

Is Self-sustainability a Threat to Global Integration?

The Return of the Nation-state

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Abstract

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This article attempts to highlight the growing support for anti-globalization and a return to self-sustainability for sovereign nations. It will look at the changes in immigration and citizenship, voting patterns, the current global economy and alternatives to established financial systems, the reorganization of food production and energy provision, and the revival of historical practices.

The potential dangers of such changes in national policy will be critically analysed in respect to the risks of withdrawing from international co-operation and the potential rise of right-wing political movements. Case studies of Denmark, Russia, the USA and Japan and references to other countries will be used to show examples of such national movements to deleverage from interdependency, the free-flow of labour and neo-liberal economics, in favour of communal and local bonds, solidarity and economic self-sustainability.

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I . Introduction: The revival of historical practices

In his book 'Neurotic Beauty: An outsiders view of Japan', Morris Berman writes about how Japan could become the first post-industrialised nation to return to 'medieval times'. While claiming that this is only a theory, he posits that the 'inevitable' collapse of western – specifically American – capitalist systems will eventually fail to deliver even the most basic of needs of food, heating and provision for people under this structure. He claims that an artisanal and communal culture much like the Japanese pre-industrial age might re-emerge and, in fact, represent a truer identity of what it means to be Japanese. He contrasts this to a highly mechanized and commodity driven production economy that does not reflect the soul of a country once self-sustaining and civically based as Japan was in its past.

He says that Japan could cope more easily with changes from mass production to small-scale living than America could. Japanese people are westernized at a surface level alone and that more deeply they bring a craftsman's aesthetic and a more subtle form of communication to their current working practised that echo the Japan of the past rather than the constant destructive growth patterns essential to supply new and varied products to the market to replace last year's models. For this, he describes Japan as displaying a form of maturity that the average America would struggle with under the same circumstances. On the effects of a more austere world on the American system domestically, he writes that a stronger sense of entitlement for resources and a worshipping of new technology will leave them more exposed and unable to cope with any failure in a system that relies on the near-sighted destruction and exploitation of materials and people. However, as we will see from cases studies of other countries, a withdrawal from international connections brings potential for a growth in extreme right-wing politics and racism.

Here it is important to establish a clear definition of globalisation. The Financial Times defines globalisation as: 'an integration of economies, industries, markets, cultures and policy-making'. This is achievable through a network of trade, communications, immigration and transportation. In its early stages of the post-World War II reconstruction of Europe, the focus of such integration was in terms of trade, direct investment, and capital flows. In more recent times, cultural assimilation, media technology, social-cultural and biological factors have broadened the definition of what notions of globalisation can be. An example of the discussion on climate change among national leaders is a measure of this changing definition.

II. Protectionism in post 2008 Europe

One key question that must be raised in the debate for reorganising and re-focusing a nation-state's economy is who is entitled to participate in that economy; and who should receive the benefits of that economy and who should sacrifice for the common good of that economy. In a world after the economy crisis of 2008 and the subsequent 'knock-on effects' of austerity and unemployment, insights into banking mismanagement and the political collusion of western governments brought large scale criticism of the post-World War II system of global financial co-operation and expansion. Radical political changes started to occur both in countries severely affected and others only partially affected. Political groups across Europe on the more extreme left and the right began to attract attention for claiming that their systems and philosophies would have and could have prevented such a collapse if individual nations were focused on their own people's needs rather than serving corporations and supra-national government bodies, such as the European Union.

Such introspection produced a climate for more radical views to influence a larger than before base of support, particularly among those who had been disadvantaged the most. Economic difficulty was not the only factor to affect calls for change as philosophical and ideological protest began to grow across Europe within groups in society that were not so economically impacted directly. Far-right political groups across Western Europe began to be more vocal and appeal to disaffected citizens. Even so, the status and economic prospects of these citizens after 2008 were less damaged than the large numbers of migrant workers who had previously enjoyed low but stable employment in countries like Britain, Holland, Germany, France and Denmark, to name a few.

Until the late 2000's, European politics was largely shaped by the Centre right, Social democrats and broadly pro-US Neo-liberalism. After the events of the financial crisis of 2008-2011, and with a growing unease over external migration into Western Europe from the east and further afield, a rise in support for far-right political parties grew among white, middle and working class people. A perception of declining living standards - particularly for poorer people - and feelings of cultural difference from immigrants became the focus for much of the anger. Right-wing groups exploited these apparent weaknesses of centralized governments to tackle such problems. However, it is interesting to note here that the Radical-left did not benefit from the decline of

mainstream politics to influence public opinion as the Far-right had since 2008. In his article, 'The Rise of the European Right: Reaction to the Neoliberal Right', James Petras writes that far-left groups in the twenty-first century have seen a number of gains in certain areas of policy within governments supporting neo-liberal economics. Social democratic issues such as women's rights, gay rights, and multiculturalism have been allowed to grow and be supported by government policies. Very little of which fits in the old left wing strategies of basic workers' rights, collective bargaining and class struggle. Forgoing such traditions has alienated workers who care little for progressive identity politics over wage increases and job security. Petras states that the ambiguity of the left and its involvement in European parliaments and the European Parliament itself has meant that it believes it can change the dysfunctional European structures from within rather than speaking to people at a grass-roots level as the Far-right has done.

The 'protectionism' that the new Far-right stands for attacks the globalized order in a number of ways, Petras claims. The need to protect local businesses from centralised production, the need to protect local employment from out-sourcing and the influx of cheap labour, the protection against foreign capital to sustain production, and protection against the European Commission (EC) to set rules and regulations on local affairs. However, the Far-right is not socialistic in the sense of supporting labour unions and equality in government and in organisations. Rather, they are interested in a 'paternalistic' state that will generate national capital from which the 'loyal' workers should expect to benefit in exchange for supporting the protectionist policies.

However, as Petras argues, much of the dogma and authoritarian decision making from the EC, the European Central Bank (ECB) and the International Monetary Fund (IMF) that Far-right politicians decry is part of the organisation of the Far-right groups themselves. Any aggressive cuts in wages, social services, pensions, or working conditions in the service of any stated long term goals may well be viewed by workers as more of the same just now at a national level. If, for example, a removal of all immigrant labour is done with the same hire and fire practices still in place, many domestic workers may find themselves in a similar situation to now.

Equally, on the failure of the Left to deal with this problem, he writes:

In the meantime the Radical-left's mindless defence of unlimited immigration in the name of an abstract notion of 'international workers solidarity' exposes their arrogant liberal bias, as though they had never consulted real workers who have to compete with

immigrants for scarce jobs under increasingly unfavourable conditions.[Petras, 2014]

If, indeed, the Far-right are making ground at a local level by speaking to local communities and playing on felt grievances, why are the Left not doing the same thing? Petras believes that the Left are stuck in a belief that the European Union will become a Union of Socialist States through a dialogue with European Commissioners and non-elected banking officials.

In 2015, any radical change of government to the right or the left in Europe, apart from in Greece's move to the left, is still a long way off and currently the Far-right sees its roles as engaging with the political process to get more legitimate recognition, chief among their platforms in campaigns is the question of immigration and the incongruity of cultures such as Islam with Western Judo-Christian traditions.

As with France, Denmark, the Netherlands, Sweden, Austria and Hungary, right-wing politics is in the ascendance. Robert Kaplan points out in his article, 'Europe's deep right-wing Logic', that the EU represents the old 'soft-left' European consensus of social-democratic politics and with its support for social welfare, and the incorporation of Green parties and Feminist political parties, it broadly represents left-wing concerns. This has left a vacuum in right-wing representation which grew since the economic crisis of 2008. He also states that American spending on defence in Europe since the Cold-War era, against a perceived threat from Russian colonisation, freed European countries from budgetary constraints to establish a European Union in the first place. He sees the end of the 'European War' as 1914-1989 rather than in 1945. Therefore, the taboo of the right-wing politics of Hitler and Mussolini has been eclipsed by the 'defeat' of the Soviet Union. Therefore, Far-right politics is now re-emerging.

However, he does not see a return to the nationalism of the 1930s and the interstate wars, but rather the retreat into nationalism comes from other threats, such as differing ethnicities identifying themselves as something other than the adopted country of their parents. This together with cheap affordable air travel, lowering birth rates and socialistic European institutions has profoundly changed some western countries' demographics. Kaplan states that for these reasons the Right appeal to the atavistic emotions of people – even in countries that do not have sizable and integrated immigrant populations. Unlike in the USA, Britain and parts of Germany, other nations have a less prominent history of multiculturalism but a higher percentage of membership to single race right-wing parties.

III. Immigration and citizenship: A case study of Denmark

One country that has seen a sharp rise in right-wing sentiment is Denmark. In the 2014 European Parliament elections, the far-right People's Party (DF – Dansk Folkeparti) won 27% of the vote, as did the far-right nationalists of France. The DF became the largest single representatives in the European Parliament for Denmark. Domestically, they are less strong but are partnered closely with the Liberal Alliance (LA) libertarian party and to a lesser extent, Venstre, the largest centre-right party.

The two key factors for their alliances are immigration and the role of the European Union (EU). They see the influx of foreigners to Denmark as largely a failure and a drain in budgets and resources, with little benefit to the country's economy and social life. As regards the EU, the group of right-wing parties believe that the focus of any congress or parliament should be on trade, the environment and energy provision only. The DF, being the most extreme of these, wants deportation of all asylum seeking refugees back to their countries through financial assistance and a development of refugee camps managed by Denmark to instil values and ways of life that they feel are superior to the foreigner's own. Indeed, any foreigner wishing to settle in Denmark is required to undergo a period of cultural assimilation wherein the new citizen learns the language and cultural values in return for a stipend in lieu of being able to work. As a country of 5.5 million people, a protectionist view of not only trade but also culture is high among Danes.

The future for Denmark's right-wing parties looks assured as a mock-election in late 2014 was carried out among 14-16 year old students. The nationwide survey produced a 57.9% support for the centre-right party Venstre, with the current ruling Social-Democrat Party (Socialdemokraterne) gaining only 17.7% of the votes. The poll suggests that children in Denmark are not pro-immigration, and largely follow the views for their parents. According the Aalborg University Professor Johannes Andersen, the pattern of voting of first-time 18-20 year olds largely mirrors this trend to the right.

Art historian and political theoretician Mikkel Bolt Rasmussen describes the shift to the right in Denmark as 'Liberal State Racism', wherein certain liberal and democratic values are supported and legitimated, such as women's right, gay rights, and social security and health provisions. However, along with this is a cultivation of a national Danish identity that can only truly be

expressed by ethnic Danes. This is promoted together with a hatred for cultural activities and behaviours that are not authentically Danish. All and any activity not typical to a Dane is therefore a threat and should be removed from daily social life, even pre-emptively in some cases of Muslim cultural rituals deemed 'medieval' by some right-wing Danish politicians.

IV. Deleveraging and self-sufficiency

The next questions to contend with here is what changes to forms of globalisation have taken place since 2008 and what conditions have re-established ideas of self-sufficiency and nation-state hood? If the finely balanced western economic model of manageable debt and growth is now broken; what new measures will emerge to gauge the wealth of a nation? Is it the amount of solar energy used, the level of recycling, the plurality of social and political institutions, or some other measure? For many national economist, the unwinding of high unsustainable debt levels is the short to middle target; principally through austerity measures in the public sector has well as a call for tighter controls on the financial sectors' creation of algorithmic products to defer true risk to investments. However, after debt levels between countries and between domestic institutions have been normalised, will former highly capitalised economies continue to pursue old definitions of economic growth as measures of success?

In their report for the Centre for Economic Policy Research in Geneva, Luigi Buttiglione et al, writes in the article 'Deleveraging, What Deleveraging?' that western economies need to follow slow and mutual policies of low interest rate rises and low unemployment to stimulate recovery and avoid stagnation. He also urges that the European Central Bank (ECB) print more money as was done in 2011 in the US and 2013-14 in Japan. This will help to maintain the free flow of trade and labour around the Euro-zone.

Contrast such integration policies with the pursuit of nation self-sufficiency that seeks to overturn the damaging effects on local life that globalisation has brought. If countries on the periphery of the EU can re-balance their economies at a faster rate than following in step with EU rules could this lead to a reversal of European integration and the mutual benefit on lax border controls and trade agreements?

As Kaplan points out, the struggle for power from the left and the right in Europe is not under the same context as in the 1930s and 1940s. Even with more restrictive border controls, limits

on trade and developments of alternative energy, the channels of global communication have produced new relationships and helped to form groupings across borders in a myriad of ways and under a myriad of new contexts. From business links to terrorist alliances to friendly social interactions and the sharing of interests, the question then to be asked is; are certain political and social movements too quick to give up on reimagining a form of globalised consensus? Rather than a Washington consensus, should a definition of a nation-state include the new relationships that have been developing in the digital age? With centrist social democratic and neo-liberal dominance of western politics challenged by a loss of local community and socio-economic alienation, what needs to be changed to maintain global peace with acceptable levels of environmental resource usage and social stability?

In his book, 'Making Globalisation Work', Joseph Stiglitz argues that the globalisation of trade, labour movements, and co-operation is a force for good but has not developed the right institutions needed to effectively regulate inequalities and avoid creating poorer countries as servants of the richer nations. He cites the three main organisations as being biased towards the developed nations, The International Monetary Fund (IMF), The World Bank, and The World Trade Organisation (WTO). With the IMF and World Bank being run by European and American leaders respectively, so the largest voting blocs go to the largest economy, in this case the USA. Only the WTO has had Thai, Brazilian and New Zealand leadership in its history.

This lack of accountability to all nations equally has led to unfair aid repayments on loans made to poorer countries and intrusions into the political processes of poorer countries by rich ones as a way to secure such repayments. Much like richer European nations are being accused of destabilizing countries in Europe that have failed to meet bail-out requirements, particularly in countries like Greece and Cyprus, so Stiglitz argues that demands for privatisation, spending cuts and low import tariffs by members of the IMF and World Bank have been counterproductive in raising some countries of the world out of poverty. He goes on to compare this with domestic consumers of financial products in America who have been equally exposed to volatile lending practises in the housing markets as foreign countries have been exposed to volatile capital investments.

For Stiglitz, a form of world regulation that is truly representative of all nations can only come from a world currency rather than the dollar denomination of much of the world's trade. Replacing world trade with a 'Global Greenback' as he calls it could solve America's domestic

over consumption, as currently funded by the World's dependence on US treasury backed securities, and help regulate fluctuations in trade surpluses and deficits. Indeed, he talks about the lack of moral responsibility in the private banking sectors of developed nations, particularly in the USA, with a need to strengthen litigation in class-action law suits that allow freer use of intellectual and medical properties, such as the availability of AIDS drugs.

As well as financial regulation, he sees a need for reparations for environment and climate change damage that impacts disproportionately on agrarian nations who in fact supply large cash crops for developed nations. In addition, subsidies should be given to countries that reduce carbon emissions through biodiversity at the expense of aggressive production and manufacturing.

He does not solely blame the predatory actions of richer nations in his book; he also refers to the deep corruption and bribery rampant in many developing nations. The collusion of some poorer governments with international multinationals has led to an exploitation of local natural resources for foreign markets, sold at unfair prices. Without wise saving management and long term goals made by developing nations, they leave themselves open to external planning and manipulation that Stiglitz believes has produced no real improvement for the world's poorest nations. In fact, short-term planning and the violent suppression of a nation by its rulers to protect foreign investments have produced equally, and in the case of some middle-eastern territories, even more extremist violent behaviour.

V. Dmitry Orlov's lessons from Russia

A collapse in the current order of global relationships will almost certainly involve a scaled down version of living. In his book, 'The Five Stages of Collapse', Dmitry Orlov writes of a coming collapse in the USA as reflected in how his native Russia collapsed under the former Soviet Union. He jokes that the USA will come to be known as the 'former USA' just as Russia came to be known as the 'former USSR'.

By collapse, he refers to financial collapse, commercial collapse, social collapse, political and cultural collapse. He sees the financial collapse as underway from 2008 with the USA by 2014 being supported by levels of indebtedness that exceed the taxation rates by one third, with the economy filling the rest of the spending by printing money without the prospect of strong

growth to absorb and support such an approach.

Therefore, on commercial collapse he says that trading supply lines rely on different countries trusting the banks in each country to honour payments on shipments through advanced loans. If banks become untrustworthy or undervalued, then trade suffers. The trading links themselves then suffer because of the infrastructure costs to maintain them are not met and, in the case of a collapse, unfunded enough as to stop working. He cites an example of how quickly globalised patterns of production can be halted. In 2011, the Japanese tsunami stopped the production of car injection circuitry, of which Japan is the only supplier for all car manufacture. Therefore, before supply could resume, no cars were produced at that time around the world. He refers to this small scale example as being replicated on a larger scale in the future in which the knock-on effect of a lack of supply lines for different products globally, from specific areas, will produce social and economic devastation in parts of the USA dependant of these parts or the supply of finished products to sell in a consumption based economy.

If the printing of money - known as quantitative easing - continues, Orlov says that other countries outside of the USA will stop using the dollar as a medium of exchange, thus devaluing it faster. He sees the floatation of high debt levels in the US as the reason for printing more money at the expense of providing a stable economy for its people. The suppression of the gold price by many western governments, chiefly the US treasury, is an attempt to inflate the value of the dollar to maintain its use as a global currency. In fact, the movement of large amounts of gold from western vaults bought with dollars by countries like China, India, Russia and Iran is a precursor to these countries using a new form of trading currency, backed by gold, that excludes any American sphere of influence altogether.

Orlov is also interested in the local level of human relationships in a pre-collapse USA and a pre-collapse Soviet Union. He says that external wars, inflation, the centralisation of agrarian production and a corrupt political class were present before the collapse in the USSR and are present now in the US. Socially, a culture built on growth with endless expansion cannot be sustained and also the community relationships that support this system are not equipped to deal with the shift to a more sharing economy, not least because of the many unresolved social issues of race and inequality.

Of Russia he says that when people lost their money, had food shortages, and violence increased

in the post- Soviet Russia, some of the social provision of cheap and available public transport, free housing, and a history of sharing resources, meant that Russians had some strategies to cope and could continue their lives even as collapse was happening. For agriculture, Orlov tells of a vibrant local farming sector that existed before the collectivisation of farms under the Soviet Regime. This relied on farmers' markets and food swaps of produce without many financial transactions. It re-emerged as a system after the collapse of the Soviet economy in 1990. Also, these 'Kitchen Gardens' were everywhere surrounding major cities and connected by public transportation that had not disappeared. At no time did Russians starve after 1990, according to Orlov.

By contrast, he cites the infrastructure of America as not being ready for such a down-shift in social relationships. In an economy of industrialised farming and privatised transportation, the USA does not have a pre-existing structure in place to cope with a localised food network. Even in 2015, for people living in many remote towns of the US, food is supplied by fast-food restaurants and convenience stores that rely on long distance shipping and ultimately oil to manufacture the products and transport them to the stores.

Orlov says that a return to agrarian living, using the parking lots for crop growing and localised farmsteads to replace agri-business, is too low-level thinking for the US government. Politically, the US still believes that the printing of money eventually solves all problems as fed into its system and maintains the ego and American spirit that drives all activity. He believes this is the real problem and totally unsustainable.

Equally, the idea of expansive living and property ownership has distorted the minds of homeowners into equity traders who build and sell their homes for profit, move and do it all again. This also will not continue as hyperinflation takes hold, Orlov says. Alternatively, in Russia the smaller assigned buildings to each family under the old Soviet system meant that when their system collapsed, all home dwellers immediately became home owners without having to pay any money at all. Also, the previous co-operative nature of their apartment living arrangements meant that food, security and a general sense of community was assured. Even as the devaluation of the Russian Rouble currency destroyed wages, all municipal water, heating and transportation continued to be provided and all family members were close by.

Orlov believes that a suburban home for one family, disconnected from other people and services

is just a cultural preference and increasingly short sighted and unrealistic in the coming new 'former USA'. He predicts that oil prices per barrel will become ten to one hundred times more expensive for private transportation. Therefore, all the businesses and office space needed to run the car sector will be available for city living and food growth as the industry disappears. Bicycles will be the only private transport and travelling long distances difficult, but with the localised living arrangement, also largely unnecessary.

The main reason why Orlov thinks collapse is coming to the US is because of some large 'parasite' organisations that have been allowed to grow. These are: the medical sector, the military sector, the prison sector and the service sector. For the medical sector, the expenditure needed by individuals to join health insurance schemes funds drug production that has proved not to cure patients and increase life expectancy beyond the level of countries like Cuba that spends 5% of the American budget for the same treatment. The military sector expands as the American presence in other countries grows on the perception of threats from other nation-states. He cites NATO as an organisation controlled by America with the goal of surrounding Russia and simultaneously requiring the manufacture of weaponry thus stimulating production in this sector. The Prison system, he states, is run for profit with the US achieving 25 % of the total world's prison population, with ten times the number of mentally ill people incarcerated than in regular hospitals. Overwhelmingly, the prison population has more black people in them than were slaves before the America Civil War of 1861. Orlov says that these main groups are using the labour-force to destroy the country for the elite organisations who in turn lobby the US government to get more contracts to stay in business. He states that these parasites need resources from other countries to feed them and foreign wars for such resources will continue until a collapse makes these wars economically impossible. The labour force in the US is, by 2014, largely in the service sector with much of the manufacturing based off-shore in countries with low labour costs. This has meant that shorter working contracts and the disconnected stages of production, separated by continents, has largely destroyed any union activity and collective bargaining at a worker level.

His final point on the collapse of the Soviet system concerns how the money in Russia lost its value and the union of countries went bankrupt in differing degrees and its influence beyond Soviet borders was zero. Therefore, the printing of more money would not have made a difference. He argues that in the US, the money that was backed by gold or a strong economic base had ended by 2008 and that the US is using its various positions around the world and its

dollar dominance to 'steal' resources from other places simply by printing more dollars.

VI. Morris Berman's lessons from Japan

When thinking about alternative systems not based on the globalised transportation of products and energy stocks, what clues to future nation-state structures can be found in a study of the past? Morris Berman, in his book, 'Neurotic Beauty: An outsider's view of Japan', looks at examples of pre-commercialised Japan and its forced adoption of growth-led economics imposed on it in two specific time periods in Japanese history.

Between 1852-3, Berman writes, Commodore Matthew C. Perry forced Japan to open favourable trading links with American on threat of attack from the US Navy and again from 1942 to 1945, American war planes fire-bombed parts of Japan, including Tokyo, and later dropped atomic bombs on Hiroshima and Nagasaki. This cemented American's economic control over Japan and established systems that followed the doctrine of the nineteenth century 'manifest destiny' and belief in the superiority of the American values of expansionism, growth and individual dynamism. However, Berman argues that in Japan its stubborn base and collectivised and communal culture never fitted this new system, nor did it disappear. As Orlov points out too, the individualism championed by countries such as the USA from formulated ideas of economists like Adam Smith, can be a disaster if promoted to a level above the individual. At a communal level, co-operative work and group-orientated projects produce better results.

Even though such group work is problematic, Berman sees sustainability more in this form of societal relationships than unchecked expansion. However, Japan has never truly closed its doors to the world in its history as first thought by the American colonisers. In the sixth and seventh centuries Japan opened its ports to China to learn new ideas and modify them for their own uses. After which Japan closed its seaways again for another two hundred years. It did similarly in the Edo period of 1600-1868 with its study of western mathematics, astronomy, cartography, engineering, and medicine. The emphasis was on the quality of workmanship, especially in the arts, again modified to suit Japanese tastes. The consumer-led economy after 1945 and the pervious trade agreements imposed in 1852-3 were never as firmly rooted in Japan as many western economist thought, says Berman.

For America, the unlimited growth trajectory has led to the unfettered destruction of the natural

world in its need for resources of energy to power the expansion. The drilling of shale oil and gas - known as hydraulic fracturing - has been well underway in the US by 2014 and is viewed as essential for the US economy to continue to grow. However, Berman argues that the concept and perceived need for economic growth is less than 200 years old, with the recorded history of human living and co-existing being more than 3,000 years old, when growth-inspired economics did not exist. As Orlov echoes in his book, so Berman maintains that a collapse of a system based on growth may not be such a disaster, but in fact a usual re-calibration of human evolution.

In Japan, the capital-orientated economy entered a period of stagnation, or stagflation, or zero growth in the early 1990s. Berman argues that rather than a bad thing or a lack of application of the US based economic policies, this absence of expansion for the economy was a good thing with examples of craftsmanship and a sustainability culture playing out, reflecting a truer definition of Japanese culture.

The new information based economy since the 1990s required a different set of skills and a fast transformation in education, working arrangements and a shift in training. For some Economists, Berman says that Japan was seen as a failure in not adapting and thus did not grow its economy in the period 1990 -2010. This led to some youth unemployment, increased suicide rates, the highest mental health problems in the world by population, fixations of childish pop cultures, video gaming, and high-fashion brand goods. Along with a 230% debt to GDP level as the highest in the world by 2011, Berman argues that Japan could be the only country from the period 1990 – 2010 that made a success of near zero growth rates. Living standards did not suffer as significantly as some economists predicted, according to Berman.

He explains that despite some obvious negative effects mentioned, and a declining birth rate, Japan's living standards, quality of products in shops, general level of fashion and brand consumption, diversity of businesses all increased in this period since the 1990s. Berman asks the question of how Japan was able to grow materially in terms of comfort and provisions at the same time not to grow economically. On data, he says that Japan's holdings of foreign and US treasury bills multiplied ten times since 1980 and that Japan held a trade balance with China all through the 2000s. The life expectancy in Japan rose by 2.4 years over the last twenty years and that 36 cities have the fastest internet connections in the world, compared with the US having only 3 cities. The unemployment rate in 2010 was only 4.2% , half that of the US and that Tokyo has 16 Michelin starred restaurants, compared to Paris with only 10. Since 1990, Japanese

exports have increased by 73% and electricity use by 30%. By 2006, Japan's exports were three times that of the rate in 1989. Therefore, Berman argues that the American view that Japan has been a failure economically since 1990 is contradicted by his data. He goes on to say that the notion of 'growth for growth's sake' is a problem facing America and not Japan.

As regards the levels of depression, alcoholism, suicide rates, product fetishism, and youth idleness, Berman states that these phenomena are not a result of a failing economy, because it did not fail, but an incongruous mismatch of Japanese values with American values. Japan was spiritually deadened by consumerism. He quotes Hiroki Murakami's interviews with members of the religious sect 'Aum Shinrikyo' in his book 'Underground: The Tokyo Gas Attack and the Japanese Psyche', about their reasons for committing the act, finding that these people did not wish corporate Japan to continue and that they themselves were academics and scientists not low intelligent thugs. On a wider and less extreme scale, material success has not brought inner peace to many and is the reasons for a withdrawal from society, Berman explains.

More positively, Berman refers to the craft tradition of Japanese life-styles and the love of the procedure and process of production rather than the utilization of the end product. This represents the real Japan as an artisanal culture rather than an acquisitive one. Here again, Berman is indirectly referencing Orlov's view that to survive a collapse may just need a re-discovery of older traditions and a simpler way of life. Capitalism lacks the type of spirituality that Japan craves and the community traditions and craftsmanship of Japan, along with a belief that sustainability can replace this void. Economic growth, on the other hand, can only benefit the rich as seen in the rise in global billionaires from 470 in 2000 to 1645 in 2014, according to Forbes Magazine.

Alternatively, Berman sees a chance to use Japan as an example of a future 'steady-state' economy. He quotes Canadian economist Peter Victor's model for a steady-state economy based on a society such as Canada, for the period 2010-2030. This includes zero growth rates in population, consumption, and productivity with a shorter work week, higher taxes for the rich, more public services for the poor, and carbon taxes on fossil fuels. His project would reduce unemployment to less than 4%, and raise living standards and reduce greenhouse gas emissions considerably. This model would produce a sustainable post-capitalist society, according to Victor.

Japan, with zero growth rates, has a very high literacy level, low crime, long life expectancy, the

most efficient transport system in the world, is on the way to being the first post-growth steady-state economy based on aesthetics, craftsmanship and community living. Berman says this is partly due to, like Europe, Japan's long history of ways of life to draw on by re-discovering old ideas, America does not have such history. The Edo period of 1600-1853 was one such period of sustainable living, with its closed door policy until being forced to open by the US Navy. The recycling culture of Japan in this time was the key to its organisation. Its forestry management on which to draw its food and shelter was never de-forested. This combined with a zero growth rate meant this system could continue for over two hundred years. The recycling process was so developed that many processes of manufacture, for example candle making and charcoal burning for fuel, all were accompanied by collectors of waste products to be used for other means, such as for fertilisers. The repairing industry also flourished for clothes, shoes and machinery. Therefore, capital accumulation, conspicuous consumption and expansionism were frowned upon. Of course, Berman compares all these points again to the history of the United States which has no such a time period to fall back on. Rather, its measurement of success is in the acquisition of goods and not their production quality and process.

VII. The economics behind Orlov and Berman's views

The failing world economy and growing debt to GDP ratio of most developed nations may well be shrinking the living standards in some areas of richer countries. This effect could subsequently lead to countries who supply developed nations declining as orders dry up and developed nations re-structure their economies. Countries such as China, Brazil, India and other Southeast Asian nations may suffer. Here again, Buttiglione et al points out that international financial re-structuring has not yet taken place and most debt is being serviced by equity based stock-market capitalizations, without attempts at debt reduction to allow for deleveraging measures to take place. They argue that debt levels maintained through only money printing, and not by real economy growth, could lead to another global recession as in 2008 and on a scale bigger than seen since the 1930s. Buttiglione says that global co-operation on economic policies to manage the debt levels for all countries, including those on the peripherals, such as Greece, must be sought slowly and fairly. Here again we return to Stiglitz and his formula for the reformation of an integrated world economy. As previously mentioned, his plans for reform laid out in 2006 were not followed in and around 2008. His subsequent book, 'Freefall – Free markets and the Sinking of the World Economy', painted a decidedly gloomier picture than previously.

Two questions arose from the effects of the 2008 financial crash and subsequent deep global recession, what will be the legacy of policies on deregulated free trade, light government intervention, labour migration and declining national sovereignty and who will emerge as weakened and who could be strengthened? As Stiglitz points out in this book, the financial crisis that deeply affected western countries was not something new for East Asian countries. Stiglitz, chief economist at the World Bank in 1997, saw Indonesia's unemployment rise to 40 % and previously in the decade Mexico and Argentina suffered similar crises. In all cases Stiglitz relates problems affecting poorer nations to banking freedom and the deferral of decisions to private banks and the IMF and US treasury to recoup bad loans and investments made to these countries. These rules first and foremost gave little consideration to the people who had to bear the burden of austere measures; many similarities can be seen to the Greece crisis from 2011 onwards. Stiglitz sees arguments that say governments failed to control bankers' behaviour and the financial sector's belief that crises were just accidents are false, or at best short-sighted. He writes that bankers making decisions on social policy or that affect social policy without governmental oversight are too big to be anything less than a systemic failure.

If countries in the developing world had already experienced the kinds of recessions and defaults in the 1990s that Stiglitz talks about, why then were measures not in place through government regulation in western countries that were under the same system of market capitalism in 2008? He says that the solutions used in South East Asia of high interest rates and cuts in public expenditure used by the IMF and US Treasury to help these countries did not work but because the problems were not met with political or social consequences for western people, no-one in power in western countries, particularly bankers, cared if they worked or not. East Asian countries recovered in spite of these measures, with the aid of Japanese and Chinese investment, and not because of them. Importantly, countries in Asia have historically produced more than they consume and western countries, particularly America, consume much more than they produce.

For Stiglitz, the problems he saw in East Asia have now come to Western countries and the solutions to deal with growing poverty and inequality were equally wrong and moving in the wrong direction. He refers to the Trans-Pacific Partnership (TPP) as a secretive forum for the wealthy elites in richer countries and heads of multinational corporations to pressure national governments to normalise regulations across national boundaries in order to streamline costs

and boost profits. Under older trade agreements systems, nation-states with a particular skill to make certain goods, such as Japanese electronics could trade with lower restrictions and boost living standards as a result. Under the TPP, trade is less of an issue because tariffs are already low, this time the concern is to standardise workers' pay and benefits, consumer pricing and ultimately to standardise whole economies. As with his previous criticisms on bankers and the 2008 financial crisis, Stiglitz wrote in an article 'The Wrong side of Globalization' that once again financial and corporate interests were interfering in regulations made by governments to protect its people, typically workers' rights that had been fought for through the political process. He rejects the argument that the new TPP rules are there to harmonize production and services and increase the ease of migration and help freer movement of goods and people into profitable areas. He sees harmonisation at a management and production efficiency level and not at a worker level. He refers to the trade talks for the TPP as being held in secret without any democratic oversight or iteration that includes workers' rights or social policies on health issues. He cites the case of the Philip Morris Tabaco Company suing the government of Uruguay over health regulations that hurt their ability to sell cheap cigarettes.

Stiglitz sees a TPP agreement as a 'back-door' for multi-nationals to pressure national governments in various ways. He gives a scenario of a multi-national corporation moving its operations to a country, not its native one, with favourable regulations on low workers' rights and social care already in place and then lobbying for similar changes to be made under the TPP agreement in the native country the corporation was originally founded in.

Many of the theories of de-regulation and the synchronisation of work opportunities are a myth, according to Stiglitz. The social factors of complacency and demoralisation from longer terms of unemployment are not easily stimulated by the availability of short-term low-paid contract work. Also, the lack of sustainable employment for a large group also reduces wages for those with jobs through a downward pressure. He cites evidence of outsourced labour across continents in the manufacturing industries and service sectors as a pressure on wages as standards of living vary. His final point on the mismanagement of globalisation again returns to the faults in the systems of the 1990s. He sees the same system of 'trickle-down' economics through deregulated markets as not compensating workers through the profits and benefits. Rather, he sees the new formulation of the trade agreements supporting business efficiency across borders.

Interestingly, some of the economic policies of these multinational corporations are mirrored in

the fiscal plans of many of the right-wing political groups seeking to deleverage from the world economy.

VIII. Conclusion: Is self-sustainability really a threat?

We have seen from different reports and assessments that the current order of neo-liberal economics supported by centralist governments in the developed world and compliant leadership in developing nations is under threat. This has come from the unsustainability of the model, and a shift in economic power to the East and new trading relationships that favour countries other than those in the West. Furthermore, localised reactions by chiefly right-wing groups in developed nations are calling for a return to ethnically singular societies that are connected to the international stage through trade and mutual respect for sovereignty.

Although both Orlov and Berman offer strategies in which nations could survive changes to living arrangements, neither of them effectively deal with the retreat into nationalism tackled by Stiglitz and Rasmussen. There is a cause for concern for the millions of people currently living and working abroad who could well be displaced and those living in their own developing countries that previously supplied richer nations with products and services that may not be needed in the future.

As Mikkel Bolt Rasmussen points out, the endless production of capitalism and the de-territorialisation of neo-liberal economics pulls a nation-state away from having control of its own destiny, thus producing a strong desire to regain sovereignty. However, if state-hood is reclaimed through operations of exclusion of members of society, typically second generation immigrants, then the risk of re-enacting the era of Nazi Germany and the elimination of a race of people is heightened.

On Japan, Michael Penn points out in his report 'Japan Grapples with the Rise of Hate Groups' that as Japan moves closer to arming themselves through laws to re-instate a 'pro-active' military so calls for a closing of borders and links to the outside world may result in a rise of hate crimes against ethnic Koreans, Chinese and others. In fact, Penn reports that Japan does not have laws to protect against racial discrimination unlike most industrialized nations.

As with Denmark, the debate is complicated by more extreme right-wing groups in Japan

displaying more multifaceted opinions than the Japanese media would like to portray. He cites the comments of Nobuyuki Suzuki of the Restoration Party - known as Zaitokukai - who says that his party is far from being an ultra-nationalist fascism party of the right-wing. In fact, Suzuki says that his party has many anti-nuclear protesters, who are traditionally associated with the left-wing of politics, and that these members are also likely to travel to Okinawa to demonstrate against the US military presence there. Notwithstanding, the Zaitokukai group and the Dansk Folkeparti of Denmark do seem to endorse certain left-wing policies for citizens if they are first and foremost of one racial group – that being the dominate race of their respective countries.

The coming re-organisation of the global interconnectedness is therefore complex and hard to predict. Nevertheless, lessons from history could provide a guide to avoid the pain of massive changes in life-style and economic and social relationships. We know from Soviet Russia that rapid decline can be coped with if communal relationships and simple infrastructures still exist. We know from Japan that changing modes of living could be a better reflection of a nation's character. We know from globalisation that the deregulation of all markets and communications favours the rich. But that zero per cent growth rates do not equal the destruction of an economy. However, we also know that a preference for a more sustainable way of life based on communal bonds, traditional artistry and local relationships can produce racial profiling reminiscent of the Nazi movements of the 1930s.

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