

## **The global economic crisis: Winter of Despair or Spring of Hope**

Although held to be Chinese, the origins of the phrase 'May you live in interesting times' is a matter of dispute. Also in dispute is whether the phrase is a blessing or a curse.

Be that as it may, what is certain is that currently we 'live in interesting times'. 'Interesting times' could, however, be an understatement.

Perhaps, the memorable opening lines of Charles Dickens *A Tale of Two Cities* more accurately capture our current conditions. Dickens writes:

It was the best of times, it was the worst of times; it was the age of wisdom, it was the age of foolishness; it was the epoch of belief, it was the epoch of incredulity; it was the season of Light, it was the season of Darkness; it was the spring of hope, it was the winter of despair; we had everything before us, we had nothing before us.

We live today in an epoch that is termed globalization. Distinct from previous periods of history, under globalization there has been a massive world-wide 'expansion of economic activities', including companies designing their goods in one country but producing them in many other countries.

Also features of globalization are extensive and rapid 'flows of (capital), services, technology, information and ideas across national boundaries'. Alongside, there has been the growth of a global consumer culture, symbolized by McDonald's, Nike, Microsoft, MTV and the like.

What has made globalization possible is, of course, the huge increases in the speed of air and other travel, 'the technological revolution in communications, the internet and large-scale computerized information systems'.

Barack Obama has averred that 'As the world grows smaller, our common humanity shall reveal itself'. Amen! But will it?

Paradoxically, despite greater contact across regions, nations, cultures, religions and languages, and despite the world growing smaller, during recent decades there has been an all too evident closing of minds and hearts and negation of important human values.

The negation of core human values – respect for human dignity, difference and diversity, human rights and the oneness of humanity – and the closing of hearts have promoted destructive fundamentalisms of various kinds, intolerance and prejudice, and have made the world a much less just, safe and secure place.

The closing of the mind has been evident in economic and social thought and policies that have prevailed during the past twenty years. Wisdom derived from vigorous intellectual debate, knowledge, and understanding and the idea of public good have been disdained. Instead, self-serving ideas based on arrogant power and narrow economic interests have triumphed. The result has been dubious and pernicious economic and social orthodoxies that have slowly matured into the grave financial and economic crises that envelope the world today.

Instead of, as the Nobel prize-winning economist Amartya Sen put's it, 'development as human freedom', as 'a process of expanding the real freedoms that people enjoy', human development has come to be reduced to 'growth of gross national product, or with the rise in personal incomes, or with industrialization, or with technological advance'.

Under the sway of the new economic and social orthodoxies a culture of unbridled individualism, greed and crass materialism has taken root, its mantra 'grab what you can and damn the rest'.

Rather than a concern with people, social equity and justice, the unadulterated pursuit of self-interest, money, material wealth, profits, and performance bonuses have come to be the new gods.

What powerful economic and social groups have sowed during the past two decades, without any effective restraint and regulation, the whole world now reaps.

It takes courage to read the business pages of newspapers, for the ills and woes that they document make for dismal reading. Once-thriving economies, lauded only recently as great success stories, find themselves in perilous states.

In the United States and Europe, the bastions of capitalism, major financial institutions have been nationalized. Recall that not too long ago we were being warned against nationalising. Once blue chip companies have gone bust or are pleading cap-in-hand for government bail-outs.

Stories abound on the impact of the crisis on the poor, on pensions and savings, on job losses running into the millions and rising unemployment, with worse to come.

While we have been somewhat cushioned from the fallout, we are not immune to the effects of the crisis. Already, the job losses are mounting.

It is a sobering thought that those who have sown the global economic and financial malaise are the graduates of supposedly outstanding universities. These universities and particular academics have often had close relationships with the financial companies that are today in the limelight for all the wrong reasons.

Judging by their actions, the MBA graduates of these outstanding universities, or as they are now being called, 'Masters of the Business Apocalypse', or 'Mediocre but Arrogant, or 'Me Before Anyone', seem to have had a higher education lacking in any deep engagement with issues of ethics and morality.

As universities we rush to embrace the adulation of our graduates. It is to be hoped that we will also reflect critically and deeply on our social purposes, values and shortcomings when our graduates contribute to plunging the world into financial and economic turmoil.

In Dickens' terms, the global financial and economic is 'the worst of times', an 'age of foolishness', an 'epoch of incredulity', 'the season of Darkness', 'the winter of despair' with 'nothing before us'.

And yet, the global crisis could also become 'the best of times', 'the age of wisdom', 'the epoch of belief', 'the season of Light', 'the spring of hope', a time when 'we ha(ve) everything before us'.

If for good reasons communism was buried with the fall of the Berlin Wall exactly 20 years ago, for equally good reasons the recent events must also signal the demise of the uncontrolled, soulless and destructive free-market capitalism to which humanity has been subject the past 20 years.

The current crisis therefore provides the opportunity for a new imagination that is freed from the stifling and dangerous orthodoxies of the past decades. 'We need to rekindle our capacity to imagine, and to see through the still-gathering storm to what lies beyond'.

It creates the space for new ideas, and for the recovery of important values related to human development, justice, solidarity, freedom and internationalism.

It enables us to think about and act to construct a different kind of world and different kind of citizenship, 'a world where markets are servants, not masters'.

Whether and to what extent this happens, whether amidst these 'worst of times' and 'winter of despair' we move into 'the spring of hope' with 'everything before us' depends on us.

It depends on whether, as intellectuals and scholars, as graduates and citizens, and as universities and government's we take on the responsibility of re-thinking and re-making our world and our societies on the basis of other principles and logics than the ones that have dominated in recent decades.

This new logic must first and foremost put human development, people's needs, justice and human rights at the centre of all our actions.

It must more greatly appreciate, respect, and affirm difference and diversity related to race, gender, language and culture as well-springs of social vitality and strength.

It must embrace the idea that we have inherited the earth in safe-keeping for future generations and must abandon the reckless degradation of our environment in the name of 'progress' and 'development'.

The orthodoxies of the last two decades have been especially harmful to how we think about the value, purposes and goals of universities, and about education and knowledge. They have also sought seeking to reduce universities to simply training schools and instruments of the economy and businesses.

The new logic must revalue knowledge and education as cornerstones of human development and restore to universities their important and varied social purposes.

Above all, the new logic requires champions in their millions so that there can be an effective prising open of minds and hearts that have been closed to all needs other than those of their own.

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