**After capitalism**

BY N I A Z M U R T A Z A 2021-11-02

AS the beast of capitalism continues to pile misery on us, the search for alternatives has gained impetus even as the beast bellows, getting back to its feet after its scare under Covid-19. The beast is a twoheaded hydra, for it has given luxuries to billions earlier known only to royalties in its co-evolution with democracy and science since 1800s. Yet,its other head has devoured humanity as a mix of climate change, pandemics, recessions, terrorism and nuclear risk driven directly or indirectly by capitalism threaten life on earth.

While the pluses since 1800s relate more to science and democracy, capitalism has mainly given the minuses. It creates wealth by mobilising huge energies around selfinterest. Science ups productivity through inventions. Democracy helps spread wealth more evenly. Without more productivity via science and redistribution via democracy, increased self-interest under capitalism may have created more conflict than wealth.

In f act, its co-evolution with them masks its faults. Alone, it may have met Marx`s predictions about its demise long ago. Thus, capitalism seems an unworthy partner for the other two.

To sketch alternatives, one must unpack capitalism. The base of allideologies are the values describing human purpose and social ties, followed by institutions and finally policies for implementing it. The other Karl, sociologist Polanyi, taught us that capitalism is not defined by institutions like markets, profits and private property, which existed even before it. Capitalism is their state-forced intrusion into and domination of all life spheres since 1800s to force us to satisfy more of our needs via markets so as to increase private profits. Markets, which earlier covered few human needs, now cover needs earlier given free.

Babysitting agencies replace family networks. Supermarket food replaces farm produce. Open access beaches become private resorts for the rich. This change gives positive returns initially but beyond a certain level gives more negativities.

These institutions in turn have emerged from capitalism`s basic values of prioritising self-interest over all other human aims.

Since self-interest mainly depends on the consumption of material goods and scarce resources, its pursuit soon creates conflicts with other people, communities, species and generations. This causes personal stress, poverty, inequality, climate change, conflict and other existential problems. Its pursuit to a certain level is necessary for survival. But its excessive pursuit undermines the quality of life for all. Its great rival, Soviet-style communism, also prioritised materialism. But unlike capitalism, itpursued it through communalism and duty to the state, not individual self-interest. The state-dominated system crushed individual initiative and consequently failed. Some now see China as an alternative, but it actually mixes the worst of all worlds: ideationally materialistic, economically capitalist and politically autocratic.

A new alternative can`t come from changes in institutions alone, as under communism, or in policies as under Scandinavian-style capitalism. It will need changes in basic values so that human purpose is defined mainly not in terms of selfinterest but higher human aims like curiosity, wisdom, artistic creativity, altruism and self-actualisation. Such aims give deeper satisf action and critically unleash high individual energy, innovation and productivity as shown by great scientists including Einstein and philanthropists like Edhi, without causing the same destruction as their satisfaction depends less on scarce material resources.

These values will produce institutionsthat suf fer from neither state nor nearmarket monopoly but cover a wide range: private, cooperative, labour-owned, non-profits and state ones. A number of policy ideas exist to support societies driven hv these val-ues and institutions. The basiËidea is thatÅf a steady state economy which curbs growth and depletion of natural resources while providing full employment or income.

Fiscalideas like wealth tax and Tobin tax on foreign exchange transfers are part of it.

Politically, it means expanded global governance based not only on the principle of subsidiarity, that says that a higher governance unit must not undertake what a lower one can, but also the spillover principle that says that a higher level must help resolve issues when actions of a lower governance unit create problems for other units.

These are all radical ideas whose adoption is unlikely until mass awareness-raising by climate activists succeeds, or worse, humanity is shaken by a major economic, biological or nuclear catastrophe due to capitalism. Until then, following Ghalib`s stoic outlook, those already fed up with capitalism must watch humanity`s trysts with it bemusedly.  The writer is a political economist with a PhD from UC Berkeley.

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