

Dimitar Stoyanov

THE ALTERNATIVE

Sofia, 2020

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First Bulgarian edition, 2017

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ISBN 978-619-01-0653-1

DIMITAR STOYANOV

THE ALTERNATIVE

IN SEARCH OF A BETTER SOCIO-ECONOMIC MODEL

Translated from the Bulgarian by
Kalin Nenov



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FOREWORD

The world we live in is at a crossroads. On the one hand, we live in the most prosperous times humans have experienced; the largest number of people ever have been lifted out of poverty; new technological advances in all spheres have improved our lives and are continuously creating new and better products and services; more countries than ever before enjoy peace and prosperity. On the other hand, however, we are facing a range of significant challenges: increasing inequality means that a minority of people are reaping most of the benefits from the economic growth and technological advances while many are struggling to pay for basic housing, education, health and food. This is true even in the richest nations in the world. Climate change is leading to an increased number of natural disasters and is already impacting negatively every corner of the Earth. Depletion of natural resources is leading to more conflicts and shortages of goods we have grown to take for granted. And for the first time in many years, there is an increase of autocratic government regimes across the world.

These are clear signs that something is wrong with today's prevailing capitalist socio-economic order, which many have hailed as the only way to successfully organize human societies and economic activity since the demise of Soviet socialism. It is largely seen as the only path to follow.

This book questions that doctrine. It is a guide that takes us to a crossroads and illuminates the established paths travelled so far, but it also points out to alternative paths. Some that have been already

travelled (e.g., the social democracy model implemented in the Scandinavian countries, Germany and Austria), and others that are yet to be explored. This book reminds us that just because we don't know what is on the other side of the ocean, we cannot assume that there is void.

Professor Dimitar Stoyanov has one key advantage in comparison to many contemporary writers who have focused on discussing the pros and cons of different socio-economic systems: he has in-depth experience with both dominant models: socialism, as implemented in the former Soviet Union and the Eastern European Bloc, and the neoliberal capitalist model which currently dominates large parts of the Western World. This experience has enabled him to dissect the foundations of both socio-economic systems and to synthesize their key characteristics. On this basis, he has put a strong argument why the model of contemporary capitalism cannot be seen as the only way forward, as we have been made to believe after the demise of Soviet socialism. It cannot because of the many flaws of the model he highlights in the book, which will sooner or later lead to our self-destruction unless significant changes to the model are made. Equally, however, he points out why socialism, as it was implemented, could not compete with the neoliberal capitalist model and failed to offer a viable alternative.

You don't have to agree with the author's point of view to concede that an alternative is needed. But what should such an alternative look like? While currently there is no clear-cut answer to this question, one of the key insights from the book is the need to consider what principles should underpin an alternative socio-economic model.

Professor Stoyanov's analysis leads to the development of a number of key principles which should guide societies as they experiment with new systems. This makes the book even more timely: faced with the health and economic crisis caused by COVID-19, many countries have started implementing measures that are well aligned with the key tenets the author outlines in the third chapter of the book. The book demonstrates why many of the measures countries are cur-

rently taking, such as providing economic support to large number of workers who have lost their work and livelihood due to the pandemic (basically a form of universal basic income); offering free health care to any COVID-19 patients; substantial government investment in Research & Development to speed the development of the vaccine, should become a permanent feature of our socio-economic model. The current crisis situation provides a great opportunity for us to experiment with a new socio-economic order, one that is more equal, more humane, more sustainable and ultimately, more future-proof. This book provides a valuable guidance in the sea of opinions about which principles we need to abide by in order to come out of our current predicament, both our long-term predicament based on the undeniable lack of viability of the contemporary capitalist model, and the shorter-term crisis situation caused by a world-wide epidemic.

Professor Stoyanov does not promise us that the way out will be easy or straightforward; but he shows us that the first step we need to take is to recognize that there are alternative models and that we need to choose these less travelled paths if we are to safeguard our future. It is a journey worth taking.

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LIST OF ACRONYMS

ASEAN	Association of Southeast Asian Nations
AU	African Union
BCP	Bulgarian Communist Party
BBC	British Broadcasting Corporation
CDC	Center for Disease Control and Prevention
CFC	chlorofluorocarbon
CIA	Central Intelligence Agency
EC	European Commission
ECB	European Central Bank
EU	European Union
FAO	Food and Agriculture Organization
FIFA	Federation Internationale de Football Association
GDP	Gross domestic product
ICC	International Criminal Court
ICP	Italian Communist Party
ILO	International Labor Organization
IMF	International Monetary Fund
IOC	International Olympic Committee
LN	League of Nations
NASA	North American Space Agency
NATO	North Atlantic Treaty Organization
NBC	National Broadcasting Company
NRA	National Rifle Association
OECD	Organization for Economic Development and Cooperation
PISA	Program for International Student Assessment
UEFA	Union of European Football Associations
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
USA	United States of America
USSR	Union of Soviet Socialist Republics
WHO	World Health Organization

PREFACE

The twentieth century ended with a remarkable event: the collapse of the Soviet Union and the commonwealth of European socialist countries that had existed for several decades. Although the political map continued to feature China, Cuba, the Democratic People's Republic of Korea and a few other states which at least nominally stayed loyal to the principles of the socialist socioeconomic system, the world regarded the above collapse as the definitive end of communism. The demise of what was known as *real socialism* was solemnly announced. The most vehement opponents of the Marxist ideology proclaimed their triumph with a new wave of incantations, generally boiling down to the inevitable, "Did we not warn you? No such thing can last." More moderate critics generously allowed that someone may yet turn the notion of a fairer social system into reality—eventually. Some time in the distant future, that is. Nevertheless, both groups were unanimously adamant that the issue of bringing about a socialist society was no longer on the agenda.

The thesis that the lasting establishment and evolution of a socialist socioeconomic system is impossible in principle was so widely propagandized over the following two decades that it has become a predominant conviction among the majority of people who take an interest in the issues of social development. Unfortunately, most of them have failed to consider an elementary fallacy in the newest—and supposedly strongest—argument against Marxism: the single failure to implement an idea has been mistaken for irrefutable evidence for its infeasibility.

Another—and just as dubious—argument often used to justify the “lack of alternative” to capitalism claims that people are inherently selfish, therefore a society founded upon the free market—in other words, on competition—is the only environment where they can live normally and thrive. The misery, injustice and suffering in such societies must be accepted as a necessary evil, since we are not supposed to go against our primal nature, unless we wish to run into deeper trouble.

I doubt, however, that any proponents of the above claim can explain why they go to the doctor when they get sick. Is not sickness as natural a state for the human body as economic crises are for society? Consistent Social Darwinists should entrust their health to the law of natural selection, letting the strongest live and the rest die—just as in an economic system ruled exclusively by the laws of the market, the power and wealth of the rich grow, while the poor live in ever more deplorable conditions.

The dominant conviction in the untenability of Marx’s ideas has led to a glorification of the capitalist system, despite its obvious shortcomings and deepening problems. The argument that its apologists use in its defense (and find irrefutable) goes: whether we like this system or not, we do not have a choice; because we do not have an alternative. It is almost always followed by Churchill’s famous saying that “democracy is the worst form of Government except all those other forms that have been tried from time to time.” (On such occasions, I smilingly recall that when I was a student, I read in one of Lenin’s works something along the lines of, “Socialism is the worst social system, except all those other systems.”)

Fortunately, the universal law of diversity applies not only to living and non-living nature, but also to human thought. Not all people in the world think identically, and some have criticized the current dominant socioeconomic system. Luminaries as diverse as John Kenneth Galbraith, Lester Thurow, Noam Chomsky, and Joseph Stiglitz (none of which could be called a Marxist) have objectively analyzed the defects of modern capitalism. Their analyses, however, have not ventured further than the conclusion that both the contemporary

market-based system and the political model of parliamentary democracy are in urgent need of repair and improvement.

On the other hand, the voices raised against capitalism are so few and so weak that the powerful choir of its keen supporters has simply drowned them out. Nowadays, someone whose thinking lies to the left of the classical social democrat is regarded with mockery or benevolent condescension at best, but never with understanding. Such views often provoke negative responses, varying from mild animosity to open hostility. Any Eastern European communists who stayed true to their credo have gone through hard times: many of them have been subjected to insults, accusations of all the deadly sins, humiliation, and political persecution.

Should we be surprised, then, that public debates on the problems of contemporary society and the possible courses for its evolution exhibit such an acute deficiency of leftist ideas? Obviously not; it is well known that history is written by the victors. If we elaborate on that thought, we can conclude that the winners of this particular battle are also in charge of the assembly where we discuss our present and future.

Herein lies one of the gravest pitfalls of contemporary democracy. Democracy seems so intoxicated by its own grandeur, by its “lack of alternatives,” that it aggravates its own problems, rejecting any “heretical” suggestion of radical transformations. This engenders the objective necessity of promoting new leftist ideas, of disseminating them far and wide, of freely and dispassionately discussing the problems of the existing socioeconomic system from different points of view, including those that believe that the world can become a better and fairer place.

And herein lie my motives to undertake writing this book. Of course, it was a hard decision, because a man who is not a professional philosopher, sociologist or politician is bound to doubt his competence in such complex matters. The decisive factor was my conviction that nowadays, new notions and conceptions are usually not born in the heads of extra talented individuals but by our collective efforts. Thus, everyone can contribute—albeit modestly—to the quest for the correct course of social evolution.

I therefore ask readers to consider this book, not as a rigorous scientific study, but as an essay that presents my personal views about the problems of our society.

Besides, I have grounds to believe that these views are shared by a fair number of other people. At any rate, by many enough to make the game worth the effort.

INTRODUCTION

The debate whether there can exist a genuine alternative to capitalism inevitably involves evaluations of the system and comparisons to socialism, which in turn invokes a number of risks and difficulties. It is therefore advisable to consider the objective difficulties accompanying such analysis. This will reduce the danger of inadvertently misrepresenting facts and events, on the one hand, and of misunderstanding the point of this book, on the other.

First of all, we must take into account the enormous impact of time. As time goes, many features of a particular social formation change. These changes are sometimes so great that a given social system can, in the course of its evolution, considerably deviate from its original form in specific defining characteristics.

For instance, capitalism from the turn of our century is radically different from the type of capitalism that was criticized by Marx and Engels. Likewise, *mature socialism*, which existed until the 1980s in Eastern Europe, looked nothing like the Soviet society in the first years after the October Revolution.

We must consider the era in which certain processes or events took place also because the same social phenomena have been regarded and assessed differently in different historical periods. For example, racial discrimination, which has been firmly condemned all around the civilized world, used to be a common practice as late as the mid-twentieth century even in some regions of the USA: a country that claims to be a champion of equality and freedom for its citizens.

The second key consideration is to bear in mind the specific conditions in which a socioeconomic system exists: geographic location of the country, cultural and religious traditions, historical leg-

acy, economic, political and military relations with other countries, etc. Nowadays, hardly anyone doubts that the enormous difficulties faced by certain powerful countries in the recent past as they tried to integrate societies with different cultures or outright reform them were caused exactly by ignoring these factors. The fiasco of the former Soviet Union, and subsequently the USA, in Afghanistan, or the failure of the US intervention in Iraq demonstrated the importance of precisely assessing the entire complex of circumstances that shape the processes in a particular society.

Indeed, social processes are complicated, and studying them requires an in-depth approach. The scope of this essay can in no way span a thorough scientific analysis of all issues, so my reflections will rely on practical logic and common sense, referring to results from other authors' studies. Readers can consult the provided list of references and explore these topics further.

The large amount of numeric data, graphs and tables may seem redundant or even boring. Yet I chose to include them in order to support my claims and better illustrate my conclusions. Besides, skipping any part of the facts provided here would not prevent readers from grasping the main point of my argument.

As I wrote this book, a number of events occurred which have not been covered here for obvious reasons, yet have a direct bearing on our subject. The United Kingdom decided to leave the European Union. A new state emerged, governed by Islamic fundamentalists. The series of terrorist attacks across European countries and the USA reignited the debates around religious, cultural and social incompatibilities. The USA announced their withdrawal from the Paris Agreement on climate change. A nationalist wave swept over Europe; populism became prominent in politics; new parties and new politicians gained quick popularity; rich countries have faced an ever growing immigrant pressure. These and other processes will undoubtedly cause concern in the future too. They are yet another evidence that we must no longer close our eyes to the problems of modern society but actively seek ways to solve them.

CHAPTER 1

THE VICES OF CONTEMPORARY CAPITALIST ECONOMIES

Whenever we attempt to analyze contemporary capitalist society, we inevitably run into a question: what kind of model are we analyzing? The capitalist system in the Democratic Republic of Congo, for instance, differs from that in the United States, and the reality of the Middle East does not have much in common with the situation in Japan. This does not imply, however, an inherent impossibility to discern the common traits of the economic and political systems in such diverse corners of the world. On the contrary, they have been brilliantly summarized by Marx more than a century ago. According to him, the essential characteristics of the capitalist economic system are private ownership of the means of production and the leading role of the free market. Thus, the major slogan of right-wing economists has always been *Privatization and free markets*.

An unbiased approach requires us to recognize the positive aspects of capitalist economies. In my opinion, the most important one has been the unprecedented rates of economic growth, of the evolution of productive forces, and of the production of material goods. Anyone who has ever lived in a socialist society will have no difficulty remembering the amount of efforts spent by the authorities for “the acceleration of technical progress,” the development and deployment of modern technologies, “the ever greater fulfillment of the workers’ needs for goods and services.” Yet, despite certain successes, the competition against capitalist countries was never won in this area, which became a major reason for the collapse of the socialist system around the world.

Of course, the weaker results of the socialist economy stemmed largely from its own flaws, yet we must admit that capitalism, by virtue of its nature, creates more favorable conditions for rapid economic growth and technological progress.

The same aspiration for a competitive edge drives producers of goods and services to strive for higher quality in their products. I must note, however, that in recent decades we have witnessed the reverse trend: a growing number of low-quality products aiming at cost savings and thus increased profits. At any rate, socialist economies were at a disadvantage here as well.

Another—although more arguable—advantage of capitalist economies is the widely touted self-regulating function of the market. On the one hand, it automatically regulates production depending on demand (although this often involves shocks and anomalies); on the other, it protects the system from a total collapse during crises. Below, I will discuss certain grave concerns that this ability of market mechanisms to operate without state interference may be effective only under certain conditions. Nevertheless, so far capitalism has shown a great capacity for adapting to changing conditions and surviving the crises it regularly faces.

The capacity of the capitalist system for evolutionary change not only helps it weather crises—though sometimes at the cost of socioeconomic and political cataclysms—but also fosters the creation and evolution of new regulation and governance mechanisms, characteristic of highly developed societies.

The above advantages of capitalist economies are well known owing to their active promotion around the world. Their disadvantages have been discussed or studied much less frequently, even though they may have a key impact on our future. Therefore, it is worth elaborating on them and their potential to compromise the existence of the system.

A key question for the existence of any socioeconomic system is whether it can provide sustainable development. The collapse of *real socialism* was another testimony to that. As we examine the prospects of the evolution of the capitalist economic model, we must first and foremost bear in mind that question.

An analysis of the accumulated historical experience and today's reality does not warrant a positive answer. On the contrary, more and more facts imply that contemporary capitalism cannot last long. Let us examine my reasons for such a worrisome conclusion.

CAPITALISM AND THE LIMITED RESOURCES OF OUR PLANET

Nowadays, even people who are not directly involved in the science of economics know the main indicator for economic prosperity in capitalism: **growth of the gross domestic product of a country**. This axiom brooks no questioning. It is a universal belief that only the continuous growth of this indicator guarantees economic stability, prosperity, and progress. Even a small decrease in this growth is perceived as a harbinger of a crisis. In other words, the sustainable existence of capitalist economies is impossible without the continuous growth of the production of material goods and services.

However, such growth implies a corresponding increase in the use of natural resources. This effectively means that the very existence of capitalist economies demands the increasing consumption of the available natural resources. As we all know, these resources are limited. If they keep being consumed at an ever quickening rate—higher than the growth of the population size—they will inevitably be depleted.

On the other hand, this trend entails increasing amounts of waste products, which can often cause irreversible changes in the environment and thus endanger the lives of future generations.

In other words, the main condition for the existence of capitalism—the continuous growth of production—blatantly contradicts the limited capacity of the Earth to sustain such a growth.

This commonsensical assertion leads to a definitive conclusion: contemporary capitalism condemns human civilization to its demise. There are no politics or ideologies here; it is a matter of simple logic and mathematics.

The second fundamental principle of economic activities in capitalism—**the pursuit of maximized profits and minimized turnaround times**—aggravates the problem of steady growth. Below, I shall demonstrate that entrepreneurs' efforts to increase revenue and reduce costs often lead to a ruthless exploitation of resources and environmental damage.

I will also cite facts that prove the existence of genuine opportunities to avert the depletion of natural resources, which however cannot be pursued under the current capitalist economy. This has to do with another trait of capitalism: **the extremely unequal distribution of wealth** among the world population, leading to the rampant consumption of resources by the richest 10%.

NATURAL RESOURCES ARE LIMITED

Let us examine a few examples demonstrating how grave the problem with limited resources is and how pressing, the need to change our attitude towards their use.

DEPLETION OF ENERGY RESERVES:

A SERIOUS THREAT TO HUMANITY

Let us start with a resource that is vital for the existence of human civilization: energy.

Today, about 80% of humanity's energy needs are met by fossil fuels—and mostly by oil [1]. Logically, its consumption around the world has been rapidly growing. Fig 1.1 illustrates this trend.

On the other hand, the world reserves of this valuable resource have been diminishing dangerously. As early as 1956, American geologist M. King Hubbert illustrated his prognosis of the depletion of oil reserves with his famous bell-shaped curve (Fig 1.2), predicting that the world production would reach its peak in around 2010 and then decline steadily. For more than half a century, this prognosis was subject to heated debates and denunciations by various experts.

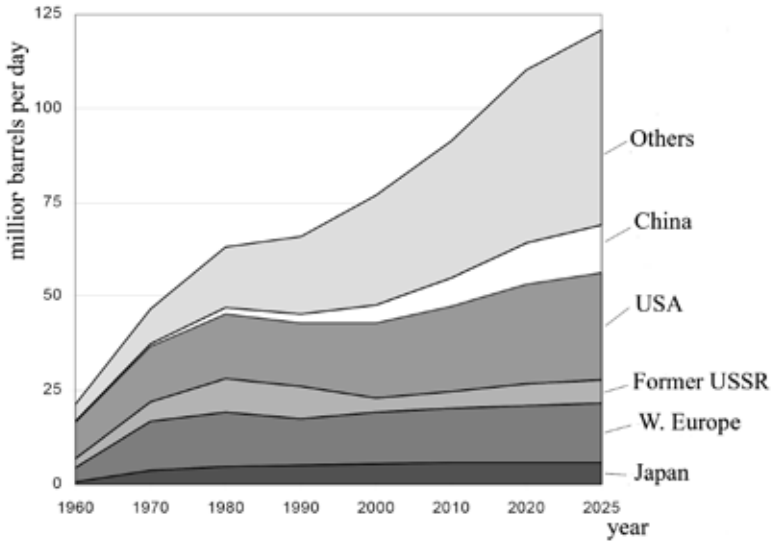


Fig. 1.1. Increase in oil consumption [1]

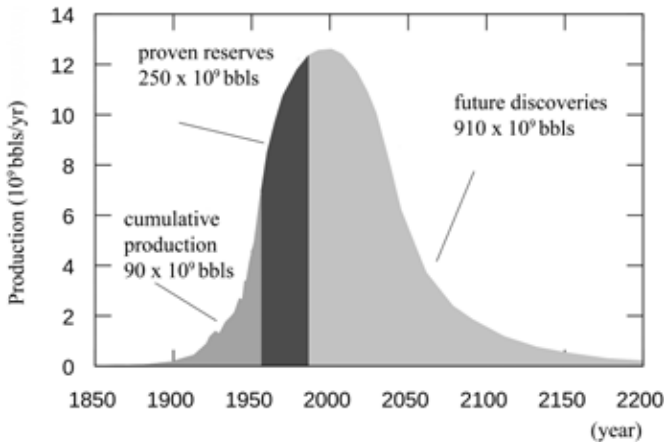


Fig. 1.2. The Hubbert curve predicting the depletion of oil reserves [2]

Unfortunately, statistical data has confirmed Hubbert's prognosis to a remarkable degree. The diagram in Fig 1.3 unarguably demonstrates that oil-producing countries have one by one reached their peaks, and their production is now on the decline.

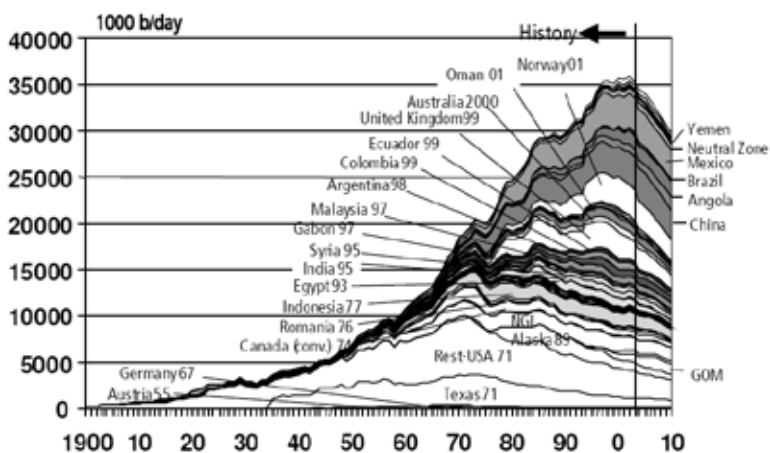


Fig. 1.3. A 2004 survey by the US government [3]

As a result, the net difference between the new reserves discovered around the world and the annual consumption is already negative (Fig.1.4).

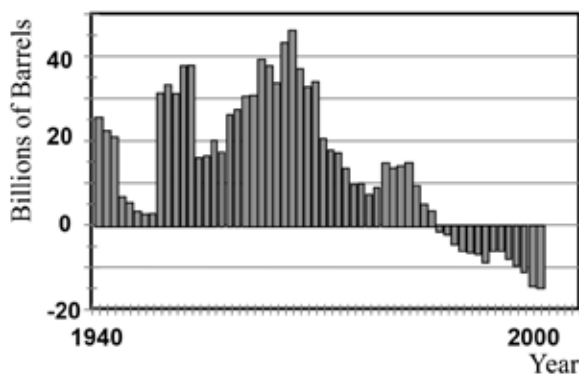


Fig. 1.4. Net difference between annual world oil reserves additions and annual consumption [1]

THE RESERVES OF OTHER KEY RESOURCES ARE ALSO LIMITED

We are facing a similar situation with the reserves of other natural resources vital to the existence of human society. Fig 1.5 shows the expected depletion times of specific resources, if their consumption continues at the present rates and affordable prices. As seen, except for coal, aluminum and cobalt, the reserves of all other metals, oil and natural gas may be depleted before the end of our century.

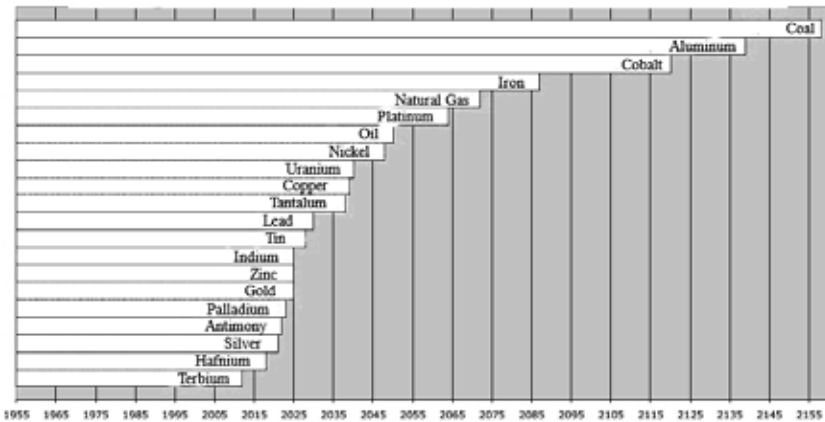


Fig. 1.5. Projected dates for the exhaustion of exploitable natural resources at current consumption rates [4]

Fig. 1.6 illustrates the depletion rates of certain mineral resources in Australia. There is an evident downward trend for their reserves over the recent hundred years.

We have been witnessing similarly disconcerting trends with other natural resources, such as forests, fish stocks, drinking water, arable lands, etc.

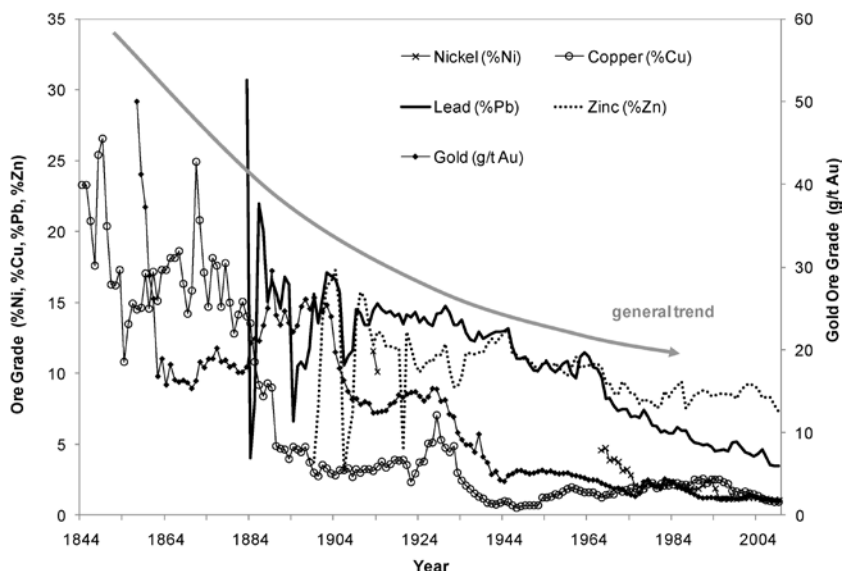


Fig. 1.6. Ore grades decline (in percentages of the total mass of the ore) of base and precious metals in Australia [5]

THE DESTRUCTION OF TROPICAL FORESTS CONTINUES

The ongoing decrease of areas covered by tropical forests in South America and certain regions in Asia raises serious concerns, because it contributes (along with other factors) to global warming. At the same time, the deforestation of such vast spaces leads to the extinction of rare plant and animal species.

Thus, in the Amazon basin in Brazil, where the systematic destruction of tropical forests began in 1970, their area has since decreased by nearly 19%. Between 2005 and 2012, the deforestation rates of the Amazon area dropped down, despite the increase in soybean production and cattle breeding, which are the usual culprits for the destruction of virgin forests [6]. This was due to the state-imposed measures aiming at stricter control and sanctions for offenders. However, these measures became less effective after 2012.

This case points to two conclusions. Firstly, efficient agriculture is possible even without sacrificing virgin forests and tropical areas. Secondly, the implementation of restrictive and punitive measures can-

not in itself ward off deforestation. The process can be stopped only if the local population, which is largely destitute, is provided with alternative sources of livelihood. In other words, an effective social policy is a prerequisite for preserving the forests in endangered areas.

We must not forget that tropical forests, along with every other natural resource, are priceless treasures both for their countries and for humanity as a whole.

Here are some reasons why [7]:

- 25% of all pharmaceutical products in developed countries are derived from tropical forests; however, we have explored less than 1% of the plants in this biome yet.
- The population of developing countries earns nearly 80% of its livelihood from tropical forests.
- Tropical forests house over half of the plant and animal species we are aware of.
- Out of 3,000 fruit species discovered in tropical forests, only 200 are consumed in developed countries.
- It is estimated that 137 plant and animal species become extinct in tropical forests every day, which amounts to more than 50,000 species per year.

Another threat to biodiversity is the eradication of wild forests and their replacement by plantations, where various raw materials are extracted. This is most common for tropical zones, where a growing number of areas have been planted with cultivated trees, which yield palm oil, natural rubber, and other products. An in-depth study by the World Resources Institute showed that over 24,000 hectares of plantations in Malaysia are located in areas that used to be covered by virgin forests in 2000. This amounts to 30.2% of the territory of the country. In Indonesia, such plantations cover an area of 66,000 hectares, or 12.9% of the territory [8].

The substitution of natural tropical forests with plantations presents a disturbing trend. And while palm oil can be used in food products (besides its other purposes), the plantations that yield natural rubber (*Hevea brasiliensis*) serve mostly the needs of the insatiable automotive industry.

According to statistics, the consumption of fish has doubled for the past thirty years. Unfortunately, the increased effective capacity of

the world fishing fleet during the last decade has not resulted in an increased catch on a global scale [9]. This indicates the imminent depletion of fish reserves. For the Atlantic bluefin tuna (*Thunnus thynnus*), they dropped by 80% between 1970 and 2007 in the western part of the Atlantic [10]. Fig. 1.7 illustrates this trend from 1995 to 2007.

THE THREAT TO THE WORLD OCEAN

According to statistics, the consumption of fish has doubled for the past thirty years. Unfortunately, the increased effective capacity of the world fishing fleet during the last decade has not resulted in an increased catch on a global scale [9]. This indicates the imminent depletion of fish reserves. For the Atlantic bluefin tuna (*Thunnus thynnus*), they dropped by 80% between 1970 and 2007 in the western part of the Atlantic [10]. Fig. 1.7 illustrates this trend from 1995 to 2007.

Over the past decades, a growing number of specialists have expressed their concern over the state of the world ocean.

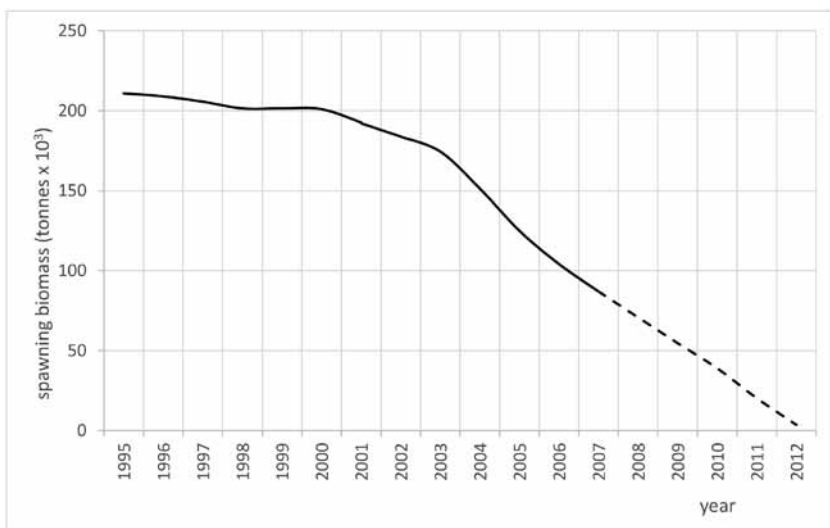


Fig. 1.7. Decline of the Atlantic bluefin tuna until 2008 according to data by the Standing Committee on Research and Statistics (SCRS) and the International Commission for the Conservation of Atlantic Tunas (ICCAT)

Due to the progressively declining catch, fishermen have started catching fish of smaller sizes, which has in turn aggravated the problem. A telling example is illustrated in Fig 1.8.

The World Bank has estimated that the total catch of fish in the world must be reduced by 44 to 54% in order to yield maximum overall economic benefit. Excessive fishing can result in lost net profits of the order of 50 billion dollars a year: a considerable figure when compared to the current total annual turnover of the world fishing industry—about 90 billion dollars [11].

A dramatic decline in the population of the Atlantic bluefin tuna caused the European Commission to issue a one-year ban on their catching in 2007 [12]. Without this measure, they could have gone extinct from the eastern part of the Atlantic and the Mediterranean Sea by 2012.

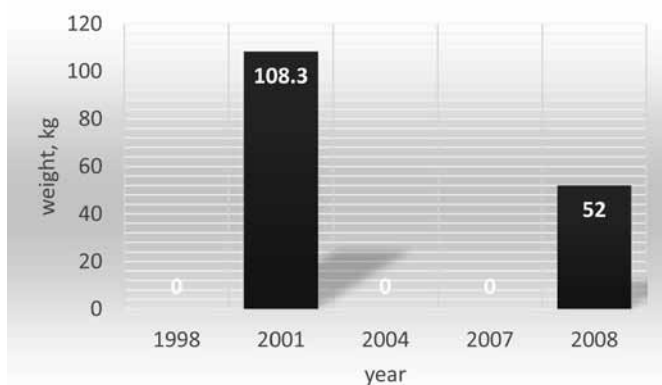


Fig. 1.8. Mean size (in kg) of tuna caught by Tunisian purse series in 2001 and 2008 [10].

Nevertheless, such palliative measures offer no lasting solution to the problem, because it is deeply rooted in the very system of exploiting the resources of the world ocean. And this system stands upon a vicious principle of capitalist economies: market-based regulation.

It was precisely the increased demand of fish and other seafood that led to their predatory decimation. Of course, the growing human population plays a part too, just like in the consumption of other

natural resources. Yet statistics has shown that the rates at which fish catching increases surpass those of human population growth. This implies that if we adopt sensible policies, we may avoid the depletion of fish stocks.

Unfortunately, market-based regulation does not provide mechanisms for coping with strategic tasks, such as preserving Earth's fish diversity. It is exclusively geared to obtaining maximum profit for a particular group of entrepreneurs at a particular time.

Thus, nothing justifies the use of fish products as animal feed, yet it is a widespread practice. It destroys vast amounts of small fish, thereby damaging the food chain in the oceans. As a result, larger species remain without sufficient food, and their population declines.

"Nowadays, 30 million tonnes of small fish (anchovies, sardines, herrings, cods, sprats, etc.) are annually turned into flour and fish oil, used to feed chickens, pigs, and fish with high market value. Chickens and pigs alone consume six times as much fish as the entire population of the USA." [13]

Even worse, enormous amounts of fish are used for feeding... pets; or for raising animals used for their fur. "According to a recent survey by an Australian university, house cats alone consume around 5.3 million tonnes of fish (the number is likely higher, because it does not include China)." [13]

Still more outrageously, a large part of the catch is thrown away, because its processing and further use even as by-products is unprofitable, i.e. it would violate the main principle of successful entrepreneurship in capitalism. We are talking about giant amounts of fish. According to Ted Danson and Andrew Sharpless, "The scale of the problem is staggering — several U.S. fisheries actually throw away more marine life than they keep. Researchers estimate that an average of 20 percent of what is caught in the U.S. is thrown away each year, wasting approximately 2 billion pounds of seafood and killing hundreds of thousands of whales, dolphins, sharks, seals and sea turtles.... Four fisheries [in USA] discard 63 to 66 percent of everything they catch." [14]

There is another incurable disease of capitalism that contributes to decimating the world fish stocks: the destitute poverty of large

parts of the population inhabiting the coastal zones. Trying to make ends meet, they catch fish and other seafood in a systematic and unchecked fashion and sell it at low prices. This in turn boosts the demand, closing the vicious circle.

The international community has realized the severity of the issue, and affected governments and international organizations have responded in various ways. In its 2007 report, the United Nations Environment Programme (UNEP) warned that the main fish stocks used by humankind as food will be depleted by about 2050, unless we adopt measures to preserve the oceans [15].

To this end, in 1982, after a decade of negotiations, the United Nations Convention on the Law of the Sea (UNCLOS) was adopted. Its fundamental principle stated that oceans belong to all of humankind. It tried to establish common rules for managing and using the resources of the oceans. Unfortunately, even though UNCLOS entered into force in 1994 and has been ratified by 160 countries (out of 190 member states of the UN), it has not yet been signed by the USA.

Besides, many of the states that have ratified the convention implement measures which thwart rather than contribute to the preservation of fish stocks and marine biodiversity. Suffice to say that the annual subsidies for the world fishing sector amount to nearly 34 billion US dollars. According to some ecologists, the subsidies further encourage the overexploitation of the oceans, as about 20 billion of them go towards increasing the capacity of the fishing fleet by purchasing craft, fuel, and fishing facilities. In addition, they reinforce the advantages of the USA and Japan with respect to the other countries [12], increasing the gap between members of the sector.

The state of the oceans and their inhabitants can be further harmed by the agreement for the liberalization of fish and seafood trade proposed by the World Trade Organization. In a report based on data by OECD, EU and UNEP, Greenpeace warned that "further fish trade liberalization, especially through the reduction/elimination of tariffs, will only bring lasting economic benefits to those few developed countries that have well-established and reasonably effective fisheries management regimes. It is no accident that these are the