

The current conjuncture: capitalism, multilateralism, changing roles of state

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1. Rise of global capital, vanishing national sovereignty, weakening State led multilateralism and global governance

Nationality and the nation states emerged with the growth and establishment of capitalism and when freedom struggles erupted in the erstwhile colonies. Free nations in their exercise of national sovereignty, adopted strong measures to protect their economy, produce and production. This included a tight control over currency flow, economic and trade policies to protect its growing national capital, goods and services, and to ensure that they are free from external threat from foreign businesses. This extended to where foreign capital could invest, to what extent, how much profit they can repatriate etc., and similarly to entry of foreign goods and services—in order to protect the domestic sector. The developed countries where capital accumulated with limited scope to move out and seek new areas of investment led to stagnation in growth. The then third world struggling to overcome its mass hunger and poverty through national development too faced a decline with global recession. The economic crisis that swept across resulted in liberalization and globalization in the late 1980s and on to the 1990s in order to overcome the crisis, and to revive growth through economic aid and reforms, especially through multilateral agencies as the IMF and WB.

This rapid opening up of nations to the free flow of capital, goods and services resulted in nations and their governments giving primacy to the market in effectively taking over what constitute national priorities in economy and development. Simultaneously the market-mediated merger of national and global capital and businesses progressed along with massive deployment of modern production and marketing systems, and investments. With nation states ceding significant powers to global capital, they have increasingly become powerless in the face of market forces. The growth of multinational companies and the internationalisation of finance had eroded the ability of nation states to pursue progressive social and economic policies, and deliver prosperity for their peoples.

At another level, the international mechanisms initiated and managed by nation states at the end of the devastating two world wars, wars between nations, the trade and economic competitions giving rise to trade sanctions and conflicts, the need to address the global commons in the light of natural disasters, ecological crisis and environmental pollution led to numerous bilateral, multinational, multilateral and international bodies such as the UN systems, the World Bank (WB), International Monetary Fund (IMF), World Trade Organization (WTO) and other multilateral bodies such as the Asian Development Bank (ADB), BRICS (Brazil, Russia, India, China and South Africa) as well as the creation of numerous non-state mechanisms to influence national governments and inter-governmental mechanisms. These mechanisms, instead of progressively evolving and strengthening global governance seems to have lost steam, weakened and in disarray. They seem incapable of securing the future of the world and its people. Rather than wars between nations, wars within nations, break down of climate talks, increasing trade wars, sanctions on nations, etc. seem to be on the rise. The power

centers seem to have shifted from governments to transnational corporations and financial institutions.

Are we moving into a phase of corporatizing governance under the private sector?

2. Commodification, privatization of resources and commons, and market hegemony

The economic reforms came along with a whole package that were seen as integral to its success, such as democracy through duly elected governments, transparency, accountability, right to information, participatory approach, rights-based approach, etc. The factors of production, land, labor, capital and entrepreneurship, are brought under the purview of the market. Everything is to be made tradable, as a commodity requiring appropriate legal reforms in order to make them tradable. What were pockets of affluence spread widely along with urbanisation, and increased wealth production and consequent rise in living standards. This fuelled rising aspirations as never before. A minority continued to accumulate wealth more than ever before. The divide and gap between the affluent and the rest widened too as never before in history. Neither the market nor the state is able to fulfil the rising aspirations of the masses. Rising anger across the world are bursting out more frequently, either against the affluent, and/or against immigrants and refugees, migrants, ethnic/religious or linguistic groups—as the occupy movement on the one hand and U.S. ruling dispensation's attack against immigration, immigrants, refugees and minorities.

Conflicts, especially around land and natural resources, abound as they come into conflict with customary rights and formal rights along with undemocratic and often illegal resource grab. The need to address tenurial rights recognition too has been accepted to ensure stability of the economy. While community perceives this as recognition of their rights to livelihood, capital sees these resources as now being available in the market for investment and control. Land and resources area are mapped, transacted and used by global capital increasingly even for, what were not so long ago, labeled as 'alternatives' to dominant mode (renewable energy, natural farming, greening, recycling etc).

How much are we aware of how our lives will be impacted by global capital with their new strategies, and how to deal with these new changes?

3. Technologies, disruptive technologies, and their control over production

Earlier we used to say that the technology is growing exponentially. This has changed. The technological growth that was exponential is itself growing exponentially. This is unprecedented. Technology to aid in improving efficiency, quality and quantity, reduce cost and labour, and to reduce drudgery is now taking over design, plan and production. One hears about disruptive technology such as blockchain which cannot be controlled by any entity or be manipulated as the next technology that is slated to change the world as the internet did. We hear that cryptocurrencies (virtual currencies), artificial intelligence, gene editing, big data, cyber security, renewable energy, 3-D technology, artificial embryos, smart technologies, etc., are set to completely redefine production as never before. The urban spaces are turning into smart cities. Life and living spaces are turning into unimagined experiences. As intelligent technologies replace human labour, jobless growth and unemployment stare at us as profits and super profits are harvested,

and capital accumulation accelerates. Income is slated to get delinked from work and employment. This has spurred the concept of Universal Basic Income where everyone gets a guaranteed basic income to maintain a certain standard of life. As technology simply is taking the world by a storm, catastrophes of unprecedented degree stare at us promising total destruction.

What do we make out of these developments in terms of the future being ushered in?

4. Withdrawal of the State, declining role of electoral democracy and political parties, shrivelling democratic space, rise of sectarian politics.

The state has given up being a strong welfare state with its pre-eminent public sector, developing infrastructure and providing a wide range of public services. Instead, newer sector specific autonomous institutions of governance have been created by the state that respond to market needs with no accountability to political democracy. Whatever is left of the public sector, after withdrawing and handing over services to the private sector, are to be financially self-sustaining and generating profit—in effect adopting the norms of private sector. When the government is withdrawing from governance, the scope of electoral democracy, and therefore of political parties, declines and loses relevance. With welfare and services going out of the purview of governments, electoral politics is now being woven around economic growth by improving ease of business for the affluent, further privatizing public spaces, and stoking identity and parochial politics.

Alongside these, the shrinking democratic space, the militarized surveillance state, crackdown on dissent and on free expression, management of masses through propagandist use of media and social media, etc. have come to be the ways through which democracy is 'managed'.

Where is the political space for democratic struggles?

5. Governance: From colonial administration to democratization and its subversion.

The erstwhile colonies inheriting the colonial laws and its administrative systems strengthened them in the name of nation building. The colonial features only strengthened. The bureaucracy reigned supreme. With time and progress, the democratic aspirations of the people began the process of democratizing these colonial governance regimes by decolonizing them and in its stead created the space and structure for a democratic regime to flourish. Just when this was getting rooted, neo-liberalism along with the withdrawal of the state swept in, often ignoring and/or subverting the new found democratic structures and spaces.

What are the country-specific experiences?

6. Political engagement and political agenda to construct a responsive State and governance

In the above context, what does one mean by political engagement for human rights and developments?