



## From the Editor Economic recovery and economic security after Covid-19: Time to rethink capitalism and global inequity

Lesley Pocock

Chief Editor

Publisher and Managing Director

medi+WORLD International

Email: [lesleypocock@mediworld.com.au](mailto:lesleypocock@mediworld.com.au)

It is a gross understatement to say the world at the advent of the Covid-19 outbreak was in a sad and sorry state. The world's wealth was in the hands of the 1% with many of the 99% living in subsistence or extreme poverty and the people and their planet are being abused by both politicians and multinationals. Many people of the world are also living in cruel and brutal dictatorships under the fists of the same thieves.

Maybe this is a good time to throw out all the old primitive values and habits and make sure our planet and people's lives and human society is restored and even contemplate the promise that was once before us when we crawled out of the primeval seas and stood blinking in the fresh air and sunlight. At this last minute to midnight in our evolutionary struggle it is time human society and the planet was restored to how it could have and should have been.

It is not difficult to see that the current world is run mostly by primitive brutes who cannot see past their greed and their own pathetic personal ambitions and twisted priorities – all want to be King of the garbage heap that they have turned this once beautiful and viable planet into.

Covid-19, a direct consequence of human barbarity has brought about collapse of national businesses and economies BUT the lesson it provides can bring us back to a

better situation for all. We all need to produce and manufacture as much as we can locally (which is the only environmentally sound approach and one that also provides employment, dignity, security and autonomy and negates the need for earth destroying high fuel load transportation costs, slave labour and polluting industries). It means we do not have to rely on the big dirty climate destroying exporters who have failed to honour the Paris Climate agreement and that have generated our problems in the first place. These same poor planetary citizens exploit and mistreat animals as if they are yet another planetary commodity for them to use and abuse for personal wealth creation and have brought this virus on us. They care no more for the preservation of human and animal life than they do for the land, sea and air. It is almost unbelievable that we live in a world of such stupidity but of course they own the mass media and the propaganda machines as well and try to normalise this abomination they have created and rule with terror and threat of destitution.

The two biggest economies, the US and China are the world's two biggest polluters - you hardly need to be a scientist to understand that, and the reason they are producing their rubbish cheaply enough to foist upon us is simply because they create it with exploitative and filthy practices, that is they do not care enough about standards or anything else on the planet to do things properly.

Time for consumers to use the only power they have and boycott all products from them in favour of something much better. Cheaper has never meant better - cheaper just means substandard work or workers not being paid appropriately or destruction of finite resources in the process. Cheaper ends up being the most expensive as regards the life of everyone and everything else. The big two and their would be cronies are not going to change. Humanity needs to totally reject their products in favour of those produced in their own nation and preferably use recycling of their own waste which comes from the throwaway cheap

consumables foisted upon them by predatory marketers and neo-colonialists.

The paradox of the global garment trade is a good example and has been the subject of many articles and much research. On one hand it has the ability to lift national economies (e.g. Bangladesh) while not properly recompensing workers or providing safe working places for them. From the point of view of the workers however, usually women from very poor areas, a slave wage is often better than no wage and it does offer the same women some independence and dignity, albeit within an environment where their dignity or safety is not a priority at all. The garment trade can also be seen as a false economy or an unnecessary luxury market as it caters to human wants - as opposed to human needs. We certainly do not have a global garment shortage. Land given to growing cotton or grazing sheep for wool to be made into under-valued (globally affordable) products could be used to provide food for those humans who do not have access to sufficient for their needs. And as the garment trade lifts the economy in countries like Bangladesh, they also sow the seeds of its destruction as the global companies look to even poorer countries for their outwork to maintain their extremely lowly paid workforces. These low paid workforces artificially lower the price of the garments for sale, perpetuating the supply of goods at low prices and this perpetuates their close to slavery conditions and thus allows the continuation of the cycle. (Living in a material world Lesley Pocock Editorial MEJB 2014).

The earth is groaning under the filth that fills its skies, its land and its oceans. Other life forms are either dying out or producing viruses and bacteria and disease from the places they are enslaved, tortured and massacred in their millions..

Covid was produced by extreme violence and cruelty against animals be they the remaining few survivors in "nature" or the deliberately abused, infected, injected so called food resource animals living in concentration camps, again, mostly in China and the US but also in all countries including my own. Again they are killed and tortured not just for meat or eggs or body parts or bodily fluids, but also for trinkets and furs for the vain and vacuous.

Something had to give and perhaps Covid -19 with its possible longterm, mass deaths will hopefully put an end to the stench of unsuitable human activity.

### Capitalism

So the putrifaction of our world has had these plagues visited upon us, dictatorships have robbed everyone and unbridled capitalism is reaching its pathetic and predictable end.

Rule and government by the criminal classes abounds and while the young care about their future and the destruction of our once fair planet many of the older and weary have given up trying.

So where do we all stand. The basis of capitalism is ever increasing business demand and ever increasing consumer demand - all this on a planet of finite resources and one that

buckles under the senseless demands of the greedy, of human activity. **Creating obscene wealth does not require a brain, it requires callous disregard of all else.** Capitalism has seen us dig all the minerals, gas, oil and coal out of the ground so one man can sell it all in his own lifetime. Even during this pandemic when we have the chance to have wisdom thrust upon us, governments are still seeing this ridiculous state of affairs as the basis of an economic recovery plan. Very short term thinking indeed.

There is a mad scramble to now sell as much oil and coal as possible as it may become the pariah of future thinking generations who want a viable planet to live on. No-one has given thought of course to the idea that maybe some future generation will have a necessary and valid need for coal or oil or even a way to use it which does not destroy planets but no-one alive now will be alive then so what do the current capitalists care.

The endpoint of most of these resources is the manufacture of NON-ESSENTIAL goods. This represents great capitalism as once we have them we no longer need them and are looking for something else for the parasitic marketers to sell us. Many people do have discretion and intelligence but they are not the customers sought by the marketers who these days thanks to the personal data gleaned on all humans they can pick the 'easily influenced'; by their online activity, hence a perpetual market of the feeble minded, the vacuous and the vain. The focus is on things that they buy as fads or toys or fashion. They are the most favoured product sales as they generate endless demand. Once computers and ICT were the great promise for equity of education, information, medical care and a range of measures that provide a better life for all. **Now they are the capitalists' special weapons of mass indoctrination and tools of espionage.**

Capitalism creates this problem for the next generations- and even now it is obvious the raw materials squandered on junk today will need to be mined from the garbage heaps of the current generations. They will HAVE to be mined from there in the future.

So capitalism is NOT and never has been good business apart from for the capitalists. In capitalist countries (and dictatorships - which is capitalism for one) most people go without (people's needs are not the focus) and the rich and greedy get richer and greedier. Apart from for the 1% capitalism doesn't work - rather it has robbed us all multifold. It is based on the fact that human society is dog eat dog and every man must fight for himself. It is not the device of civilisation, rather it is the opposite It has brought humanity to its knees..

### The positive news

Economies are collapsing during this current pandemic which has seen some countries resort toward a Keynesian style of economics that can help a country keep going as LONG AS it has the resources it needs within the country to provide basic human needs. That is, you buy locally and pay people with money the governments or banks release or print and this keeps people paid so they can buy the locally produced goods. Of course at the end of the cycle the local



### Plastic ducks floating around in the Great Pacific Ocean Garbage Heap

currency may drop substantially on the world markets but if they are no longer buying from overseas, why would they even care. Certainly there are deficiencies of one kind or another in most nations that will need to be traded but the great bulk of international trade from these huge economies is basically the sale of rubbish.

One is reminded that in 1992, a shipping crate containing **28,000 plastic ducks** was lost at sea when it fell overboard on its way from Hong Kong to the United States. All those plastic ducks were washed overboard on a cargo ship and did just what plastic ducks do - 'float around'.

While they made a cute story and some great pictures they mostly ended up in the Great Pacific Ocean Garbage Heap along with the rest of the totally unnecessary plastic that kills birds, fish and other marine life. Not one of those ducks had any proper value nor were they needed.

It only becomes difficult if a country relies on an outside source in an unfair balance of trade. Now is the time to look at making each country both self-sufficient and have longterm economic security of growing enough food and by manufacturing all the basic requirements for human existence. Free trade was designed by capitalists and has just let the pigs into the global trough.

Once we have learned to go without during Covid we can better be selective about buying plastic ducks and the products of countries that attempt to take over and dominate the small economies of the world and who contribute to the destruction of the planet and species and who hold human life generally in little regard.

Of course global inequity and non-dictatorial governments are held sway to the monetary aspirations of those who make political donations, and own the press and who bribe politicians. The immediate need is to get rid of this global riff raff, the militias and crooked associates, out of any position where they can do even more damage than they have already done

This post pandemic period may provide us with the only great opportunity to get human existence back on track. This is our greatest chance, perhaps our only and last chance.

This is all very obvious to every sane and decent person and it has been encouraging to see people around the world writing on just these topics. I highlight a few, following.

**World Bank:** The COVID-19 pandemic has spread with alarming speed, infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus. As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The World Economic Forum COVID Action Platform

- The World Economic Forum's latest Chief Economists Outlook asks 40 chief economists for their views on the post-pandemic recovery.
- It identifies three key emerging challenges facing governments and business leaders.
- The crisis has made inequality worse – but it also provides unique opportunities to address it.

We need to broaden the set of targets we use to define success as we rebuild the global economy after the pandemic.

The report identifies three key emerging challenges facing governments and business leaders as the world enters the recovery phase. These are: retooling economic policy to reduce inequality and improve social mobility; identifying new sources of economic growth; and aligning on new targets for economic performance.

**We're at a unique moment to tackle inequality**

Inequality has accelerated in recent years as the gains from technological change and global integration have not been evenly distributed. COVID-19 has reinforced some of these patterns since it had a disproportionate impact on the most vulnerable. How the financial burden is shared in the future will be critical.

But for all the chaos it's caused, the pandemic has opened a window of opportunity. As the Chief Economists Outlook says, the hiatus imposed by the crisis has created a unique moment to introduce far-reaching systemic change to prevent inequality spiralling further out of control.

This will involve governments monitoring inequality alongside other targets, upgrading social protection measures to safeguard against future shocks, and helping to develop socio-economic mobility in the new economy. A slight majority of the chief economists surveyed see some form of unconditional basic benefits – such as Universal Basic Income – forming part of the policy toolkit after the crisis.

**Supply chain disruption could hamper developing economies**

The pandemic has added to existing uncertainty in international trade caused by factors like trade disputes and tensions over technology standards. And while reductions in the trade of physical goods due to lockdowns may be temporary, developing economies could suffer if firms take action to increase resilience in their supply chains by bringing critical parts back home or sourcing from several countries in parallel.

A move towards greater self-sufficiency as multinationals could do long-term damage to trading ties between high- and low-income countries. It remains to be seen, the report says, if businesses will be ready to give up efficiency for resilience. But uncertainty about the pandemic, geopolitical tensions and climate change-related events could cause more supply chain disruptions.

**With the right action, new growth markets could emerge**

The crisis is also expected to impact innovation, another key driver of long-term economic progress next to global integration.

Innovation is critical to overcoming the impacts of the pandemic and addressing inequality and the climate crisis. But it could suffer as economic contraction threatens research and development resources.

Governments can put economic progress on the right track with robust innovation and investment strategies, but this will require a deep transformation across all sectors. It will only be possible if public and private organizations work together and governments get actively involved in reshaping existing sectors and building new markets.

These new frontier markets – which range from green energy and the circular economy to health, education and care – could have a transformative impact on economies and societies, the report says.

**JEAN SALDANHA is director of the European Network on Debt and Development.**

The world after the first wave of COVID-19 must be more inclusive, resilient, and sustainable. Today, we live in a world in which inequality between and within countries has grown as a result of businesses' race to the bottom and working poverty among a vast portion of the global workforce.

**SERGIO REBELO is a professor of international finance at the Kellogg School of Management at Northwestern University.**

The global order was in flux well before the COVID-19 crisis. Coronavirus has accelerated three of the key geopolitical trends that will shape our next world order... which will await us on the other side of this pandemic.

The first trend is deglobalization; the logistic difficulties brought to light by the current crisis are already pointing to a shift away from global just-in-time supply chains. Yet as economic difficulties mount, the inevitable growth of nationalism and "my nation first" politics will push companies to localize business operations that favor national and regional supply chains.

DOI: 10.5742MEJB.2020.93868