

## Chapter 27

# Recognizing the Need for Change (First Movement)

Stephen Hill, Stomu Yamash'ta and Tadashi Yagi

The vision of the light emanating from the ‘crack’ in global economics, remains, however, obscured. People are starting to recognize a problem with globalization, but many are moving in the wrong direction to address it.

Newly elected President Trump of the United States is seeking to paper over the cracks—to create, as is demonstrated in Chap. 25, a world of *denial*.

The fact that he was voted in as US President demonstrates, however, that he is not alone. The exit of Britain from the European Union through ‘Brexit’, the broad-ranging rise of ‘populist’ right wing political candidates across the developed world seeking to limit globalization’s impact for their own constituents, attest to a wider international movement.

As demonstrated in Stephen Hill’s Chap. 25, Donald Trump’s success is built on the fears of people who find the doors to their protected interests have been opened too wide, so wish to close down national boundaries, and return to a nation-focused industrial past from which the world has moved on. They are seeking isolation from others crossing their own international borders, bringing with them the religious and ideological diversity that characterizes a *world* of open borders rather than one of a

---

Please note that citations are only provided through this Conclusions ‘Suite’ if an author or reference is used which have not been cited in the Chapters these Conclusions refer to. The reader can find citational support for the argument by referring back to the Chapter identified.

---

S. Hill (✉)  
University of Wollongong, Wollongong, Australia  
e-mail: [sthill@uow.edu.au](mailto:sthill@uow.edu.au)

S. Yamash'ta  
Center for the Study of the Creative Economy, Doshisha University, Kyoto, Japan  
Sound Core Co., Ltd., Kyoto, Japan  
e-mail: [info@sound-core.jp](mailto:info@sound-core.jp)

T. Yagi  
Faculty of Economics, Doshisha University, Kyoto, Japan  
e-mail: [tyagi@mail.doshisha.ac.jp](mailto:tyagi@mail.doshisha.ac.jp)

‘protected’ local community. This global movement threatens the locals’ entrenched and comfortable beliefs. Indeed, it would appear Donald Trump has appealed to those fearful of losing ‘The American Dream’ that his people cherish, raise flags in their front yards for, and send their children off to war to protect. “*America*”, he preaches, “*will be great again!*”

Trump, however, is moving “Forward to the Past”. He *denies* what by far the majority of scientists in the world assert, that is, ‘Global Warming is very real; carbon dioxide emissions are a major contributor; and, this force will inevitably cause major disruption to our world unless it is stopped.

But, staring him down is the future, for it is here NOW!

Global warming is already upon us. As reported in Stephen Hill’s Chap. 2, 744 scientists, the best from around the world, producing the 2015 United Nations Intergovernmental Report on Climate Change, reviewed 12,000 of the latest relevant scientific studies to conclude,

Warming of the atmosphere and ocean system is unequivocal.

Indeed, the World Meteorological Organization (WMO) concluded three years ago that we were about to breach the level of carbon dioxide in the atmosphere that could cause enough sea level rise, drought, and severe weather to significantly harm human populations. By their 2014 data and projections, we may now, in 2017, have already crossed this threshold.

Check out the “Earth System Trends” Fig. 3 in Ryuichi Fukuhara’s Chap. 3 if you need any more convincing. Amongst other indicators, *exponential growth* is demonstrated just since 1950—in carbon dioxide, nitrous oxide and methane gas emissions; in surface temperature; ocean acidification; terrestrial biosphere degradation; tropical forest loss; and, marine fish capture.

Behind these frightening indicators is the core dynamic of neo-classical economics and the associated philosophy of neo-liberalism, “*let the market rule*”. Fukuhara demonstrates, through the case-study of cotton farming and use, how powerful major agricultural industry expansion decisions have been on causing massive environmental damage. In complete harmony with the neo-classical/neo-liberal creed, care for the ecosystem that supports cotton production is, ‘necessarily’ sacrificed for the sake of maximum short-term profit. Most importantly, this dynamic of greed and growth, required expanding cotton cultivation to unsuitable regions at too large a scale. Amongst other things, cotton production has all but dried up the Aral Sea, the world’s fourth largest lake until the 1960s, shared between Kazakhstan and Uzbekistan. Globally, cotton production now consumes 2.5% of the total water withdrawal from the earth ... whilst millions of children around the developing world cannot access clean water to drink.

The neo-classical economic dynamic reaches even further into creating enormous danger, in this case, to our food supplies. Biodiversity of humanity’s main staple food crops now lies firmly in the hands of a very limited number of executives of major transnational corporations. Hill provides a number of examples in Chap. 2. Most alarmingly, *three* agricultural firms, Monsanto, DuPont and

Syngenta, control over *half* of the global commercial seed market. Increasingly, genetic engineered seeds are replacing natural seeds—so natural diversity is severely impacted. A key reason why genetically altered seeds are needed is to resist the anti-weed ‘Roundup’ chemical spray that Monsanto sold to the world earlier, creating the need, as it turned out, for their next product. Consequently, Monsanto’s biotech-sourced seeds accounted for 87% of the total world area devoted in 2007 to farming from genetically engineered seeds, whilst this genetic seed market is rapidly expanding, as is the land area devoted to genetically manipulated seeds. In the United States, to take a leading example, between 86% and 93% of the three major commodity crops, soybean, cotton and corn, are genetically engineered, whilst canola checks in at 64%. Monsanto alone controls the patents for 90% of soybean production and 80% of corn grown in the US. The seeds are intentionally sterile. Farmers, even in the poorest countries, must purchase seeds for their next crop *every* year. Again, this is entirely in keeping with good neoclassical economic practice. It is just that the dimensions of power and centralized control have been added.

The average citizen however has turned his or her eyes away from these dangers. For they have enjoyed luxuries from the massive post-Industrial Revolution growth in industry and consumerism that could never have been available before. Thus, they have become hooked on the growth-based economic dynamic that feeds this lifestyle. Trump’s support in the United States is not about limiting consumerism or handling the future. It is about recovering a lost past.

However, along with continuing economic growth and its expansion of exploitable resources, our world population exploded, as Ryuichi Fukuhara demonstrates in Chap. 3, from 800 million in 1750, to four billion in 1980, and then, in just over the last 35 years, to seven billion—many of whom are seeking to participate in this apparently limitless consumer culture. As example, 70% of Indians possess mobile telephones while 40% have toilets. The exponential curves of environmental impact follow, as globalization extended its profit-centered interests out to serve this rapidly expanding market—chasing the potential consumer down, even to the poorest of villages and farms. Indeed, as Fukuhara reports, the impact of humans on the very basic dynamics of our planet is now so great that an official expert group reporting to the 2016 35th International Geological Congress in South Africa, recommended declaration of a new geological epoch, the “Anthropocene”, beginning in 1950—a depiction of the new period of the earth’s history when humans are actually *changing* the earth’s environmental dynamics at a global planetary level.

Donald Trump denies all this. And, his views represent those of many Americans. As Grace Gonzalez and Ed Arrington observe in Chap. 5, 50% of American adults do not believe climate change is a product of human activity. So Trump’s leadership in denial is disturbing. To justify his assertions, President Trump produced “alternative facts” (that is, unsubstantiated lies)—usually, in messages within the ‘tweet’ limit of 140 characters.

Employing social media is a great strategy for propagating ‘alternative facts’, and creating a highly dangerous “post-truth future”. As these assertions get picked

up and passed on to a geometrically expanding number of others – that is, “going viral”, they assume the legitimacy of public acceptance over expert knowledge – a serious problem of knowledge validity in our present age. ‘Tweets’, in particular, are a further threat as, within just 140 characters, they can be nothing but a summary assertion with no evidence-based support whatsoever. Indeed, as Juwei Shi points out in Chap. 23, the Oxford English Dictionary named “post-truth” as their 2016 “word of the year”.

As observed in Hill’s Chap. 25, Trump’s ‘tweets’, and consequent policy actions, excused his reversal of ecologically and culturally conscious decisions that previously prevented the building of major pipelines to carry piped tar sands crude oil from America’s North to West Coast refineries where this crude oil requires particularly polluting heavy-duty processing to turn it into a marketable product. Additionally, it is basic to Trump’s ‘jobs’ strategy to give his permission for continuing and uncontrolled pollution by American industries—based on the power generated by politically-washed “clean coal” for immediate short-range (political and commercial) advantage... and JOBS! Even, as Hill observes in Chap. 2, the officially independent Environmental Protection Agency of the United States can not provide a voice of reason any more for they must now have all scientific reports approved or censored by White House staff before publication to ensure they align with President Trump’s “vision”.

Meanwhile, the damage being done to the social fabric of care for the dispossessed globally is being torn apart—primarily to ensure tax breaks for the rich and unconstrained expansion of greed.

Both Stephen Hill’s Chap. 2, and Tadashi Yagi’s Chap. 4 demonstrate the level of inequality that follows. Just 0.01% of the world’s population control 30% of the world’s wealth while 99.1% control just over *half* of this level of wealth, that is, 19%; and 34% of the world’s population live in abject poverty, surviving on an income of less than two dollars per day. One-third of our humanity is unlikely to have access to safe water, decent food, any welfare or health support, or education—living in a pit of desperation to survive, and for their children to grow up to maturity.

Meanwhile, as noted earlier, *eight men* face the poorest half of humanity, 3.6 billion people, with the same level of wealth as all of them put together.

Actually, they don’t ‘face’ the poorest. Instead, they fly over them in their personal, polluting, jet planes, to enormously expensive resorts, often carved out of previous ecologically pristine natural environments, where they can relax amongst the glitterati, even ... the Kardashians.

Meanwhile, the neo-classical economics of globalization is not improving inequality. It is making it worse. As Thomas Piketty comprehensively demonstrates, our economics regime has done so through the entire history of capitalist-based industrialization—largely because inherited wealth is passed on and builds the platform for subsequent wealth expansion of an increasingly smaller elite! Even more basically, the underlying power dynamics behind the exercise of neo-classical economics—in its practice globally, have an enormously distorting

influence to keep the rich wealthy, and to impoverish the poor. At heart is the value of self-interest.

Tadashi Yagi, in Chaps. 4 and 14 (with Yamash'ta), demonstrates ways in which this happens under a monetary economy. People who are poor in monetary terms are likely to remain poor and disadvantaged as they cannot get to first base in the wealth-generating economy. High volatility in employment opportunities and inflation impact the lives of workers in urban areas because the owners of capital generally see labor as a cost to be minimized rather than an organization community to be nurtured. So, income inequality expands and emotional happiness is lost.

As Stomu Yamash'ta and Tadashi Yagi show in Chap. 14, in a society where efforts to build *trust* are neglected—not even a measured factor in neo-classical economics, the economy becomes inefficient. When people are monitored by employers and transactions are based on contract, mutual assistance cannot be expected, and psychological resistance to committing crime is lowered when people are not emotionally connected. Without an environment of trust, individuals will look for advantage by whatever means, and must develop countermeasures against attacks from other members of the society. Alternatively, where there is trust, individuals feel sympathy for their employer, feel others are thankful for their contribution, and will therefore be more creative and productive. Besides, the potential cost of monitoring does not exist.

As Yagi demonstrates, emotions are therefore central in economic activity, but generally neglected within neo-classical economics models of what people are expected to be. Mainstream neo-classical economics is increasingly finding it difficult to deal with the person and the essence of our humanity.

Meanwhile, neo-classical economics has put control of the economy into the hands of a very small number of corporate heads as demonstrated by Stephen Hill in Chap. 2. Just 147 companies, therefore, 147 CEOs, control nearly 40% of the monetary value of all transnational corporations—and the majority are 'super-entity' *financial* institutions, not producing anything, but pursuing the singular objective, *profit*. How their subordinate and networked companies produce this profit for them is irrelevant. To a large extent, the ultimate controlling corporations are outside public visibility, so remain unaccountable.

But, these global corporations call the shots—right down to the lives of peasants in remote societies, as is demonstrated in the opening depiction of the Ladakh community on the Tibetan Plain of Northern India in Stephen Hill's Chap. 18. Consequently, as for this remote community, the powers that control the global economy into which the Ladakhs became embedded since the 1970s, is way outside their sphere of influence. It cannot be interrogated or confronted—a context to which they must be obedient but cannot change, or, even understand.

Here lies the problem for the world as a whole. Control of the global economy is so far away from peoples' life world that it seems there is no way of attacking or changing it. Even behind the corporations that stand in front of daily experience, there is a powerful backroom command interested in nothing else but profit!

We therefore confront a paralysis. Whilst protests and committed movements for change are emerging, and indeed make incremental progress, they are

fundamentally likely to be sidelined or beaten down by both direct action and advertising ‘spin’ under command from the corporate interests that stand way behind the immediate experience of the public—but continue to maintain the economic ‘frame’ for global society, that is, the hidden ‘grammar’ for daily life expression.

As example, in the last week in Sydney, Australia (this is late April 2017), one of the commercial TV channels has been broadcasting so-called ‘documentaries’ of one-sided support for a commercial corporation’s programs, funded by the corporation, but with reference to corporate ‘interest’ buried in nothing but a rapidly-disappearing logo in the final credits – that is, with no declaration of interest. It is but a long, one-sided commercial attempt to fool the public into support for the corporation in a situation of continuing public contest. The ‘public’ community, needless to say, cannot afford an equivalent TV documentary response.

Consequently, the global economy today not only invades, but *disempowers* alternative action at the same time. As Ed Arrington and Grace Gonzalez observe in Chap. 5, capitalism at its core not only misrecognizes others who remain at a distance, but under cover of social contract and the doctrine that actions are right if they are useful to the majority, remains morally indifferent to them just as it exploits them.

The philosophy behind neo-classical economics is that of ‘neo-liberalism’ ... ‘let the market rule’, as we noted earlier. As Arrington and Gonzalez demonstrate, neo-liberalism has colonized the political with the economic, or, more accurately, with the capitalistic. When politics are colonized, so too are ethics. Therefore, disempowerment, or the conviction that one cannot change the current economic regime, is deep, for the values that underlie the neo-liberalism frame around our lives have become our own.

As Arrington and Gonzalez observe,

Ethics – the question of how we ought to live – is, in its economic context, reduced to questions of property rights, of individual identity understood as autonomous action in markets, and of the good society as that which protects those rights and those markets.

Consequently, life goals come to be understood in economic terms—responsibility to manage one’s own human capital to maximal effect, and therefore achieve stable employment, housing and even health services. Neoliberalism sees competition as the defining characteristic of human relations. Citizens are re-defined as *consumers*, democratic choices are best exercised by *buying and selling* against which one’s merit by the criterion of efficiency is measured. Our world is a competitive stage. Attempts to limit competition are inimical to liberty.

Tadashi Yagi’s Chap. 4 further demonstrates the limitation of neo-classical economics to solve key issues in globalized society. ‘Efficiency’ cannot stand for ‘fairness and justice’, values of far greater importance for people in a globalized world. Indeed, Yagi takes us back to the birth of modern-day economics and Adam Smith’s “the invisible hand”—the concept that resources are allocated efficiently in markets through transactions of goods and services where consumers seek to maximize their own utility and producers seek to maximize profits whilst the

market mechanism thence operates without any human controls. Selfish behavior, by this theory, leads to social harmony. The economic theory assumes humans act as “homo economicus”—with no ethical requirements and only economic concerns, and the mistaken belief that no harm will come to society from a collection of selfish individuals. Laissez-faire economic liberalism follows—privatization, fiscal austerity, deregulation, free trade, reducing government spending to enhance the role of the private sector in the economy. Profit for the few.

However, as Tadashi Yagi also demonstrates, most modern economists did not explore the other side of Adam Smith’s argument, for he also recognized “greedy capitalism”, the *immoral* behavior of economic agents versus the importance of ‘sympathy’ in building *trust*. Yagi takes this argument further, pointing to what is left out of our humanity, the emotional factors that real human beings must confront—sympathy, joy, anger, and the relation of these emotions to social structures—that reinforce culture, community and religious beliefs. All left out of the neoclassical economic equation.

Demonstrably, global capitalism has *not* led to harmony, for inequality is getting progressively worse, with consequence for not only those forced to live in desperate poverty, but also, as a breeding ground for conflict, and terrorism against the wealthy ‘West’. Meanwhile, control of wealth transactions is becoming enormously centralized ... and further away, wealth safe in Swiss Banks and tax-free havens, and corporations safe behind official State security protection.

Where, therefore, in this economic ‘progress’ is our shared “humanity”? Our ability to determine our collective future according to humanity’s values, rather than have it determined for us by an elite interested in nothing else but private profit and personal advantage?

Trump, discussed in Stephen Hill’s Chap. 25, and representing the worst of denial, is, however, the President of the United States, arguably the most powerful person in the world. He cannot be dismissed as an ignorant self-centered clown—because, enough of the people of America voted for Trump and precisely these policies. They voted because of unexamined *fear* of what globalization is doing.

More importantly, the movement in world opinion and power Trump represents is increasingly being reflected in popular right-wing movements across Europe and other developed countries, as we observed earlier.

These are the dangerous times to which our book refers, the platform for us developing “The Kyoto Manifesto for Global Economics”.

Donald Trump is likely to be left soon in the ideological shadows from which he emerged, hopefully having not caused significant damage before he leaves office. However, although, he has sought to paper them over, Trump has focused world attention on the ‘cracks’ in the fabric of globalization, and, for this, we should be grateful.

Others can see the cracks. But the light getting in remains dim.