

Crisis of the Capitalist System: Where Do We Go from Here?

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In 1982, I published a book, jointly with Samir Amin, Giovanni Arrighi, and Andre Gunder Frank, entitled *Dynamics of Global Crisis*. This was not its original title. We had proposed the title, *Crisis, What Crisis?* The U.S. publisher did not like that title, but we used it in the French translation. The book consisted of a joint introduction and conclusion and a separate essay by each of us on the topic.

We opened the book with our observation that “throughout the 1970s, ‘crisis’ became an increasingly familiar theme: first in obscure discussions among intellectuals, then in the popular press, and finally in political debates in many countries.” We noted that there were many different definitions of the so-called crisis as well as different explanations of its origin.

By the 1980s, the term “crisis” seemed to disappear from world discourse, to be replaced by another buzz word, one with a much more optimistic gloss — “globalization.” It is only beginning in 2008 that the tone has turned dour again, and the word “crisis” has resurfaced, this time more sharply than in the 1970s, but just as loosely. So the question, “crisis, what crisis?” seems again very relevant.

Something did indeed happen to the world-system in the late 1960s, early 1970s. This moment marked the beginning of the downturn in two absolutely normal cycles in the operation of the modern world-system. It was the moment when both the hegemonic cycle and the overall economic cycle each began its downturn. The period 1945 to circa 1970 had been the moment of the height of United States hegemony in the world-system and also the moment of the most expansive Kondratieff A-upturn that the capitalist world-economy had ever known in its history. The French refer to that period as “les trente glorieuses” — a most apt expression.

I call these downturns absolutely normal. To understand why, one must bear in mind two things. All systems have cyclical rhythms. It is the way they live, the way they deal with the inevitable fluctuations of their operations. The second thing to bear in mind has to do with how capitalism as a world-system functions. There are two key issues: how producers make profit; how states guarantee the world order within which producers may make profit. Let us take each in turn.

Capitalism is a system in which the endless accumulation of capital is the *raison d’être*. To accumulate capital, producers must obtain profits from their operations. However, truly significant profits are possible only if the producer can sell the product for considerably more than the cost of production. In a situation of perfect competition, it is absolutely impossible to make significant profit. If there is perfect competition (that is, a multitude of sellers, a multitude of buyers, and universally available information about prices), any intelligent buyer will go from seller to seller until he finds one who will sell at a penny above the cost of production, if not indeed below the cost of production.

Obtaining significant profit requires a monopoly, or at least a quasi-monopoly of world-economic power. If there is a monopoly, the seller can demand any price, as long as he does not go beyond what the elasticity of demand permits. Any time the world-economy is expanding significantly, one will find that there are some “leading” products, which are relatively monopolized. It is from these products that great profits are made and large amounts of capital can be accumulated. The forward and backward linkages of these leading products are the basis of an overall expansion of the world-economy. We call this the A-phase of a Kondratieff cycle.

The problem for capitalists is that all monopolies are self-liquidating. This is because there exists a world market into which new producers can enter, however well politically defended is a given monopoly. Of course, entry takes time. But sooner or later, others are able to enter the market, and the degree of competition increases. And when competition increases, prices go down, as the heralds of capitalism have always told us. However, at the same time, profits go down. When profits for the leading products go down sufficiently, the world-economy ceases to expand, and it enters into a period of stagnation. We call this the B-phase of a Kondratieff cycle. Empirically, the A- and B-phases together have tended to be 50-60 years in length, but the exact lengths have varied. Of course, after a certain time in a B-phase, new monopolies can be created and a new A-phase can begin. How this has been done is not our topic here.

The second condition for capitalist profit is that there exists some kind of relative world order. While world wars offer the possibilities for some entrepreneurs to do very well, they also occasion enormous destruction of fixed capital and considerable interference with world trade. The overall world-economic balance-sheet of world wars is not positive, a point Schumpeter repeatedly made. A relatively stable situation is necessary for a positive overall balance-sheet. Ensuring this relatively stable situation is the task of a hegemonic power, that is, a power strong enough to impose such relative stability on the world-system as a whole. Hegemonic cycles have been much longer than Kondratieff cycles. It is not so easy, in a world of multiple so-called sovereign states, for one state to establish itself as the hegemonic power. It has in fact been done only three times in several hundred years: first by the United Provinces in the mid-seventeenth century, then by the United Kingdom in the mid-nineteenth century, and finally by the United States in the mid-twentieth century.

The rise of a hegemonic power is the result of a long struggle with other potential hegemonic powers. It has been won each time up to now by that state which, for various reasons and by various methods, has been able to put together the most efficient productive machinery, and then to win a “thirty years’ war” with its principal rival. Again how this is done is not our topic here. The key point is that once a given state finally achieves hegemony, it is able to set the rules by which the interstate system operates, seeking simultaneously to assure its smooth functioning and to maximize the flow of accumulated capital to its citizens and productive enterprises. One could call this a quasi-monopoly of geopolitical power.

The problem for the hegemonic power is the same as the problem for a leading industry. The monopoly is self-liquidating. This is so for two reasons. On the one hand, to maintain the order it imposes, the hegemonic power has to make use on occasion of its military power. But potential military strength is always more intimidating than actually-used military strength. Using the military strength is costly in money and lives. It has a negative impact on the citizens of the hegemonic power, whose initial pride in victory tends to turn to distress as they pay the increasing costs of military action, and they begin to lose enthusiasm. Furthermore, big military operations tend almost always to be less efficacious than both supporters and opponents of the hegemonic power had feared, and this strengthens the future resistance of others who wish to defy the hegemonic power.

There is a second reason. Even if the hegemonic power’s economic efficiency does not immediately falter, that of other countries begins to rise. And as the others rise, they are less ready to accept the

dictates of the hegemonic power. The hegemonic power enters into a process of slow decline relative to the rising powers. The decline may be slow but it is nonetheless essentially irreversible.

The conjoining circa 1965-1970 of the two kinds of decline — that marking the end of the historically most expansive Kondratieff-A phase and that marking the beginning of decline of the historically most powerful hegemonic power — is what made that turning point so remarkable. It is no accident that the world revolution of 1968 (actually 1966-1970) took place at that turning point, as an expression of the turning point.

The world revolution of 1968 marked a third downturn, one however that has occurred only once in the history of the modern world-system — the decline of the traditional antisystemic movements of the world-system, the so-called Old Left. The Old Left — essentially the two varieties of world social movements, the Communists and the Social-Democrats; plus the national liberation movements — arose slowly and laboriously across the world-system, primarily throughout the last third of the nineteenth century and the first half of the twentieth century. The Old Left movements ascended from a position of political marginality and weakness as of say 1870 to one of political centrality and considerable strength as of say 1950.

These movements reached the summit of their mobilizing power in the period from 1945 to 1968 — exactly the moment of both the extraordinary Kondratieff A-phase expansion and the height of U.S. hegemony. I do not think this was fortuitous, although it might seem counter-intuitive. The incredible world economic expansion led to a strong preference of entrepreneurs not to suffer interruptions of their production processes because of conflict with the workers. It followed that they tended to believe that concessions to the material demands of their workers cost them less than such interruptions. Of course, over time, this meant rising costs of production, one of the factors that led to the end of the quasi-monopolies of leading industries. But most entrepreneurs make decisions that maximize short-term profits — let us say, profits over the succeeding three years — and leave the future to the gods.

Parallel considerations influenced the policies of the hegemonic power. Maintaining relative stability in the world-system was an essential objective. The United States had to weigh the cost of repressive activity on the world scene against the cost of concessions to the demands of national liberation movements. And reluctantly at first, but later more deliberately, the United States began to favor a controlled “decolonization” and this had the effect of bringing such movements to power.

Hence, by the middle of the 1960s, one could say that the Old Left movements had achieved their historic goal of state power almost everywhere — at least on paper. Communist parties ruled one-third of the world — the so-called socialist bloc. Social-democratic parties were in power, at least alternating power, in most of another third of the world — the pan-European world. One has to bear in mind in addition that, at that time, the principal policy of the social-democratic parties — the welfare state - was accepted and practiced as well by their conservative alternating parties. And of course, the national liberation movements had come to power in most of the former colonial world (as well as various versions of populist movements in Latin America).

To be sure, I have said “at least on paper.” Most analysts and militants tend today to be very critical of the performance of all these movements, and doubt that their coming to power made much difference. But this is a retrospective view and is historically anachronistic. The critics forget the sense of worldwide triumphalism that pervaded the Old Left movements and their supporters at precisely that time, a triumphalism based precisely on their achievement of state power. The critics forget as well the sense of deep fear that pervaded the world’s wealthier and more conservative strata about what looked to them like a juggernaut of destructive egalitarianism.

The world revolution of 1968 changed all that. Three themes pervaded the analyses and the rhetoric of those who engaged in the multiple uprisings. All three themes bespoke a revised triumphalism. The first theme was that the U.S. hegemonic power had overstretched and was vulnerable. The Vietnam war was the model example, albeit not the only one. The Tet offensive was taken to be the death knell of the U.S. military operation. As part of the new atmosphere, the revolutionaries attacked the role of the Soviet Union which they saw as a collusive participant in U.S. hegemony, a feeling that had been growing everywhere, since at least 1956.

The second theme was that the Old Left movements — of all three varieties — had failed to deliver their historic promises. All three varieties had built their strategy on the so-called two-step strategy — first take state power, then change the world. The militants said in effect that you have taken state power but have not at all changed the world. If we wish to change the world, we must replace you with new movements and new strategies. And we shall do this. The Chinese Cultural Revolution was taken by many as the model example of this possibility.

The third theme was that the Old Left movements had ignored the forgotten peoples — those downtrodden because of their race, their gender, their ethnicity, their sexuality. The militants insisted that the demands for equal treatment by all of these groups could no longer be deferred to some putative future time after the main Old Left parties had achieved their historic objectives. These demands, they said, constituted part of the urgent present, not the deferred future. In many ways, the Black Power movement in the United States was the model example.

The world revolution of 1968 was an enormous political success. The world revolution of 1968 was an enormous political failure. It rose like a phoenix, burned very bright indeed across the globe, and then by the mid-1970s seemed to be extinguished almost everywhere. What had been accomplished by this wild brushfire? Actually, quite a bit. Centrist liberalism had been dethroned as the governing ideology of the world-system. It was reduced to being simply one alternative among others. And the Old Left movements were destroyed as mobilizers of any kind of fundamental change. But the immediate triumphalism of the revolutionaries of 1968, liberated from any subordination to centrist liberalism, proved shallow and unsustainable.

The world right was equally liberated from any attachment to centrist liberalism. It took advantage of the world economic stagnation and the collapse of the Old Left movements (and their governments) to launch a counter-offensive, which we call neoliberal (actually quite conservative) globalization. The prime objectives were to reverse all the gains of the lower strata during the Kondratieff A-period. The world right sought to reduce all the major costs of production, to destroy the welfare state in all its versions, and to slow down the decline of U.S. power in the world-system. The onward march of the world right seemed to culminate in 1989. The ending of Soviet control over its East-Central European satellite states and the dismantling of the Soviet Union itself led to a sudden new triumphalism of the world right. One more illusion!

The offensive of the world right was a great success. The offensive of the world right was a great failure. What was sustaining the accumulation of capital since the 1970s was the turning from seeking profits via productive efficiency to seeking profits via financial manipulations, more correctly called speculation. The key mechanism of speculation is encouraging consumption via indebtedness. This was of course what has happened in every Kondratieff B-period.

The difference this time has been the scale of the speculation and the indebtedness. After the biggest A-period expansion in the history of the capitalist world-economy, there has followed the biggest speculative mania. The bubbles moved through the whole world-system — from the national debts of the Third World countries and the socialist bloc in the 1970s, to the junk bonds of large corporations in the 1980s, to the consumer indebtedness of the 1990s to the U.S. government

indebtedness of the Bush era. The system has gone from bubble to bubble. The world is currently trying one last bubble — the bailouts of the banks and the printing of dollars.

The depression into which the world has fallen will continue now for quite a while and go quite deep. It will destroy the last small pillar of relative economic stability, the role of the U.S. dollar as a reserve currency of safeguarding wealth. As this happens, the main concern of every government in the world — from the United States to China, from France to Russia to Brazil to South Africa, not to speak of all the weaker governments on the world scene — will be to avert the uprising of the unemployed workers and the middle strata whose savings and pensions disappear. The governments are turning to protectionism and printing money as their first line of defense, as ways of dealing with popular anger.

Such measures may postpone the dangers the governments fear and may assuage momentarily the pain of ordinary people. But they will eventually probably make the situation even worse. We are entering a gridlock of the system, from which the world will find it extremely difficult to extract itself. The gridlock will express itself in the form of a constant set of ever wilder fluctuations, which will make short-term predictions — both economic and political — virtually guesswork. And this in turn will aggravate the popular fears and alienation.

Some are claiming that the greatly improved relative economic position of the Asian nations — especially first Japan, then South Korea and Taiwan, then China and to a lesser extent India — is allowing, will allow a resurgence of capitalist enterprise, with a simple geographical shift of location. One more illusion! The relative rise of Asia is a reality, but precisely one that undermines further the capitalist system. It does so by overloading the numbers of persons to whom surplus-value is distributed. The top end of the capitalist system can never be too large, for this reduces (not increases) the overall accumulation of capital. China's economic expansion accelerates the structural profit squeeze of the capitalist world-economy.

Where do we go from here? It is at this point that we must put into the discussion the other element, the secular trends of the world-system, as opposed to its cyclical rhythms. All kinds of systems function in the same formal fashion. The cyclical rhythms are how they operate on a continuing basis, how they breathe if you will. There are innumerable ups and downs, some more fundamental than others. But the B-phases never end at the same point as where the preceding A-phases began. There is always a systemic price to pay for renewing the upward phase of the cycles. The system has always to move just a little further from equilibrium, even its moving equilibrium.

We may think of each upturn as contributions to slow-moving upward curves, each heading towards its asymptote. In the capitalist world-economy, it is not all that difficult to discern which curves matter most. Since capitalism is a system in which the endless accumulation of capital is paramount, and since one accumulates capital by making profits in the market, the key issue for all capitalists is how to produce products for prices that are lower, preferably far lower, than the prices for which they can be sold.

We therefore have to discern what goes into the costs of production and what determines the prices. Logically, there are three different kinds of costs of production: the costs of personnel (all personnel); the costs of inputs (all kinds of inputs); and the costs of taxation (all kinds of taxation). I think it is not too hard to demonstrate that all three costs have been going up over time as a percentage of the actual prices for which products are sold. And this is so despite the repeated efforts of capitalists to push them down, and despite the repeated technological and organizational improvements which have increased the so-called efficiency of production. I shall resume briefly why this is so, and then resume briefly why there are limits to the elasticity of demand.

The costs of personnel may be divided into three categories — the relatively unskilled workforce, the intermediate cadres, and the top managers. The costs of the unskilled tend to go up in A-periods as a result of some kind of syndical action. When these costs go too high for given entrepreneurs and particularly for those in the leading industries, relocation to historically lower-wage areas in the B-period is the main remedy. When there is later on similar syndical action in the new location, a new move occurs. The moves are costly but effective. But worldwide there is a ratchet effect. The reductions never eliminate totally the increases. Over 500 years, this repeated process has exhausted the loci into which to move. This can be measured by the deruralization of the world-system.

The increase in the costs of cadres is the result of two different considerations. One, the increased scale of productive units requires more intermediate personnel, whose salaries augment the personnel bill. And two, the political dangers that result from the repeated syndical organization of the relatively low-skilled personnel is countered by the creation of a larger intermediate stratum who can be both political allies for the ruling stratum and models of a possible upward mobility for the unskilled majority, thereby blunting its political mobilization.

The increase in the costs of top managers is the direct result of the increased complexity of entrepreneurial structures — the famous separation of ownership and control. This makes it possible for these top managers to appropriate ever larger portions of the firm's receipts as rent, thereby reducing what goes to the "owners" as profit or to reinvestment by the firm. This last increase was spectacular in size during the last few decades.

The costs of inputs have been going up for analogous reasons. The basic effort of capitalists is to externalize costs, that is, to not pay the full bill for the inputs they use. There are three main costs one may externalize — handling toxic waste, renewing raw materials, and building infrastructure. For a very long time, from the origins of the capitalist world-economy in the sixteenth century to the 1960s, such externalization of costs has been taken as absolutely normal. It was basically unquestioned by political authorities.

In the twenty-first century, when climate change is widely debated, and "green" and "organic" have become universal buzz words, it is hard to remember that, for five centuries, toxic waste was normally and almost always simply dumped in the public domain. What happened is that the world has been running out of such vacant public domains — the equivalent of deruralization of the world's work force. Suddenly, the health consequences and costs have become so high and so close to home that a major political response has occurred, in the form of demands for environmental clean-up and control.

The second externalization, that of renewing resources, has also only recently become a major concern, the consequence of the sharp increase in world population. Suddenly, there is a wide concern about shortages — of energy sources, of water, of forestation, of products of the soil, of fish and meat. Suddenly, we are worried about who uses what, for what purposes, and who pays the bill.

The third externalization has been that of infrastructure. Products produced for sale on the world market need transport and communication, the costs of which have gone up as they have become more efficient and faster. Entrepreneurs have historically only paid a small part of the real bill for infrastructure.

The consequence of all of this has been a political thrust for governments to assume directly some of the necessary costs of detoxification, resource renewal, and further infrastructure expansion. To do this, governments must increase taxes. And, unless they wish to go bankrupt, governments have to insist on more internalization of costs by entrepreneurs, which of course cuts sharply into margins of

profit of enterprises.

Finally, taxation has been going up. There are multiple political levels of taxation. There is also the private taxation of corruption and organized mafias. For the entrepreneur, it does not really matter to whom the taxes go. They are a cost. The size of private taxation has risen as the extensiveness of world economic activity has gone up and the structuration of state bureaucracies has expanded. However, the major impetus for increased taxation has been the impact of the world's antisystemic movements on political culture — what might be called the democratization of world politics.

Popular movements have pushed for three basic state guarantees — education, health, and life-long revenue flows. Each of these has expanded in two ways over the past 200 years: in the levels of services demanded; and the geographical locales in which the demands have been made. The welfare state is good shorthand for such demands. And there is no government today exempt from the pressure to maintain a welfare state, even if the levels vary, primarily according to the collective wealth of the country.

All three costs of production have risen steadily as a percentage of the real sales prices of products, albeit in the form of an A-B ratchet, over 500 years. The most dramatic increases have been in the post-1945 period. Cannot the prices for which products are sold simply be raised, in order to maintain the margins of real profit? That is precisely what has been tried in the post-1970 period. This has taken the form of price rises sustained by expanded consumption sustained by indebtedness. The economic collapse in the midst of which we find ourselves is nothing but the expression of the limits of elasticity of demand. When everyone lives far beyond their real income, there comes a point where someone has to stop, and fairly quickly everyone feels they have to stop.

The coming together of the three elements — the magnitude of the “normal” crash, the real rise in costs of production, and the extra pressure on the system of Chinese (and Asian) growth — means that Humpty Dumpty has fallen off the wall, and the pieces can no longer be put together again. The system is very, very far from equilibrium, and the fluctuations are enormous. As a consequence, the short-term predictions have become impossible to make, and this tends to freeze consumption decisions. This is what one calls structural crisis.

From here on in, we are living amidst the bifurcation of the systemic process. The question is no longer, how will the capitalist system mend itself, and renew its forward thrust? The question is what will replace this system? What order will be chosen out of this chaos?

Of course, not everyone is aware of this as yet. Most people continue to operate as though somehow the system were continuing, using its old rules. They are not really wrong. The system does continue to operate, using its old rules. But now, using the old rules only exacerbates the structural crisis. However, some actors are quite aware that we are in a bifurcation. And they know, perhaps only tacitly, that at some point in a bifurcation, the collectivity of all actors leans definitively in one direction or another. One can say that a decision has been made, even if the use of the word “decision” sounds anthropomorphic.

We may think of this period of systemic crisis as the arena of a struggle for the successor system. The outcome may be inherently unpredictable but the nature of the struggle is very clear. We are before alternative choices. They cannot be spelled out in institutional detail, but they can be suggested in broad outline.

We can “choose” collectively a new stable system that essentially resembles the present system in some basic characteristics — a system that is hierarchical, exploitative, and polarizing. There are, no doubt, many forms this could take, and some of these forms could be harsher than the capitalist

world-system in which we have been living. Alternatively we can “choose” collectively a radically different form of system, one that has never previously existed — a system that is relatively democratic and relatively egalitarian.

I have been calling the two alternatives “the spirit of Davos” and “the spirit of Porto Alegre.” But the names are unimportant. What is important is to see the possible organizational strategies on each side in this definitive struggle — a struggle that has been going on in some form since the world revolution of 1968 and may not be resolved before circa 2050.

Before, however, one looks at strategies, one must note two crucial characteristics of a structural crisis. Because the fluctuations are so wild, there is little pressure to return to equilibrium. During the long, “normal” lifetime of the system, these pressures were the means by which extensive social mobilizations (so-called “revolutions”) had always been limited in their effects. But when the system is far from equilibrium, exactly the opposite happens. Small social mobilizations have very great effects.

This is what complexity science refers to as the “butterfly” effect. We might also, in ancient philosophic discourse, call it the moment when free will prevails over determinism. Prigogine calls this way of understanding complex systems the “narrow path between two conceptions that both lead to alienation: a world ruled by deterministic laws, which leaves no place for novelty, and a world ruled by a dice-playing God, where everything is absurd, acausal, and incomprehensible.” [1]

The second crucial characteristic of a structural crisis is that neither of the two camps has, nor can have, a vertical structure with a small group at the top calling all the shots. There is neither a functioning executive committee of the ruling class nor a politburo of the oppressed masses, nor can there be. Even among those aware of and committed to the struggle for a successor system, there are multiple players, pushing different emphases, co-ordinating poorly with each other. These two groups of aware militants on both sides are also finding it difficult to persuade the larger groups that form the potential base of their strength of the utility and possibility of organizing the transition. In short, the chaos of the structural crisis is reflected as well in the relatively chaotic structures of the two camps struggling over the successor system.

What we can do, while in the very middle of this structural crisis, is to try to analyze the emerging strategies that each camp is developing, the better to orient our own political choices in the light of our own moral preferences. We can start with the strategy of the camp of the “spirit of Davos.” They are deeply divided. There are those who wish to institute a highly repressive system which openly propagates a worldview that glorifies the role of skilled, secretive, highly privileged rulers and submissive subjects. They not only propagate this worldview but propose to organize the network of armed enforcers to crush opposition.

There is a second group who believe that the road to control and privilege is via a highly meritocratic system that would co-opt the large number of cadres necessary to maintain the system with a minimum of force and a maximum of persuasion. This group speaks a language of fundamental change, utilizing all the slogans that have emerged from the antisystemic movements — including a green universe, a multicultural utopia, and meritocratic opportunities for all — all this while maintaining a polarized and unequal system.

And on the side of the camp of the “spirit of Porto Alegre,” there is a parallel split. There are those who envisage a highly decentralized world, one which privileges rational long-term allocations over economic growth, one which makes possible innovation without creating cocoons of expertise unanswerable to the larger society. This group envisages a system in which a universal universalism will be built out of the never-ending piecing together of the multiple wisdoms that humans have

created and will continue to create in their different cultural flowerings.

There is a second group who have been, and continue to be, more oriented to transformation from above, by cadres and specialists who believe they see more clearly than the rest. Far from being decentralizing, they envisage an ever more coordinated and integrated world-system, a formal egalitarianism without real innovation and without the patience to construct a truly universal but multifaceted universalism.

So, far from a simple twofold battle for the successor system, I envisage a fourfold battle — one between the two great camps and a second one within each of the great camps. This is a confusing situation — confusing intellectually, morally, and politically. All the more reason to insist that the outcome is fundamentally unpredictable and uncertain.

What then can we say of the practical steps any of us, as individuals and as groups of diverse kinds and strengths, can and should take to further this process? There is no formulaic agenda of action. There are only lines of emphasis. I would put at the head of the list actions that we can take, in the short run, to minimize the pain — the pain that arises from the breakdown of the existing system, the pain that arises from the confusions of the transition. Personally, I would not sneer at winning an election, at obtaining some more benefits within the states for those who have least materially. I would not sneer at some protection of judicial and political rights. I would not sneer at combating some further erosion of our planetary wealth and conditions for collective survival. I would not sneer at any of these, even though I do not consider any of these achievements more than momentary palliatives for immediate pain. They are not in themselves in any ways steps towards creating the new successor system that we want.

The second thing that we can do is engage in endless serious intellectual debate about the parameters of the kind of world-system we want, and the strategy of transition. We not only need to do this ceaselessly, but we need to do it with a willingness to hear, as part of the debate, persons we deem of good will if not of our immediate viewpoint. A constant open debate may bring more insight, will surely build greater camaraderie, and will keep us perhaps from falling into the sectarianism that has always defeated antisystemic movements.

The third thing we can do is to construct, here and there and everywhere, on a small or large scale, alternative decommodified modes of production. We can learn from doing this the limits of many particular methods. We can demonstrate by doing this that there are other modes of ensuring sensible and sustainable production than reliance on the profit motive as the basis of our reward system.

The fourth thing we can do is to engage in moral debate, to sharpen our sense of the moral negatives of any and all particular modes of action, to realize that balances must be made between the realization of alternative good outcomes.

And through this all, we must put at the forefront of our consciousness and our action the struggle against the three fundamental inequalities of the world — gender, class, and race/ethnicity/religion. This is the hardest task of all, since there are none of us guiltless and none of us pure. And the entire world culture that we have all inherited militates against this.

Finally, we must run like the plague from any sense that history is on our side, that the good society is certain to come, if only x or y. History is on no one's side. A century from now, our descendants may regret all that we have done. We have at best a 50-50 chance of creating a better world-system than the one in which we now live. But 50-50 is a lot. We must try to seize Fortuna, even if it escapes us. What more useful thing can any of us do?

P.S.

* From Monthly Review:

<http://www.monthlyreview.org/mrzine/wallerstein121109.html>

* Immanuel Wallerstein is Senior Research Scholar at Yale University. He founded and led the Fernand Braudel Center at Binghamton University from 1976-2005. He was President of the International Sociological Association from 1994-1998 and has honorary degrees from 15 universities. Wallerstein's academic career started in African studies (he was a close associate of Frantz Fanon), and amongst his books are *Africa: The Politics of Independence* and *Africa: The Politics of Unity*. Since the early 1970s, he has been the leading figure in the field of world-systems analysis and has written over 40 books and edited some 20 more. He has also been an active participant in the World Social Forum. The text of this lecture was made available online by the Centre for Civil Society at the University of KwaZulu-Natal.

Footnotes

[1] Ilya Prigogine, *The End of Certainty*, New York: The Free Press, 1996, 187-188.