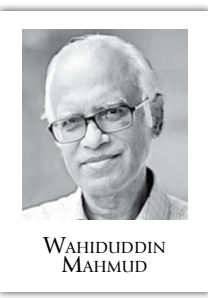


Perils of global capitalism: What’s next?



Wahiduddin Mahmud

IN my recently published book, *“Markets, Morals and Development”* (Routledge, UK), I discussed the discontent with the contemporary global economic order that is prey to the excesses of market supremacy and beholden to private corporate interest. This is an economic order characterised by instability, mass human migration driven by wars and destitution, and unprecedented wealth concentration amid widespread poverty, posing threat to the very sustainability of our planet’s health and habitat. Some of my academic colleagues have taken me to task for skilfully avoiding the difficult question of what the ways out are, while pointing to the fallibilities of the system.

The book does discuss the moral case of income redistribution beyond the usual debate about economic consequences of redistributive policies, and quotes Cambridge economist Sir Partha Dasgupta as saying that no country is so poor that it does not have the means to provide for the basic needs of its entire population. The moral case I made rests to a large extent on the fact that the element of luck plays an important role in income distribution, which is underplayed both by pro-market conservatives who extol the virtues of entrepreneurship and effort, and by left-leaning progressives who put the blame of inequality entirely on the processes of the market economy. Poverty in a market economy may simply result from economic failure due to bad luck, so society has a moral duty to provide “insurance” for such failure. Similarly, much of the wealth concentration may be due to rent-like income earned by luck—and not necessarily through entrepreneurship alone.

This later aspect of inequality points to the possibility of redistributing not only

income, but income-yielding assets as well, without doing much harm to entrepreneurial incentives. For this, the example of China is not of much help either, given that income inequality there has risen phenomenally from the pre-reform days of the 1980s to the present. This shows that even a communist political system cannot be immune to private income and wealth concentration once the forces of the market economy under private ownership are unleashed. Besides,

experiment of a command economy and the contemporary economic success of China have proven the essential role of the market and private entrepreneurship in achieving economic prosperity. On the other hand, the debates about the pros and cons of income redistributive policies do not provide much guidance regarding how to contain the increasing economic power of corporate business that corrupts democracies and prevents undertaking of any deep welfare-

created to acquire portfolios of assets through acquisition of business shares—“topsy turvy nationalisation,” in his words—and by appropriately designing an inheritance tax. The return on these assets could then be used as a social dividend or basic income for the poor. This, he argued, would avoid the entrepreneurial disincentives created by income redistribution through high income taxes. While the social democrats in the UK toyed with this idea in the 1980s and the 1990s, it became a “lost perspective” afterwards.

Ironically, the idea of public asset ownership was revived by the ultra-conservative administration of US President Donald Trump, when it proposed to take equity stakes in Covid-impacted companies as a condition to providing economic assistance—“equity for a bailout,” in common parlance. Earlier, during the financial crisis of 2008-09 in the US, the financial bailout of General Motors also involved acquisition by the US treasury of non-voting company stocks. In the deeply rooted culture of Western capitalism, these measures were conceived as only temporary, with the idea that the government would opt out of asset ownership as soon as the companies came out of the debt repayment and liquidity crisis.

However, the scope for experimenting with such a model is much wider in many less developed countries. With rampant capital flight in these countries, many well-run private businesses fall into debt repayment crisis—not because they are not profitable enough, but because the profits are expatriated abroad. The governments are forced to bail out these companies by various financial assistance, like allowing additional loans and rescheduling existing loans at concessional interest. The interest rates on these loans in real terms—that is taking inflation into account—often turns out to be negative, thus putting a heavy burden on the financial institutions and harming

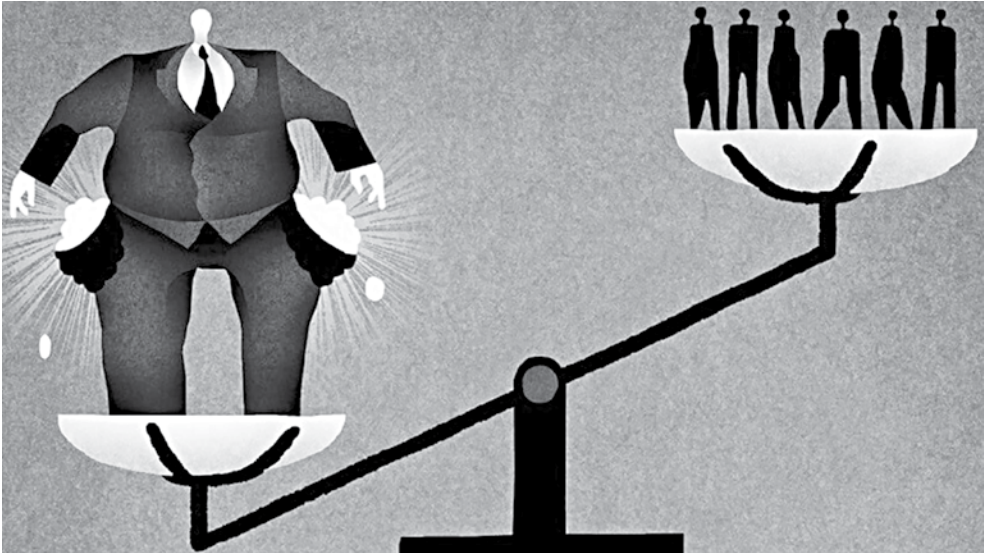
the economy at large. The government can, instead, salvage the companies by acquiring dividend-yielding assets, and create a public trust to spend the income from the dividend on public welfare activities.

This model of a welfare economy—let’s call it “democratic shared capitalism”—would admittedly appear to be rather utopian, as Meade himself thought his idea of “property-owning democracy” was. The economists once advocating the so-called “Washington Consensus” doctrine of “privatise, liberalise” will be horrified at the notion of going back to the era of state-owned enterprises (SOEs). These SOEs were not only used to be ill-managed because of a lack of profit-maximising incentives of the government functionaries who ran the SOEs, but they also proved to be a drain on public resources and were treated by bureaucrats and politicians as a means of extracting all sorts of benefits.

The idea proposed here will work only with a deep political commitment and a fundamental change in the mindset. The management of the companies in which the government will acquire stakes will have to be allowed to operate completely independently, like any private business, while the performance of their management will be judged purely by their performance in maximising shareholder dividend—albeit under the usual market regulatory framework. That sort of change in mindset will not come in a situation of business as usual, but may only happen at a time of crisis when a regime comes to realise that its very legitimacy and viability are at stake, and that it should leave a legacy for the future. Who knows a new and more humane model of market economy will not arise from the Global South that is in transition, rather than from the mature capitalism of the North with its general abhorrence for such “statist” ideas?

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State investment in private businesses may prove to be effective in reducing wealth gap—with the right setup and strong moral and political commitment on the stakeholders’ part.

ILLUSTRATION: COLLECTED

a totalitarian regime with minimal human rights is not an ideal example to imitate.


In fact, a clue does already exist—even if it may only be in the form of a conceptual model. The idea is about how to combine a mechanism for generating enough public funds for a welfare state and thwart any unmitigated concentration of private wealth, while also harnessing the strength of the market economy. The failure of the Soviet

oriented reforms, whether for removing global poverty or protecting the environment.

The new economic arrangement I am alluding to originates from a relatively little-known book published in 1964 by Nobel laureate economist James Meade, titled *“Efficiency, Equality and the Ownership of Property.”* In this book, he proposed what he called a “property-owning democracy,” in which a state investment fund may be

16 DAYS OF ACTIVISM AGAINST GENDER-BASED VIOLENCE

Shifting the onus: Unshackle gender from violence



Seity Sabur

I was invited to write for 16 Days of Activism against Gender-Based Violence, and it felt as if the universe was preparing confetti of convoluted emotions to throw at me. Frankly, I am tired. I can share data, write about dozens of cases of gender-based violence, and even provide some band-aid solutions. But I won’t do that here. Instead, I will stick to a few extreme, well-known cases, to save both the readers and me some time, and argue for a full system reset for us all—individually and collectively.

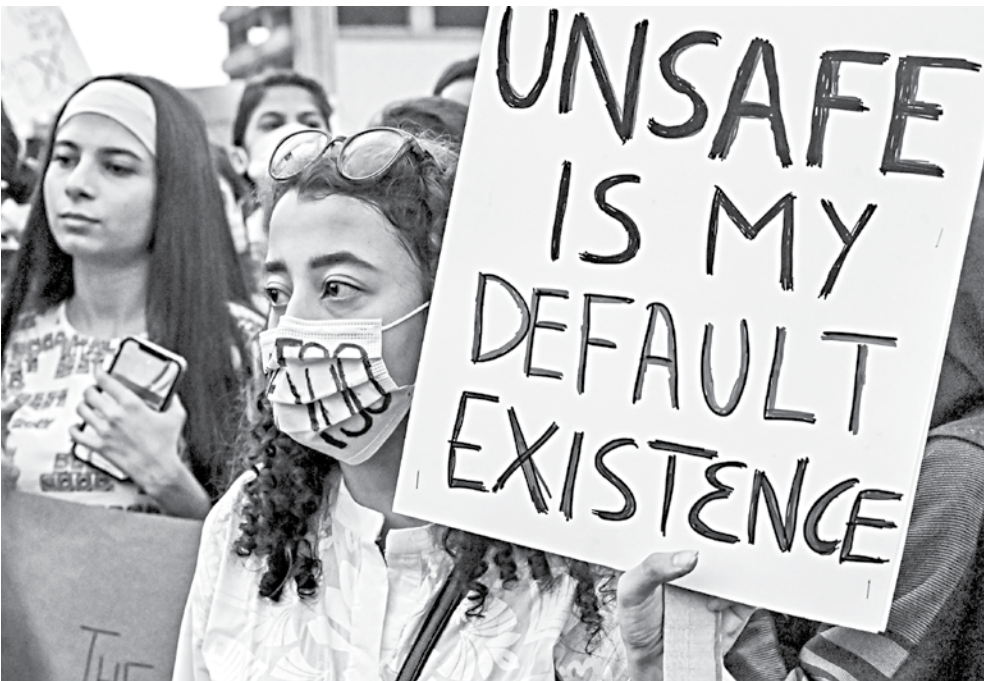
These cases were sensationalised, and the media managed to manoeuvre the discourses and divide people into two major camps: critics and allies of the victims. First, we have Bashundhara Group MD Sayem Sobhan Anvir, against whom a case was filed this year over abetting the death by suicide of a college student at a Gulshan flat in Dhaka, and whose name was later mysteriously dropped as the prime suspect. Second, we have Shafat Ahmed (son of Apan Jewellers co-owner Dildar Ahmed), his friend and director of Regnum Group Shadman Sakif, and two of their associates, who in 2017 allegedly raped two private university students at gunpoint at a birthday party in Banani’s Raintree Hotel; they have all just been acquitted. Judge Mosammat Kamrunnahar also recommended that police not accept any rape complaints after 72 hours, sparking a widespread outrage.

The onus, in both cases, was put on women. “Why were they there in the first place?” we asked, as if women with perfect moral compasses are somehow “safe.” How, then, could Shahinur, a young man from Joypurhat, have offered to accompany a schoolgirl for her safety, only to rape her and call his friends to join him? Even though the girl and her family managed the courage to

file a case, she committed suicide after 11 days of police inaction. How could a college student be threatened with rape by a bus driver and his helper, in broad daylight, just for paying half the fare? No one called out the perpetrators or dissected their characters for throwing a wild “birthday bash,” keeping a lover in a secret flat, or for being openly aggressive, let alone question their intent to violate women. The fact that we police and ostracise women for being at parties or for their romantic relations are proof of just how ready we are to normalise violence in everyday life.

A post I found on a satire page asked a simple question to women: “What would they do if they were a man for a day?” My heart broke reading the innocent responses, not to mention the hatred men unleashed in reaction. Their fragile egos could not even handle the simple image of a woman walking on the road in the middle of the night, sipping tea at a *tong*, running/cycling through the rain, or going on a solo trip. It is frankly bizarre that a society-state can so easily deny half of its population the basic right to exist without the fear of being violated or murdered, and then punish them for demanding that right. As a woman, an academic and an activist in my 40s, I know I am not very different from any of those girls, and I know the price I had to pay for my free will. For working class, indigenous, non-Muslim and trans women, the realities are much worse.

Ask my Anthropology 101 students, and they will tell you why patriarchal societies are always more violent than matrilineal ones; they are characterised by struggles over scarce resources, and capitalist societies are no exception, whereas we essentialise patriarchy and gender stereotypes, as if they are timeless constants. We forget that gender is culturally formed, performative and historically contingent, and thus cannot be treated as social “DNA” that is impossible to change. Our gender awareness, however, comes at the ages of three to five years, and



What is it about women asking for the basic rights to freedom, justice and safety that gets our society so worked up?

FILE PHOTO: AFP

we evolve as gendered beings throughout our lives. We pick up our gender cues from our families, peers, and institutions, and learn how to be gender “normal.” We police our girls in the name of protection, scrutinise every fibre of their beings, and make them carry the burden of shame for their very existence, while encouraging our boys to be entitled, ambitious, to go forth and conquer. We criticise, tease, and bully our children, threaten them with violence to make them conform, putting them in their gendered place. We raise our men to be beasts on the prowl, and we send out our daughters as the prey, to battle it out in an unequal field. It is hardly surprising, then, that we always put the onus on the victim.

That is why the parents of the perpetrators in the Raintree rape case could call it just a

callous “mistake,” or why the suicide victim’s sister was made to feel ashamed of the former’s relationship with the Bashundhara Group MD. Let’s accept that, collectively, we have raised generations of aggressive and potentially violent men. We have failed our children; I have seen so many students—men and women—who believed in dominant gender norms, but also grew exhausted and bruised from fighting against the system. I have seen their insatiable will to learn and change, and the transformations they slowly underwent. How much more could they have become if we had built a nurturing environment?

Eliminating gender-based violence is not rocket science. For decades, UN Women has known that we need states to work on its root causes and bring gender parity in law,

and committed governments and strong, independent women’s rights movements to hold them accountable. Why, then, are we still where we are? Part of the problem lies within the transnational women’s movement itself. Women’s movements in Bangladesh, despite their strength, had to succumb to the UN agenda to form transnational alliances. With the neoliberal turn (1980-90s), “women’s empowerment” became a marker of progress; women had to shoulder both the nation’s progress and be the repositories of tradition/virtue, even when we failed to ensure their dignity and basic human rights. The saviour narrative of Western feminists, the UN, and donor agencies to emancipate women both from poverty and brown men posed a new challenge that had to be navigated carefully.

Yes, girls’ education rates and women’s visibility in the workplace have increased with women-friendly policies and affirmative action, but we forgot to equip the other half—the boys and men—to deal with these changes. We failed to unburden women from their role as sole caregivers, or change a patriarchal family structure that systematically manipulates and abuses women and children. If we really want to eliminate gender-based violence, we need to re-envision gender as a “domain of agency or freedom” (Butler, 2021), and collectively resist the violence imposed on us by ideal gender norms. We cannot get rid of these indignities by treating gender-based violence as a problem for women only. It is not enough to tell women to march ahead unless we create an enabling space. We need to put the onus on men (and patriarchal women) and make them see, feel ashamed of what they are becoming, how they are a step away from becoming monsters, with the state acting as the breeding ground for such monsters. It is painful, claustrophobic, to have to keep fighting for something that is supposed to be rightfully mine. Freedom is inevitable, but how much will we make it cost on the way?

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QUOTABLE
Quote



FRANZ KAFKA
(1883-1924)
Czech novelist

Every revolution evaporates and leaves behind only the slime of a new bureaucracy.

CROSSWORD BY THOMAS JOSEPH

ACROSS

1 China flaw
5 Airships
11 Script unit
12 Ventilate
13 Gumbo
vegetable
14 Inadequate
15 Golf peg
16 Father’s Day gifts
17 Blood lines
19 Mensa entry numbers
22 Aids illegally
24 Confess
26 Shopping site
27 Opera song
28 Debate topic
30 Moved stealthily
31 Ruby of films
32 Clinic shots
34 Captain of

fiction
35 Flow out
38 Picture puzzle
41 Soft cheese
42 Red-and-black bird
43 Infamous czar
44 Set electrician
45 Bit of rind

DOWN

1 Artery problem
2 Walk in the woods
3 Backwards
4 Casserole bit
5 Washroom sight
6 In this manner
7 Crocus cousin
8 Pop’s partner
9 Baby beagle
10 Pig’s digs
16 Frank McCourt

book
18 Question from Caesar
19 Kept for emergencies
20 Witty remark
21 Petty fight
22 Surrounded by
23 Ignoble
25 Cautious
29 Sigh, say
30 Fare carrier
33 Less refined
34 Since
36 Prejudice
37 Flexed
38 Steady run
39 Radio’s Glass
40 Online picture format
41 Entertainment industry, slangily

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1 2 3 4 5 6 7 8 9 10

11 12 13 14 15 16 17 18 19 20 21

22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45

9-15

YESTERDAY’S ANSWERS

M E T E S B E G O T

A M E N S A R E N A

C O N S E C R A T E S

E T A R O T F A T

S E N D I N F A C

S T A F F P A R T S

I S L E S

S E A L A N T E S

E N V Y T R A D E R

A C E P E I A I V E

C O N F I S C A T E S

O R G A N O V E R T

W E E D S A D E S

BEETLE BAILEY

BY MORT WALKER

HERE! BE SURE TO FOLLOW STANDARD GOVERNMENTAL PROCEDURES

EXPLAIN ‘STANDARD GOVERNMENTAL PROCEDURES’

DARN IT, BEETLE! YOU ALWAYS MANAGE TO COMPLICATE THINGS!

7/15

BABY BLUES

BY KIRKMAN & SCOTT

HERE YOU GO, GUY.

WHAT’S THIS?

LOAN APPLICATIONS FROM NOW ON, I WANT YOU TO FILL OUT ONE OF THESE BEFORE YOU ASK FOR MONEY

CHARACTER REFERENCES?? ANYONE BUT HAMMIE WILL WORK.