

Corona-Crisis and Two Models of Capitalism

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It is clear that we are entering worldwide an era of very grave social, political and international conflicts and we cannot exclude new wars, writes Dimitris Konstantakopoulos, former adviser to the Greek Prime Minister Andreas Papandreou and former Member of Secretariat of the Central Committee of the SYRIZA Party. We cannot say what the world of tomorrow will be or what will be the place of capitalism in it. What we can say with almost certainty is that the future world will be very different from the one we know.

What has begun as a Chinese and then as a global health crisis is already catalyzing a global, very deep economic crisis, while it threatens to catalyze also open geopolitical conflicts. The economic crisis is interacting also strongly with the effort of western capitalism to check the rise of China, Russia and other international powers. Simultaneously, the crisis reflects the many, "life or death" problems, the development of productive forces and new technologies are putting in front of humanity.

We know very well from the history of capitalism that so deep crises as the one we are facing now – in reality already since 2008 – comparable with the 1873 and 1929 economic crises, have the potential of provoking "regime change" ruptures. The previous two crises of such depth (1873, 1929) produced two world wars, revolutions (the Russian and Chinese), "counter-revolutions" (Fascism and Nazism) and huge reform projects (New Deal, the post-war social-democratic European capitalist model, till 1980).

If it is impossible to make now certain and safe predictions for the future, it is already clear we are entering worldwide an era of very grave social, political and international conflicts and we cannot exclude new wars. We cannot say what the world of tomorrow will be or what will be the place of capitalism in it. What we can say with almost certainty is that the future world will be very different from the one we know.

A radical situation asks for radical answers

If such a prediction comes true, it means western Left, China or Russia must shift away from their usual, essentially "conservative" strategies and their efforts to defend the *acquis* of the previous situation and find a way to "accommodate" the most aggressive forces of the "Empire of Finance" and of Western Capitalism.

If you are conservative in radical times, times of huge changes and upheavals, you are doomed to lose.

(The same is also true if you are radical in "conservative" times.)

Of course, we don't mean that Russia or China should launch some kind of war on America and the West. What we mean is they have to find the force and the inspiration to propose and fight for a new, radically different world order. As for the western Left, if such a thing exists, and in order to exist, it must also challenge the established order in a fundamental way. If they don't do it all of them run the risk of huge defeats, of helping, inadvertently, the most radical forces of international finance and western capitalism, thus augmenting also the probability of catastrophic wars or other world disasters.

As they usually do in times of crisis, the "Markets' Leninists" will, most probably, try to use the crisis and the associated shock to advance their agenda. They know western capitalism, as we know it, is no more sustainable. They will try to exploit the crisis in order to replace it with a much worse, totalitarian - surveillance system of techno-feudalism and permanent war to keep their domination. They are already doing it by launching cold wars and sanctions wars against China, Iran, Cuba and Russia, or by blowing up the international system (WHO).

Some people write articles describing the end of capitalism as a result of this crisis. This is an illusion. Capitalism will find always a way to survive. It is even able to take all of us into its graveyard as it is struggling to survive. Capitalism will not die automatically, because of its internal contradictions. It will disappear and be replaced as a social system only if people make it disappear.

A crisis from the past, but also a crisis from the future

Nothing of what we have already exposed is really new in human history and, in particular, the history of world capitalism. What is fundamentally new and makes this crisis, potentially, the most dangerous in the whole history of humanity, is the fact that it is taking place in the environment of the new productive forces and technologies we developed and continue to do, in an exponential rhythm, since 1945.

Those productive forces and technologies, if unchecked, not only are able to destroy life on earth, they will do it for sure, most probably during this century. To check them we need a radically different social, economic, international relations system, we need indeed a different civilization. You will probably object that this seems unrealistic and utopian. I will answer to you that it is much more utopian and unrealistic to hope the world will survive as it is organized now. It is not only unrealistic, it is clearly impossible and we must begin by this element of reality in order to build politics. If this idea becomes common in the minds of people, then probably it will acquire the power to alter fundamentally the situation, making another world possible. In that sense, the corona-crisis is not only a tragedy, it is also an opportunity, probably the last one we will have.

It is an opportunity because even now, with all this crisis and catastrophes unfolding, all over the world, is nothing compared to what will come if we let unchecked production, technology, interconnectivity, urbanization, climatic change, generalized pollution of our environment, minds, bodies and DNA.

While it is too early to make specific predictions, the first indications we have concerning the response of the Empire of Finance and the western establishment to the crisis provides us with precious hints of the direction things will follow. They give us also ample reason for grave concern.

There are nowadays two factions competing for power inside the western establishment and the “Empire of Finance”, of the international financial capital, which is ruling or aspiring to rule the world. Both of those factions, those parties agree on the strategic goal, which is no else than the eternal world domination of finance. Still they strongly disagree on methods, ideologies, strategies to attain this goal.

One group consists of the classical neoliberal – globalization elites (Soros, Fukuyama, Obama, Merkel). They promote the “dissolution” of nations into a huge world “market” of capitalist globalization. The prototype of the coming world organization, according to the “globalist” wing of western establishment, is the European Union, a post-modern, meta-national, sui generis power structure, controlled, in final analysis, through a system of labyrinthic procedures, by the Empire of Finance, the oligopoly of the big international banks and of a handful of multinationals (and NATO, as far as geopolitics is concerned).

The second camp consists of the “neocon-nationalist” wing (Huntington, Pompeo, Bannon, Netanyahu, Thiel with Trump). This second tendency is not hostile to nationalisms as such. On the contrary, it wants to use opposing nationalisms to dominate through “War of Civilizations”, “divide and rule” and chaos strategies.

The second faction is governing now the US, the first Europe. Their reactions to the corona-crisis are quite different in the sense the second faction is tempted to launch wars as an answer to its problems. The first is not doing that but, unable to produce any comprehensive answer to the crisis and deeply divided itself, it is provoking now a kind of civil war inside Europe!

The Pompeo – Netanyahu – Bannon – Trump group is answering to the crisis by imposing sanctions in the midst of the pandemic, threatening with military intervention Venezuela and Iran, not permitting the delivery of medical help to Cuba, pressing countries not to accept medical aid from Cuba, launching an extended Cold War against China and preparing in reality a Hot War and attacking all elements of international cooperation, included in medicine (WHO). Washington is even stealing masks and medical equipment from its allies.

Those reactions confirm the fact that, under Trump and Pompeo, the US stopped trying to safeguard its domination through “soft”, political and economic power. Under Trump it is reacting mainly to the challenges either by financial terrorism (sanctions) – using its special position in the international financial architecture – or by resorting to military power or the threat of using it. It is a reflection of weakness in reality, but a very dangerous one. US policy becomes more and more a kind of “gangster”, criminal policy.

The reactions of both factions inside the West – the one governing the US, the other Europe – reflect in reality the impasses of Late Capitalism and its temptation to resort to catastrophic policies and totalitarian choices. The totalitarian choice is much more clear and pronounced in the policy of the Pompeo – Trump – Netanyahu wing (the one who was also responsible beforehand for the campaigns against Iran, Korea and Venezuela, the generalized sanctions and the return of nuclear threats as a diplomatic tool). The US has become nowadays, the main revisionist force, threatening the world peace.

Unfortunately, the opposite faction also, the old “globalist – neoliberal” elites, which rule Europe, the other pillar of western capitalism, if it avoids to opt for war solutions, it is also inclined to use totalitarian methods, albeit more “peaceful” and less “violent”. It remains

unable to produce any positive alternative, a huge difference compared with capitalism in the past. Today we do not discern anything comparable to Roosevelt, Keynes, Kennedy, De Gaulle, Social Democracy, the German post-war model etc. That's why the Corona-crisis is already provoking the biggest crisis in the history of the European Union and we should think what are the dangers and the possibilities as a result of this crisis.

Author's Note: In the above article we made a reference to Trump's decision to stop financing the W.H.O. It is not our intention to defend the W.H.O. which seems to need a serious reform and, in particular, to secure its independence from all private interests. But we need more than ever international medical cooperation. The policy of just destroying all institutions of international cooperation and replace them by the Gangster concept of "America First" is a guarantee for a global Disaster of unprecedented proportions.

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