Absolute vs. relative immiseration

Relative immiseration: the gap between the rich and poor in the world is growing

Absolute immiseration: the world’s population is worse off now than it was before

Three things that have kept us from seeing absolute immiseration:

1. Meritocracy allows some mobility without changing the system

2. Historical and social science accounts have focused on the “middle class” (the top 10-15% of the world population)

3. Recently absolute immiseration, though not relative immiseration, has slowed, in part due to efforts of anti-systemic movements
A Balance Sheet (part 1)

Death by Pestilence, Plague and Wild Beast

1. Capitalist transport has mixed parasitic gene pools

2. Environmental changes linked to economic technologies have expanded the number of diseases

3. New diseases have emerged out of demographic expansion throughout the globe (AIDS)

Famine: short term threats have diminished, but environmental problems have created more medium-term threats

Civil war: Capitalism has expanded the possibilities for civil wars by creating nations (ethnic groups) within states

War: Technological advances under capitalism have made war more deadly

Quality of Individual Life

Gadgets are unevenly distributed.

Tourism is limited to the upper stratum and is putting a strain on the world’s resources

The gap between the haves and the have-nots is huge.

Education doesn’t really educate (lead people out of narrower horizons to wider ones). It requires putting more productive labor into “human capital” and keeps people from fully participating in the community for much of their lives. Most people attending school see it as a burden.
A Balance Sheet (part 2)

Quality of Collective Life

Universalism (science, meritocracy, human rights)

Universalist science has had negative results and has led to missed opportunities

The possibility of mobility is limited to a minority

The polarization of human rights has been created by capitalism

Democracy: “maximization of participation in decision-making at all levels on the basis of equality”

The two counter-drives of privilege and competent performance have become deceptively linked

Alienation

1. The madnesses of our system are extensive

2. There are clear linkages between psychic problems and social structures of the system

3. The extensiveness of these problems has increased (e.g., drug addiction)

And don’t forget the trees!
Dilemmas of Capitalism

Dilemma of Accumulation

Capitalists seek to monopolize, but monopoly (and its high profits) lead to competition

Since monopolies can’t be sustained in the market, capitalists look to (1) the state (which can produce monopolies) and (2) custom (e.g., creating tastes)

During stagnation, three types of adjustment are possible to augment profits: 1) lowering the cost of producing competitive products, 2) finding new buyers for competitive products, 3) finding new products that will be relatively monopolized.

Lowering labor costs conflicts with increasing demand. This dilemma only be solved by expanding the system, which cannot be done indefinitely.

Dilemma of Political Legitimization

Capitalists need to reward the cadres while ensuring the loyalty of the rest of the people.

This has been done by periodically offering the masses a larger piece of the pie. This solved the problem in the short term but led to hope in an increasingly large share of the pie.

But eventually it will be impossible to share more with the masses without diminishing the surplus value of the capitalists.

Dilemma of the Geocultural Agenda

Individualism, the geocultural theme of capitalism, presents a dilemma.

Capitalism has harnessed self-interest to maintain the system, but individualism encourages the race of all against all, not just for the elites, but for everyone.

This dilemma has been dealt with by universalism and by racism-sexism. They work together since universalism explains the people at the top and racism-sexism the people at the bottom.

While these practices once contained each other, they are now flying further and further apart from one another, e.g., the debate between meritocracy and multiculturalism.