

Foreword

Contemporary history can be described as the conquest of the world by an ever-smaller number of huge conglomerates organized into multinational corporations. These corporations are engaged in a permanent war with one another to control markets with the shared aim of subordinating all human endeavor to the logic of private profit.

While the processes of capital accumulation and concentration have long been with us, in recent times they have been dramatically accelerated due to a number of technological upheavals. Thanks to the transformation of data storage, processing, and transmission techniques—computing, robotics, telecommunications—for the first time in the history of human civilization it is possible to pursue planetary strategies in real time. In other words, it is possible from a given location to track and evaluate continuously the application of decisions anywhere else on the planet—and to adapt the content, location, operating conditions, and outputs of any type of activity accordingly.

The effect of this technological revolution has been amplified by two other upheavals, of a political nature.

The first is the challenge by multinational companies—in the name of “freedom”—to the sovereignty of governments and their regulatory role. This is especially the case in the fields of the economy (currency, exchange, customs, interest rates, capital flows, monetary policy, taxation and fiscal policy, the public sector) and social policy (social programs and labor laws, from the minimum wage to family benefits, and also trade-union rights, pension plans, health care, and education). This challenge has been legitimized by a particularly aggressive brand of liberal ideology, and backed by the full weight of those who hold the reins of economic and cultural power. No effort is spared to promote the idea that private initiative is superior to public intervention, contrasting the efficiency and profitability of the former to the incompetence and wastefulness of the latter. Or the idea that humans naturally prefer private initiative over collec-

tive solidarity. Or the need to limit the state and government to the sole task of upholding law and order, social control and the defense of personal safety and private property. While this ideological campaign never tires of insisting that a free country is one in which there is freedom to do business, it remains curiously silent about the permanent collusion between the state apparatus and big business lobbies. It has, however, led to the implementation of policies of systematic deregulation that seek to fulfill two wide-ranging objectives.

First, there is the objective of progressively establishing—sector by sector—a global space, or rather a world market, in which the only law is that laid down by multinationals to regulate the competition between them, a kind of chivalrous code for economic warfare. The task of drawing up and overseeing such a code, for example, has been devolved to the World Trade Organization (WTO)—a gargantuan organization that renders null and void the legitimacy of national states and governments.

The second objective is providing the best possible opportunity for those with the requisite astronomical wealth—that is to say, the multinational corporations—to take full advantage of the potential created by new technologies. This is especially so in the financial sector—where the split-second transmission of capital and the mushrooming of exchanges, brokerage houses, financial products, and speculative instruments have created a massive financial bubble out of all proportion to economic realities. Between \$1.2 trillion and \$1.5 trillion are traded each day on the markets, the equivalent of one week of US GNP and sixty times the funds needed to settle actual international transactions in goods and services. This bubble could burst at any time and do irreparable damage, as has already been the case in Mexico and, more recently, in Southeast Asia. This financial bubble is the scene of the hottest investments and the most risky speculative operations; it is also the destination of choice for a significant proportion of the savings deposited in mutual and pension funds, and for the liquid assets of banks and companies.

The second political upheaval was the fall of the Berlin Wall in December 1989, an event symbolic of the collapse through implosion of the bloc of socialist countries led by the Soviet Union. It was also symbolic of the disappearance of an economic and political system that put itself forward as the historic alternative to an increasingly unpopular capitalism. The socialist sphere of influence put up no resistance and displayed a kind of greed-induced naïveté; it was quickly conquered by the Western free-market democracy model. This has not been the case for a handful of countries in the process of rapid transformation (such as Vietnam) or reduced to decrepit museums of a long-gone era (such as North Korea). Nor has it been the case for China, which intends

to retain its political autonomy behind a wall of market socialism in which there is a great deal more market than socialism. The triumph of capitalism resulting from the disintegration of its archrival put an end to the East-West conflict, which had overdetermined international relations and the fate of peoples and nations for some fifty years. This triumph also put an end to the “Third World,” a term used to describe the often risky attempt by countries of the South as a whole to use the superpower conflict as a means to protect their economic and political independence. Above all else, this capitalist triumph over the Soviet Bloc has confirmed the historic defeat of the working classes and the world proletariat. Henceforth, they will be condemned to limitless exploitation by a brutal and arrogant capitalism that, at long last, has been delivered from its age-old fear of world revolution.

This is the state of affairs as we embark upon an era in which the world’s new masters seek to establish a universal totalitarianism. Indeed, this is the only possible way for the handful of all-powerful economic warlords, who will soon own most of the planet, to perpetuate their domination over many billions of victims. The progressive establishment of this new order is being carried out in three main areas.

In the first place, there is the near-monopoly of the ideology of the ruling classes and of the neoliberal discourse that legitimizes their rule. Whether the printed press, radio and TV, publishing, academic institutions, think tanks, or talks and seminars, little in the field of the production and dissemination of mainstream ideas is not directly or indirectly controlled by those in positions of wealth and power. The scope for manipulation provided by the mass media, their potential for “manufacturing consent” and adapting their message to each audience, gives them unlimited possibilities for subjecting ever-greater sectors of the population to their influence, especially those most likely to become their victims. Fewer and fewer people have the wherewithal to extricate themselves from the dominant discourse. An overwhelming majority of intellectuals has been won to the new dominant ideology. Before, the intelligentsia were mobilized in opposition to the Establishment; now they have become its well-paid guard dogs. A veritable caste of arrogant and cynical intellectuals has emerged to defend the liberal faith, to declare the “end of history,” to hunt down and burn at the stake all those who dare contest the new doctrine. They monopolize the written and spoken word, recite the free-market mantra, and pull economic “miracles” out of thin air. These new theologians and dedicated scientists of the liberal faith do not hesitate to falsify history to erase anything that might contradict their regurgitated “truths,” nor do they balk at manipulating statistics to give their pontificating a scientific gloss. In this, they have

continued a proud tradition of totalitarian practices that began with the nationalist bourgeoisies and was perpetuated by fascist and socialist regimes. From a very young age, children are enrolled in the economic war, put forward as the unavoidable choice between life and death—both at school and in their sporting activities, where each is pitted against all and where victors and the powerful are praised and losers and the weak are contemptuously dismissed. For all this, however, no attempt is made to pinpoint the exact purpose of this indefinite and perpetual war of the kind described by George Orwell in *1984*. The war’s objectives, one’s allies, and one’s conquests are ephemeral, in a constant state of flux.

Second, there is the attempt to submit the whole of human activity to the market order and the rule of profit. No sphere can escape this process, neither the protection of privacy, nor the right to breathe unpolluted air, nor the use of human genes. Everything can become a commodity, including spirituality, and enter the circuits of capital in order to be made profitable. The goal is that of granting capital totalitarian control over human and biological life and development. This shameful pillage of humanity’s collective inheritance has necessarily been accompanied by wide-ranging and growing criminalization. While the old order has been destroyed and the rules governing relations between states and between states and multinationals are no longer effective, the resulting vacuum has not been filled by a new set of rules and corresponding sanctions for the new order. Brutal competition between the various economic warlords has, instead, been greased by generalized corruption. Not a single country, not a single market, remains untouched. Not a single oil contract, public works project or arms deal, not a single significant market study or supply of goods or services, nothing takes place without payment of commission along a complex and variable set of guidelines in which all concerned parties become enmeshed. A chain of offshore tax havens encircles the globe, in close proximity to the major North American, European, and Asian powers. Their banks provide the logistical backup and launder misappropriated sums totaling hundreds of billions of dollars. The same network serves to finance the underground economy, in particular drug trafficking. The banking sector is directly involved and makes a handsome profit through this permanent symbiosis between organized crime and the business world—whose natural affinities are legion.

Politics is the third area in which the new order is asserting itself. The obligatory political model has become that of market democracy, in which the legitimacy of government obtained through universal suffrage is subordinate to the sovereignty of markets, always at the ready to punish elected governments. As spaces for the peaceful resolution of social conflicts, political institu-

tions have been reduced to shells of their former selves. They are mere window dressing, keeping up the democratic illusion in governments that are less and less so. Behind this façade of virtual democracy, ever more sophisticated techniques of surveillance and social control are developed and tumble into the hands of those holding the reins of capitalist power. Unbeknownst to most citizens, networks of computerized files, accessible to all for a price, encircle their personal and professional lives. There has been a multiplication and growing specialization of public and private police services of all kinds. Cameras monitor public and private venues; computers permanently track people's activities and movements; specialized personnel (social workers, police) monitor and control neighborhood life, communities, and age groups considered to be dangerous or at risk. One day soon they will be electronically (genetically?) tagged and tracked, as is already the case in the world of prisons and crime prevention. Wherever social control seems to be a waste of effort and too costly, vast rural and urban zones and their populations are abandoned to the barbarism of those patchwork and disparate zones of the planet where even the heartless standards of "globalization" do not hold sway.

There is, however, nothing inevitable about this process of globalization and the establishment of a totalitarian universe. The destruction and hair-raising increase in social inequality that result from this process have provoked a large number of pockets of resistance scattered across the globe. Nowhere is it written that the peoples of the planet are somehow predestined to a new form of slavery. Through the course of human history, the aspiration of peoples to freedom and justice has never failed. Of course, no resistance will have long-lasting effects without an awareness of the ways in which the capitalist system operates in the era of globalization and a sound understanding of its sophisticated techniques of domination.

Eric Toussaint has done a commendable job of contributing to the development of just such an awareness and understanding. He has helped us to understand the question of debt, one of the main ways in which the peoples of the world are exploited by those who hold the reins of capitalist power. With the pedagogic approach of someone unflinchingly dedicated to overcoming this exploitation, he places the problem in its proper historical and geopolitical context. In so doing, he has fulfilled his objective of contributing to the emancipation of the oppressed, wheresoever on the planet they may be.

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Introduction

The most urgent task is not to deliver up the poor to the appetites of the wealthy, as do the World Bank and the IMF at the moment, but to preserve for the long term hard-won social and environmental guarantees. Those guarantees should then be spread to all the inhabitants of the planet.

—Albert Jacquard, *J'accuse l'économie triomphante*

A growing number of the planet's inhabitants have access to little more than the strict minimum necessary for survival. Cut off from knowledge and excluded from social life, they are denied the most basic human dignity. Consequently, they lack self-confidence and self-respect, and have little confidence in and respect for others. Such things are difficult to capture statistically, but it is no exaggeration to say that more than a billion people live in such a state—a state that destroys all hope, a subhuman state, an unacceptable state of affairs.

I am haunted by the memory of street children in Cartagena de las Indias in Colombia. At dawn, dressed in rags, after sleeping on the bare ground wrapped in nothing but bits of cardboard, they began their daily search for glue to sniff. They were between the ages of seven and eleven. That was in 1992. These children had no right to food, to decent clothing, to a roof over their heads, to health care, to education, to affection. No rights. They, and thousands like them, had sunk to sniffing glue in order to quell their hunger pangs day and night.

When I bought them something to eat from a stand at the Cartagena docks, they swallowed slowly and with difficulty. Their bodies were used to glue fumes, not food, fumes that both relieve and destroy them. What is the average life expectancy of these children? Twenty years? Twenty-five years? They are known as *desechables* to many in Colombia, a term that usually refers