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Democracy – *what about it?*

In the media – social, mainstream or alternative – we find two political-ideological discussions that are separate, but still related. In these discussions the opposing parties pit their respective ideological stances against each other, but, alas, they never solve anything. The one is the discussion: right-extremists, autocratic, fascist even, sympathies vs. democratic ideals. This article is not about taking sides, but let's say that many of the readership opt in favour of the democratic model. The other stance we associate with nazism, the North-Korean regime and the like, not really winning ideologies at this moment in time. So let's assume: we are in favour of a democratic model for society.

The other discussion is the one that protests against the big corporations, the world of finance and their interests, capitalism, the free market dogma, and sometimes even against an economy centered around mere growth. The ideology we argue in favour of, in that discussion, is not always clear. But let's list a few things: a system that is more pro people, pro solidarity with the poorer and weaker fellow citizens in our communities, pro fair trade, pro sustainability. Some would call such a stance left wing, progressive, or even socialist. Fine, what's in a name.

But what we want to point out here is the following. The latter group – the left wingers – is predominantly also in favour of democracy. However, what they are against, namely: capitalism, free market, etc., is legally incorporated in our democracies, at least as things stand now.

So, as long as we separate the discussion into 1) autocracy vs. democracy, on the one hand, and 2) capitalism vs. progressive ideals, on the other hand, all is well. The dividing lines between the camps are clear, and we can happily indulge in name-calling the other side as we play out our ideological fights.

But now, what happens if we lay these two issues on top of each other, combine the two discussions into one, as it were. Then 'democracy' finds itself in a hard place. In the first discussion, democracy is the hero, or at least the more civilized option. But in the second discussion it is the source of all evil. Because our democratic societies have proven not to be able to check the reviled 'money-driven-kind-of-capitalism' and its harmful effects on people and their lives. To name a few things: democracy did not prevent, nor could it transform such realities as the impoverishment of people (national and worldwide), the degradation of our natural environment, hunger, wars that destroy lives, addictions and mental disarray, violence in our streets and homes, just to name a few scores of our times.

But how about social-democracies? Does this model of society not combine all the good qualities we want: personal freedoms and societal equality. Those of us fortunate enough to live in such countries that top the lists that want to score 'happiness' – we are quite content,

no? We found the perfect model for society and, from the goodness of our hearts, we wish to export it everywhere.

But here we need to look further than just our national happiness. Social-democratic countries do well, because we externalized our problems. (Too) low production costs, non-degradable waste, polluting technology to produce the things we consume and trade, the negative results of the climate issue, massive flows of migrants and even life-destroying wars, we all just chuck it over our national borders. Thus, we privileged citizens of such fortunate societies, can continue to live in holy peace and innocence. And all that is completely democratic.

But if democracy fails, then why have we not yet corrected this, and if it is incorrigible, then why do we still hold democracy in such high esteem? Should we, indeed, revert back to autocracy or a totalitarian regime? No, not for a minute do we entertain such an option. The USSR collapsed¹, and the model of the PRC may be tolerable for the Chinese, but for us in the ‘free’ world, it is not an inspiring vision for our future.

Now, before we speak the words of salvation from this trap, just step back a moment, breath and take awareness of this knot of ideological oppositions that, somehow in the middle, leaves us with an irreconcilable enigma. And a solution is nowhere to be found.

Let’s summarize: the democracy that we love and even die for, is, at the same time, the support and friend of an exploitative and destructive economic system. But nor do we want a totalitarian or autocratic system. So, what is it that we want? And by ‘we’ I mean those citizens of this world, and I hope they are the majority, who just wish for what is wholesome. A free society, where all can be prosperous, where no one is exploited, suppressed or marginalized, where the entire diversity of humankind is part of a common society-building effort, and where human rights are a given thing. And, oh let’s not forget, where everyone is equal before the law.

So, inhale and exhale, slow and deep, and let this paradox sink in, in head and heart. We love democracy, but it comes with dehumanization and exploitation.

Well here is the magic word of salvation: neoliberalism. It is the Trojan horse in our free and democratic societies. In an authoritarian system it is clear for everyone to see: privileges for a small élite, disempowerment for the general population. In a democratic system the same happens behind the smokescreen of the neoliberal false notion that ‘free market’ is the holy grail. Are we against free markets? No, not per sé, sometimes they work and are appropriate, but sometimes not.

However, what we, the general public, have been told to be ‘classical economic theory’, featuring things like growth, free markets, privatization and their adjacent policies, is in reality merely ‘neoliberalism’. Now, what is that? Neoliberalism is a set of pronouncements on ‘the economy’ not sustained by any economic theory. It is, instead, a political lobby for the benefit of those interested in their own positions of power and privilege alone. Nor peoples, nor nations matter here, only private individual benefits. That lobby programme is then disguised as a policy for ‘national interest’, for instance via the dogma of growth of National Product. And do we, democratic citizens, not all bow deep and with profound reverence for this creed? “GDP’s of all nations must grow”, so our leaders say. But what is the underlying theory or argumentation for this? There is none, in fact, the practice of that ‘theory’ leads us into crisis after crisis, hurting most those who have less.

¹ And now the Russian Federation is the world’s pariah.

Classical economic theory is a theory, Marxism is a theory. Whether you agree with it or not, these are theories with some kind of logical argumentation. Neoliberalism however has but one motto: “don’t let them take away anything from you, and grab whatever you can from anywhere.”² Paying zero taxes, while enriching yourself by making use of collective infrastructure are evident examples not hard to find.

But now, all good and well to present you with this depressing analysis. But is there light shining at the end of the tunnel? Yes there is. We can radically opt for an economy that is real, that nurtures and supports humankind and the natural environment, an economy that is founded on the model of life.

How do we get such an economy? Easier than you would think. Such an economy will almost by itself, quite naturally, come into existence when we chuck out the statistical tool of National Product (like GDP), when we stop measuring our economies along the lead of money. And as an additional bonus – when we abolish such money-measure sticks – we will also get rid of the growth pathology. Mind you, National Product Indicators can only indicate success by growing numbers.

Instead, we will install the People/Quality (P/Q) indicator. This is an indicator that will lead our economic policies along the economic well-being of people. It will lead us to keep all people included in the cycle of the economy, meaning: no one should drop out, and it also monitors the quality of the participation.³

Finally, let’s mention briefly how we can re-define ‘economy’. Economy is not only that what is mediated by money and markets. All human effort that is geared towards the fulfillment of our needs to stay alive and thrive is ‘economy’. That includes activities such as barter, self-sufficiency, voluntary and non-paid work. It also includes the not-registered money economy (informal economy). ‘Not registered’ means: not counted in the national accounts of GDP. Nevertheless, all these activities make up an important part of our efforts to live and to survive. All these fields of economic activity deserve to be accounted for by our policy-makers.

What, clearly, does *not* belong to the economy is speculation. Here, no user-value is produced, no economic activity is performed. Is there a leader that has the courage to eliminate speculation, to simply outlaw it? Such a leader would do a great service to democracy.

This article is a project by



maid@maid-projects.org

www.maid-projects.org

www.liemgiokin.com

www.god-and-co.org

<https://www.flipsnack.com/inec44/celebration-of-life-a5-online.html>

² In his book *The Road to Serfdom*, F. A. Hayek, argues that he opposes socialist ideology because: “all it tells us in effect is to take from the rich as much as we can.”

³ For more elaborate explanation of the P/Q indicator, see *Interdependent Economy - from political economy to spiritual economy* Part II, Chapter 3 (*The measure of Good Economy – Money or People?*), www.liemgiokin.com