Book Review

Whose Crisis, Whose Future?
By Susan George

Reviewed by Claudio Schuftan

Here is a book that attempts to explain how high finance directs the world economy and how it brings about the enormously unequal world we live in. As I read, I had the feeling of being invited to a party, a party for well-meaning adults with a clear sense of social responsibility.

The title “Whose Crisis, Whose Future?” promises a blueprint for how to solve what ails the planet in 2011 and the book fully delivers on that promise. You thought you had read it all? You could not be more wrong.

Susan George wrote the book because she was angry, perplexed and scared about the immense political challenges the current situation will cause in the years to come. She thus embarks on explaining how and why we have landed ourselves in the current mess — and how we can get out of it.

Sadly, Susan George reminds us that the planet would actually be in much better health without us humans — or at least some of us. Who in particular? Welcome to an exploration of the role of “the class of Davos” in this mess. Why, you would ask? Well, because we simply do not sufficiently study the roots of uneven power relations and the interests the Davos Class wields. The author posits that we have failed to organize ourselves as well as our adversaries have; part of this is that we simply underestimate our potential collective capacities to right the world’s wrongs.

In an organized response, our first line of defense ought to be to a refusal to obey, i.e., without popular action nothing will change. Lasting solutions are needed for human emancipation and to reduce the flagrant injustices of the past and the present. Regrettably, the governing elite will not use the current triple crisis (financial, food/water and climate) to make the necessary structural changes. Only popular protest — still to be organized — has any chance to bring these about.

Susan George argues that we are in a prison; each wall plays an oppressive, ominous role. The first wall: the profits of a financial sector which in the US now exceed those of manufacturing. Capitalists figured out that there was much more profit and power in making money from money without having to go through the boring process of actually producing and marketing goods. On the other hand, banks are no longer banks; they are financial services corporations protected by fraud; rating agencies like Standards and Poors and Moody’s gave AAA ratings to corporations that were barely solvent. Will you be surprised to read that $150 million were contributed to political campaigns in the US by this financial industry? In 2007, no less than 3,000 lobbyists were employed by this industry. Amusingly, Susan George chronicles the ins and outs of the final rescue operations of mega institutions in the US.

Poverty and inequality form the second wall of the prison. Enjoy reading about the role of the world’s 44 billionaire philanthropists, and then deplore with the author how the world has become rich in knowledge about the poor and how much intellectual attention is given to them. (The number of studies continues to pile up every year). Let’s face it. We know a lot about poverty and inequality, but our centers of excellence don’t study the rich! So we do not really know what they are up to.
Food for thought here?

The food and the water crises are the third set of prison walls; they are linked and mutually reinforcing. The author debunks the myth that a greater demand for food is due to the greater affluence of middle classes in the emerging markets of China and India. She points out that the concept of food security tells us nothing about who really controls the food chain.

Instead she introduces the reader to the concept of food sovereignty which calls for local food production using local seeds, sustainable agricultural techniques, biodiversity, soil and water conservation, credit to small farmers, reduced dependency on fossil fuels, and local processing. She notes (facetiously) that the problem with all these mechanisms is that they don’t make international capital any money; they are only good for feeding people.

For capitalism, we read, water is an ideal product, i.e. a tradable commodity. Shortages are the precondition to set a price for anything. Water is indispensable to life. (Nobody has ever attempted a thirst strike!) Public-Private (for-profit) Partnerships in the water sector have simply meant enormous benefits for corporations, risks/losses for the public sector, and higher expenses for the people served. Those who cannot pay are excluded.

Will we have wars over water?

In the last couple of decades, neoliberalism has fostered selfishness and flagrant inequalities. Yes, but water in particular is the source Susan George (and others) foresee as the cause of future violent conflicts.

The second half of the book focuses on what Susan George called “Our Solutions.” But be forewarned: there is still a lot more left for us to lose.

1) As a matter of public moralit, the guilty must be held accounta-

ble. For that to happen, popular forces have to organize themselves and coalesce into international alliances; hence the need to strengthen both representative and (mostly) participatory (direct) democracy. We simply have to muster greater confidence in ourselves.

2) We follow closely what happens to people below the poverty line. What we now need to do is focus more on those at the top. For this we have to mobilize whole societies no less diligently than during the post World War II period in Europe. Since the changes needed are of several orders of magnitude, this is the good news. The bad news is that facing the “Davos Class” will mean confronting the whole economic and financial system.

3) A new green deal: we need a new type of environmental Keynesianism, a massive boost to investments in a green conversion of the economy. Markets are selfish and focus on the “eternal present” without contemplating future implications. They cannot see the potential for coming out of the three related current crises by redirecting massive investments into green projects (instead of bailing out financial institutions of ill repute with all the Keynesian benefits this can bring).

4) The author goes on to delineate complementary solutions in ten more areas. They include actions that will truly surprise you: putting banks under citizen control, proactively allowing politicians to feel how we feel, stopping the rescue of failing mega enterprises, canceling the debt of the South, making the South rich by being clean and green, taxing international financial transactions, forcefully acting against the tax havens and deceptive accounting practices of transnational corporations, stopping the flows of the global supermarket, acting on the creation of Eurobonds, and introducing a True Progress Indicator (TPI) to replace the GNP.

Susan George concludes that the world is more often in crisis than not. This again shows that the term “crisis” is not really applicable. Our societies are under maximum tension in the financial, economic, social, and ecological sense and we do not really have shock absorbers to diffuse this tension. Chaos theory tells us that each added bit of injustice, at some critical unforeseen moment, can and will lead to social explosions. Social elasticity can be seen as a conscious effort to create more egalitarian and inclusive societies with more and better public services, more social protection, and more democratic participation of workers and consumers.

Susan George leaves us with a postscript to reflect upon: “My hope is not only based on faith; faith can comfort you, but can also be based on an illusion, on something irrational and impossible. I prefer the world of reason, of common sense and the possibility to recognize that I can write something or reach you, the reader, with an idea; that I can act and inspire others so they act by themselves.”

Why should you read this book?

Timing is everything in comedy and in scholarship. One cannot imagine better timing for this book’s publication. Its tone is incisive, even militant, and the book proceeds at a brisk pace with many original insights.

