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Capitalism & Insecurity: How Promoting Western Values Fails to Create Peace

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RUSU MIHAI ALIN, MAR 13 2014

Capitalism and Insecurity: How Promoting Western Liberal Values Fails to Create Peace

In contemporary times, it is widely accepted within the Western media that liberal values boasting equality, freedom, and tolerance have a direct relation to the current capitalist system that is followed by most democracies in the world. The subsequent system claims to be the most positive in furthering human needs and ensuring stability security. As the debate on broadening the debate on security goes on, one must take a step back and view the concepts of security and capitalism in perspective. This essay aims to bring a counter-argument to the assumption that capitalism brings peace and security in a two-step process: (1) by contrasting one of the traditional approaches to security (liberalism) with the emerging critical theories of security studies (specifically, the Aberystwyth School), in order to emphasise the need to consider security beyond the state; and (2) by considering the impacts of capitalism in creating and maintaining human security, in reference to the Haitian economy. This paper will conclude – following Marxian rhetoric – that capitalism, through its inherently exploitative nature, does not create peace and security – but rather creates the context in which many other conflicts might arise.

Firstly, liberalism will be considered, to provide the context in which capitalism can be observed. “There is no canonical description of liberalism. What we tend to call liberal resembles a family portrait of principles and institutions, recognizable by certain characteristics – for example, individual freedom, political participation, private property and equality of opportunity, that most liberal states share ...” (Doyle, 1986: 1151). Liberalism is considered here to understand the values and characteristics of capitalism, which traditionally is considered a liberal system and will be outlined through one of its central elements in liberal thinking: commercial liberalism. Elements such as free-trade, economic interdependence and mutual gains are the characteristics of the system and encompass much of the notion of capitalism. This School maintains that free-trade and interdependence would inevitably lead to peace and security, as liberalism-oriented elites strongly interested in economic growth will always seek to maintain a free unregulated market and will promote a peaceful environment to reach that goal (Morgan, 2013: 31). It is also important to consider the link between liberalism and the belief that unregulated economic exchange is best driven by the market rather than being subordinate to bureaucratic control (Dunne, 2011: 105), which will inevitably lead to mutual gains. Liberal theorists argue that capitalism creates the context in which all state actors can trade with each other and this complete freedom leads to a situation where every trade relation benefits both parties, thus creating wealth and promoting development and equality. There was no admission that free trade between states at different stages of development could ever lead to relations of dominance (Dunne: 2011: 105). These efforts to create wealth and equality are influenced by other actors, such as interest groups, transnational corporations and international NGOs, a central aspect of liberal thought, as maintained by Robert Keohane and Joseph Nye (1972). These institutions would create a system of interdependence that would guarantee the cohesion of the international system and would contribute to the pluralistic view of liberal thought. (Dunne, 2011: 105). As most capitalist systems that boast liberal values are democracies, the Liberalism school considers Democratic Peace Theory to provide a good argument for the promotion of peace and security: the notion that democratic states do not fight each other. It can be said that democratic representation, an ideological commitment to human rights and transnational interdependence provide a clear argumentation for the peaceful tendencies of states amongst each other (Baylis, 2011: 237). Another argument is that relations between democracies thrive due to the fact that they perceive one another as a legitimate

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government worthy of respect (Morgan, 2013: 35). When government is liberal, relations with fellow democracies are harmonious and vice-versa (Owen, 1994: 89). Also, it is believed that they exert a type of “liberal conscience” by sharing liberal causes with other democracies. There is, however, a tendency to “proselytize the rest of the world by war” and to justify such actions on the basis of morality (Spiro, 1994: 81), which in itself creates conflict-prone contexts. There is argument, however, that although Democratic Peace Theory is right in stating that in the last two centuries there have been no direct conflicts between democratic states, there has been consistent military intervention in other democratic states, such as the organising coups in Iran in 1953 (Rosato, 2003: 590).

All of the abovementioned concepts come together in a School that, in security terms, considers the referent object *the state*. The traditional approach was that ensuring the security of the state would inherently guarantee the security of everything below/contained in it. This paper will now turn to consider a critical approach to the traditional notion to security, in order to demonstrate argument that capitalism does not create peace and security.

Emerging after the end of the Cold War, Critical Theory in Security Studies considers the shift of the referent object from the state to many other possible agents – through this, Critical Security Studies (CSS) questions the limitation of security in military terms and considers other threats and ‘types’ of security. In his attempt to elaborate a critical theory of security, Booth (2005) has drawn from the Frankfurt School tradition and expanded it further, by adding Gramscian, Marxist and Critical International Relations to the Frankfurt School (Mutimer, 2013: 76). “Booth drew on the range of post-Marxist social theory, particularly as it has been drawn into International Relations, with a pride of place to the work of the Frankfurt School in general...” (Mutimer, 2013: 76). One of the key tenets of CSS is the notion that ‘security’ is a socially constructed concept, allowing the international community to consider other types of referent objects and security threats – this is particularly relevant, as it provides the channel through which ‘human security’ can be considered a much more appropriate way of ensuring peace rather than the state which, historically, has been found lacking and, in its quest to ensure security, exploitative in nature.

Marxist thought, in light of the new security approach, proves to be a strong tool in determining the flaws of capitalism in creating peace and security. For Marx, capitalism (which shouldn’t be confused with just the markets) represents a system of social life which is inherently exploitative and empowering of the social elite (Rupert, 2010: 163). This is relevant as private ownership and exploitation of the means of production, on the Marxist view, will lead to the creation of a global system in which the powerful and wealthy continue to prosper at the expense of the powerless and the poor. This, it is argued, is the main reason for the poverty in the global arena (Hobden & Jones, 2011: 132). Lenin, in *‘Imperialism, the Highest Stage of Capitalism’* develops the argument further, stating that capitalism has entered into a new stage – that of monopoly capitalism, where a two-tier structure has evolved, where the bourgeois in the core country (exploiting state) further exploit the periphery to and use the profits to develop the core proletariat further (Hobden & Jones, 2011: 132).

Turning the example, this paper now considers the consequences of liberal capitalist values imposed upon a protectionist state, Haiti, considering the ‘human (in)security’ that is created by the core country exploitation of the periphery. Historically, Haiti’s most significant food output was rice. Although once self-sufficient in its production, Haiti now imports approximately 80% of its rice (Curran, 2012). This shift is consistent with the time international financial institutions insisted Haiti lifted its tariffs on imports and adopted liberalisation policies – a shift that had disastrous effects on Haitian agriculture (Altidor, 2004). U.S. President Clinton, in retrospect, has called it the ‘devil’s bargain’ that ultimately resulted in greater poverty and food insecurity in Haiti. But the advantages to the US rice producers are substantial (O’Connor, 2013), as it provides a market to sell their very cheap rice and an opportunity to make profit. As developed in the 2005 United Nations Development Report, security must ‘protect the vital core of all human lives in ways that advance human freedoms and human fulfilment’ (Kerr, 2013: 106); we infer, as King (2013) argues, that poverty is part of that security concern. King and Murray (2013) thus attempt to provide a definition of poverty that should be included in the security spectrum: “whenever he or she dips below the pre-defined threshold in any component areas of well-being” which here develop in “having enough food and nutrition to survive” (2013: 594). As a nation in which its population survives on less than \$1 a day, it falls well within this threshold.

In conclusion, there is much criticism to the assumption that capitalism, as a system, brings security and peace. If one would only view the world through traditional lenses and consider only state security ensured through military

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might, then the critical theory arguments fail to provide a coherent reasoning that capitalism creates inequality. However, by observing the emerging threats in a world going through the constant process of globalization, where threats defy the traditional norms and move outside of its spectrum, one must take into account the critical approach to security if a complete understanding of security is to be had. Thus, it can be argued that Marxist assumptions of disunity and exploitation by the elite, exemplified through the threats to human security, as seen in Haiti, provide sufficient argument for the claim that capitalism does not create security, regardless of its liberal background that aims to achieve the same thing.

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Capitalism & Insecurity: How Promoting Western Values Fails to Create Peace

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