

New Internationalist

The people, the ideas, the action in the fight for global justice

Capitalism – what is it?

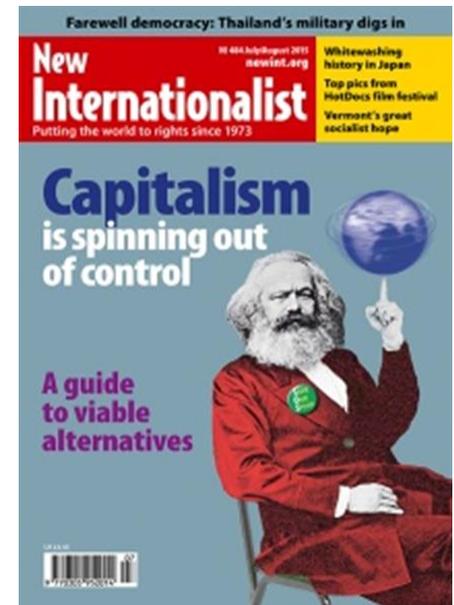
NEW INTERNATIONALIST EASIER ENGLISH
INTERMEDIATE READY LESSON

This lesson:

Vocabulary

Reading

Grammar



Discuss with a partner



- 1) What is capitalism?
- 2) Capitalism is always looking for new ways to make more money. True/false?
- 3) No-one in our families remembers the time before capitalism. True/false?
- 4) We only think about the future and discovering and getting new things. True/false?
- 5) People who want to change the system usually do not have a lot of money. True/false?

Match the words to the meanings:

1) homo sapiens

a) use of people to make a lot of money

2) homo erectus

b) people from past generations

3) ancestors

c) humans who could stand upright but with a small brain

4) collapse

d) weak

5) unstable

e) humans with large brains and the ability to use language and tools

6) exploitation

f) break down, come to nothing

Do you think these sentences are True or False?

- 1) **Capitalism started in the 1500s and 1600s.**
- 2) **Modern humans have been here for about a million years.**
- 3) **Now we read about our past rather than talk about it from one generation to the next.**
- 4) **We think more about the future than the past**

Now read the text and check.



Capitalism as a total world system is quite new for humans. It started in the 16th and 17th centuries. So we've had capitalism for four or five hundred years, but humans (Homo Sapiens) have been around for 200,000 years. Our ancestors (Homo Erectus) lived more than a million years ago.

Capitalism is very recent.

But most people living today find this short time span difficult to understand. No-one in our families remembers the time before capitalism. The oral tradition (talking about history from generation to generation) has mostly ended – because of books and media. Many quick technological changes in the past century have broken human memory. We think about the future and discovering and getting new things in our consumer universe.



The next paragraph is about “the commons” – the land, air, and water which should belong to everyone.

Put the sentences into the correct order.

1) 2) 3) 4) 5)

d) The commons was for everyone – all people could use it.

b) The 'commons' (land, air and water that belong to all people) were very important in economy and society before capitalism.

a) Social theorist Karl Polanyi says the economy was 'socially embedded' in these societies and controlled by the local society, not an external force like capitalism.

e) Everyone helped look after the health of the commons – land for animals, gardens, wood, water supply.



Match these three ideas to the next three paragraphs:

a) Rich people have power.

b) People see politics as something negative.

c) We now think that people and money are separate.

As the economy became separate from the social and cultural, people became less able to control, slow down or change the direction of this need to make money. Today we see the economy as an external force, out of control and not connected to what humans want. We speak about the stock market like it is a living person – sometimes confident, sometimes nervous, feeling strong or weak – like a god of money.

People who want to change the system, even a little, have a very difficult job. Power is not equal. People who want to change it usually do not have a lot of money. But people who want to defend capitalism usually have a lot of money. They are now very good at using their money to control politics to get what they want. Money and power are now so closely linked that it is difficult to think how it could be different.

So ‘politics’ (how we organize society) is now a dirty word that people try not to use, even in elections. And many people on the political Right think that it is OK to encourage people not to vote.

Read the rest of the article to check if these sentences are True or False:

- 1) Capitalism is not stopped when there are economic problems.
- 2) Capitalism puts basic human needs in danger.
- 3) Countries which did not agree with capitalism in the past now use it.
- 4) There are more protests in China than before.
- 5) “Neoliberalism” sees money in everything.

Creative destruction

Capitalism is getting stronger because it can create and even grow in economic crises. Political economist Joseph Schumpeter studied this – he called it ‘creative destruction’. This stops capitalism collapsing.

For centuries, people who are against capitalism have hoped that these crises will end it. Since the 16th century, there have been ups and downs. These have made people’s lives unstable: the ‘enclosure of the commons’ (in the 18th and 19th centuries, making public land private), the expansion of empires, and moving industry to areas where they can make more money.

This is the most common reason that people do not like capitalism. So people have looked for different systems – to get a more balanced and stable existence, where they know they will be able to get the basics for survival – food and shelter, peace and community.

Capitalism always puts these things at risk because it is always looking for new ways to make more money.

People are against the insecurity, inequality and egoism of capitalism for moral, economic or political reasons. But it is very difficult to fight against. Capitalism is good at recovering after a crisis. And those who used to fight against its ideas have even accepted it now: state socialism in China and the countries of the former Soviet bloc. These societies have now accepted that the market is the best way to develop the economy.

Today, most of the public economies of these countries are controlled by private money – a lot of it foreign. China has become ‘the workshop of the world’; there is a lot of exploitation of workers in a political system that still says it is communist. But there is a lot of activity to fight against this. There are more protests in China: 70,000 in 2004 but 180,000 in 2010 in nearly all economic areas. It is ironic that they are using communism to stop workers fighting for a better life.

The capitalism we have now is based on ‘neoliberalism’. Usually critics use this term. Neoliberalism makes everything we do relate to money, from criminal justice to immigration. It is the politics to go with the market fundamentalism of economic policy.

Many people who do not know what to vote in elections say: 'it's the economy, stupid'. This shows that neoliberalism see the limits of government – there is no room for compassion, equality between generations, concern about the planet, international responsibility or democracy (except for simple elections). Only the market has meaning.

This is now starting to reduce the power of the legal system, the police, parliament and local government. In earlier liberal democracy, these institutions helped protect us against the worst of capitalism. But now, with neoliberalism, they are controlled so they will not be able to stop the market.

Neoliberalism changes democracy as a kind of market rationality – and the only way to judge our politicians is how well they can bring human relationships to the market. All this means it is difficult to build alternatives to capitalism.

Find examples in the text of some rules for the use of articles ('a', 'an' and 'the'):

Capitalism is an economic system. In it the government plays a secondary role. People and companies make most of the decisions, and own most of the property. Goods are usually made by companies and sold for profit. The means of production are largely or entirely privately owned by individuals or companies and operated for profit.

Rules	Number of examples	Examples
1) No article		
a) Singular abstract nouns with a general meaning	4	
b) Plural nouns with a general meaning	6	
2) a/an ('an' before vowel)		
One of many	2	
3) the		
Specific singular and plurals nouns	4	



Add the articles if necessary:



(a) _____ People work for (b) _____ money so they can buy (c) _____ things they need or want, including (d) _____ food. (e) _____ Capitalism has (f) _____ free market economy. That means (g) _____ prices move up or down according to (h) _____ demand for (i) _____ products. (j) _____ People buy and sell (k) _____ things by their own judgment. In (l) _____ most countries there is some regulation and some planning done by (m) _____ government.

Homework:

Read the original article:

<http://newint.org/features/2015/07/01/july-aug-capitalism-keynote/>

And read about some of the alternatives to capitalism: socialism, anarchism and how the ecological crisis affects politics:

http://eewiki.newint.org/index.php/Issue_484

