**Crony capitalism and democracy**

**Capitalism today serves only a few at the cost of the many.**

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It is widely believed that capital­ism is seriously hurting democ­racy in the 21st century. Wealth generation has overtaken human development. The rise of Chi­na as an economic super­power has raised sever­al pertinent questions. At the end of the day, the human factor cannot be ignored. The gaps are widening, distribution of wealth is seriously skewed in the globalized world. After the fall of the mighty United Socialist So­viet Republic (USSR), it was widely believed that capitalism provided the most efficient use of capital. De-regulation, globalization and a free market approach were adopted for widespread economic growth. The results have been disastrous. The rich have become richer leaving the poor behind in poverty.

When Japan decided to pursue democracy after World War II, it also worked on the democratiza­tion of capital. Access to funds was ensured on merit. SMEs (Small & Medium Enterprises) benefitted greatly from this approach. In Ban­gladesh, a similar concept of mi­crofinance was introduced by Pro­fessor Muhammad Younus through the establishment of Grameen Bank in the year 1983.

[Two killed as blast hits Jaffar Express](https://www.nation.com.pk/16-Feb-2023/two-killed-as-blast-hits-jaffar-express)

Capitalism thrives through com­petition, not manipulation and cartels as has been the case in re­cent times. The wealth generated through the efficient use of capi­tal should have been used for the common good and human devel­opment. Only the welfare states have taken good care of the mass­es and the rest have badly failed to lift the downtrodden. Instead of hand holding, exploitation has been the norm. The rich and the powerful do not share their wealth with the state institutions. There are budget deficits in most coun­tries. Tax collection is inefficient. There is not enough in the kitty for the commoners who constitute the bulk of the population. In the words of my friend Dr Miftah Is­mail, there is an elite capture. Only 1 percent of the population thrives at the cost of the rest. Even the ba­sic requirements of education and health are not covered despite con­stitutional guarantees.

During the Musharraf era when the external debt stood at $ 46 bil­lion, a question was raised about the utilization of this huge amount. Today the figure is above $ 100 bil­lion while the answer is still anx­iously awaited. Where are the leakages? Who are the beneficia­ries? People stand in long queues to vote but their hopes are re­peatedly dashed. Democracy ends at the ballot box. Those who get elected get rich while the elector­ate remains in misery. Wait for the redeemer to be un-ending. Capital­ism continues to thrive at the cost of the growth of the people.

[Imran Khan likely to appear before LHC today](https://www.nation.com.pk/16-Feb-2023/bail-plea-imran-khan-likely-to-appear-before-lhc-by-12-30pm)

In a world driven by technology and controlled through capitalism 1 percent of the super-rich control 46 percent of the world’s assets. Such concentration of wealth in a few hands should ring emergency bells for the policymakers of the world. After the turmoil, revolutions and World Wars of the 20th century, a workable balance between labour and capital had been achieved. On my first trip to London in 1979, I visited the grave of Karl Marx. The inscription on his tombstone read; “Workers of the world unite, they have nothing to lose except their chains”. After the fall of the mighty Soviet Union and the major course correction of the People’s Repub­lic of China, the domination of cap­italism is now unchallenged in the world. A few years back I had the chance to meet the Russian Am­bassador. He made it clear that his country was now reforming into a capitalist state. Workers of the world have been left behind. In­stead, the focus has now shifted to automation and robots. There is not much need for human development in the money-driven world. With this neglect of the masses, moral degradation is on the rise. The de­cline of democracy is serious and unwarranted which will lead to strife and conflict unless checked and then corrected. The world is bracing for change, equitable dis­tribution of wealth has to take place for tranquillity to prevail.

[Govt devising strategy to mitigate adverse impacts of climate change](https://www.nation.com.pk/16-Feb-2023/govt-devising-strategy-to-mitigate-adverse-impacts-of-climate-change)

It is widely believed that democ­racy ensures good governance but in our times it is under seri­ous threat from capitalism. The democratic approach was adopt­ed around 2500 BC in the bazaars of Athens. Since then there has been no looking back. Efficient use of capital combined with human rights resulted in growth and de­velopment which greatly benefit­ted mankind. The standard of liv­ing improved worldwide. Goods and services were within the reach of the common man but not any­more. In the 21st century, humans have been ignored. Capitalism to­day serves only a few at the cost of the many, such a system is bound to collapse, drowning the much re­vered democratic order with it. This insatiable greed for wealth has to be contained for the long-term sustenance of mankind.

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