

# CRISIS OF CAPITALISM, CRISIS OF SOCIALISM

by Samir Amin

It is being constantly repeated that we all live in the same planet and therefore share collectively its fate. No doubt, the process of globalisation which is not altogether new since it started five centuries ago with the discovery of America, followed by the Universalism of the Enlightenment has entered a new qualitative phase during the last forty years, through the intensification of communications and exchanges of all kinds as well as through the global capacities of destruction.

Yet, should we deduce from this platitude that interdependency implies the subordination of the projects of the various societies of our world to the same criterion of rationality which orders the global expansion of the market?

This opinion, which is dominant today, is not only rigorously incorrect, it is also extremely dangerous.

The exigencies of globalisation were expressed in the post-world war II expansion 1945-1970 through a double complementary paradigm. In the industrialised countries it was thought that Keynesian interventionism could ensure a continuous growth to the benefit of all eliminating the conjunctural fluctuations and reducing unemployment to minimal.

In addition this was made consistent with a gradual international opening to the extent that the remembrance of the possible conflicts between national policies and globalisation was almost forgotten.

In the Third World, the Bandung ideology of development (1955-1975) was based on the idea that nations could master a process of

development still taking advantage of interdependency.

Nuances and polemics moved within the limits of the consensus over these reference paradigms.

Simultaneously, the socialist countries were enclosed in a ghetto of a third paradigm, hostile in principle to interdependency. Yet since the autarkic and autocratic state has been shaken, the hope appeared that the liberalisation as a prelude to democratisation implied also external opening.

In this frame, even the military bipolarity of the two superpowers could be looked at in an encouraging way: reason would necessarily lead, beyond equilibrium through terror, towards a nuclear disarmament and the search for compromises in the regional conflicts.

## Neo Liberalism

No doubt the crisis of capitalism has put an end to the Keynesian illusions and to those of the ideology of development. No doubt also, the crisis of socialism has not yet found its solutions.

But the void created by this double crisis has led to a conservative offensive of so-called neo-liberalism which boils down to the prescription of an overall remedy - the market.

Yet, pursuing the dogmatic view will necessarily bring about disaster, and even to the opposite of its own aims: the disintegration of the world system and a renewal of confused and unmastered national conflicts, the prelude perhaps to a renewal of bipolarisation.

The building of EEC Europe has been confined to this day to the gradual opening of the market. While the social adjustments to this opening were relatively easy to achieve in the

atmosphere of the boom of the 50's and the 60's, it is now obvious that in the crisis it will be almost impossible for whole regions and sectors to meet the challenges of competition and successfully achieve their conversion.

Therefore many contradictions will become socially and politically unbearable, at the very risk of leading to an explosion of the EEC itself.

There are already many signs of that danger. The alternative implies accepting the market forces must be accompanied by a common social policy designed to make possible the necessary conversions.

If the Euro-left adopts such a principle with courage and lucidity and keeps away from neoliberal dogmatism, it will necessarily benefit from a broad support, become the dominant political force on the continent and marginalise the right which is interested only in the immediate profits which can be drawn from the expansion of the market. The Euroleft would find again a universal mission which Europe is presently losing.

In the semi-industrialised peripheries, the pattern of development is now confronted with a decisive change, illustrated by Bramil. This development has been based upon a growing inequality in the international distribution of income, to the extent that the young democracy in this country has inherited gigantic social problems from the previous so-called 'economic miracle'.

Therefore, now, either country will initiate progressive responses to this challenge and it is obvious that these responses will come into conflict with the unilateral logics of market globalisation - or it will fail to do so and will give priority to the 'adjustment' in which case democ-

racy will have no future, and will disappear before it has been rooted in society.

The so-called 'fourth world' is nothing new. The global expansion of capitalism, in its process of polarization, has always produced the exclusion of those peripheral areas which had lost the functions that they had played, sometimes brilliantly, at a previous stage.

What have become the Caribbean and the Brazilian Nordeste, once upon a time the places of the economic miracle of mercantilism? Today the system confines Africa in an agro-mineral specialisation based upon a destructive extensive exploitation of land, while the technological revolution reduces the needs for certain raw materials. It is not this process already excluding Africa from the future division of labour?

This is a process of passive delinking which is depriving whole societies of any role. Obviously, by its own definition, such a process cannot be reversed by the virtues of the 'opening'.

Therefore, recolonisation accompanied by charity, is here only to hide the failure of the neoliberal solution.

The socialist countries, USSR and China - have initiated reforms which will surely give to the external opening and to the market a role much more important than it has been until now.

Yet the problem of these societies has two faces which cannot be separated: the need for democracy and the mastering of the external opening.

For those who carefully follow the debates in these countries, it is almost obvious that it is understood that the solution is not the neoliberal receipt.

It appears from those very different cases that in no case the unilateral market solution avoid unbearable social, political, internal and international contrast.

The ideological legitimization of neo-liberalism has no scientific value, because it ignores the fact that the market by itself cannot but reproduce and deepen contrasts.

A scientific analysis of the advantages of the market which are real takes on its full meaning if it is related to the various determinants of the social system in which it operates including the historical place in the international division of labour the social alliances which it has created and which reproduce it.

Critical thinking is interested precisely in identifying those alternative alliance which can lead out the vicious circles of the market. From that point of view, there are considerable differences between the various regions of the world, which imply specific different policies that cannot be derived from the unilateral rationality of the market.

One should add the differences, equally legitimate, produced by culture and the ideological and political alternatives considered by the peoples. The imperatives of our time imply therefore the rebuilding of the world system on the basis of polycentrism. I mean here not a pentapolar political system reduced to the five "Big" (the USA, Europe, the USSR, China Japan) which would simply replace the military bipolarity.

### Polycentrism

I mean a real polycentrism allowing for the development of regions and countries of the Third World. These regions and countries are

bound to coordinate their visions and to submit their external relations to the constraints of their internal development, and not the opposite, i.e. the adjustment to the global expansion of capitalism.

This is my definition of delinking, which has nothing to do neither with autarky or with the process of exclusion referred to above.

The social alliances which define the content of the strategies for the various regions considered are necessarily different. In the West, they certainly will keep a "bourgeois" dimension, produced by a long history of advanced development.

This reality does not contradict a gradual socialisation. In the East, they call for a liberalisation of society from the exclusive rule of the state, to the benefit of a social dialectics which recognizes the conflict between capitalism and socialism.

But in the Third World they call more often for a revolutionary change of direction rather than a unilateral bourgeois visions of the market.

Yet this dramatic challenge of the crisis is felt in the South more strongly than in the West or in the East. But perestroika is needed everywhere.

Rejecting it by a conservative discourse of neoliberalism is, of course, preparing the ground for desperate responses of racism, prehistorical nationalism and all sorts of integrisms, religious and other.

The crisis should be the occasion for a progress of critical thought, if one understands it as a rejection of dogmatism. But it is not perhaps because academic economism and management behaviors do not prepare to it.

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Probably political and social progressive activists should be more aware. The polycentrism that we suggest here is the only realistic principle on which people's internationalism can be built, echoing the universality of values.

On the opposite, neoliberalism is the actual reactionary utopia of our time. This being so, we shall probably continue to live sometimes with the military bipolarity. Until the further evolution of social forces in the frame polycentrism will have led beyond the conventional discourse of coexistence.

Until through its recognition of the objective diversity of conditions and problems, it will have rebuilt the world in a way which gives legitimacy to the unity of the globe.

Courtesy - Asia Action

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