an offshore fund to raise the necessary capital. It is hard to imagine there will be many buyers."

Argentina's fate has been controlled by imperial debt since 1824 when the British Empire's bank (Barings—whose Lord Cromer used financial methods to take over Egypt, among other notable operations) first advanced a loan of one million pounds to newly independent Argentina. This was less than 20 years after the British landed forces to try unsuccessfully to colonize Argentina. They ultimately found the financial weapon more effective. The first of nine defaults followed in 1827. The latest was in 2020 (the Economist is advocating a tenth).

In the 20th century, Argentina alternated between elected governments and military dictatorships and switched between developmentalist and neoliberal economic approaches. In the neoliberal periods, Argentina was the site of innovation—new experiments in plundering a country were invented. Among these was what Esteban Almiron <u>outlined</u> as the "financial bicycle" made possible by the peg of the peso to the U.S. dollar:

"When billionaire speculators were allowed to exchange Argentine pesos for unlimited amounts of dollars, benefiting from [high-interest]... rates in pesos, it was the state that had to borrow those dollars from [U.S.]... private banks or from the IMF and pay interests on them. Once exchanged, the dollars obtained by the speculators were moved out of the country, leaving the debt to the state."

In 2001, Argentina <u>defaulted</u> and dropped the peg. It then paid its \$9.5 billion IMF debt in full in 2005, saving the country \$842 million in interest in subsequent years. It also negotiated, through to 2010, a restructuring of 92 percent of the rest of the national debt.

Almiron's history of Argentina's debt describes what happened next: a story of Argentina and the American vultures. The remaining 8 percent of the debt offers a case study of the rigged international legal structure that facilitates the U.S. plunder of Global South economies. It was held by vulture funds run by American billionaire Paul Singer and others. The vultures turned to the U.S. courts and, predictably, in 2012, got exactly what they wanted—a U.S. judge ruled that Argentina would have to pay them in full.

Then-president Cristina Fernández de Kirchner refused to pay, but subsequent elections brought Mauricio Macri into power. Macri increased Argentina's debt-to-GDP ratio from 52.6 percent to 90.2 percent and oversaw an increase in poverty from 30 percent to 40 percent (four million people entering poverty). By the time he left power in 2019, Argentina had experienced \$79.8 billion in capital flight—and defaulted again. Almiron writes that "Macri and his team wrecked the relatively healthy finances of the Argentine state in less than two years." Macri brought back the financial bicycle:

"Their trick was to buy pesos, profit from the [high-interest]... rates in pesos, then convert them to dollars and move the dollars out of the country. In the meantime, the state had to provide a virtually infinite amount of dollars for the speculators, and was left with the pesos."

On his way out the door, Macri took out a \$57 billion loan from the IMF, later

reduced to \$44 billion, which "disappeared in just 11 months."

His successor Alberto Fernández tried to rebuild the gutted health ministry during COVID-19 but was stuck with the \$44 billion loan. Out of desperation as much as out of developmentalist ideology, Fernández turned to China, joining the Belt and Road Initiative in 2022 and applying—successfully, it turns out—to BRICS. Argentina will join in 2024. However, collaboration with China (and Qatar) so far has been a matter of getting additional loans from China to pay the IMF. This is not exactly the type of "win-win" deal China seeks with Global South countries in its infrastructure investments and trade deals around resources.

If elected, Milei can be expected to withdraw the BRICS application. If he keeps Argentina in BRICS, he will apply his (and his dogs') financial genius to facilitate the U.S. use of Argentina not just to drain Argentina, but China (and perhaps other emergency lenders) as well.

With each new plunge into debt, the country's right-wing attempts to sink the state so much deeper that it can never emerge. When he arrives in office, dog whisperer Milei has promised to outdo Macri's record of destruction.

The Travails of Pakistan, Ally of Both the U.S. and China

Like Argentina, Pakistan has been controlled by imperial debt regimes—first British, then U.S.—for centuries. What is now Pakistan was once a group of rich provinces in British India. Each kingdom that Britain's East India Company brought under its boot was saddled with debt, the principal mechanism (there were others) through which Britain drained \$45 trillion from the subcontinent. Britain then partitioned the subcontinent into India and Pakistan before handing it over. Today India is playing an ambiguous role in BRICS, while Pakistan's post-coup government has resorted to severe violence to try to get the country under control.

Also like Argentina, Pakistan is a place where both BRICS and the IMF have a heavy economic presence. In April, about a year after former Prime Minister Imran Khan was ousted, the U.S. Institute for Peace <u>reported</u> that Pakistan was facing an "existential" economic crisis. Dividing the debt into three types (multilateral, private, and Chinese), the USIP gave a breakdown of Pakistan's debt and to whom it was owed: "As of December 2022, Pakistan holds external debt and liabilities of \$126.3 billion. Nearly 77 percent of this debt, amounting to \$97.5

billion is directly owed by the government of Pakistan to various creditors; an additional \$7.9 billion is owed by government-controlled public sector enterprises to multilateral creditors."

Pakistan's multilateral debt of \$45 billion broke down as follows: the World Bank (\$18 billion), the Asian Development Bank (\$15 billion), and the IMF (\$7.6 billion), with smaller amounts to the Islamic Development Bank and the Asian Infrastructure Investment Bank. It owes another \$8.5 billion to major creditor countries Japan, Germany, France, and the United States.

Pakistan's private debt was led by Eurobonds and global <u>Sukuk bonds</u>, amounting to \$7.8 billion. It also had foreign commercial loans to the tune of nearly \$7 billion, likely to increase to nearly \$9 billion by the end of the current fiscal year.

Finally, the USIP placed the "Chinese debt" of \$27 billion in a separate category: "This includes around \$10 billion of bilateral debt and \$6.2 billion in debt provided by the Chinese government to Pakistani public sector enterprises, and Chinese commercial loans of around \$7 billion. In addition, China's State Administration of Foreign Exchange (SAFE) has placed \$4 billion worth of foreign deposits with Pakistan's central bank."

With a GDP of \$376 billion and a debt of \$126 billion in 2022, Pakistan's debt-to-GDP ratio of 34 percent is much more favorable than Argentina's even before the Macri disaster. Still, Pakistan's Western creditors presented it as an impossible situation and inflation was indeed causing popular hardship.

The 2022-23 government budget projected revenues of \$24 billion and expenses of \$33 billion. Debt repayments, not factored in, were looking like they would exceed state revenues, at almost \$25 billion.

The Chinese debt <u>could be rescheduled</u> as per historical precedent—but it was only 30 percent of the total. What about the rest? Over the decades, Argentina's developmentalist governments tried to use economic growth to raise the tax and export base to shrink the debt when in power, but Pakistan's <u>growth forecast wasn't looking good</u>. Likewise, in the long-term, as documented in Jawad Syed and Yung-Hsiang Ying's 2020 book *China's Belt and Road Initiative in a Global Context Volume II: The China Pakistan Economic Corridor and its Implications for Business*, the CPEC envisions upgrading Pakistan's value chains and infrastructure as a process of economic development for both countries.

But what about the short term? Pakistan tried to get creative: Prime Minister Imran Khan had just struck a deal for energy and wheat—the two most necessary and inflationary items in the basket—from Russia when he was ousted. The post-coup government scuttled the deal, trying to avoid trouble with the U.S. for trading with U.S.-sanctioned countries outside of dollar transactions. Pakistan took a page out of pre-Nixon-visit China's book and used barter. But the Western creditors are still there, demanding to be paid (in dollars). Whether by downgrading Pakistan's credit rating or monitoring and punishing Pakistan as a financial sponsor of terrorism through the Financial Action Task Force (FATF), the United States has many tools to force debt compliance on Pakistan.

How did the situation get so dire? Pakistan's finances, including its U.S. debts, are tied up in the two countries' web of covert relationships and the interventions of both countries in Afghanistan since the 1970s. Sure, the United States and Pakistan trade cotton and textiles, steel and machinery, but the heart of the economic relationship is martial. The people of Afghanistan suffered the worst, with author Nicolas J.S. Davies estimating a death toll of 875,000, but Pakistan too suffered. Pakistan's intervention in Afghanistan and U.S. operations in rural Pakistan cost the U.S. ally \$150 billion and 70,000 lives according to the Pakistani ambassador to the United States in 2021 and 325,000 deaths according to Davies.

The amount of money the United States spent on the Afghan occupation is immense and probably uncountable. There are official accounting numbers of \$100 billion in military contracts alone. Columnist Khawaja Akbar quipped that if Pakistan was passing military aid money onto the Taliban, it could only be a fraction of what the United States spent: "The \$1 trillion spent by the U.S. in Afghanistan during the same time period failed to negate the effect of the \$30 billion given to Pakistan."

When Imran Khan ended support for the U.S. effort in Afghanistan, the occupation's days were numbered: U.S. logistics for the 2001-2021 Afghan war all ran through Pakistan. A New York Times article published shortly after the Taliban takeover noted "Pakistan's ports and airfields provided the main entry points and supply lines for American military equipment needed in Afghanistan." American occupation logistics were a touchy issue and the U.S.-Pakistan relationship broke down over it numerous times.

Tariq Ali wrote of one such moment in his 2008 book, The Duel:

"The country is in the grip of a food and power crisis. Inflation is approaching 15 [percent]... The price of gas (used for cooking in many homes) has risen by 30 [percent]... and the price of wheat by more than 20 [percent]... since November 2007. Food and commodity prices are rising all over the world, but there is an additional problem in Pakistan: too much wheat is being smuggled into Afghanistan to feed the NATO armies. According to a recent survey, 86 [percent]... of Pakistanis find it increasingly difficult to afford flour, for which they blame their new government. [Former president Asif Ali] Zardari's approval rating has plummeted to 13 [percent]."

There is no discussion of the smuggling economy in Pakistan and Afghanistan without mentioning opium. It was an economy of literally uncountable riches, maybe \$2 billion, maybe much more, for U.S.- and Pakistan-based covert organizations, criminal organizations, and financial institutions that the <u>Taliban has put an end to</u>.

When the United States stole Afghanistan's \$7 billion in reserves after the Taliban takeover, Pakistan also suffered as the country's major trading partner.

During the decades of Afghan wars, the United States and Pakistan developed dossiers full of secret leverage on one another—so much so that after invading Afghanistan in 2001, the United States made-sure Pakistan was able to get its most important operatives out. This operation would later be called the "airlift of evil." by the United States.

We can summarize this as follows: Over the course of the U.S. war on Afghanistan, Pakistan ran up an immense covert expense bill, an immense death toll, and an illicit, parallel economy that only harmed the formal economy.

After the Taliban takeover and Imran Khan's ouster, the United States would resume this web of covert relationships with Pakistan—not over Afghanistan this time, but Ukraine. According to the Intercept, Pakistan's post-coup IMF negotiations were smoothed by a secret agreement to produce munitions for the United States—munitions the United States would then send to Ukraine to fight Russia. Needless to say, had Imran Khan's wheat-energy deal with Russia gone through, Pakistan probably would not be sending munitions for the Ukrainian side of the war.

Between Argentina and Pakistan, many of the dilemmas of the dollar-dominated and the post-dollar world are encapsulated. But a quick tour of some other states reveals some other dynamics. The IMF wants Egypt (another new BRICS invitee) to devalue; Egypt's president, who came to power in a coup a decade ago, is stretching the negotiations out. Keeping Egypt out of a revolutionary situation is how the United States provides for Israel's security, so expect those negotiations to keep dragging on. In Lebanon, the IMF strategy is different—keeping Lebanon in a state of <u>financial collapse</u> is another plank of the U.S./Israeli strategy, so as with Argentina, the objective is an unending financial crisis. So far, mission accomplished. Tunisia has been pillaged by neocolonial debt arrangements since the 19th century. This continues uninterrupted. Sri Lanka, devastated by the tsunami of 2004, became a recipient of IMF-led predatory lending from that point on. Even though just 10 percent of this debt is owed to China, Sri Lanka is referred to in the West as being caught in a "Chinese debt trap." In fact, because so little of the debt is Chinese, Sri Lanka is fairly straightforwardly in a Western debt trap from which it will have difficulty escaping.

A couple of final cases to conclude: In Kenya, the IMF is pressuring hard, demanding more suffering from Kenyans in the form of higher taxes and lower spending—the usual austerity measures. Kenyan authorities announced earlier this year they aren't going to try to reschedule or restructure. Kenya is also the site of one of the flagship China-Africa projects, the Mombasa-Nairobi Standard Gauge Railway (SGR), along with other infrastructure. On the other hand, a U.S. Africa Command (AFRICOM) military base is also in Mombasa. Zambia, lucky enough to owe \$4.1 billion of its \$6.3 billion debt to China, restructured in June. Naturally, the IMF claimed this as a triumph for its own flexibility and long-term vision, claiming the agreement was "helping put Zambia on a path toward sustainable economic growth and poverty reduction." France's President Emmanuel Macron also took credit for the "historic achievement": "We remain [mobilized]... to ensure that other countries caught in a debt trap benefit from a multilateral response," he tweeted.

In all of these cases, the U.S. and IMF are careful to pressure only when they hold the cards. When China holds a big share of the debt or can offer a meaningful alternative, the IMF also seems to find a way to be less haughty with its debtors. The IMF needs to tread lightly as well: they are no longer the only game in town, and negotiating too hard in the presence of alternatives will lead to default—perhaps the IMF's last.

In summary: De-dollarization is a road fraught with many challenges. Most countries are not the world's biggest economy (China) nor the military peer of the United States (Russia). Few countries fall into the category of Iran, Venezuela, Cuba, Afghanistan, and the DPRK—those who have suffered everything the United States can realistically throw at them and have nowhere to go but up.

Most are like Argentina and Pakistan, in the in-between of economic suffering, perils, and difficult decisions. Extricating themselves from Western power will be painful, but no longer appears impossible.

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Source: Globetrotter

Endgame For Syriza? The Unbearable Lightness Of The Greek Left



C.J. Polychroniou

Perhaps those who voted for Kasselakis are unfamiliar with U.S. politics and the true color of the Democratic Party, but it is a vision that undoubtedly sends shivers down the spine of the members of the old guard.

The Third Way is a political term that gained currency in the late 1970s and early 1980s and is associated with the New Labour administration of Tony Blair, who served as UK's prime minister from 1997 to 2007, but also with those of Bill Clinton in the US (1993-2001) and Gerhard Schroder in Germany (1998-2005), respectively. The term itself was developed by British sociologist Anthony Giddens and denotes a distinct political ideology that argues in favor of so-called "centrist" politics.

Essentially, Third Way proposals seek to reconcile right-wing and left-wing policies. More specifically, the "Third Way" aims to integrate center-right economic policies and center-left social policies. As such, the "Third Way" is really nothing short of a political stratagem whose underlying goal is to maintain the hegemony of capitalism by making the system sensitive to cultural and social sensibilities. Disregarding the left flank, embracing the "catch-all" thesis, and loosening the influence of labor in the economy and society at large while promoting at the same time the politics of multiculturalism define the politics and strategy of social-democratic parties that became part of the "Third Way" movement.

Indeed, by the late 1990s, virtually all the social-democratic parties in advanced capitalist societies had fallen prey to the fatal attraction of the Third Way mentality while the traditional values and beliefs of the old Left joined the dustbin of history. The only country in the western world with a radical leftwing party that did not fight for power on the ground laid by the Third Way was Greece.

Until very recently, that is.

Part of the explanation for the "delay" of Greek leftwing parties in adopting the approach of the "Third Way" is that social democracy was never established in Greece. Throughout the 20th century, the bulk of the country's left had aligned with a Marxist-Leninist Communist Party, named KKE, but a major split occurred in 1968 following the Soviet invasion of Czechoslovakia. A big group broke from the KKE, forming KKE Interior, which eventually came to identify itself with Eurocommunism, a political movement that flourished in the late 1970s in several western European communist parties and sought to introduce socialism beyond the political and ideological orbit of Soviet communism.

The Coalition of the Radical Left (Syriza) traces its roots to the KKE Interior, although Eurocommunism disappeared as an international current shortly after its birth and, for all practical intents and purposes, the Syriza party that rose to power in Greece in 2015 was a political organization that had no discernible ideological traits whatsoever other than an expressed aversion to the fiscal austerity measures that had been imposed on the country by its international creditors — namely, the European Commission, the European Central Bank, and the International Monetary Fund – as a condition to the bailout deals that had been crafted in 2010 and 2012, respectively.

However, while in power, Syriza experienced a huge metamorphosis. The dilemma of choosing between resistance and capitulation was resolved in favor of the latter. Syriza had promised voters it would ditch austerity and in fact rip to pieces the bailout memorandum. In turn, it not only continued to enforce the same austerity program that had been implemented by the previous Greek governments but ended up signing a third bailout memorandum.

Moreover, even before coming to power, Syriza had initiated a series of moves that aimed to reshape the party's political profile in congruence with the trends observed in those western social democratic parties that had adopted the "Third Way" proposals. The process of Syriza's transformation into a mainstream party continued unabated both when the "left" was in power (from 2015-2019) and back in opposition (2019-2023). Yet, while it was abundantly clear that the party, under the leadership of Alexis Tsipras and his inner team, was bent on abandoning its tradition of radical politics and that a prominent left faction inside Syriza was too weak to halt that process, it wasn't at all clear where the party's base stood.

The answer to that mystery was revealed during the leadership election that was held just this past Sunday when party members elected a gay, liberal, former <u>Goldman Sachs</u> trader, shipping investor, and political neophyte Stefanos Kasselakis to head the once radical left-wing Syriza party.

Tsipras had stepped down as Syriza chief following his party's humiliating defeat in the June 2023 general elections. Given the party's dwindling public support, Tsipras' resignation was inevitable, but the question why Syriza members (though it should be said that some 40,000 were registered as members on the spot) decided to place the future of the party into the hands of someone who was light on policy and heavy on social media marketing during his campaign speaks volumes about the political processes that had been unleashed by Tsipras and his inner circle over the past 9 years or so.

Kasselakis, with no experience in politics and no leftist credentials, but with the blessing of Tsipras himself and his closest associates, beat former Minister of Labor Effi Achtsioglou in a runoff election, sending shockwaves throughout the Greek left.

The ideal scenario for Syriza's future that its new leader has envisioned is that it becomes the mirror image of the Democratic Party in the United States. Perhaps those who voted for Kasselakis are unfamiliar with U.S. politics and the true color of the Democratic Party, but it is a vision that undoubtedly sends shivers down the spine of the members of the old guard inside Syriza for they surely know that this is a recipe for the complete disappearance of the Left from the Greek political scene.

Most likely, then, what lies ahead for the party are divisions and conflict, rather than unity and peace. Eventually, an actual, formal split of the Syriza party also cannot be ruled out. Indeed, senior Syriza cadre and former education minister Nikos Filis said in a TV interview the other day that Kasselakis is "a cross between Beppe Grillo [an Italian comedian and co-founder of Italy's Five Star Movement political party] and Trump." In the same interview, Filis also blamed Tsipras for Syriza's demise. And Effie Achtsioglou has already turned down every party post offered to her by Syriza's new leader.

Make no mistake, Syriza is entering a new era with Kasselakis in charge of the party. Under Tsipras, Syriza abandoned any pretext of being a radical leftwing party. Under Kasselakis, Syriza will cease having affinity to leftist politics in any

form or shape, which means that Greece will now be left with a Leninist-Stalinist Communist Party as the only large-scale organized political force fighting for the interest of the working class.

Oh, the unbearable lightness of the Greek left.

Source: https://www.commondreams.org/opinion/stefanos-kasselakis-syriza

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How Can We Understand The Passage Of Time?



Photo: en.wiki.eng

Recent developments in the study of human prehistory hold clues about our times, our world, and ourselves.

We can all agree that most people want to know about their origins—spanning from their family and ancestral history and even, occasionally, deeper into the evolutionary story.

Lately, this desire has become more palpable in society at large and even taken on urgent tones as we drift away from the lifestyle patterns and traditions that humans relied on for millions of years toward a technoculture that is highly addictive, and hard to understand or break away from.

But the desire to know the deep past doesn't translate so easily into understanding, especially since the information we encounter is necessarily filtered by our own sociohistorical context. One of the biggest obstacles to gaining a true understanding of the unfolding of humanity's past is the way that modern societies foster a superficial understanding of the passage of time.

To delve deeply into human prehistory requires adopting a different kind of chronological stance than most of us are accustomed to—not just a longer period of time, but also a sense of evolution infused by the operating rules of biology and its externalities, such as technology and culture. But exploring the past enables us to observe long-term evolutionary trends that are also pertinent in today's world, elucidating that novel technological behaviors that our ancestors adopted and transformed into culture were not necessarily better, nor more sustainable over time.

Nature is indifferent to the recency of things: whatever promotes our survival is passed on and proliferated through future generations. This Darwinian axiom includes not only anatomical traits, but also cultural norms and technologies.

Shared culture and technologies give people the ongoing sensation of the synchronization of time with each other. The museums and historical sites we visit, as well as the books and documentaries on the human story, overwhelmingly present the past to their audiences through simultaneous or synchronized stages that follow a kind of metric system of conformity in importance. Human events are charted along the direction of either progress or failure.

The archeological record shows us, however, that even though human evolution appears to have taken place as a series of sequential stages advancing our species toward "progress," in fact, there is no inherent hierarchy to these processes of development.

This takes a while to sink in, especially if you've been educated within a cultural framework that explains prehistory as a linear and codependent set of chronological milestones, whose successive stages may be understood by historically elaborated logical systems of cause and effect. It takes an intellectual leap to reject such hierarchical constructions of prehistory and to perceive the past as a *diachronous* system of nonsynchronous events closely tied to ecological and biological phenomena.

But this endeavor is well worth the effort if it allows people to recognize and make use of the lessons that can be learned from the past.

If we can pinpoint the time, place, and circumstances under which specific technological or social behaviors were adopted by hominins and then follow their evolution through time, then we can more easily understand not only why they were selected in the first place, but also how they evolved and even what their links with the modern human condition may be.

Taking on this approach can help us understand how the reproductive success of our genus, *Homo*, eventually led up to the emergence of our own species, *sapiens*, through a complex process that caused some traits to disappear or be replaced, while others were transformed or perpetuated into defining human traits.

While new discoveries are popularizing the exciting new findings dating as far back as the Middle Paleolithic, the public is typically presented with a compressed prehistory that starts at the end of the last ice age some 12,000 years ago. This is understandable, since the more recent archeological register consists of objects and buildings that are in many ways analogous to our own patterns of living. Ignoring the more distant phases of the shared human past, however, has a wider effect of converting our interpretations of prehistory into a sort of timeless mass, almost totally lacking in chronological and even geographical context.

Among recent breakthroughs reaching the public eye, it has been shown that H. sapiens emerged in Africa much earlier than previously thought, some 300,000 years ago. We now know that the first groups of anatomically modern humans arrived on the northern shores of the Mediterranean Sea as early as 200,000 years ago, a fact that implies a far longer cohabitation of our species in territories already occupied by other forms of Homo, such as the Neandertals and the Denisovans.

Genomic <u>research</u> is progressively telling us something about what our interactions with these species might have been like, proving not only that these encounters took place, but even that they sometimes involved interbreeding and the conceiving of reproductively viable offspring. Such knowledge about our distant past is therefore making us keenly aware that we only very recently became the last surviving species of a very bushy human family tree.

Because of their great antiquity, these very ancient phases of the human evolutionary story are more difficult to interpret and involve hominins who were physically, cognitively, and behaviorally very different from ourselves.

For this reason, events postdating the onset of the Neolithic Period tend to be more readily shared in our society's communication venues (e.g., museums and schools), while the older phases of human prehistory often remain shrouded in scientific journals, inaccessible to the general public.

But rendering prehistory without providing the complete picture of the evidence is like reading only the last chapter of a book. In this truncated vision, the vast majority of human development becomes a mere prelude before we move on to be amazed at how modern humans began to create monumental structures, sewage systems, and grain storage silos, for example. Just how we got there remains largely undisclosed to the public at large.

Bringing Prehistory Into the Open

The good news is that the rapid development of modern technologies is presently revolutionizing archeology and the ways that scientific data can be conveyed to society. This revolution is finally making ancient human prehistory understandable to a wider audience.

While many of the world's prehistory museums still display only the most spectacular finds of classical or other "recent" forms of modern human archeology, we are finally beginning to see more exhibits dedicated to some of the older chapters of the human story. By generating awareness, the public is finally awakening to their meaning and significance, enabling themselves to gain a better understanding of the global condition of humanity and its links with the past.

People are finally beginning to understand why the emergence of <u>the first stone</u> <u>tool technologies</u> some 3 million years ago in Africa was such a landmark

innovation that would eventually embark our ancestors onto an alternative evolutionary route that would sharply distinguish us from all other species on the planet.

By developing their stone tool technologies, early hominins provided the basis for what would eventually be recognized as a culture: a transformative trait that transformed us into the technology-dependent species we have become and that continues to shape our lives in unpredictable ways.

Archeologists provide interpretations of these first phases of the human technological adventure thanks to the stone tools left behind by hominins very different from ourselves and the contexts in which they are discovered. Among the authors of these groundbreaking ancient technologies are *Homo habilis*, the first species attributed to our genus—precisely because of their ability to intentionally modify stone into tools—but also other non-*Homo* primates, such as *Paranthropus* and Australopithecines, with which they shared the African landscape for many millennia.

Surprisingly, even at a very early stage beginning some 2,600,000 years ago in Africa, scientists have found that some hominins were systematizing stone toolmaking into a coherent cultural complex grouped under the denomination "Oldowan," after the eponymous sites situated at Olduvai Gorge in Tanzania. This implies that stone toolmaking was being transformed at a very early date into an adaptive strategy, because it must have provided hominins with some advantages. From this time onward, our ancestors continued to produce and transmit culture with increasing intensity, a phenomenon that was eventually accompanied by demographic growth and expansions into new lands beyond Africa—as their nascent technologies transformed every aspect of their lives.

Unevenly through time and space, this hugely significant development branched out into the increasingly diverse manifestations of culture that came to characterize the successive hominin species composing the human family tree. Each technocomplex of the Lower Paleolithic, from the Oldowan to the subsequent Acheulian phase (beginning in Africa some 1,750,000 years ago and then spreading into Eurasia up to around 350,000 years ago), and onward into the Middle Paleolithic and beyond, is defined by specific sets of skills and accompanying behavioral shifts. The tools developed in service of those skills reveal to us the sociocultural practices of the hominins who used them.

Fossilized human remains, and the stone tool technologies they developed, provide the keys to understanding more about ourselves. We can comprehend the changes we observe in the archeological register through time thanks to the bodies of material evidence that tell the story of how humans evolved up to the present. It gives us a frame of reference to recognize the directions that our species might be taking as we move into the future.

To see more clearly, we need to explore how this evolution took place, understanding the transformations diachronically, with change often occurring in nonlinear ways. To do so, we need to leave behind models of path dependence that condition our thinking, leading us to believe that particular aspects recognizable to us through our lens of modernity have a forcing effect of change on the next stages of technosocial development.

Human prehistory widens our conceptual lens by taking into consideration not only innate human traits particular to each phase of hominin ancestral evolution, but also the exterior forces at play throughout the shifting climatic conditions that characterize the long time periods we are considering.

In much the same way as biological evolution, some technosocial innovations can emerge and persist, while others may remain latent in the human developmental repertory, providing a baseline for new creations that can be further developed. If proven to be favorable under specific conditions, selected behavioral capacities can be developed to the point of becoming defining aspects of the human condition.

The latent aspects of technology can, in different regions or time frames, be selected for, used, and refined, leading human groups to choose divergent evolutionary pathways and even triggering technological revolutions: when the changes lead to positive results, they can set off wider cultural developments in the populations that use them.

This way of thinking about technosocial evolution also helps to explain why, more often than not, specific cultural phases generally appear in some kind of coherent successive order through space and time, even though the transitions from one to the other—and the related social processes they engender—can appear blurry as we try to make sense of the archeological evidence.

In this case, it is essential to keep in mind that, through time, different hominins

also evolved biologically, as toolmaking and its associated social implications had effects on the evolution of the brain. Developing stone tool technologies provided hominins with an evolutionary edge, enabling them to carve out a unique niche in the scheme of things since it improved their capacity to compete for resources with other kinds of animals. Technological and behavioral developments occurred and evolved in a nonlinear fashion because they were unevenly packed in accordance with each specific paleoecological and community setting.

When we look deeper into our prehistory, it is important to remember that the degree of complexity of human achievements was largely dependent upon particular stages of cognitive readiness. Human technosocial evolution thus *appears* to have global coherency through time because it reflects the successive phases of cognitive readiness attained on an anatomical level by distinct groups of hominins thriving in different paleoecological settings in diverse geographical regions.

While drawing straight lines between specific hominin species and particular kinds of tools presents some pitfalls, science has already demonstrated that cerebral development was (and is) tightly linked to technological evolution. Specific areas of the brain—the neocortical regions of the frontal and temporal lobes responsible for language, symbolic thought, volumetric planning, and other abstract cerebral functions—were merged with toolmaking. Toolmaking contributed to endowing hominins with unique cerebral capacities—in particular, the abilities to communicate complex abstract notions and create multifaceted sociocultural environments.

Different types of symbolic behavior—the use of a system of symbols to communicate—were employed by different hominin species who found them to be positively adaptive. As a result, cerebral and technological evolution were linked into a co-evolutionary process by which early *Homo* and subsequent hominins developed idiosyncratic brain structures relative to other animals.

Following the Oldowan, the Acheulian cultural phase is commonly (but not uniquely) linked with the arrival of the successful and widely dispersed *Homo erectus*. It is during this era that humanity produced some of its most significant technological and behavioral breakthroughs, like fire making and the capacity to predetermine the forms they created in stone. The archeological record attributed to the Acheulian bears witness to advanced technosocial standardization, with the

advent of symmetrical tools like spheroids or handaxes attesting to the emergence of aesthetic sensitivity.

The expanding repertory of tool types that appeared at this time suggests that hominins were carrying out more diverse activities, while subtle differences observed in the ways of making and doing began to appear in specific regions, forming the foundation of land-linked traditions and social identities.

The fact that these breakthroughs occurred on comparable timescales in widely separate regions of the globe—South Africa, East Africa, the Middle East, and the Indian subcontinent—underpins that hominins already living in these regions had reached a comparable stage of cognitive readiness and that the specific conditions favoring the emergence of analogous latent technosocial capacities were ripe for the taking. The huge expanses separating the geographical hotbeds suggest that the Acheulian emerged without interpopulational contact.

The explanation that better fits the evidence is that there was a convergent development in the transition from a fairly simple form of Oldowan stone toolmaking to the more complex and sophisticated Acheulian—when Oldowan toolmakers spread out over the planet, they carried the seeds of the Acheulian with them in their minds, their culture, and in the shapes of the stone tools they brought with them.

Indeed, it was only during the later phases of the Acheulian, when we observe denser demographic trends in Africa and Eurasia, that hominin populations would have developed the social networking necessary for technologies to migrate from place to place through direct communication networking.

A similar process of latency and development is in fact observed even in more recent phases of the human evolutionary process—for example, with the emergence of such complex technosocial achievements as the intentional burial of congeners, the construction of monumental structures, the practices of agriculture and animal husbandry, or the invention of writing.

A diachronous approach to time permits more valuable insights from 7 million years of evidence we have of human development. How we structure our understanding of it can create big opportunities to have a better future.

ByLine:

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Artificial Intelligence: Profit Versus Freedom



Richard D. Wolff

Artificial Intelligence (AI) presents a profit opportunity for capitalists, but it presents a crucial choice for the working class. Because the working class is the majority, that crucial choice confronts society as a whole. It is the same profit opportunity/social choice that was presented by the introduction of robotics,

computers, and indeed by most technological advances throughout capitalism's history. In capitalism, employers decide when, where, and how to install new technologies; employees do not. Employers' decisions are driven chiefly by whether and how new technologies affect their profits.

If new technologies enable employers to profitably replace paid workers with machines, they will implement the change. Employers have little or no responsibility to the displaced workers, their families, neighborhoods, communities, or governments for the many consequences of jobs lost. If the cost to society of joblessness is 100 whereas the gain to employers' profits is 50, the new technology is implemented. Because the employers' gain governs the decision, the new technology is introduced, no matter how small that gain is relative to society's loss. That is how capitalism has always functioned.

A simple arithmetic example can illustrate the key point. Suppose AI doubles some employees' productivity. During the same work time, they produce twice as much as before the use of AI. Employers who use AI will then fire half of their employees. Such employers will then receive the same output from the remaining 50 percent of their employees as before the introduction of AI. To keep our example simple, let's assume those employers then sell that same output for the same price as before. Their resulting revenues will then likewise be the same. The use of AI will save the employers 50 percent of their former total wage bills (less the cost of implementing AI) and those savings will be kept by employers as added profit for them. That added profit was an effective incentive for the employer to implement AI.

If we imagine for a moment that the employees had the power that capitalism confers exclusively on employers, they would choose to use AI in an altogether different way. They would use AI, fire no one, but instead cut all employees' working days by 50 percent while keeping their wages the same. Once again keeping our example simple, this would result in the same output as before the use of AI, and the same price for the goods or services and revenue inflow would follow. The profit margin would remain the same after the use of AI as before (minus the cost of implementing the technology). The 50 percent of employees' previous workdays that are now available for their leisure would be the benefit they accrue. That leisure—freedom from work—is their incentive to use AI differently from how employers did.

One way of using AI yields added profits for a few, while the other way yields added leisure/freedom to many. Capitalism rewards and thus encourages the employers' way. Democracy points the other way. The technology itself is ambivalent. It can be used either way.

Thus, it is simply false to write or say—as so many do these days—that AI threatens millions of jobs or jobholders. Technology is not doing that. Rather the capitalist system organizes enterprises into employers versus employees and thereby uses technological progress to increase profit, not employees' free time.

Throughout history, enthusiasts celebrated most major technological advances because of their "labor-saving" qualities. Introducing new technologies would deliver less work, less drudgery, and less demeaning labor. The implication was that "we"—all people—would benefit. Of course, capitalists' added profits from technical advances no doubt brought them more leisure. However, the added leisure new technologies made possible for the employee majority was mostly denied to them. Capitalism—the profit-driven system—caused that denial.

Today, we face the same old capitalist story. The use of AI can ensure much more leisure for the working class, but capitalism instead subordinates AI to profiteering. Politicians shed crocodile tears over the scary vista of jobs lost to AI. Pundits exchange estimates of how many millions of jobs will be lost if AI is adopted. Gullible liberals invent new government programs aimed to lessen or soften AI's impact on employment. Once again, the unspoken agreement is not to question whether and how the problem is capitalism nor to pursue the possibility of system change as that problem's solution.

In an economy based on worker coops, employees would collectively be their own employers. Capitalism's core structure of enterprises—the employer versus employee system—would no longer prevail. Implementing technology would then be a collective decision democratically arrived at. With the absence of capitalism's employer versus employee division, the decision about when, where, and how to use AI, for example, would become the task and responsibility of the employees as a collective whole. They might consider profitability of the enterprise among their goals for using AI, but they would certainly also consider the gain in leisure that this makes possible. Worker coops make decisions that differ from those of capitalist enterprises. Different economic systems affect and shape the societies in which they operate differently.

Across capitalism's history, employers and their ideologues learned how best to advocate for technological changes that could enhance profits. They celebrated those changes as breakthroughs in human ingenuity deserving everyone's support. Individuals who suffered due to these technological advances were dismissed as, "the price to pay for social progress." If those who suffered fought back, they were denounced for what was seen as anti-social behavior and were often criminalized.

As with previous technological breakthroughs, AI places on society's agenda both new issues and old contentious ones. AI's importance is NOT limited to productivity gains it achieves and job losses it threatens. AI also challenges—yet again—the social decision to preserve the employer-employee division as the basic organization of enterprises. In capitalism's past, only employers made the decisions whose results employees had to live with and accept. Maybe with AI, employees will demand to make those decisions via a system change beyond capitalism toward a worker-coop based alternative.

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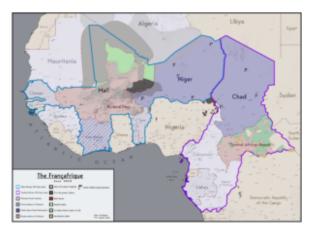
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Is This The End Of French Neo-Colonialism In Africa?



Françafrique - en.wikipedia.org

In Bamako, Mali, on September 16, the governments of Burkina Faso, Mali, and Niger created the Alliance of Sahel States (AES). On X, the social media platform formerly known as Twitter, Colonel Assimi Goïta, the head of the transitional government of Mali, wrote that the Liptako-Gourma Charter which created the AES would establish "an architecture of collective defense and mutual assistance for the benefit of our populations." The hunger for such regional cooperation goes back to the period when France ended its colonial rule. Between 1958 and 1963, Ghana and Guinea were part of the Union of African States, which was to have been the seed for wider pan-African unity. Mali was a member as well between 1961 and 1963.

But, more recently, these three countries—and others in the Sahel region such as Niger—have struggled with common problems, such as the downward sweep of radical Islamic forces unleashed by the 2011 North Atlantic Treaty Organization (NATO) war on Libya. The anger against the French has been so intense that it has provoked at least seven coups in Africa (two in Burkina Faso, two in Mali, one in Guinea, one in Niger, and one in Gabon) and unleashed mass demonstrations from Algeria to the Congo and most recently in Benin. The depth of frustration with France is such that its troops have been ejected from the Sahel, Mali demoted French from its official language status, and France's ambassador in Niger (Sylvain Itté) was effectively held "hostage"—as French President

Emmanuel Macron <u>said</u>—by people deeply upset by French behavior in the region.

Philippe Toyo Noudjenoume, the President of the West Africa Peoples' Organization, explained the basis of this cascading anti-French sentiment in the region. French colonialism, he said, "has remained in place since 1960." France holds the revenues of its former colonies in the Banque de France in Paris. The French policy—known as *Françafrique*—included the presence of French military bases from Djibouti to Senegal, from Côte d'Ivoire to Gabon. "Of all the former colonial powers in Africa," Noudjenoume told us, "it is France that has intervened militarily at least sixty times to overthrow governments, such as [that of] Modibo Keïta in Mali (1968), or assassinate patriotic leaders, such as Félix-Roland Moumié (1960) and Ernest Ouandié (1971) in Cameroon, Sylvanus Olympio in Togo in 1963, Thomas Sankara in Burkina Faso in 1987 and others." Between 1997 and 2002, during the presidency of Jacque Chirac, France intervened militarily 33 times on the African continent (by comparison, between 1962 and 1995, France intervened militarily 19 times in African states). France never really suspended its colonial grip or its colonial ambitions.

Breaking the Camel's Back

Two events in the past decade "broke the camel's back," Noudjenoume said: the NATO war in Libya, led by France, in March 2011, and the French intervention to remove Koudou Gbagbo Laurent from the presidency of Côte d'Ivoire in April 2011. "For years," he said, "these events have forced a strong anti-French sentiment, particularly among young people. It is not just in the Sahel that this feeling has developed but throughout French-speaking Africa. It is true that it is in the Sahel that it is currently expressed most openly. But throughout French-speaking Africa, this feeling is strong."

Mass protest against the French presence is now evident across the former French colonies in Africa. These civilian protests have not been able to result in straight-forward civilian transitions of power, largely because the political apparatus in these countries had been eroded by long-standing, French-backed kleptocracies (illustrated by the Bongo family, which ruled Gabon from 1967 to 2023, and which leeched the oil wealth of Gabon for their own personal gain; when Omar Bongo died in 2009, French politician Eva Joly said that he ruled on behalf of France and not of his own citizens). Despite the French-backed repression in these countries, trade unions, peasant organizations, and left-wing

parties have not been able to drive the upsurge of anti-French patriotism, though they have been able to assert themselves

France intervened militarily in Mali in 2013 to try to control the forces that it had unleashed with NATO's war in Libya two years previously. These radical Islamist forces captured half of Mali's territory and then, in 2015, proceeded to assault Burkina Faso. France intervened but then sent the soldiers of the armies of these Sahel countries to die against the radical Islamist forces that it had backed in Libya. This created a great deal of animosity among the soldiers, Noudjenoume told us, and that is why patriotic sections of the soldiers rebelled against the governments and overthrew them.

Anti-Intervention

After the coup in Niger, the West hoped to send in a <u>proxy force</u>—led by the Economic Commission of West African States (ECOWAS)—but the African military leaders demurred. Across the region, people set up solidarity committees to defend the people of Niger from any attack, with the threat provoking "revolt and indignation among the populations," Noudjenoume explained. Nigerian President Bola Ahmed Tinubu was even forced to back down from ECOWAS's crusade when his country's Congress rejected the measure and mass protests occurred against militarily intervening in the neighboring country. As ECOWAS's ultimatums to restore the deposed Nigerien leader Mohamed Bazoum expired, it became clear that its threat was empty.

Meanwhile, not only did it appear that the people of Niger would resist any military intervention, but Burkina Faso and Mali immediately promised to defend Niger against any such intervention. The new AES is a product of this mutual solidarity.

But the AES is not merely a military or security pact. At the signing ceremony, Mali's Defense Minister Abdoulaye Diop told journalists, "This alliance will be a combination of military and economic efforts [among]... the three countries." It will build upon the February 2023 agreement between Burkina Faso, Guinea, and Mali to collaborate on a fuel and electricity exchange, to build transportation networks, to collaborate on mineral resource sales, to build a regional agricultural development project, and to increase intra-Sahel trade. Whether these countries would be able to develop an economic agenda to benefit their peoples—and therefore guarantee that France would have no means to exert its

authority over the region—is to be seen.

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Source: Globetrotter

Breaking Europe's Hold On Football



John P. Ruehl - Source:

Independent Media Institute

09-15-2023 ~ Initiatives from Saudi Arabia and the United States continue to put pressure on Europe's traditional stranglehold over FIFA.

The 2022 FIFA World Cup in Qatar brought together nations from around the world, and 1.5 billion people tuned in to watch the final. But while soccer is a source of local pride, passion, and personal and community identity globally, its official governing institution is headquartered in Europe. Founded in Paris in 1904 and now based in Switzerland, the Fédération Internationale de Football Association (FIFA) oversees international soccer promotion and development, from rule changes to hosting rights for major tournaments.

The Union of European Football Associations (UEFA), alongside England's Premier League (EPL), Germany's Bundesliga, Spain's LaLiga, Italy's Serie A, and France's Ligue 1, play significant roles in global soccer and generate substantial revenue for FIFA. European clubs and national teams attract top talent, and through "sports diplomacy," can project their cultural, political, and economic interests to the world and influence FIFA.

This dominance has long been a source of criticism. African teams in <u>1966</u> organized boycotts to protest their lack of representation at the World Cup. Even UEFA and João Havelange, president of FIFA from 1974 to 1998, <u>became increasingly critical</u> of each other, while Havelange's successor, Sepp Blatter, also criticized FIFA's Eurocentric influence <u>in 2015</u>.

Recently, this strain of critique has become even more apparent. During the 2022 World Cup in Qatar, European teams were <u>rebuked by FIFA</u> to abandon plans to wear pro-LGBT armbands, while <u>UEFA-affiliated teams and FIFA clashed</u> over Qatar's human rights record in the lead-up to the tournament. But throughout 2023, Europe's traditional dominance has been challenged by notable developments in Saudi Arabia and the United States.

<u>Saudi Arabia's Vision 2030</u>, announced in 2016, aims to diversify its economy and attract foreign investment. While hosting and sponsoring motorsports, golf, boxing, and other sports tournaments form part of this, soccer serves as the cornerstone of Riyadh's attempts to portray and promote the country. This charm

offensive has drawn Western allegations of "sportswashing," wherein sports are used to improve a country's public image and divert attention from negative actions.

Like other Gulf States, Saudi Arabia has purchased major European teams in recent years. Saudi Arabia's Public Investment Fund acquired the EPL's Newcastle United in 2021, and Sheffield United, bought by the Saudis in 2013, will again play in the EPL in the 2023-24 season. The Saudis also reportedly made a multibillion-dollar bid to buy the EPL's Chelsea, while tournaments like the Supercoppa Italiana and Spanish Super Cup are increasingly held in Saudi Arabia.

Nevertheless, Riyadh's major sporting aim is to elevate the prestige of the Saudi Professional League (SPL). With backing from the oil-fueled Public Investment Fund, the Saudis have <u>invested heavily in the SPL</u>, turning it into one of the world's most high-profile leagues. This investment has already yielded results—SPL team Al-Hilal finished as runners-up in the <u>2022 FIFA Club World Cup</u>, losing to Spanish club Real Madrid.

In 2023, a series of high-profile SPL deals poached top talent from Europe and around the world. Unconstrained by UEFA's spending limits, Saudi clubs snatched up players like Portugal's Cristiano Ronaldo, Senegal's Édouard Mendy, England's Jordan Henderson, Spain's Gabri Veiga, and Brazilian superstar Neymar. While some are nearing the end of their careers, others are in their primes or just beginning, and SPL clubs have also managed to attract notable coaches.

Concerns have grown over Saudi Arabia's influence in global soccer, with human rights issues often cited. Saudi Arabia was prohibited from sponsoring the FIFA Women's World Cup in Australia and New Zealand in 2023 due to these concerns. However, upcoming efforts will continue to boost Saudi Arabia's soccer standing, including hosting the men's FIFA Club World Cup in December 2023 and exploring cohosting the 2030 FIFA World Cup with Egypt and Greece, with an offer to finance their new stadiums if three-quarters of the matches are played in Saudi Arabia.

Amid increasing Saudi attempts to influence FIFA and the global soccer stage, U.S. entities have also made major inroads. In the EPL, eight of 20 teams are now

<u>fully or partially U.S.-owned</u>. However, like Saudi Arabia, the primary U.S. challenge to European soccer dominance stems from the growth of its domestic league, Major League Soccer (MLS). The league has seen steady growth for decades, aiming to tap into the potentially massive domestic U.S. market.

Following the success of the 1994 FIFA World Cup held in the U.S., the MLS's inaugural season commenced in 1996. MLS received a significant boost in 2007 with the signing of English superstar David Beckham to the LA Galaxy. The contract introduced the designated player rule, enabling teams to exceed the salary cap for certain players, and included a clause allowing Beckham to purchase the rights to an expansion team after his five-year contract ended.

Since then, MLS has expanded from 13 to 29 teams, and Beckham now co-owns Inter Miami, which signed Argentina's Lionel Messi in mid-2023 from French club Paris Saint-Germain. Messi's contract includes an equity share in Inter Miami, illustrating how MLS continues to attract superstars by giving them a vested interest in the league.

Since Messi's signing, MLS has experienced what is known as the "Messi effect." Inter Miami has witnessed record jersey sales, hundreds of millions of dollars in ticket sales, and has gained 14 million Instagram followers. Apple's streaming service for MLS games has gained almost 300,000 subscribers as of September 7, and celebrities at recent Miami games included Leonardo DiCaprio, LeBron James, and Prince Harry. Other soccer stars who recently joined Miami include Messi's former Barcelona teammates Sergio Busquets and Jordi Alba.

MLS's growth has also been fueled by the significant increase in the Latino population since its 1996 inception, capitalizing on Latin America's passion for the sport, as well as the success of the U.S. national women's team in recent years. To strengthen ties to Latin America, a new expanded Leagues Cup between MLS and Mexico's Liga MX commenced in 2023, with Inter Miami emerging as victors.

The U.S. will host the <u>2024 Copa América</u> in coordination with the Confederation of North, Central America and Caribbean Association Football (CONCACAF), and South American Football Confederation (CONMEBOL). The U.S., Mexico, and Canada will also host the 2026 Men's World Cup.

Younger Americans are also increasingly interested in soccer, and in an attempt

to match European youth development leagues, MLS <u>launched MLS Next in 2020</u> (the Saudis launched their own <u>in 2023</u>). The U.S. now has the <u>largest number of youth players</u> playing soccer recreationally, with European leagues increasingly <u>recruiting talent</u> from MLS.

FIFA is naturally keen to capitalize on MLS's potential for growth. The U.S. is already one of FIFA's <u>most important revenue sources</u> for the FIFA World Cup, both in terms of sponsoring brands and in the number of citizens traveling to World Cups. FIFA may also be looking to appease Washington. In 2015, American officials <u>initiated a series of legal actions and investigations into corruption in FIFA</u>, and in 2020, the Justice Department <u>accused</u> FIFA of accepting bribes from Qatar and Russia to secure their World Cup hosting bids.

Nonetheless, both the SPL and MLS <u>trail the major European leagues</u> in viewership. <u>Saudi</u> and <u>American</u> soccer stadiums are generally far smaller than their <u>European</u> counterparts, and their teams also lack the prestige of established European teams. MLS salaries are still <u>lower than in Europe</u>, and while some clubs have enjoyed financial success, more than <u>half of MLS teams still lose money</u>. U.S. sports culture still favors other sports, and both the EPL and Mexico's <u>Liga MX also have higher viewership</u> in the U.S. than MLS.

UEFA's dominance over FIFA has also thwarted previous challenges. The U.S. launched the International Soccer League in 1960 but it faltered after five years, overshadowed by the Intercontinental Cup featuring the best teams from Europe and South America (later evolving into the FIFA Club World Cup). More recently, the Chinese Super League struggled after huge investments beginning in 2017.

But historical discontent within UEFA also recently resurfaced. Frustration has led to two attempts, one in 1998 and one in 2021, to establish a separate "Super League" outside of FIFA and UEFA control. The influx of money from Russia, Gulf states, and the U.S. into European clubs over the last few decades played an essential role in fueling discontent from major teams toward UEFA and its Financial Fair Play regulations.

UEFA's chief Aleksander Čeferin recently <u>brushed off concern</u> over the SPL's spending spree and has remained largely silent on the MLS. Nonetheless, these simultaneous challenges have undermined Europe's traditional global soccer dominance. Furthermore, <u>suspicions have arisen</u> that Chelsea owners Todd

Boehly and Clearlake Capital, a U.S. investment firm, are offloading Chelsea players to the SPL at inflated prices, suggesting how influential Saudi and U.S. figures have become even in Europe's football world.

The SPL and MLS may breathe new life into FIFA by allowing the organization's resources to be distributed more evenly. However, the significant influence of Saudi and American money in enhancing their profiles raises concerns that decentralizing global soccer could merely shift the source of financial power from Europe to new players, potentially introducing a different set of challenges. FIFA must navigate this shift carefully, aiming for true equity without creating fresh imbalances.

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