

**A**FTER every war, every global or regional catastrophe, every pandemic, it is time to rebuild, time to emphasize the common fate of humanity. Systems of governance, economic orders and prevailing notions and practices of right and wrong and of justice and injustice are more or less thoroughly reimagined and refashioned. This happened after the end of the two horrendous world wars of the first half of the 20<sup>th</sup> century. Though on a much smaller scale, it happened also in all the regional wars in Africa and the Balkans in Europe in the second half of that century. In particular, the greatest moments of economic and social engineering for a more equitable world came on the heels of the devastations of the first and second world wars. After war comes peace, after torrential, greatly unwelcome rain comes quiescent calmness in the heavens, in homestead and farmlands. So will it be with capitalism as the reigning global order after the end of Covid-19.

Now, this idea might seem counterintuitive, perhaps even wrong-headed. This is because on a first look at the inner logic of the destructiveness of Covid-19 which separates people, communities and even family members apart, it attacks the moral and pragmatic foundations of human solidarity. Indeed this inner logic of the pandemic seems to have come just in time to intensify and expand the long trend in capitalism to make economic life more and more capital-intensive while making labour more and more exploited and even made superfluous as robots and processes of automation edge out workers in their millions in the rich countries of the world. But I don't believe that even 21<sup>st</sup> century capitalism, with all its considerable advancement in making economic life on the planet more capital-intensive and the exploitation of workers and their families more expansive will escape this older logic of nature and organized social life. What is this older logic? In the aftermath of every global or regional war or pandemic, there always comes a time to rethink and refashion the bonds that unite us as human beings.

I do not wish to be misunderstood. It is not every attempt to rethink and reorganize life and its economic and social bases after a war or a pandemic that succeeds. Some succeed and many fail. Here's one example of a spectacular failure. After the end of the second world war, it was clear to everyone, colonizer and the colonized, that the old colonial-imperialist order that gave the pre-war global order both its rationale and justification had to go. But what happened? Colonialism went and neocolonialism came to replace it as black and brown skins teamed up with white skins and turned billions of black and brown skins, with some millions of white skins, into the wretched of the earth.

But if there is no guarantee that the project to reimagine and rebuild life after a war or a pandemic will succeed, neither is there a certainty that it will end in failure. Nigeria and its encounter with the Ebola epidemic is one instance of this seeming "neutrality" of success or failure after a collective disaster. The whole nation



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# Beginning to reimagine capitalism after the pandemic – an outline



•Aliko Dangote and Bill Gates

rallied into a united peoplehood and nationhood during the brief rampage of the epidemic. But that real but in the end makeshift unity ended in no time at all as the nation, especially its rulers and leaders, quickly settled into the business-as-usual divisiveness that undergirds all acts of massive and unrelenting despoliation of the resources and assets of the nation and life became hellish for most of the populace. But Nigeria under the invasion of the Ebola virus was an epidemiological skirmish, not a total war. Not only was it short in duration, it did not cause a massive disruption of economic and social life that could prompt a "post-skirmish" reimagining of better life for all. For that, we have to look to the civil war of 1967-70. About two to three million dead and most of it under extremely savage conditions whose ferocity shocked the entire global community. And yes, some attempt at reconciliation and reconstruction was made after the cessation of hostilities. But the imbalance between "victors" and "losers" was too wide and we must admit that the devastation caused by the war was heavily lopsided as more than two-thirds of the country and its peoples were spared the worst horrors of destruction during the war. And there was also this: a ruthless, wasteful and predatory form of capitalism replaced the "export crop", import-substitution and benign and reformist capitalist economy of the pre-civil war era.

Will Covid-19 have a more sobering and chastening impact on Nigeria? This question is falsely put. Ebola was an epidemic, not a pandemic; for this reason, it could validly be regarded as a Nigerian occurrence, even with its

connections with other countries in our West African subregion. And for all its savagery and the wide ripples it caused in the international community, the civil war was also ultimately a "local" Nigerian affair. By contrast, there is no "Nigerian Covid-19" as such since the whole world without exception, together with the global economic order, is dealing with its rampage. To look at its real and potential impact on the global economic order, Nigeria will suffer the same fate as all the other countries of the developing world. Regardless of size and location, all countries with an economy that does not have a convertible currency and is massively dependent on imports will become extremely vulnerable as Covid-19 wreaks its havoc while it lasts. Here's one thing everyone can and should easily appreciate: we will be hard hit by the looming disruptions in the supply chain of the global economy.

But then there arises the question: which country, which region of the world will be spared the devastating impact of the looming disruptions in the global supply chain of our fully but unequally integrated 21<sup>st</sup> century capitalism? The answer to this question is unassailable. Yes, we depend on imports for nearly everything, from machines and supplies for our hospitals and factories to very simple products like pencils, toothbrushes, and toothpicks. They, they on the other hand, depend on supply of raw materials from us, on cheap and seasonal migrant labour from our regions of the world and on the insatiable appetite of our arriviste bourgeoisie for the luxury goods of their culture and leisure industries. So, yes, Africa and the other nations and regions of the

developing world will be hard hit by the economic depression that is already on the horizon of expectation of the impact of Covid-19 on our world. But so will the rich countries of the developed economies and polities. We are all together in this historic conjuncture, compatriots.

I suggest that this will be the basis for imagining new directions for capitalism in our world in the post-Covid-19 era: we are all together in a leaking, sinking boat. In every country in the world, only cooperation will work against the health, economic and social havocs of the pandemic. Yes, the claims of the richest corporations that employ the largest numbers of workers will attempt to achieve priority over the claims of other sectors of economy and society. Countries will try to assert their right to find their own unique solutions to the threats and uncertainties posed to all of us by the pandemic. And in time, many of the elites of the world will try to exploit and expand the advantages that their lifestyles give them over the lifestyles of the poor and the excluded; they will try to sit out the run of the rampage of the pandemic in relative isolation from the generality of the people. But, remember, compatriots, global capitalism is the glue that holds everything together. Do not leave out global capitalism in your thoughts on the portents of this pandemic.

At this point in the discussion, I come to the heart of the matter. Consistent with its name, its nomenclature, capitalism at every stage and in every form depends on the sovereign import of capital, especially with regard to who controls it, who makes it work for the group or class to which they belong. At the apex of its success as a globalized economic order, capitalism

established control by capitalists of everyone and everything in society, including and especially the governments of the countries of the world. This is what gave rise to the subbranch of the discipline of economics known as political economy: the subordination of even politics, of governance itself, to capital, business.

I suggest that Covid-19 is likely to subject this sovereign reign of capital and capitalists to its greatest challenge in the last two hundred years. Why so? The answer to this question is both simple and complex. Here is the simple part of the answer. As the world rises to the challenge posed by the pandemic, the ownership and control of capital and therefore of capitalists, will become the axis around which the defeat of Covid-19 will be consummated. Permit me to rephrase this point and make it easier to understand. The capital, the wealth that will be needed to defeat Covid-19 is too big for any capitalist, indeed too big for all capitalists, all billionaires combined; only the aggregate of the wealth of the nation, of the people, can achieve what is to be done. As a matter of fact, we are finding that in the wake of the devastations of the pandemic, the capitalists themselves have to be bailed out of the leaking, sinking boat! It is often said that they are too big to fail. Well, tell that to Covid-19! This brings us to the more complex part of the answer to our question.

Capital does not create itself; it is created by women and men working together to expand the current levels of individual wealth and social capital. Let us put this in a simple formulation: the infrastructures, the roads and highways, the bridges and tunnels, the airports and motor parks and the whole gamut of physical requisites for the generation of wealth are not the creation of capital and capitalists, they are created by and through the collective wealth of the nation. Even when they are literally built by capitalists, the capital with which to build them are provided through contracts paid for from the collective wealth of the nation and the people. Yes, Dangote made his wealth through his foresightedness and his mastery of modern techniques of entrepreneurship. But who does not know that beyond the sale of cement and other products, he too has depended on the contracts and infrastructures provided by the society?

There has always been a form of wealth, of wealth generation that supersedes the wealth of capitalists as individuals and members of a class. Covid-19 has brought us back to an acute awareness of this capital that has always been there before the modern advent of capitalism and capitalists. Covid-19 has brought back into very sharp focus the supremacy of this capital before and beyond capitalists. I admit that much of what I have said in this piece is heavy on abstract speculation and generalizations about a pandemic whose impact on our world is anything but abstract. In next week's conclusion, we shall make the observations and reflections more concrete, more evidence and fact-based. First of all, of course, we have to keep surviving the scourge of the pandemic.

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### Beginning to reimagine capitalism after the pandemic (2)

**W**E concluded last week's opening piece in this series on how the human and economic depredations of Covid-19 have so fatally crippled the private capital of the grant capitalist corporations that only the wealth, only the "capital" of the governments of the world can come to the rescue, not only of poor and working people but of the capitalists themselves. I wish to use this observation as the jumping off pad for this week's concluding piece. To do so, permit me to express this point plainly: employers and employees and the leaders and representatives of the struggling masses of the people, both are at last in the same boat. Each of them, both of them are looking for bailouts, for stimulus packages from the governments of the rich countries of the world.

Here's a concrete illustration of what this has entailed. In many of the European countries, the governments have taken over from failing or collapsed corporations and big businesses the responsibility for payment of salaries of workers. This will be for as long as the pandemic lasts. In the United States, two so-nearly \$trillion dollars have been enacted into law by the US Congress. And the "stimulus" is as much for the big corporations as it also for small businesses and for workers in their tens of millions who have lost their jobs. Please note that all the billionaires of the country combined cannot come up with that kind of money. And as if that stupendous sum of money is not mind-boggling enough, there's talk of a third stimulus package coming which, at a projected sum of 6 trillion dollars, will be even bigger. Indeed, in the economic history of not only modern capitalism itself but of all previous economic stages of human society, nothing this big had ever been done in the wake of an economic tsunami.

This economic tsunami is the work of Covid-19. In the US, about 40 million jobs lost in just slightly over two months. Many big businesses close to bankruptcy and small businesses – the backbone of the economy – so badly hit that it is estimated that half of them will take years to recover, if ever at all. This is going far beyond the so-called boom-and-bust cycles of capitalism. It is not the product of an all-out war between monopolies and oligopolies. It has not come about because of the trade war between the US and China or between the richest nations and economies and the so-called "emerging markets". Yes, the global economy was already deeply troubled before the advent of the pandemic but beyond a slowdown in growth rates in many of the richest economies, nothing close to a prolonged recession or a depression was on the horizon of the present. But then Covid-19 appears and the world economy, indeed capitalism itself, is hit by the equivalent of an economic holocaust whose challenge is too big, too daunting for the wealth of all of the world's billionaires put together. Does anyone think that after such a traumatic blow capitalism will or should remain what it is now and/or what it has been in the four decades of the triumph of neoliberal globalism before it slipped into a profound crisis in the last two decades?

## International Labour Organization



• International Labor Organization (ILO)

As strange as it may seem, there are many in the governments, big businesses and ruling classes of the world whose answer to this question is yes, capitalism should remain the frame of reference for the global economy, the glue that holds all the national and regional economies of the world together. Donald Trump of the USA, Boris Johnson of the UK, Jair Bolsonaro of Brazil, these are only the most outspoken of dozens of extreme right-wing leaders around the world who will not accept any changes in the world dominance of capitalism. For many of such leaders, beyond a few policy changes here and there, no fundamental structural changes in capitalism are necessary after the end of the pandemic. Nigeria, Buhari's Nigeria, we might note, is one of such countries. There are specific, concrete actions and steps being taken by and in many of such countries to extend the life and times of capitalism beyond the end of Covid-19 pandemic. Before taking up a discussion of such actions and steps, it is useful for us to explore the counter-measures being taken by people and forces who see a unique opportunity for reimagining capitalism in the present historic context.

One of the most compelling expressions of this tendency is the call, in many parts of the world, for the socialization of medical care through which access to free, adequate, well-funded and well-maintained health care is the fundamental human right of every member of the human community, not a commodity or service that is available only to those who can afford it or those whose employers make it available to them. As I write these words now, in most of the countries of the world, treatment for the

coronavirus infection is free, even though it is extremely costly on both a per capita basis and on the aggregate cost to the given nation or society. This has given rise to the question, if no one pays for his or her treatment for coronavirus infection, who pays for the treatment?

The answer is simple: the government, the society pays for the treatment of everybody. This logically leads to another question which touches on the fundamental issue here: why have governments and societies suddenly found the money to meet the costs of treatment for everyone infected when most governments of the world have always stated that they do not have the money, the budget to make free healthcare available to everyone? The answer: because everyone who contracts infection by the virus must be treated and money for treatment must and will be found. How the money is found, what new order of priorities in the utilization of the national budget or disposal of social capital, these are very important, but the bottom line is that the money will be found. And lo and behold, it is found and no one is sent away from treatment because he or she cannot afford to pay for the treatment.

Please, let us pay close attention to what is happening here, not at the policy level, but at the *structural* level. For it is not because of a sudden, unprecedented policy change that all who are treated for infection by the virus are treated free of charge in most, if not all the countries of the world. Rather, it is because we have noted several times in this discussion, at every level, the cost of confronting and defeating the pandemic is too big for any big man, indeed for all big men and women combined. Only the collective wealth of the nation or

the society can meet the challenge. For as long as this lasts, the power, the hegemony of the big women and men of wealth is suspended, if not (yet) crushed. Of course, we are seeing acts and gestures of humanitarian donations to private and governmental relief work to the most vulnerable segments of the population. But these donations are like a drop in the ocean of costs to the government and the society. And do not forget that in the richest countries of the world, disbursements from the stimulus packages go to both the rich and the poor, the most powerful business conglomerates and the millions of workers who have lost their jobs. To express this development in very stark terms, at this point in the life and times of 21<sup>st</sup> century global capitalism, human needs, human solidarity is the driving engine of economic and social life, not accumulation of wealth and the power of the wealthy. I do not wish to be gleeful about this development since it has come at a very heavy cost, especially to the most vulnerable members of the society. But all the same, we must pay close attention to its emergence as well as the direction in which we might steer it.

This observation leads us to the contention made earlier in this discussion that as far as the Trumps, the Boris Johnsons and the Bolognosos of the world and their ideological soulmates are concerned, once we have prevailed over the pandemic, a restoration of capitalism will ultimately reemerge basically unchanged. Only with great reluctance has Boris Johnson gone along with the strengthening of the National Health Service (NHS) that came with the response to the pandemic. There will be bitter quarrels in the foreseeable future over calls for making

permanent the improvements to the NHS made necessary by the response to Covid-19. In the US, Trump and the Republicans are as adamant as ever in their opposition to Obamacare, to Bernie Sanders' single payer socialized medical care, and to anything that smacks of medical care as a fundamental human right, not a commodity whose marketing is based on the power and influence of the insurance and pharmaceutical industries. Meanwhile, Trump and his allies conveniently forget that in the wake of the pandemic, the popularity of free health care has reached an all-time high among all the demographic segments of the society.

In bringing the discussion toward its conclusion, I wish to place the greatest emphasis possible on the following observation which has been implicit in much of the argument that I have been making in this series. What is this argument? It is this: without a formal declaration, much of what the governments and societies of the world have been doing in response to the Covid-19 pandemic is socialistic. Free medical coverage for everybody, irrespective of ability to pay or not to pay. In the interest of all and elites alone, stimulus packages are given to all segments of the social order. Instead of governments doing the bidding of the wealthy and sucking up to their likes and dislikes, it is the wealthy who go cap in hand to the government for handouts. This is momentous.

For the first time in the living memory of two or three generational cohorts, rich people, the great of the earth, are as stricken with fear and uncertainty as the poor and the excluded, especially in the rich nations of the world. And capital or wealth itself is radically bifurcated into, on one side, the wealth of the society and the nation as a whole and on the other side, the capital, the wealth of capitalists, as individuals and as a class. Now, the first kind of wealth, the "capital" owned by and for the whole of society, has existed for thousands of years before the advent of modern capitalism, though in the last two hundred and fifty years it has been more less subordinated to private capital by being more or less merged with it. What is unfolding before our eyes in the devastations of Covid-19 is a realignment between these two formations of capital, the capital which belongs to all of us, otherwise known as social capital, and the capital which for over the course of the last two hundred and fifty years has dominated the economies of all the countries of the world.

The end of the story is yet to come. Covid-19 is like many other existential calamities and challenges that the whole world faces together: environmental disasters caused by global warming and climate change; over-population supercharged by the increasing hunger and poverty of most of the denizens of our planet; the rise of a darkness in which objective facts of nature and science have become as disputable as mere opinions. Don't tell me that the wealth, the collectively is not now and will not in the coming years and decades be our real source of hope.

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