The malaise of our present days

Luiz Carlos Bresser-Pereira *Folha de S. Paulo*, August 29, 2011

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We are living in a time of crisis, a time of malaise. The savage uprising in Great Britain showed it clearly; it was a worsened replay of the French rebellions of 2005. As the more moderate and more objective manifestations that occurred in Greece, in Spain, and in England itself against the austerity policies imposed by the creditors or self-imposed by its own conservative government, they demonstrate that we are not living happy days. Material misery continues to be identified with the poor and exploited peripheral countries, but human misery, a feeling of insecurity and lack of perspective, as well as a widespread frustration, are everywhere. They are located particularly in the rich world. The United States, that in the postwar period was a cohesive and vigorous society, is today a divided and disoriented society. In Europe, the crisis caused by the euro suggests stagnation or even economic decadence for everyone.

How to explain what is happening? Is it capitalism that failed, is it the Social State that was destroyed, as suggested by such a radical and brilliant critic as Slavoj Zizek? I do not accept this kind of diagnosis. Capitalism's 30 Neoliberal Years were a time of social and political retrogression, of a brutal increase in inequalities and financial instability, and a time of decrease in economic growth rates. But the European Social State survived because it was supported by the European people in democratic elections.

Was it then because the modern world lost its moral parameters, as suggested by the conservatives? It is not worth losing time with this kind of non-explanation. Rebellions are not always rational, and often not even reasonable, but they are always moral. They always show moral indignation against the injustice, privilege and corruption of the rich. London rebels acted sometimes as criminals, but we should not underestimate their indignation.

There was, indeed, moral decadence in our times. But the loss of moral parameters resulted from the contradictory and unhealthy alliance between conservatism and neoliberalism – with a fiercely individualistic ideology, which actively denies the ideas of solidarity and public interest. Progressives do not have a monopoly on morals, because the conservatives have always

been the guardians of morality, although mistaking morality for the established order. The conservative was simply not willing, as are the progressive and the revolutionary, to risk order in the name of social justice. When, however, during the 30 Neoliberal Years, conservatism was captured by neoliberalism, it paradoxically became a source of social disorganization and of moral retrogression.

The malaise of our time will only be overcome when the rich world shall rediscover the future. But this rediscovery can only be made after its criticism of neoliberalism. Capitalism's Neoliberal Years ended up with the 2008 global financial crisis, which demoralized it, as it did to the neoclassical economics that justified it. But neither the conservative elites nor the progressive intellectuals were able to make the necessary criticism of what happened. Nor to reaffirm their reliance on the idea of progress or development. Well, without criticizing the past there is no project for the future. We will not be able to overcome the malaise of our present days without reestablishing the idea of the political construction of the two primary institutions of modern societies: the State and the market, and without understanding that the State is at the same time the object and the instrument of this social construction.