

Renegade Retrospective 2020

Ross Welcome to Renegade Inc, the retrospective, in a year that has been quite quiet and straightforward for everyone. In this programme, we look back and bring together the best of some of our guests so you can relive 2020 in glorious technicolour.

Ross First up is a friend of the show, Steve Keen. Steve sees Covid-19 as a bigger economic shock than the 2008 crisis. He also thinks that the pandemic has unveiled the fatal flaws in what was already a fragile economic system.

Steve Keen Because it happened to start in China, that's where a large part of the supply chain originates. So it's not just a demand and credit crisis, as the 2008 crisis was, it's a supply crisis as well. And the whole production system can break down. There are some things we don't need to have produced. We can survive without extra cars, washing machines, iPhones, iPads - that we can live without. We can't live without the food and we can't live without the health and medical supplies. Unfortunately, many of those medical supplies originate in China as well. The type of capitalism we have where the pressure has been to deregulate, diversify supply chains, globalise and so on, works in what William Baumol once called the cowboy economy where there's vast open spaces. You can expand into them. You can dump stuff because it doesn't matter, the environment will cope. That's cowboy capitalism.

Ross Is that the idea behind go west young man?

Steve Keen Yeah, exactly. That's where Baumol took the idea from. What he then said was we're also in our own spaceship economy. We are so confined by the system we're in that we don't have any room to move. Everything we do gets dumped back into the vessel we're in. And this is one of the most tragic manifestations of that. The event itself wasn't predictable. That this event would happen, was predictable. There's a great book written about it about 25 or 30 years ago by The New York Times health correspondent called The Coming Plague. And it isn't the flu virus that happens to do it - that's what she thought would be the case. But it was inevitable that at some point we'd get a combination of a highly contagious disease, which was very deadly at the same time. And in some ways, this virus actually hits the sweet spot of both.

Ross So we're told that capitalism is the most efficient and effective economic system available. But when the so-called stewards of the system hollow it out by prioritising profit over people - when a pandemic does hit - it's no surprise that those who can least afford it end up paying the price.

Richard Wolff You have a level of displacement now that is very, very stark - the loss of jobs. You have businesses shut down. New York City, where I lived until we had to leave, is now a ghost city. Nothing happens, nothing moves. No one knows, for example - since today is when we're taping this, when we're doing this is toward the end of the month - everybody's rent is due for the month of April. No one knows whether they should pay it or not. The same is true with mortgages. The same is true with every deal that's on the table which contracts for a payment. I mean, the system isn't working. And that's not because we have a virus, it's

because, as a system - despite knowing that at least for the last century, we've had a dozen viral pandemics, and we know that they are dangerous in terms of the spread amongst people and that therefore you have to plan and organise how to manage that - none of it was done, none of it was planned for. And the reason is simple. In a private profit system, no producer of a test kit or a mask or a ventilator or anything else has any incentive to produce them if they're not profitable - to stockpile them - if they're not profitable. It turns out that capitalism's profit system is a very inefficient way to cope with fundamental threats to public health. But here's the punch line. No matter what our politicians do, the people are slowly learning that a system that cannot protect them from these kinds of events, like a system that works to produce the crashes of 2000 and 2008/9, is a system whose time has come and now gone.

Ross The one percent don't ever let a crisis go to waste. And Covid-19 has been no different. Where public health systems have been deliberately eroded and deregulated, a door opens for Big Pharma and, not needing a second invitation, they jump in to do deals of a lifetime.

Gerald Posner This will sound like a cold calculus, and it is. But there are parts of the pharmaceutical industry that are salivating at the pandemic, not because they want people to die or because they engineered the pandemic in a secret lab, but because this novel virus gives them a possible once in a lifetime opportunity for enormous profits. Governments around the world are panicked, people are in fear, they're desperate. That's the time you get great deals that people are paying billions of dollars through their governments for vaccines and treatments. Pharmaceutical companies are all rushing to try to get it through. The ones that cross the finish line first, know that this could be a game changer for them in terms of their business models. But one thing the pharmaceutical companies know is good PR. It's hard to imagine I say that because they don't get much of it. Whoever develops this vaccine, I predict now to be proven wrong, they will give away one hundred, two hundred three hundred million dollars of it to the third world, to Africa, to places where it's too poor. And that will make them look as though they're doing something philanthropic when they're making billions from the Western world.

Ross As Brexit looms, the NHS comes into sharp focus for American health care and insurance companies. They want in so to bleed the service dry by introducing a pay to play system, lumbering UK citizens with massive administrative and medical costs.

Bob Gill Insurance is about making profit, and the way you make profit is through the denial of care or introducing barriers to accessing your insurance policy - so having high out-of-pocket expenses, for example, whereas a public health system is there to deliver the best health outcome for the patients without the additional bureaucracy of an insurance based system. So if you compare the pre-privatised NHS to the American system, well, our administrative costs were less than five percent. In America, the administrative costs are in excess of 30 percent. So it makes absolutely no sense, from an economic point of view, to replicate a hugely costly and expensive system like the Americans. And the other problem with the insurance-based system is perverse incentives for doctors to deny the care to their patients. And that will fundamentally break the relationship between the doctor and the patient.

Ross Replicating a US based health care system would be a disaster, especially as the NHS is an amazing public health investment story. It was the Ali Baba founder, Jack Ma, who highlighted that the reason America can't look after her own people is that there's been too much war and not enough public investment.

Indi Samarajiva I think since essentially the Reagan era, the United States hasn't invested in its people. So I think Americans understand white people better. So I'll refer to Europe. But in Europe, they invest it in health care, in public services. These were all considered part of being a wealthy country. And America never made that investment. They said, oh, we give money to rich people, they'll make cool stuff. And that's true. You do get like a huge range of consumer goods in America. You can get as many toothbrushes as you want, but if you're in West Virginia, your teeth are rotting out of your skull because you don't have dental care. They haven't invested in themselves, in their people. And it's also led to a society where, as you can see in Covid-19, where just wearing a face mask, it's an act of caring for someone else. With that it's seen as like somehow unmanly or un-American - not by many Americans, I think many Americans are doing that - but by enough of them that it causes a huge problem. So, yes, you need to invest in people. The thing is America doesn't even win wars. It's the only empire in history, I think, that has made a career out of losing wars. I think Americans are also unaware of how hurtful their wars are to people. There's this Brown Costs of War Project, which says that over a million people have been killed in one way through America's terror wars. Over thirty seven million people have been displaced. And I would just invite Americans to consider that these are families who also love their children and who also love each other. These are also people who liked being in their homes. So it's not just like, oh, you're like Raytheon and people made out with some money. It's like, no, you destroyed many lives. Many people have been hurt. And there's a sort of like arrogance about Americans that, hey, we're the good guys and you're not. Like, you're the baddies. This is what America needs to realise. And now it's happening to you. Now, like these same troops that were going to other countries are now on your streets in Portland, in Wisconsin. And it doesn't feel so good, but it never felt good for the rest of the world.

Ross One of the by-products of so much military adventurism overseas is an oversupply of troops arriving back in the country and looking for work. Many of them end up in local police forces. What could possibly go wrong?

Scott Ritter The rule of law has become increasingly complicated. Police officers today aren't just turning down bank robbers or burglars or people who assault, they police domestic violence situations - extraordinarily complicated situations. They police mental health issues. They police, you know, economic disparity issues. These are social workers more than they are police officers. And for the police to be effectively part of your community, you have to have the knowledge base to know what you're up against and how best to respond. This means that we should be hiring very mature people, people with at least a four year degree, preferably an advanced degree and some sort of not just criminal justice, but also sociology, social working. And we should pay them very well because we're demanding that they have a certain standard. They should see money. Instead, we hire cops in borderline poverty payment. We don't demand a college education. We often just say, hey, your high school is good enough, and oh, yes, you get an extra click if you come in from the military. You get a veteran's bonus. But the military doesn't provide any of what I just said. The military teaches

you how to close with, and destroy the enemy through firepower and manoeuvre, which is the last thing you want a cop to be doing.

Ajamu Baraka The killing of George Floyd was a trigger not just in terms of a response to the systematic brutality coming from the police forces, but the structural contradictions that are creating the conditions in the country in which African-Americans are dying to the tune of hundreds a day as a consequence of Covid-19 - unnecessarily dying because our communities have been the victims of a neo liberal regime that has closed down hospitals and allowed for industrial plants to be sited in our communities, resulting in all of the underlying conditions that have made our people vulnerable to Covid-19. So there is structural violence along with the violence from the police that get culminated to a point where people decided that enough was enough. And with the African-Americans going to the streets, they were joined by white allies and brown people and LGBTQ people and everybody who are frustrated at what is happening in this country.

Margaret Kimberley Well, America is exceptional, but not in any good way - exceptionally violent around the world with military bases all over the world, interventions, invasions, coups against other nations, violent against its own people, exceptionally violent, more people in prison than any other country. The police killing three people on average every day. A thousand people killed by the police. George Floyd is just one of a thousand people who will be killed by the police this year. So the exceptionalism is not anything positive.

Ross And why is it that you have such a military presence globally but you can't actually manage affairs internally?

Margaret Kimberley Well, I think the two are connected. The fact that the US has this empire is an indication that it's not democratic at home either. You can't have injustice abroad, but have justice at home. The two are linked. When you have a country that sees itself as having the right to do whatever it wants to anyone, then that ethos is repeated here.

Ross Welcome back to Renegade Inc. One of the most confusing and barbaric events in 2020 has been the Julian Assange trial. Surely journalists and the public can foresee the ramifications of not standing up for freedom of the press. So why have we heard so little about this from the corporate mainstream media?

Richard Medhurst Well, I think the reason is twofold. It's because the media are not doing their job - and this is not just a corporate news media, but also when it comes to independent media, they just can't be bothered to cover this case, I think, because they are just not interested in anything that's got to do with national security journalism and exposing war crimes and covering foreign policy. And of course, the corporate news media, they're just an arm of the national security state. So they're not going to cover somebody who goes against their narrative and the establishment lines that they parrot. And the other reason is that there's been an enormous smear campaign against Julian Assange for the past decade. They've been trying to character assassinate him, paint him as a cyber criminal, as a Russian intelligence asset. So you have people that end up shying away from his case and not wanting to defend what's happening, when in fact, it's not just about Assange, it's about press freedoms worldwide. And if the US can reach across the Atlantic and just kidnap journalists, what's next? If Julian Assange is extradited, he will almost surely be convicted. And it's the end of

journalistic freedoms as we know it. It's setting a new precedent that the UK is going to give up journalists that the US wants and let them just pluck them out of central London and put them away in a federal supermax prison in the US for two centuries. And it's sending a message that anyone who calls out and who exposes government wrongdoing and crimes is going to be punished.

Taylor Hudak I would say that this is a selective prosecution and a political persecution. The United States is going after Julian Assange specifically because of the information that he revealed through WikiLeaks. They want to scare other journalists and whistleblowers and encourage them not to be publishing information that is embarrassing to the United States government. So this is certainly a retaliation for his good journalism. In fact, it came out during the extradition hearings that WikiLeaks was not the first to publish the leaks and included the names of informants. It was, in fact, Cryptome who published this first. However, it is WikiLeaks and Julian Assange, essentially, that it is being prosecuted for this. And I do think that it is, again, the United States retaliating against a journalist and publisher. And I could tell you, Ross, if you look at the conditions that he will face in a US prison system, it is absolutely atrocious. It violates basic human rights. It would be a complete atrocity if the UK government were to grant this extradition. I cannot stress that enough. The conditions he would face are not suitable for his mental health or his physical health.

Ross A media blackout is a prerequisite to exporting so-called democracy globally at the point of a gun. But that playbook is beginning to look dated, especially as we see that Imperialism 2.0 has little or no regard for the people it's meant to be liberating.

Daniel Kovalik If we look at kind of how the historical colonialism has devolved. In the day, if you look at the British Empire, for example, the colonial powers at least felt some stewardship over their colonies, right? They would plunder the colonies. They would repress people in the colonies, but they felt some obligation to build some infrastructure, you know, to do something for people. And they prided themselves on this, right? I think they overly prided themselves on it. But, you know, they felt some obligation. And then, of course, you know, certainly after World War Two, the British colonies break up, the British Empire falls apart, and, you know, the US starts to really become the dominant colonial power. And what it decides is, look, we don't have to be a steward over these places. That costs money and, you know, it takes effort. So what we're going to do is just support strongmen to rule over these countries in our interests. So we'll get all the benefit. But we don't really have to do much for these folks, right? But then as time went on, they decided, well, the strongmen are unreliable. And what they decided, in general, is we're not going to be a steward. We're not going to support strongmen like Mobutu or Saddam Hussein who was a US asset for a long time. What we're going to do is we're just going to create chaos. We're going to destroy the state. We're going to create stateless countries in which we could just go in and plunder at will, right? We don't have to negotiate. We don't have to pay taxes. We don't have to pay royalties. We can just go in and take what we want because there's no state, even a compliant state to deal with. And that is the new model. That's what people have to understand. Chaos is the end game.

Ross After Donald Trump ordered the killing of the Iranian general, Qassem Soleimani, at the beginning of this year, he very quickly backed down from further military action, which would have caused unprecedented chaos in the Middle East. But why did he retreat?

Gareth Porter For decades, I think the United States, essentially, had a grudge against Iran because of the fact that we lost our client regime, the Shah's regime, in 1979 and really longed to have it back, but couldn't do that. And that was the beginning of, I think, this grudge. But then after the Cold War ended, we have a new stage, which I've discussed in my book, *Manufactured Crisis*, where the US national security state really needed Iran as an adversary in order to partially, at least, try to make up for the loss of the Soviet Union as its primary adversary and primary excuse for the Cold War, for that Cold War level of spending on the military and intelligence. So that was a second phase. But then, you know, I think we quickly go into a third phase where the role of Israel as an influence on US policy toward Iran became really very central. It began really under Bill Clinton and it has continued under Bush and less so under Obama, but then under Trump very much so. I think the real principal cause of this apparent desire for war with Iran is the pressure from the constant badgering from the Netanyahu government in Israel and its ability to essentially leverage a strong influence on US policy through particularly secretary of state that we now have, Pompeo. And we've seen over the last year, in particular, this influence by Pompeo on the policy has been extremely strong and it has resulted - that is the policy influence - has resulted in President Trump himself being manoeuvred into a position where he almost went to war twice. And the result was that we didn't go to war. And I would argue that there are two reasons for this. One, Trump himself does not want to have any part of a war with Iran. But secondly, I can tell you very confidently that the US Pentagon, despite its warlike qualities, does not want to go to war with Iran. It has not wanted to go to war with Iran at all for many years. And the reason is that the United States military, particularly the US Navy, has too much to lose in a war with Iran and nothing to gain.

Ross So with the American election jamboree out of the way and a new president elect, many who voted for him are now hopeful that America gets back to normal.

Ariel Gold What Biden has promised us, the American people, what he has promised us during his campaign, is a return to normal. But normal is the problems that we know all too well of neo liberalism. Normal is a bloated Pentagon budget. Normal, our endless wars. Normal, is corporate control of so much of the American politics. Normal, is in a massive infusion, as we see during every election, of money in politics. So normal is not something to look forward to.

Ross So what will the new normal look like? Will it look like the old one, but with Tessler's? Or is it now the case that we simply can no longer afford the status quo?

Graham Brown-Martin The kind of scale of economic stimulus, financial stimulus, that are going in to maintain the status quo - the pre 2019 status quo - is phenomenal. It is by a long way larger than the 2008 financial collapse which indicates the economy is going to be somewhat different on the other side of this. But I would also argue that it was going to have to be different anyway. I mean, we had an economic model that came in after the Second World War, which for many of us created prosperity, particularly in the sort of Western world and everything else and sort of affordances that are, you know, generations behind us could never of imagined. I don't want to be too mean about that, but the cost of that economy to our environment, to the place that we live on in terms of growing inequality and so forth, that wasn't built into the purchase price. And so our extractive economy, which was, you

know, we take things out of the earth, we do something, we process them, we put them in, say, a phone or something, we that phone for two years and throw it away. That extractive economy, ultimately, would have to change. And actually, I think this in some sense accelerated, catalysed, this thinking about what does the new economy look like? Because we simply can't have an economy which damages the environment, creates gross inequality, and also, ultimately, does lead or creates the environment or the conditions for a pandemic to thrive.

Ross At the end of a year like 2020, it's easy to feel hopeless, but this misses the point. The real heroes of the year weren't the presidents, politicians, prime ministers and corporate CEOs. The real heroes have been the workers - teachers, doctors, nurses - in short, all those people who create real value. They've kept our society and our economies moving. And what belies this is a new understanding that we are collectively way more powerful than we think.

Ann Pettifor I think I want us to understand that we have power, that the private finance sector, Wall Street, is dependent on the public institutions. These are public servants. They're heavily reliant on public institutions, not just in times of crisis, but all the time. And the thing that the banks want more than anything in the world is our debt. And so therefore, we can say, yes, OK, but these are the terms and conditions. If you want this stuff, these are the terms. So I want us to feel that power. Now, I think that's really hard for ordinary people to feel, but they can do it through their trade unions. And the way I think about it is in this way. And this became so clear during the pandemic that we think of ourselves as just individuals with very little power. And it's all this big stuff going on beyond us. And then a pandemic hits, right? And the big powerful guys are paralysed. Who is running the economy? Who makes the economy work? Well, it turns out to be Mr. Jeff Bezos' truck drivers, the deliverers who are delivering his parcels. It turns out to be the people, the truck drivers moving our food around. It turns out to be the shelf stackers in supermarkets. It turns out to be health workers. These people are making the economy.

Ross So that's it for the Renegade retrospective this year. In our next episode, we have a special guest who's been right at the heart of government calling the shots throughout this woefully mismanaged pandemic. Don't miss it. But from all the team here, thank you for your support and kind words over the year. We all really appreciate it. Happy Christmas. And until next week, stay curious.