



TOM MALLESON

FIRED UP ABOUT
CAPITALISM

“A generation ago, capitalism’s supposed triumph was seen by many as unassailable. But several years of soaring inequality, the looming threat of ecological disaster, and the erosion of even the pretence of democracy in the political process, have led millions of people, especially young people, to lose confidence in the system. As these young workers and students seek out a concise yet comprehensive account of why capitalism is failing them, and a compelling sketch of some feasible and attractive alternatives to it, they will find no better starting point than Tom Malleon’s lucid and intelligent book, *Fired Up about Capitalism*.”

— STEPHEN D’ARCY, Associate Professor of
Philosophy, Huron University College, and author
of *Languages of the Unheard: Why Militant Protest
is Good for Democracy*

“Tom Malleon’s *Fired Up about Capitalism* is a rare and wonderful book. It is wonderful because it provides such a compelling analysis of some of the most pressing economic and political problems of our time along with both short-term and long-term solutions. It is rare because it is written in a way that is rigorous, sophisticated, and nuanced while at the same

time being clear, engaging, and accessible, without jargon or pretension. *Fired Up about Capitalism* should be widely read both by seasoned activists wanting to sharpen their critique of capitalism and their understanding of alternatives, and by interested readers with little background in these issues.”

— ERIK OLIN WRIGHT, Professor of Sociology,
University of Wisconsin, author of *Envisioning
Real Utopias*

“Tom Malleeson’s timely book *Fired Up about Capitalism* provides a clear and inspirational outline to the problems of our collective world’s social, political, and economic crises, as well as some thoughtful arguments for their immediate and long-term resolution. This book presents complex issues with honesty, passion, and scholarship and is filled with that all too rare element of hope. It is well placed to be an inspiration to a generation of activists and students”

— J. J. MCMURTRY, Associate Professor, Business
and Society Program, York University

“Tom Malleeson’s *Fired Up about Capitalism* is an amazing accomplishment: an incisive yet accessible critique of contemporary capitalist society, and a set of clear ideas about how we can collectively do better. Malleeson’s arguments are motivated by strong moral reasoning, but always supported by careful empirical evidence. This is an exciting and important book, and one that will surely motivate a new generation of activists.”

— DAVID WACHSMUTH, Assistant Professor of
Urban Planning, McGill University

“In clear and concise terms, *Fired Up about Capitalism* offers an agenda for activists to adopt. Such books are sorely needed to spur on the kind of dialogue that, through agreement and disagreement, can help us forge a collective path forward.”

— UMAIR MUHAMMAD, author of *Confronting Injustice: Social Activism in the Age of Individualism*

“Malleson is a public intellectual of the first rate, brilliantly combining scholarly acumen with activist passion and know-how. In *Fired up About Capitalism* he offers a frontal assault on the demoralizing notion that “There is No Alternative to Capitalism” (TINA). This short book is not merely a critique of the inequality, hierarchy, greed, injustice, and environmental devastation wrought by neoliberal capitalism. It is also an invigorating defense of radical democracy and a welcome wake-up call about real alternatives that already exist.”

— CRAIG BOROWIAK, author of *Accountability and Democracy: the Pitfalls and Promise of Popular Control* and Associate Professor of Political Science, Haverford College

“Tom Malleson is fired up *against* capitalism—his powerful indictment backed by a plethora of well-chosen data. He defends, not only social-democratic reforms, but more radical (and more controversial) long-term institutional changes that would take us *beyond* capitalism. With so many people in so many countries becoming ever more aware that the current “system” isn’t working, this beautifully written book could scarcely be more timely.”

— DAVID SCHWEICKART, Professor of Philosophy, Loyola University Chicago

“Tom Malleon once again has hit the critical mark. In clear and crisp language, Malleon pithily summarizes what is wrong with neoliberal capitalism while presenting a compelling case for the many alternatives to it that are within our reach. Shifting from the social, economic, and environmental injustices and inequalities wrought by the status quo and its mantra of “there is no alternative,” to myriad achievable proposals that can proliferate into a different socio-economic reality, it’s all here in a 21st century manifesto of radical democracy from one of Canada’s most insightful activist-academics.”

— MARCELO VIETA, Assistant Professor in the
Program in Adult Education and Community
Development, Ontario Institute for Studies in
Education of the University of Toronto

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CAPITALISM

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*This book is dedicated to Lesley Wood, Mac Scott,
and David McNally—my role models in showing me
that growing up need not mean outgrowing activism.*

A map of the world that does not include Utopia is not worth even glancing at, for it leaves out the one country at which Humanity is always landing. And when Humanity lands there, it looks out, and, seeing a better country, sets sail. Progress is the realisation of Utopias.

— OSCAR WILDE,
“The Soul of Man under Socialism”

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INTRODUCTION

IN 1962 the influential right-wing economist Milton Friedman famously declared that there were only two real possibilities for modern complex societies. They could be a free market system (like the United States), or a centrally planned system (like the Soviet Union).¹ Twenty years later, British prime minister Margaret Thatcher went one step further. She declared that since the Russian system was morally and economically bankrupt, there was no alternative at all to free market capitalism. She summed up this thought with the slogan: *there is no alternative* (TINA).

Today TINA is the prevailing philosophy of the richest and most powerful people in the world. Politicians declare it daily, journalists parrot it, and talk show hosts acquiesce to it. Rich people gloat about TINA and regular people simply assume it. The rich and powerful have many weapons—their billions of dollars, their bought-and-paid-for politicians, their media empires, even their military might. But none may be as powerful in securing the capitalist system as the ability to convince regular people that there simply is no alternative.

TINA is the ultimate ideological shield. It is the most powerful defence of capitalism because it can deflect any kind of criticism

whatsoever. Is it really necessary for chief executive officers (CEOs) to make two hundred times more than average workers?² TINA. How is it just for the giant pharmaceutical company Pfizer to develop no new drugs for tuberculosis (which kills about two million poor people a year in Africa), but instead develop in one single year eight new drugs for impotence and seven new drugs for balding to sell to wealthy Americans?³ TINA. Shouldn't we be worried that greenhouse gas emissions from our planes and factories are making the ice caps melt faster than at any time in recorded history? TINA. Does software magnate Bill Gates really need \$40 billion⁴ while 48 million of his neighbouring citizens have to go to foodbanks? TINA!

MY POLITICAL AWAKENING

As a teenager, I remember sitting beside my grandpa in the English countryside as he told stories of his life in South Africa. His family had fled the anti-Jewish pogroms in Russia in the early 1900s. They ended up in Johannesburg, where he grew up.

He spent most of his life in South Africa fighting against apartheid—the country's infamous system of racial segregation—as a member of the Communist party. He was convinced that capitalism was a fundamentally rotten system and that sooner or later it would fall apart and be replaced with communism. So I would sit on his porch watching the sunset and listening to his stories of the African National Congress, and its leader, Nelson Mandela, in jail for twenty-seven years before becoming the country's first black president. Grandpa spoke of the terrible curse of racism, of capitalist greed and of communist hope.

He had many stories to tell of his apartheid-fighting days. You used to have to sign a formal register for the authorities, he explained, if you wanted to take out a book by Karl Marx from the library. After the Suppression of Communism Act of 1950, progressives were arrested in the dead of the night and kept without charge in dark jail cells where terrible things would happen.

He once received a letter from the government, very formal and polite. It called him “Dear Sir” (since whites had some basic rights), and continued in the most proper, respectful tones to inform him that, as a known communist, they were truly sorry but he was legally liable to be arrested (and presumably tortured) at any time. Thank you for your time and sincerely yours, your faithful servant. . . . Only apartheid-era South Africa could combine British politeness with ominous fascism in a single letter.

I remember feeling proud that Grandpa had been on the right side in South Africa, the side of Mandela and the side of justice. I felt proud that he hadn’t let himself be carried along with the current of normalcy, but had stood up to his white community, conservative neighbours, and racist family members. He had risked their disapproval and suffered their scorn because he knew right from wrong. I was proud that Grandpa had called for full and complete equality for black South Africans a good forty years before respectable liberals began to acknowledge that there could be something even a tiny bit unjust about apartheid.

Grandpa was not just hopeful about South Africa. He was hopeful about the world. He was a firm believer that, although capitalism was dominant, there *was* an alternative—it was called the Soviet Union. Yet as time passed, his dream of a socialist utopia appeared more and more remote from the reality of Russia. Facts began coming to light about life in the Soviet states. The show trials where prisoners confessed to crimes they did not commit, and the gulags in Siberia where prisoners were sent to work and die. The crushing of democratic movements in Hungary in the 1950s and Czechoslovakia in the 1960s. The imperialist invasion of Afghanistan in the 1970s. Slowly, my grandpa’s faith in the communist alternative crumbled to dust.

The Berlin Wall—which enforced the border of Communist East Germany—came down in 1989, and the Soviet Union collapsed a couple of years later. Capitalists the world over popped champagne corks and joyfully cheered that “history is over!”

The collapse of the Soviet Union demoralized the left. Many communists, like my grandfather, felt that the Soviet Union had betrayed their hopes. Other lefties who were not communist still shared broad aspirations about the possibility and desirability of transcending capitalism. With the fall of the Wall the world shrank. Political possibilities seemed to narrow. Much of the left gave up on the belief that systemic alternatives to capitalism were possible. Many suffered the bitter thought that perhaps Margaret Thatcher was right after all. Maybe there really was no alternative.

Although I grew up feeling inspired by Grandpa's fight against apartheid, I could never really understand his sadness about the Soviet Union. For my generation, the Soviet Union had never represented anything particularly hopeful, and so its passing was not upsetting.

I was born in the early 1980s and grew up in Vancouver, ensconced in the political amnesia that is Canadian middle-class life. By the time I was a teen in the 1990s and starting to become able to think for myself, I wasn't particularly interested in doing so. I had Tupac tapes to burn and Nike shoes to buy. I had parties to go to, friends to impress, booze to bootleg, and schoolwork to avoid. We had a picture of Mandela on our fridge, but politics seemed far, far away. It seemed something that boring, staid politicians rambled on about, something old-fashioned that happened in countries on the other side of the world. Politics, like Mandela's picture, was something to be glanced at as you opened the fridge looking for something to eat.

But my blissful ignorance couldn't last forever. Everything changed in 1999 when the protests against the World Trade Organization (WTO)—the so-called Battle of Seattle—exploded just three hours down the highway from my house. I was glued to the TV, watching thousands of protesters dancing in the streets, locking hands, singing and chanting, and unceremoniously getting the crap kicked out of them by the cops. I saw a line of young protesters, guys and girls in their early twenties, sitting in a line, linking arms, solemn and determined, with bandanas and goggles on

their faces to protect them from tear gas. A police officer walked up to them and, one by one, slowly pulled their goggles away from their faces so he could shoot pepper spray directly into their eyes. I remember hearing the protesters scream.

I had no idea at the time what the WTO was, or what these people's beef was. But it was obvious that they had a lot to say. They had arguments and quotes; they referenced books I'd never heard of. They showed graphs and detailed charts mapping everything from environmental degradation to growing wage inequality. They were amazingly passionate, dedicated, and even joyful. What the hell was going on? Hadn't they received the same memo that my grandpa got—signed by Friedman and Thatcher and all the rest—telling them, in no uncertain terms, that *there is no alternative*?

These protesters considered themselves part of the anti-globalization movement. They said they were social justice activists and organizers, and they appeared not to give a damn about the Soviet Union. "Capitalism is the exploitation of man by man," they would jest. "Communism is just the reverse." These folks were happy to wipe their hands of any allegiance to authoritarian communism and start thinking of better alternatives. Instead of living in apathy and hopelessness, they dared to believe that change was possible.

Well, that was the turning point for me. It was the beginning of my life as a radical and an anti-capitalist, anti-authoritarian activist. I would spend much of the next fifteen years at protests, demonstrations, and meetings. I sang and chanted, read radical books, and had endless conversations with other activists. I learned to cook vegan stews to feed hundreds, began unlearning gender assumptions, joined unions, and participated in building social movements. And, unfortunately, I continued to get tear-gassed along the way.

A DEMOCRATIC IDEAL

These days I'm convinced that when conservatives say *there is no alternative*, they are not saying something that *is* true. How could

anyone know what the future holds? They are only saying something that they want to be true. When people use the argument of TINA, it says less about the truth of other economic systems than it does about those people actually liking capitalism.

In fact, history shows that there have always been alternatives. There have always been many different kinds of societies. Even today, there are massive differences between, say, the United States, Brazil, Japan, and Sweden. There are even more differences if we include places such as Venezuela or China. The reason some Americans denounce the Swedes as lazy and living off welfare is the same reason that Venezuelans denounce the American system as exploitative and imperialistic: different systems offer real alternatives.

If there really were no alternative, no one would bother commenting on anyone else. No one would bother talking about politics at all. It may well be that none of these systems are ideal. Indeed 6 it's likely that if we look closely, we'll find aspects of each system that we like as well as aspects that we don't. But to look around the world and say TINA is to intentionally ignore the real possibilities that exist.

I've come to believe that my grandpa's basic belief was right. Capitalism as we know it is a rotten system. What exactly does capitalism mean? What separates capitalist economies from those that came before? The most basic answer is that capitalism is an economic system in which the majority of goods and services are produced and distributed via a market system, that is, through buying and selling of private property.

This is fine as a very general definition, but in many ways it's too broad. Market systems can be shaped in a wide range of ways. They can be shaped to benefit the rich (which is usually the case) or regulated to redistribute wealth to the poor. They can offer no job security or lifetime employment guarantees. They can involve private corporations or democratic worker co-operatives. The United States is a market system, but so are France, Bolivia, and Equatorial Guinea. Generalizing about such different systems tends to obscure more than it reveals.

Indeed, even an ideal democratic socialist society, which is the kind of system I'll argue we should aim for, is a market system. Almost no one today thinks that we should get rid of markets altogether. So talking about the market system is far too broad to capture the most important features of our societies. What I'm most interested in is a particular type of capitalism—the type that rules the contemporary world. It is usually referred to as “neoliberal capitalism.”

Neoliberal capitalism (sometimes called “free market capitalism” or simply “neoliberalism”) is best captured, I think, by three defining characteristics:

- Businesses, banks, consumers, and workers interact through a *market system that is largely unregulated* (or, more precisely, regulated in ways that primarily benefit the wealthy). This means that private profit is the overriding concern.
- There is significant *class inequality*. Some people are free to live off their parents' trust funds, while most people have to sell their labour to get by.
- Businesses and banks are *undemocratic hierarchies*. They have private owners and managers at the top, and workers at the bottom.

These characteristics define neoliberal countries such as Canada, the United States, the United Kingdom, and so on. Certain countries in Europe have gone a significant way in challenging these things, so they are usually referred to as “social democratic” countries.

My primary argument is that neoliberal capitalism is a rotten system. It is unfree and unequal. It is environmentally destructive, globally unfair, and culturally pernicious.

That doesn't mean it's the worst system that has ever been. Compared to earlier feudalism, capitalist societies are much richer and, in certain important respects, freer. The people are no longer legally

bound to their class position. Compared to state communism, capitalism tends to keep power at least somewhat decentralized, which has prevented dictatorship. It has also enabled greater freedom of choice, both in terms of occupation and consumption.

So we need to be nuanced and careful in our thinking. It's tempting to declare one system entirely good and another entirely bad. But the real task is to think through, in a realistic way, how we might combine the positive elements of different systems, while retaining as few of the negative aspects as possible.

I'll also argue that there *are* alternatives. Dozens of them. I don't have a blueprint for a perfect society, and you should probably be sceptical of anyone who says they do. But many of us in the global justice movement share core values and have concrete, practical ideas about how to put these values into practice. Furthermore, many inspiring examples of alternative institutions already exist in small pockets in different places around the world. Learning about these examples is a major way of seeing through the mist of TINA.

Although I learned about the ideas in this book through reading and dialogue with many activists, teachers, and intellectuals in Canada and elsewhere, my take on these ideas is my own. So for the sake of transparency, I'll put my personal cards on the table. I think that there *are* alternatives to neoliberal capitalism. They are based on the traditional values of the left: freedom, equality, solidarity. I'll describe many examples of policies and institutions that embody these values. I'll look at equal freedom at work, equal freedom from having to overwork, respect rather than arrogance toward the planet, and solidarity rather than competition with each other.

If you are looking for one core idea—one general principle for rearranging the economy that could replace the old principles of free markets or central planning—I would suggest that the most promising new principle is that of radical democracy. U.S.-style unregulated, winner-take-all casino capitalism leads to billionaires and homeless people. Soviet-style top-down authoritarian

Liberté, égalité, solidarité

Liberté, égalité, fraternité—or *freedom, equality, brotherhood*—was the rallying cry of the French Revolution. Although “fraternité” is nowadays usually replaced with the less sexist “solidarité,” these three continue to be foundational values for the left. It is easy to use these words as a simple slogan. The real task, though, is to construct institutions that truly reflect them.

planning features gulags and group-think. What we need is a different kind of system in which *all* the major institutions—the government, the businesses, the banks—work on the principle of democratic equality. People should have a right to democratic accountability in the economic as well as the political decisions that affect their lives. This means not just political democracy, but also economic democracy.

Moreover, the more that this democracy can be direct and participatory (instead of the occasional once-every-four-years vote) the better. The more that people can actively engage with others, face-to-face, over the decisions that affect their lives, the more they will be free and empowered. What would be the result of all this radical democracy? That’s not for me to say; it’s up to the population to decide for themselves. But I suspect that if people were empowered in these ways, they would choose to arrange the distribution of wealth and opportunity in a far more egalitarian manner than we see today.

The first chapter of this book explores the birth of the myth of TINA. The second and third chapters lay out the central problems with capitalism: inequality, workplace hierarchy, consumerist greed, global injustice, and environmental degradation. Chapter 4 maps out some of the most exciting and promising short-term alternatives that are available right now. Chapter 5

presents a vision of more radical, long-term changes to work toward for a comprehensive alternative to free market capitalism. And Chapter 6 concludes with a call to get off our asses and build the world that we want to see before it's too late.

A WORLD FOR THE CHANGING

Winston Churchill, prime minister of Britain during the Second World War, famously said, "If you're not a socialist when you're twenty, you have no heart. If you're not a conservative when you're forty, you have no head." This was his version of TINA, his way of saying that capitalism is here to stay.

Well, I for one would rather have my heart than his head. Churchill was a right-wing colonialist and white supremacist who thought that the Indian people weren't capable of governing themselves. He dismissed Mahatma Gandhi—who would non-violently lead India to independence from the British Empire—as a "half naked lunatic fakir" who "ought to be laid, bound hand and foot, at the gates of Delhi and then trampled on by an enormous elephant with the new viceroy seated on its back."

Unfortunately for Mr. Churchill, young people today are showing that perhaps it's his head that wasn't on right. The last few years have seen people revolting across the globe, from the Occupy Wall Street protests in New York, to the anti-austerity protests in Spain and Greece, to the grassroots movements propelling new anti-establishment figures like Bernie Sanders and Jeremy Corbyn, to the youth-led Black Lives Matter protests in North America. Young people are changing the world.

If you read this book and start talking about leftist ideas, it won't be long before someone looks down their nose at you and says *there is no alternative* or condescendingly quotes Churchill. But as much as these people may wish otherwise, there are alternatives. Sorry, Churchill, but we have hearts *and* heads. And we're not going away.