

THE CURRENT ECONOMIC SYSTEM AND ITS ALTERNATIVES.

SECTION ONE

Capitalism - The market economy



THE CURRENT ECONOMIC SYSTEM AND ITS ALTERNATIVES

GENERAL LAYOUT (1st section, the automobile industry)

The capitalists start a business

Engaging the workforce

Production

Appropriation of surplus value

A rival business

Reduction of profits

Rationalisation, production, automatisisation

Unemployed and the rich

Overproduction

Redundancies

Ceasing production and inward investment

Economic crisis

The State: measures to support the economy

counter-cyclical and monetary control measures

Nationalisation

military purchases and deployment

War, damage

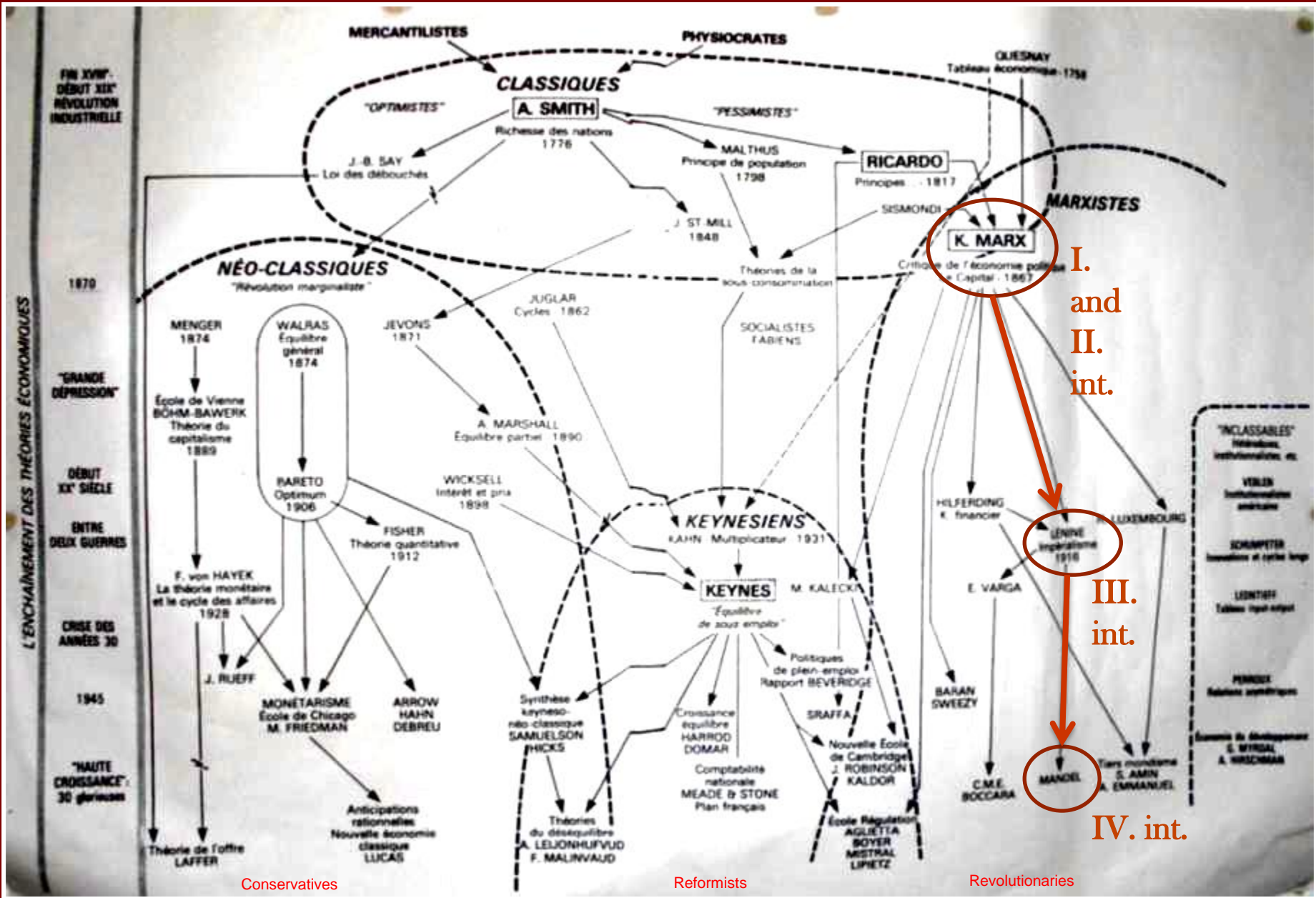
Reconstruction



Classroom depiction 1848 (Anker)

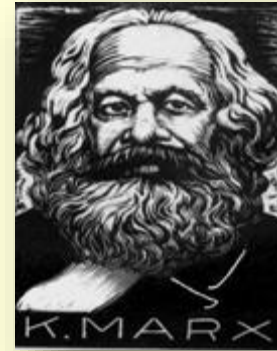
"Education is the most powerful weapon which we can use to change the world" – Nelson Mandela





IMPORTANT SCHOOLS OF ECONOMIC THOUGHT

Karl Marx 1818 – 1883



- Followed the first steps of the industrial revolution
- Created a philosophy, an exact science to change the world

- 3 major branches :
 - The philosophy (dialectical materialism)
 - THE ECONOMIC DOCTRINE**
 - The historical materialism of Marx and Engels

Obscurantism, French Revolution, illuminism, rationalism, materialism, historical and dialectical materialism

Some of the fundamental theories believed by Karl Marx:

- The **private ownership** of land and production can
- **divide our society** into social classes
(bourgeois and proletariat)
- fighting themselves (**class struggle**)
- Those who don't have money have to sell their labour power.
- Those who have money can buy the labour-power and use the surplus value created by labour.





THE CAPITALISTS

decide to build
and sell
motor-cars

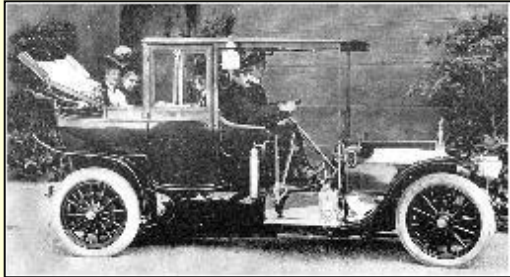
The capitalists have an initial capital, which (it is human!) they want to multiply. To have more is better!

On the bases of what is happening in the U.S., they decide to build cars and sell them to increase their capital.



- Before the arrival of motor-cars



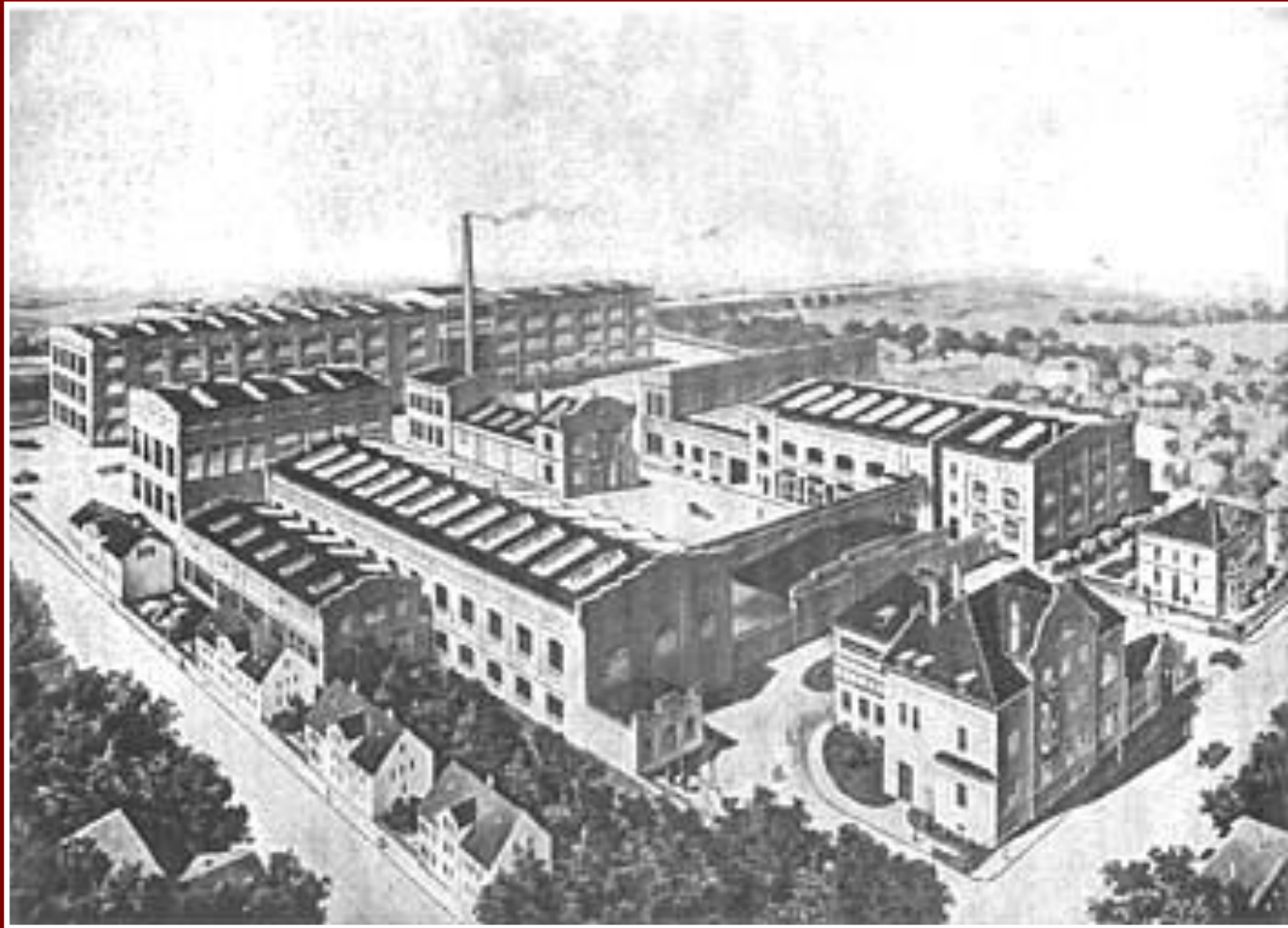


Cars at the beginning of the 20th century

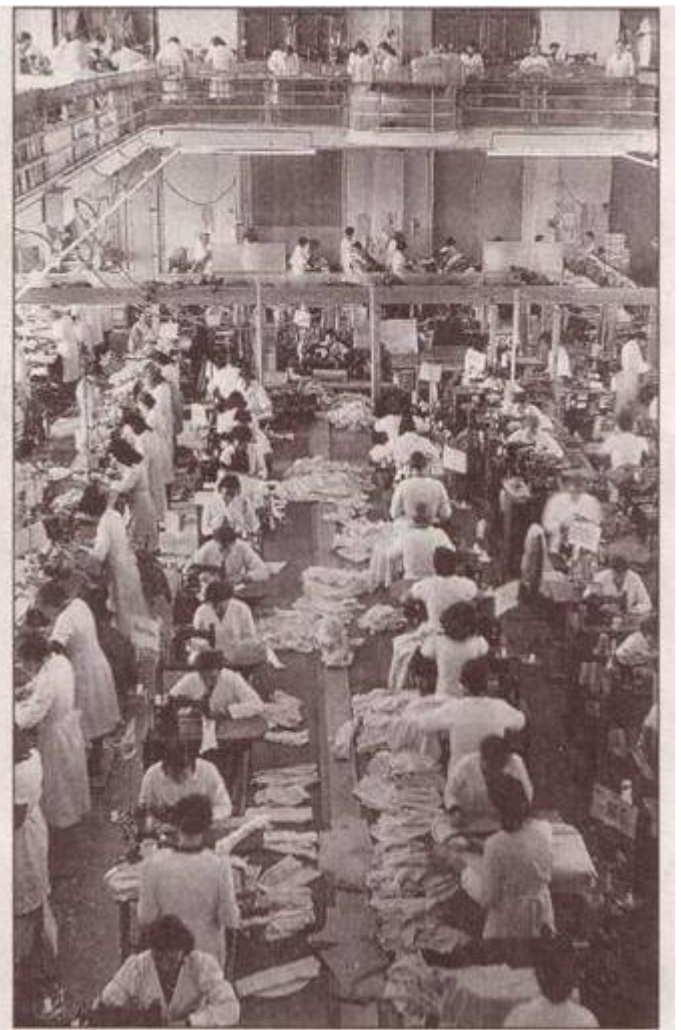
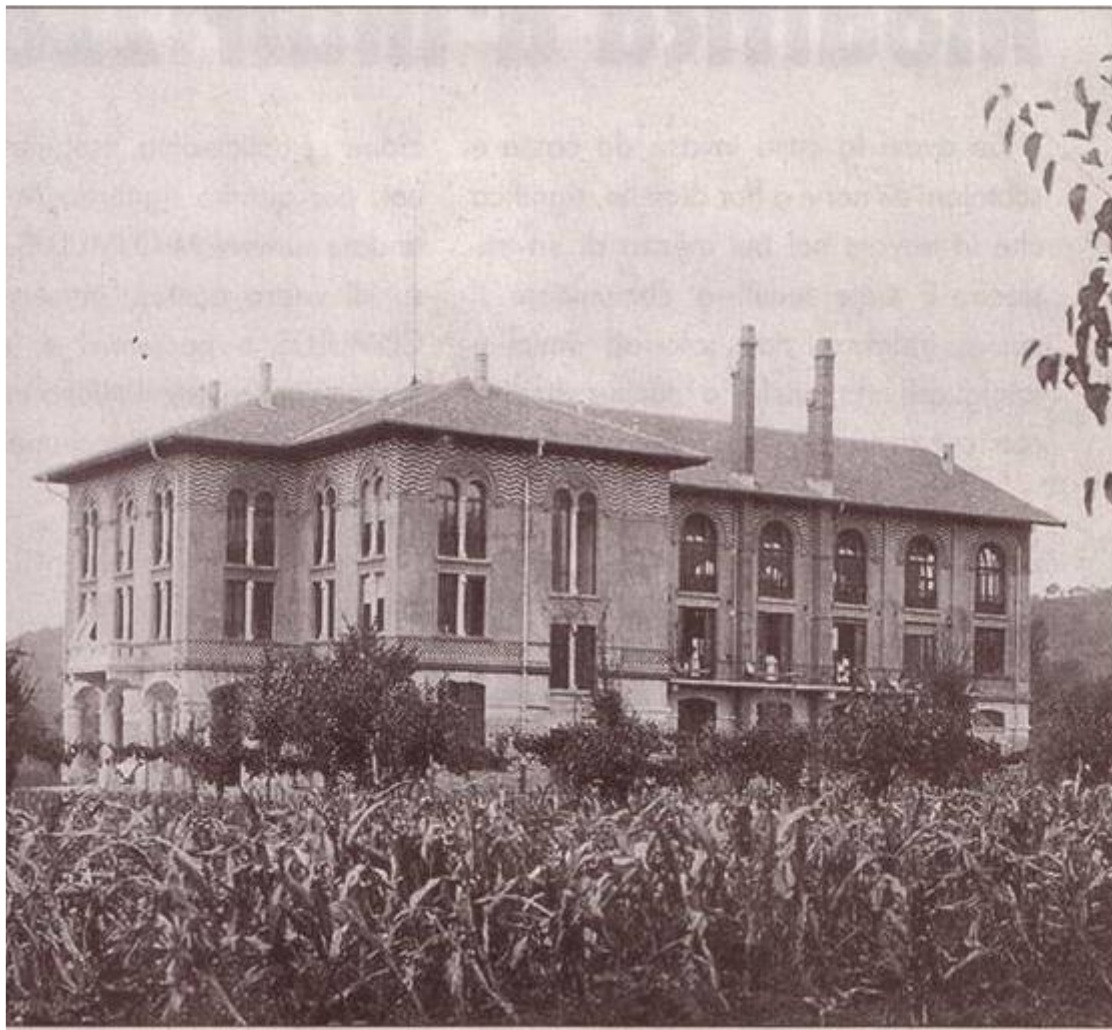


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An old factory



1900, Stabio-Switzerland: shirt production. In Switzerland, even today, many workers travelling from neighboring countries are exploited.



Shirt factory - Stabio Switzerland, early 1900

Many people working together on the production line.

EARLY 1900's

The working conditions are unpleasant



A Shoe factory



Linen factory in Brooklin 1919



1900 Belgium

The hard life
of miners.

Photo:
miners crammed into
the lift coming up after
8 or 10 hour work in
coal mine.



1

**An
owner
visits
his
factory
in the
19th
century**

For the first
time
workers
realize that
they are all
proletarians
and have
the same
needs.

Silk spinning mill

Child working

The capitalists engage a

MANAGER

WHAT HE HAS TO DO:

Produce and sell motor-cars

Manage the motor-car factory

HIS MISSION:

**MAKING THE HIGHEST PROFIT
POSSIBLE !!!**

(He will be rewarded by a profit share)



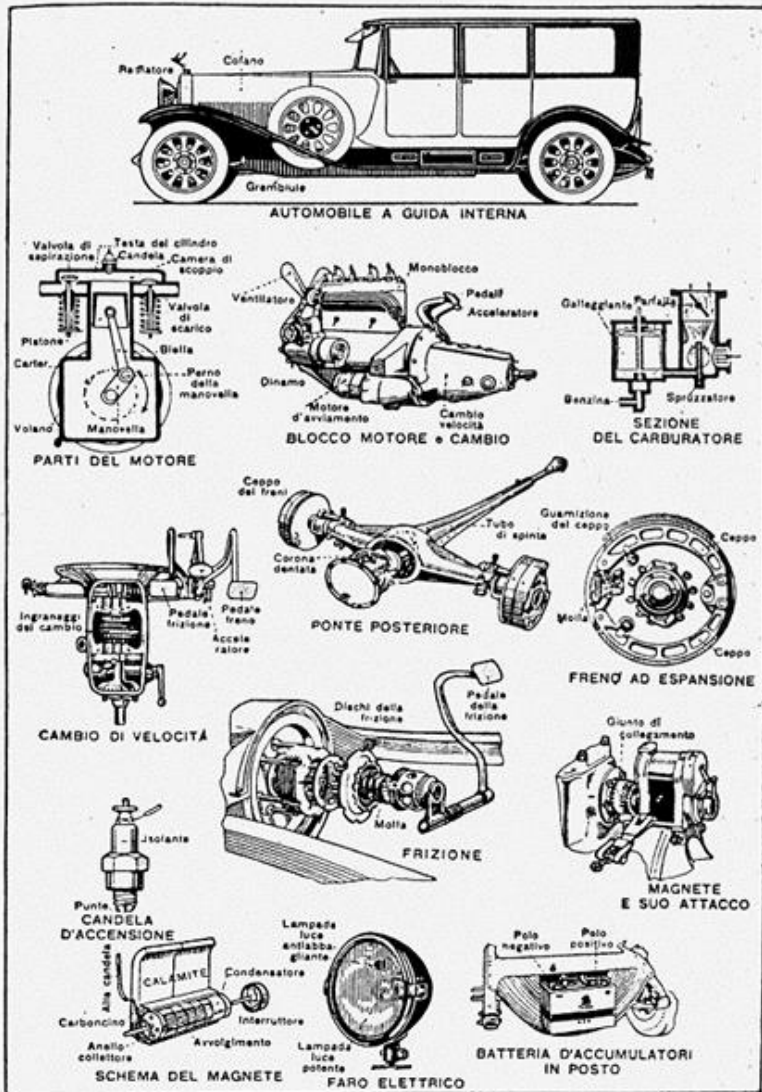
It's him!



ALVIS MOTOR-CAR FACTORY, USA, 1929

A motor-car factory, bound to disappear because of the relentless competition from major rival producers.

AUTOMOBILE (e sue parti)



THE PROJECT

The first motor-car

« very modern »



At the beginning the work atmosphere is familiar and human

MANUAL CAR PRODUCTION

BUFORI Factory, INDONESIA, 1995

THE PRICE OF A CAR

- Materials : 5'000.- \$
- Workforce: 5'000.- \$
- Fixed costs: 5'000.- \$
- Profit* : 5'000.- \$

Total

20'000.- \$



RULE No. 1

* Why «profit» ?

**THE CAPITALISTS TAKE POSSESSION
OF THE SURPLUS VALUE
CREATED BY THE WORKERS**

WHO BUYS A CAR?

PEOPLE WHO:

1) **HAVE THE MONEY**
to buy a car

He has
no
money

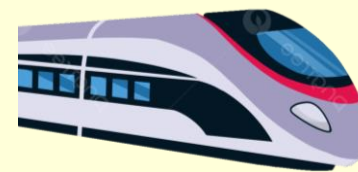


2) **NEED** a car



He
does
not
need
a car

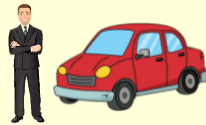
3) **WANT** to buy a car
(accept the exchange
money - car)



He does not want a car



Buyers are being sought



The persons around the factory are those who have already bought a car
and now they will not buy a second one.



Soon
**THE
NATIONAL
MARKET**
**IS
SATURATED**

What can be done?



THE MANAGER DECIDES
TO SELL THE **W** CAR
ABROAD,
FOR EXAMPLE

..in France



The salesman goes to France, but...

RENAULT

\$ 18'000.-

RENAULT
clio



**BUT IN FRANCE
THE RIVAL
BUSINESS IS
NOT SLEEPING**

In France Renault corporation has also saturated the French market and is now trying to export to Germany.

**For the first time the W car factory is facing a rival business.
It's commercial competition.**

For this reason the W car needs to cost less.



The Manager decides...

That it is necessary to save on material and logistics.

(The producer speculates on the quality and quantity of materials used and on the storage and movement of the goods - providing "Just in Time" supplies)

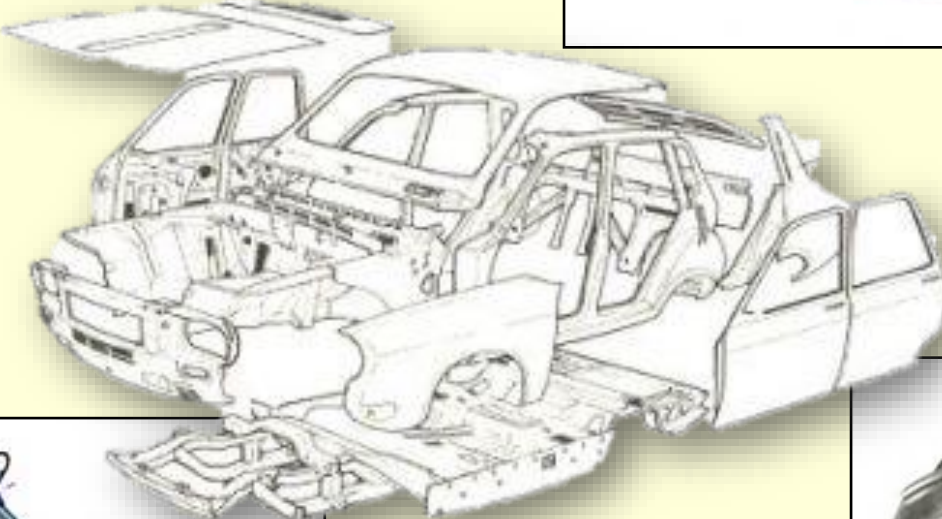


Wooden supporting frame –
Autounion, Germany, 1950
century cars.

YESTER- DAY



Solid body
of the '30s



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Cars were strong

**Built on ABS
in the '60s**

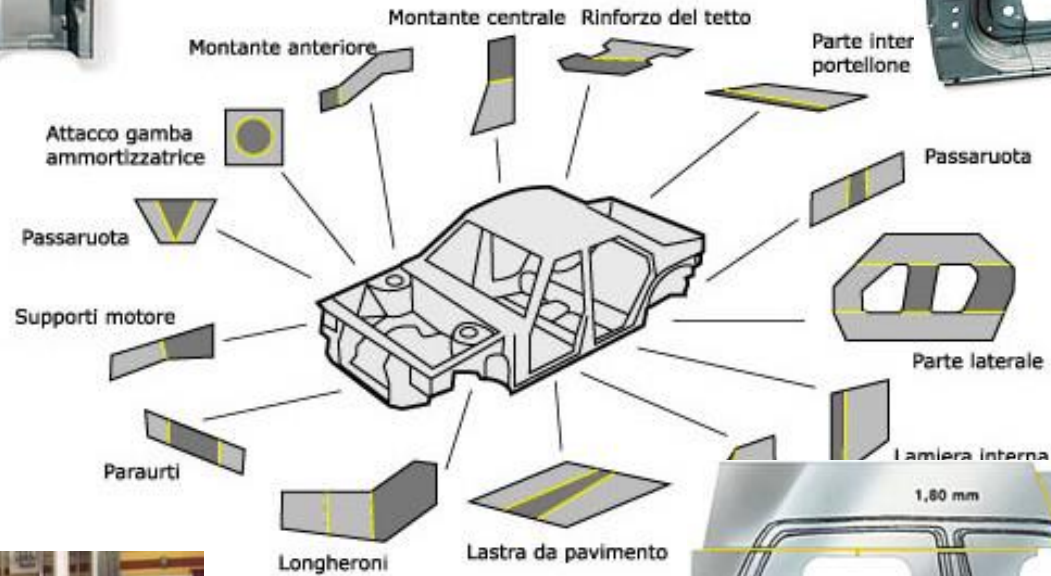
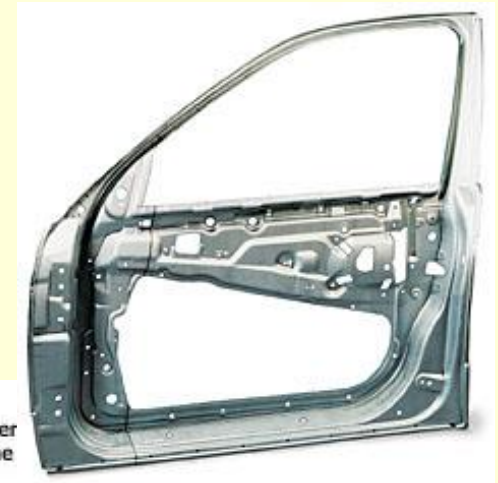




Floor pressed and welded by laser

TODAY

Pressed door



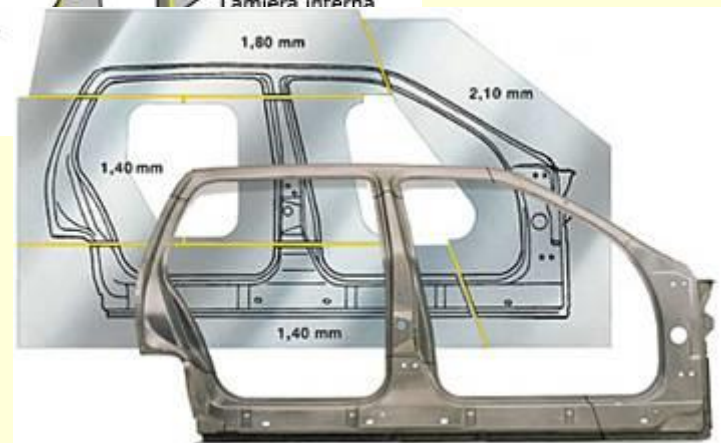
Automotive bodywork



Side in 4 different thicknesses, laser welded

30

Modern cars are beautiful and powerful ... but fragile.





Switzerland, April 2016. **The fragile bodywork** of this car did not withstand the impact and the driver died.



Traditional warehouse

32

The logistics





Automated warehouse



Logistics automation



**Operator in a large automated
warehouse.
The port of Basel in Switzerland**





**ROAD
TRANSPORT
IS BECOMING
MORE
INVASIVE...**

36

TIR





...but rail transportation is organizing itself.

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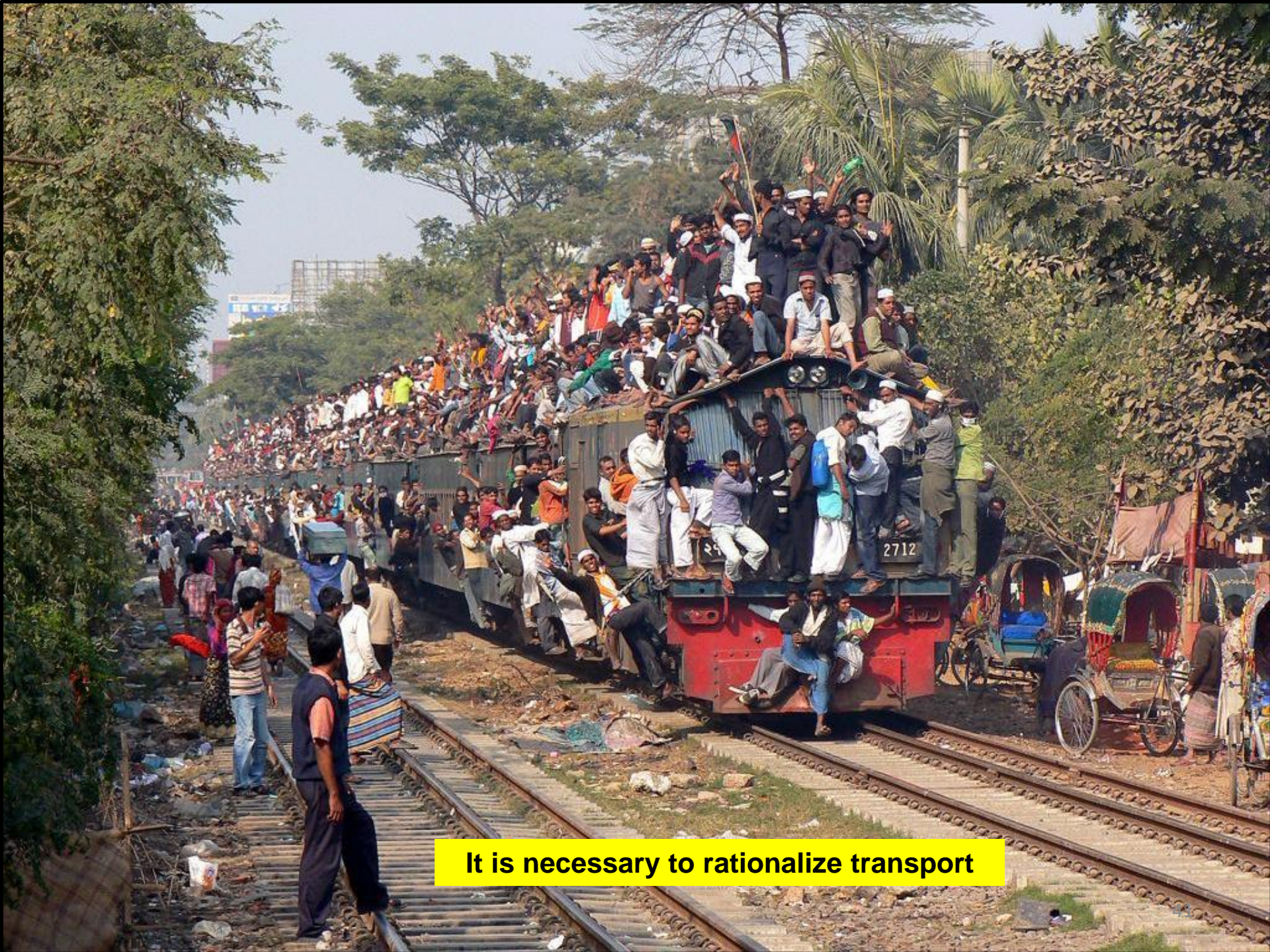


Terminal Port Elizabeth, New Jersey

Container 20 feet: 6,0960 m ; 40 feet: 12,192 m ; B = 2,43 m, H = 2,59 m



We have to rationalize transport



It is necessary to rationalize transport



Shanghai: magnetic levitation train

Super tanker



Superjumbo

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Lille: automatic underground



Rationalizing needs always more: larger, faster, more automatic ...



Drones: the transportation and delivery system of the future

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Robotic Postman



Driverless Bus

Exercise

What is logistics?

The technique of storage and handling goods

What is logistically important in my country ?

The docks, the railways

Shipping, Transportation

What is your country doing to improve logistics?

Harbor, pipeline, railway, airport, motorways, etc.

THE PRICE OF A CAR

(AFTER SAVINGS)



• Materials :	5'000.- \$	2'500.- \$
• Workforce :	5'000.- \$	
• Fixed costs:	5'000.- \$	
• Profit :	5'000.- \$	
 	<hr/>	
<u>Total</u>	20'000.- \$	17'500.- \$

The salesman must sell the **W** car....

..in Italy



The salesman goes to Italy...



In Italy FIAT also saved on materials and rationalized the logistics.

BUT ALSO IN ITALY THE RIVAL BUSINESS IS NOT ASLEEP

The **W** car factory still faces rival business.
For this reason it is necessary that the **W** car costs less.



The Manager decides...

that it's necessary to save on manpower.

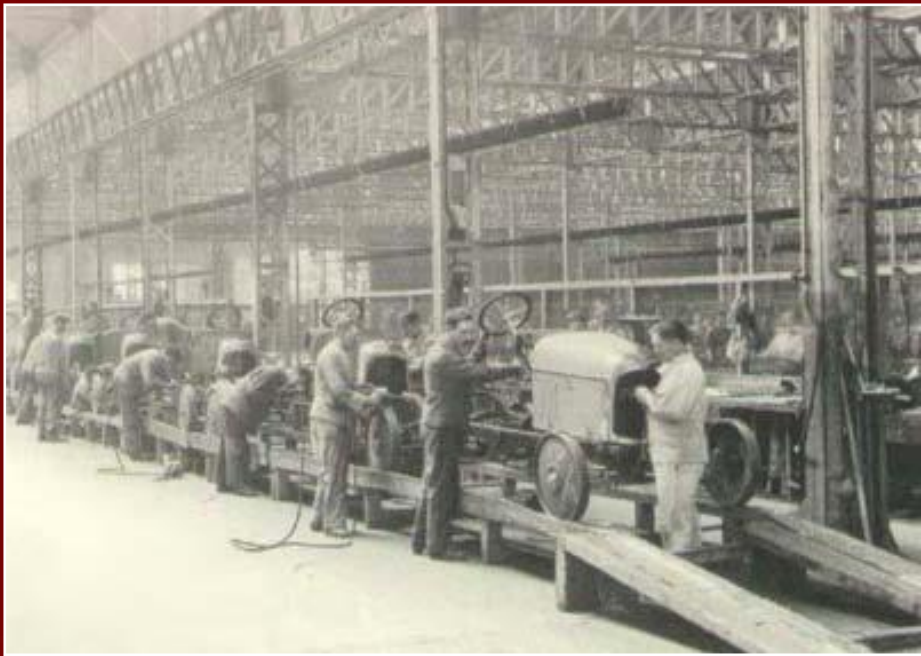
(The producer forces the workers to work harder and also replaces some of them with machines)

The workers and the labour force are regarded as simply a commodity and consequently purchased and used.

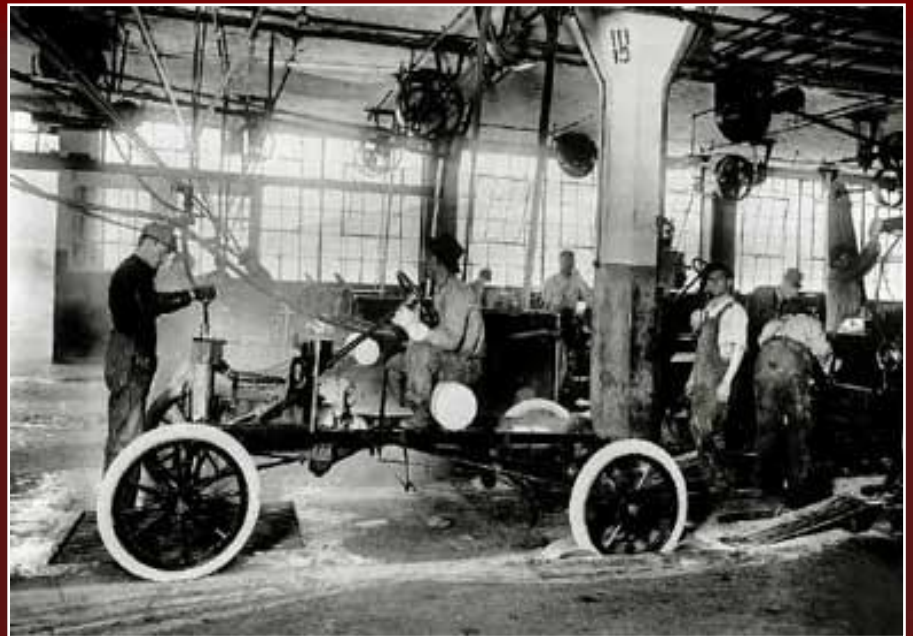
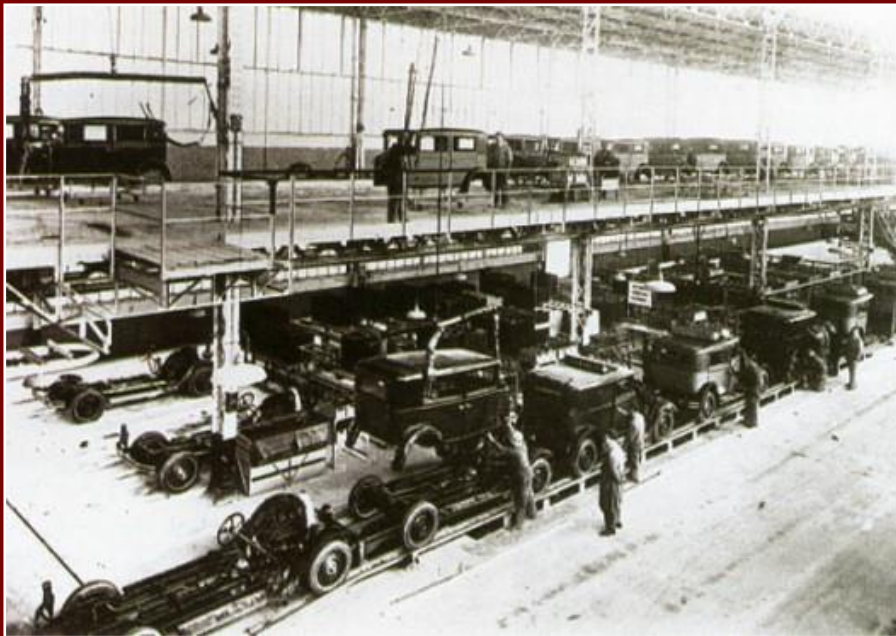
RULE No. 2

**THE CAPITALIST, TO MAKE PROFIT
AT ALL COSTS, OPPRESSES THE
INDIVIDUALITY OF THE WORKERS.**

(it is the exploitation of man by man)



CAR ASSEMBLY LINE (recommended by F.W.Taylor) FORD CAR FACTORY , USA , 1915 50





Charlie Chaplin "Charlot" on the assembly line,
in the film "Modern times".

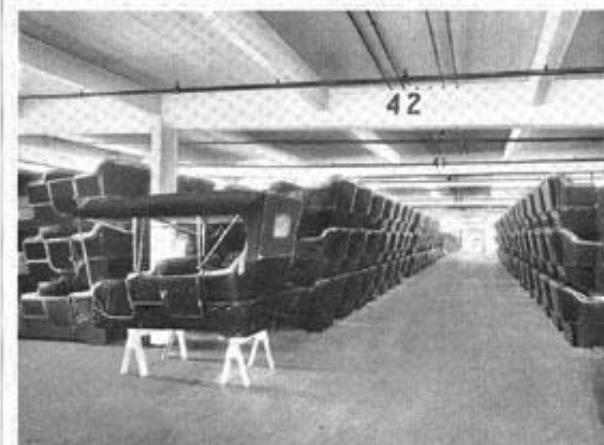
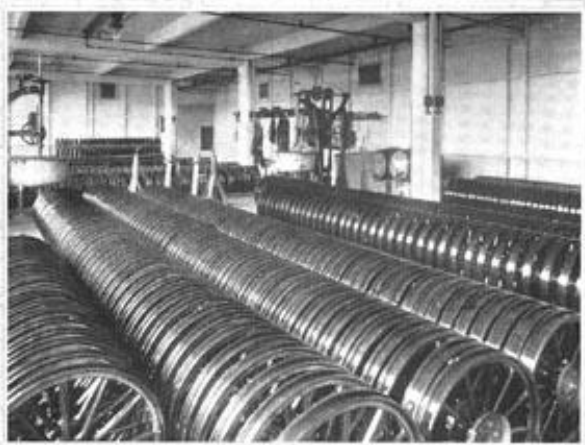
In the film Charlot went crazy because of the obsessive repetitiveness and the hellish rhythm of work.



FORD CAR FACTORY, USA , 1915

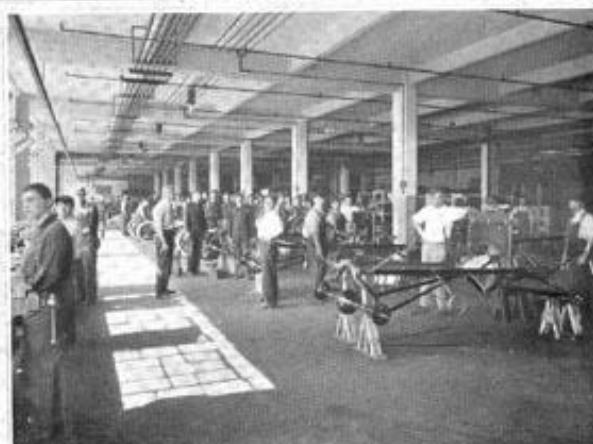
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FORD CAR FACTORY, USA , 1915

53





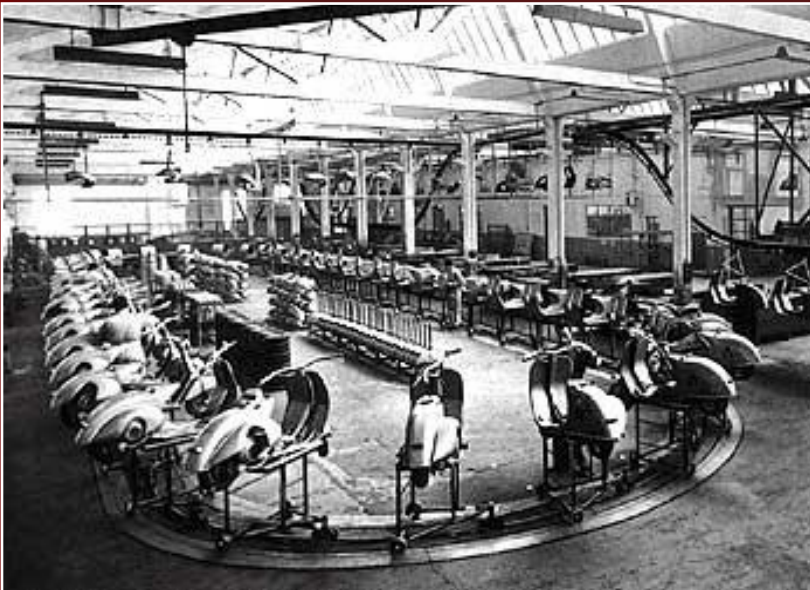
Assembly line:
(during the '50s)

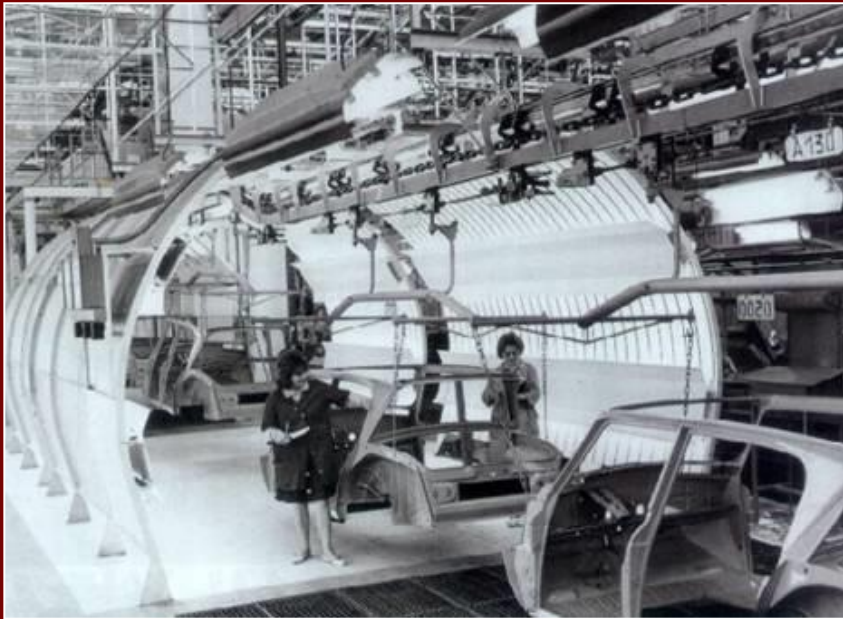
Fiat Topolino



Scooter Vespa

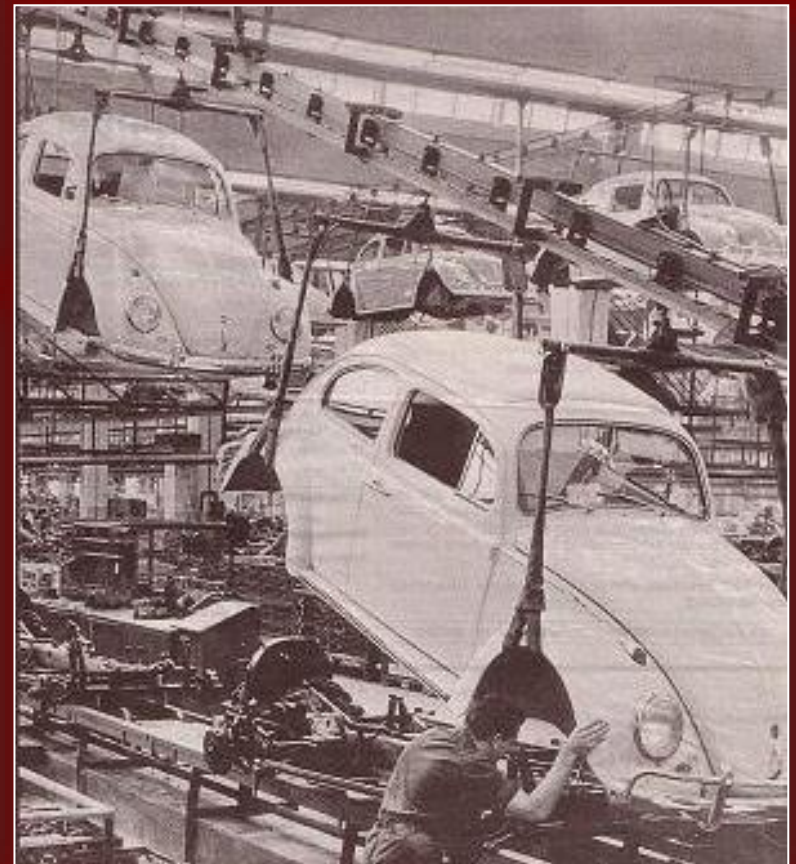
Audi – engine
2010





CAR ASSEMBLY LINE During the '60s

(Citroën and Volkswagen)





ROBOTS WORKING IN CAR ASSEMBLY LINES



Workers on modern assembly lines.



Toy factory assembly line in China



TEXTILE INDUSTRY: HONG KONG 1970

The hell of the work = working like hell: all this to produce more.



INDONESIA



PHILIPPINES

GLOBALIZATION



VIETNAM



SRI LANKA



Haiti is the poorest country in the world: here the workforce is available at very low prices.



Globalization



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Chinese factories in Ethiopia, workers must work hard but their wages are very low.



Paid to the factory in Indonesia: 12%

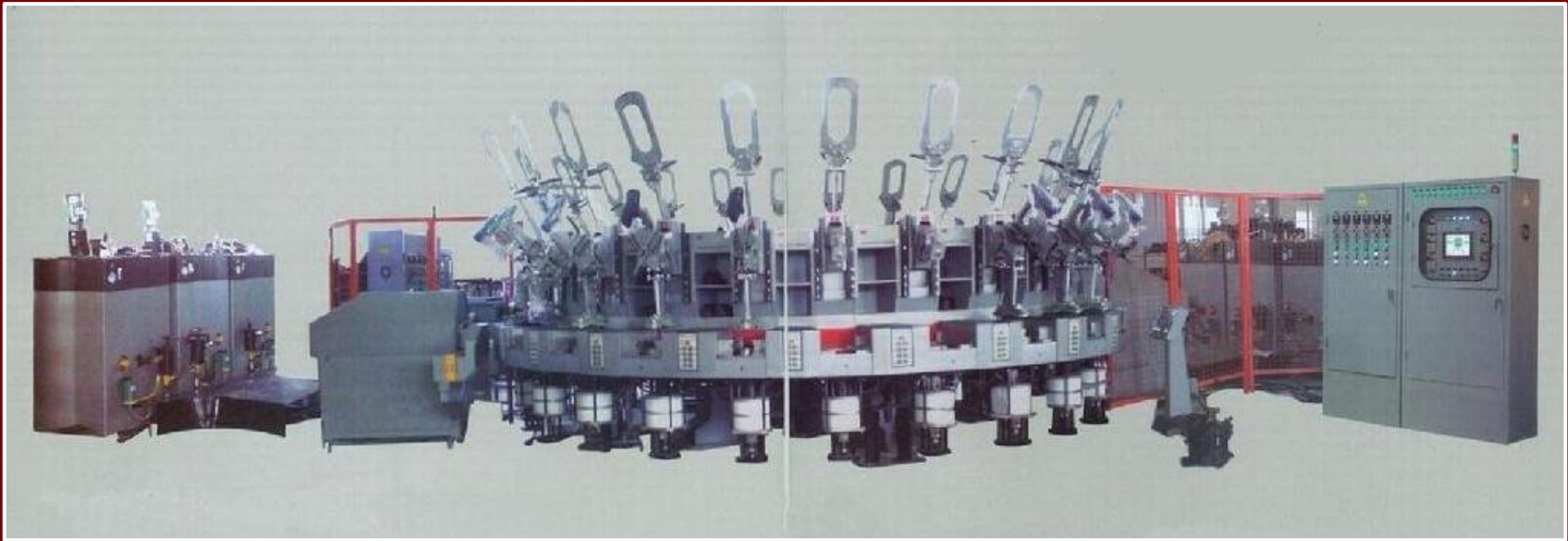
Wages: 0,4 %

Materials: 8 %

Other costs: 1,6 %

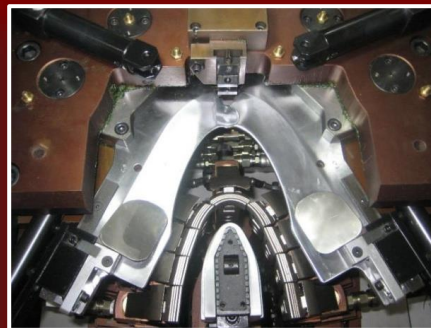
Profit: 2 %





Even in Shoe factories machines replace workers

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Adidas shoe printed in 3D

Exercise: What are the economic, human and social implications of manufacturing shoes, houses, tools, bones fit for human transplantation, weapons, etc. by automatic machines or 3D printers ?

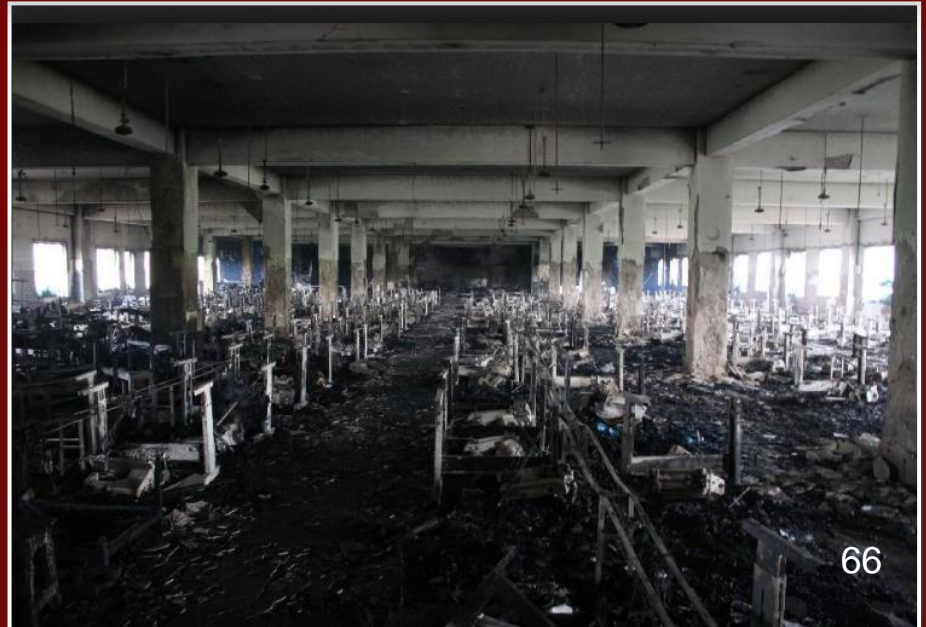


In this
Bangladeshi
factory
1000
workers
died



**Safety is
neglected**

In this
Bangladeshi
Factory
100 workers
died



Electronics industry

1980

The work of this lady is repetitive,
soon she will be replaced by a
machine





ELECTRONIC COMPONENTS ASSEMBLY LINE WORKERS



69



Assembly line
of washing
machines



The machine
does the hard
part of the
work but must
be operated
by a man.
One day soon
there will be a
machine that
will do
everything
alone.



Control room

**SWISS METAL-
MECHANICAL
INDUSTRY:**

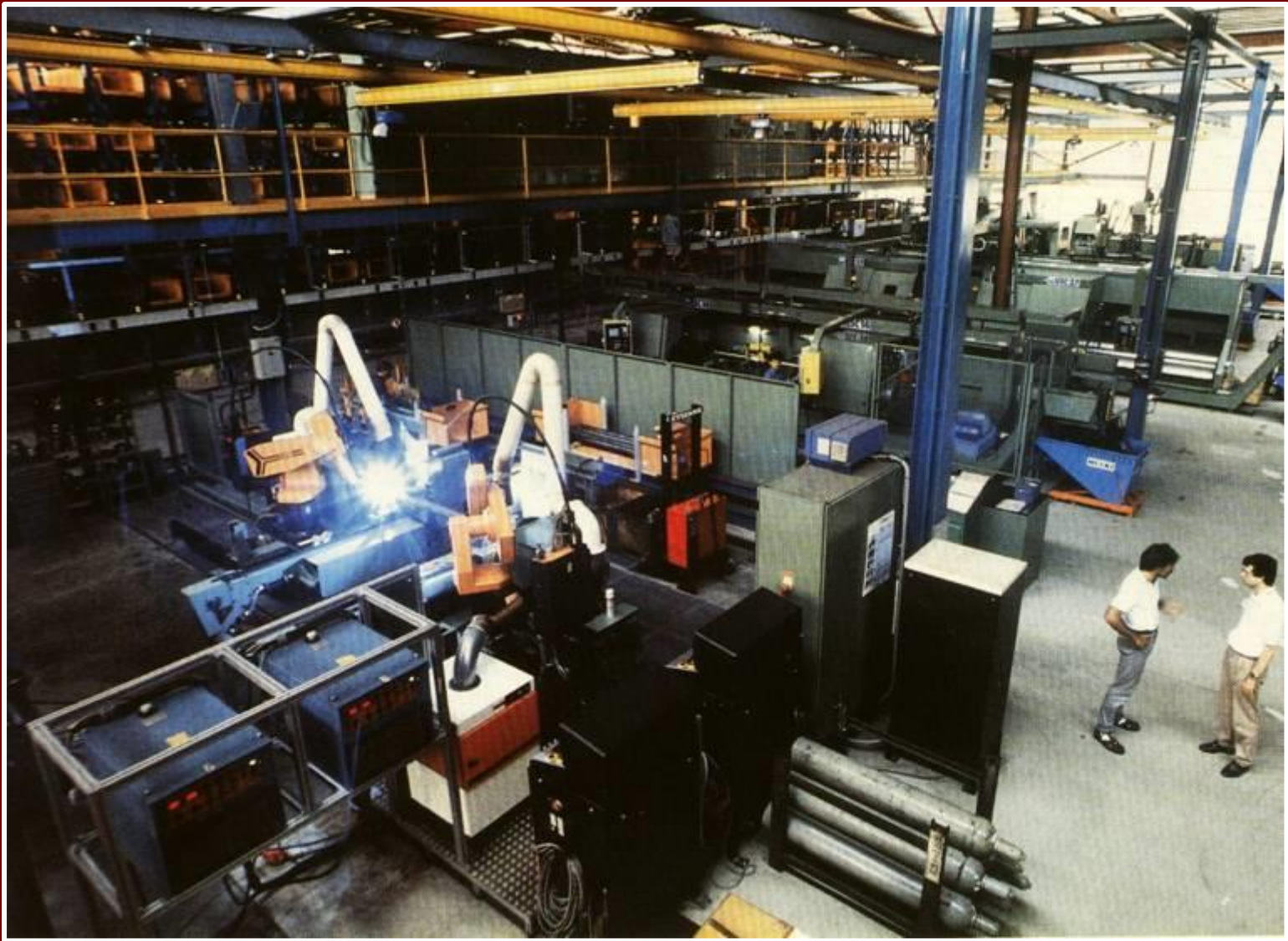
**LARGE AUTOMATIC
UTENSILES
MACHINES**



TRADITIONAL METAL MECHANICAL PLANT



AUTOMATED METAL MECHANICAL PLANT



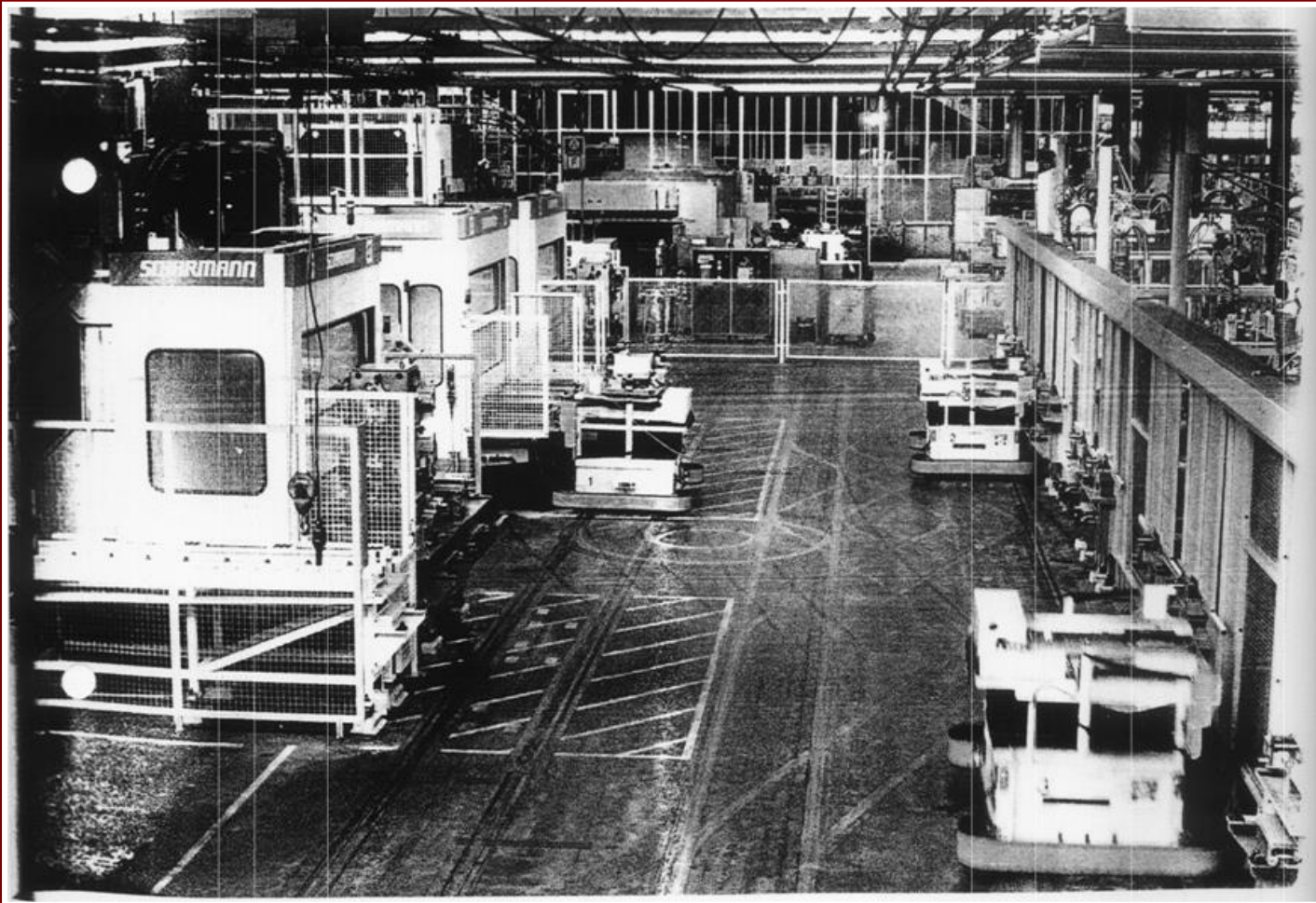
Welding robots in action



AUTOMATIC PACKAGING MACHINE

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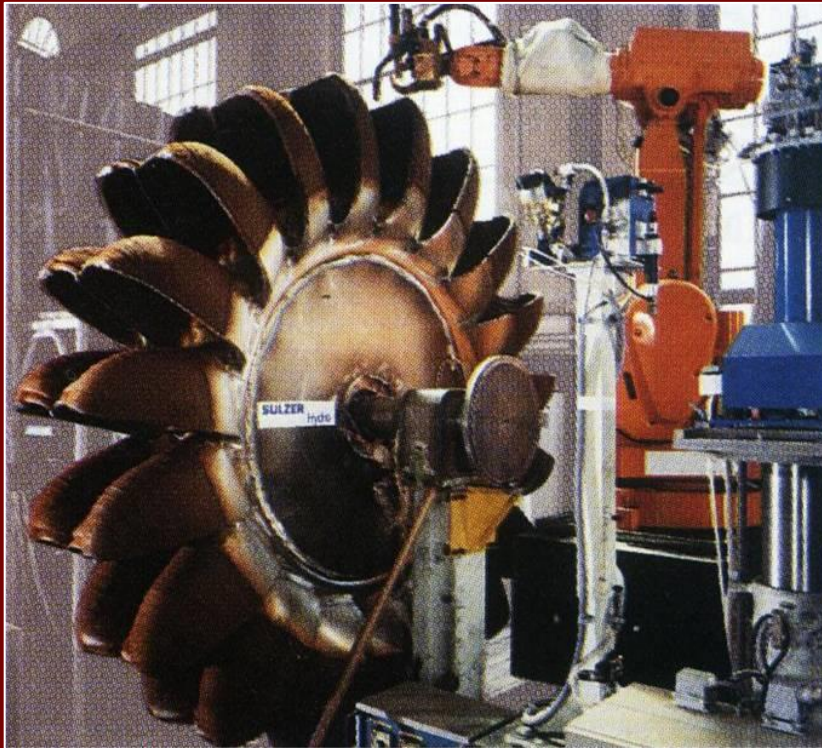
Everything is automatic. Now there are some specialised workers only. The machine does the manual work.



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SWISS METAL-MECHANICAL INDUSTRY: automatic machines

The "islands" follow a pre-established path and are transporting the parts from one forming station to another.



Robot
working
on
Pelton
turbine



The robotic
personal
assistant: the
COBOT helps
in the
laboratory



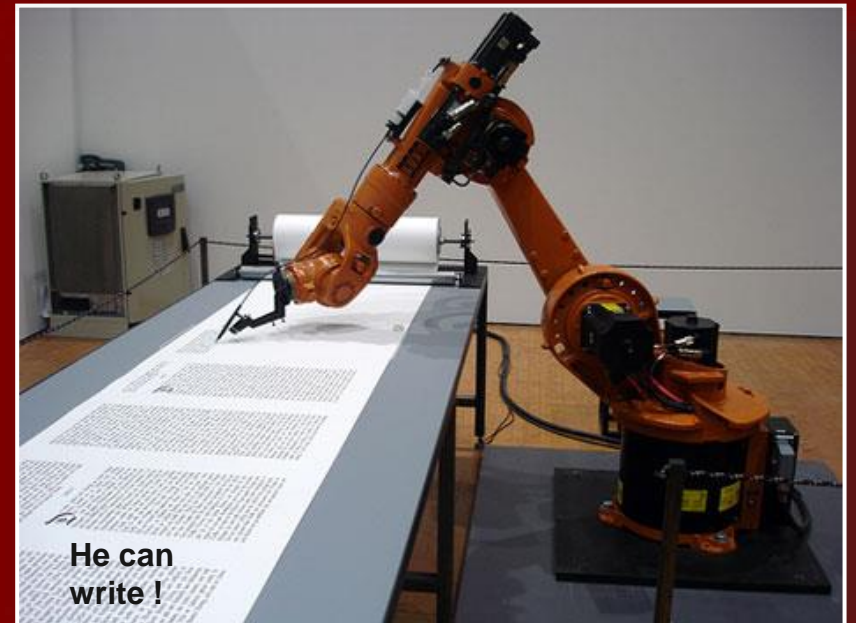
The
modern
worker:
the
ROBOT



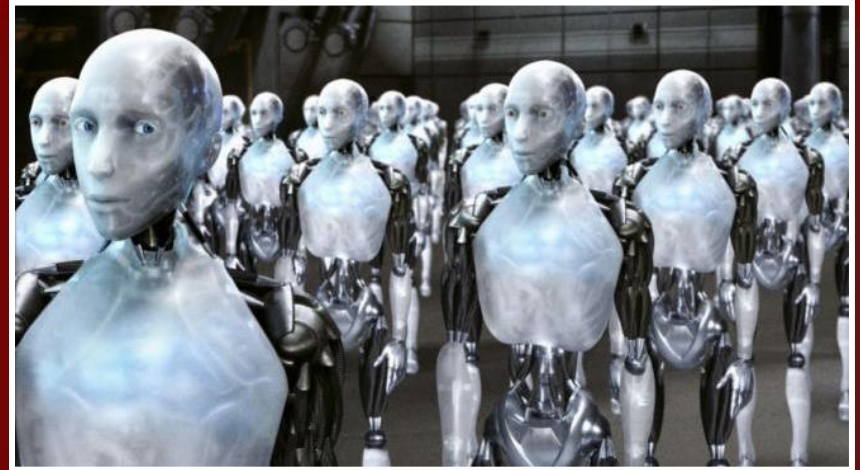
The robotic
vacuum
cleaner



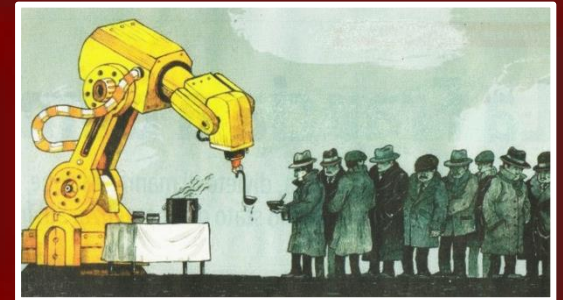
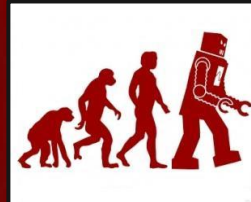
Robot replaces workers



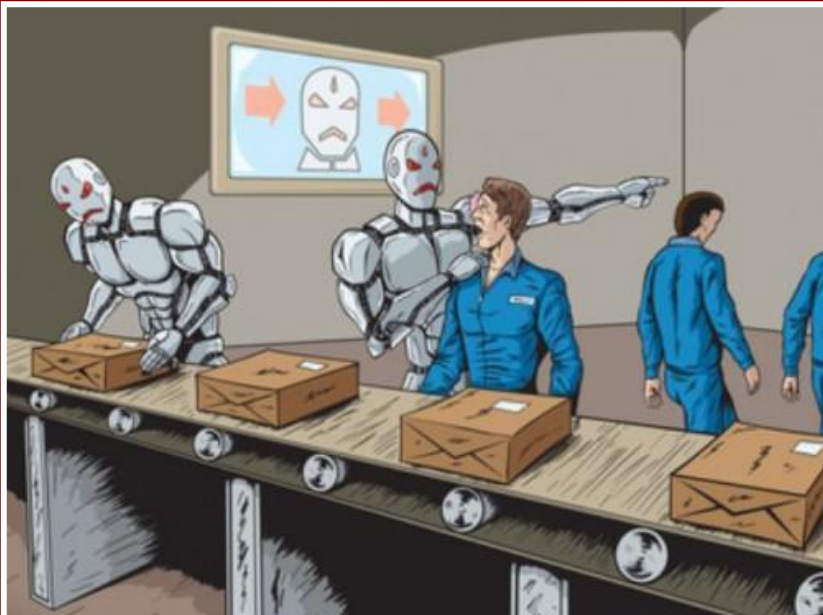
He can write !

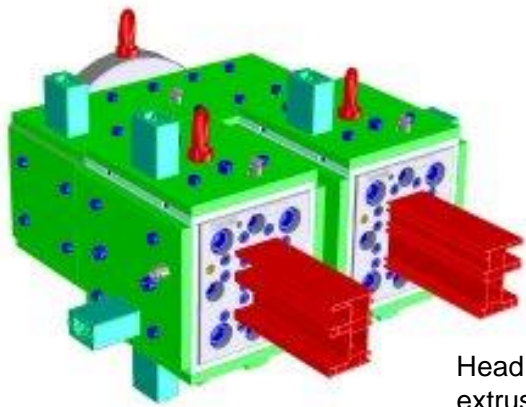


THE ROBOTIC

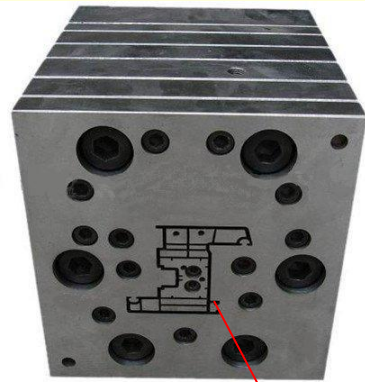


INVASION



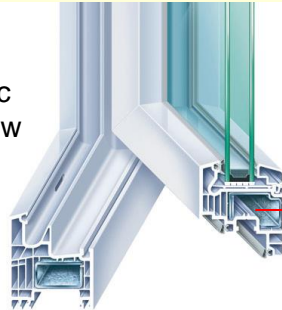


Head for extrusion



ELECTROEROSION AND EXTRUSION

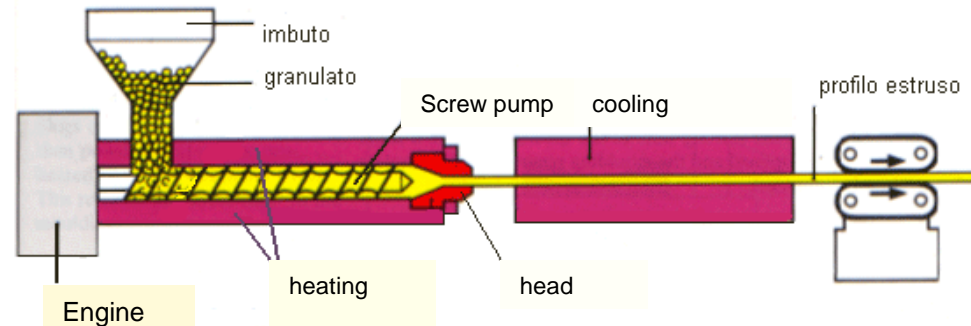
Plastic window



Electroerosion machine



Extruder



Extrusion

Before



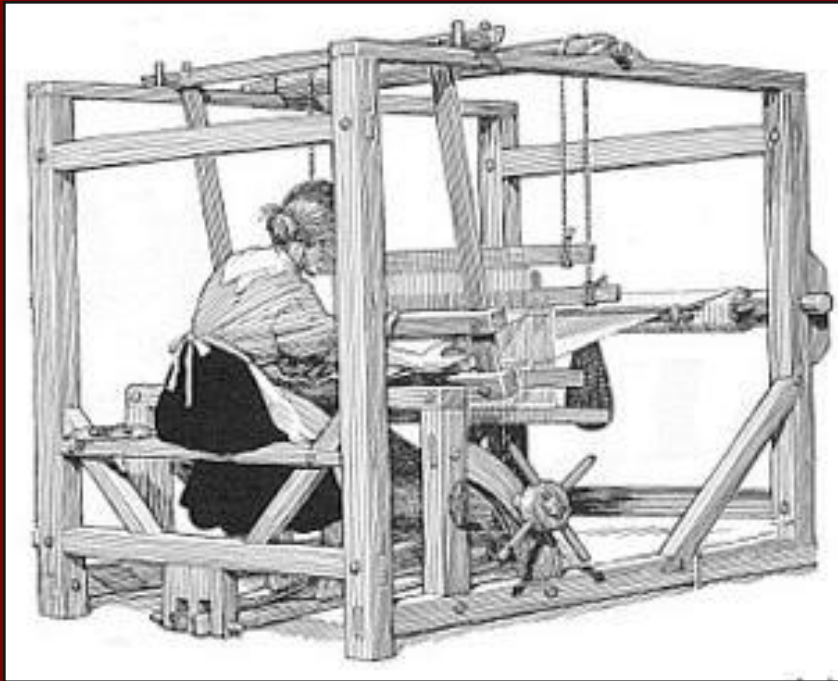
**Yesterday:
manual work**

**Today:
automation**



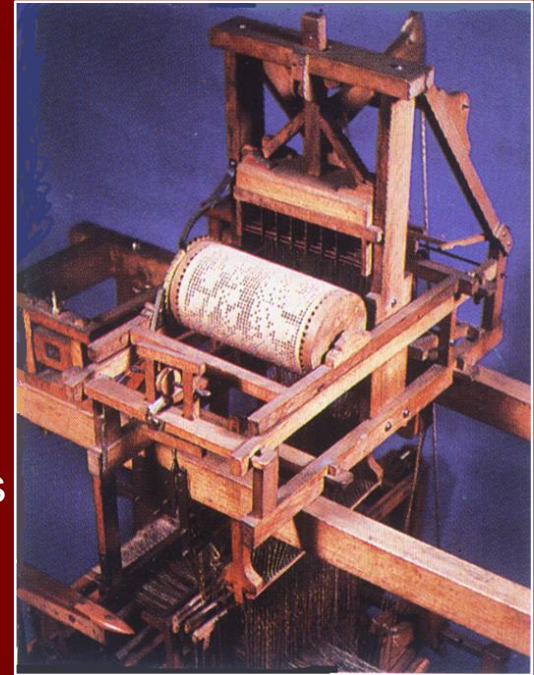


Production of plastic pipes by extrusion

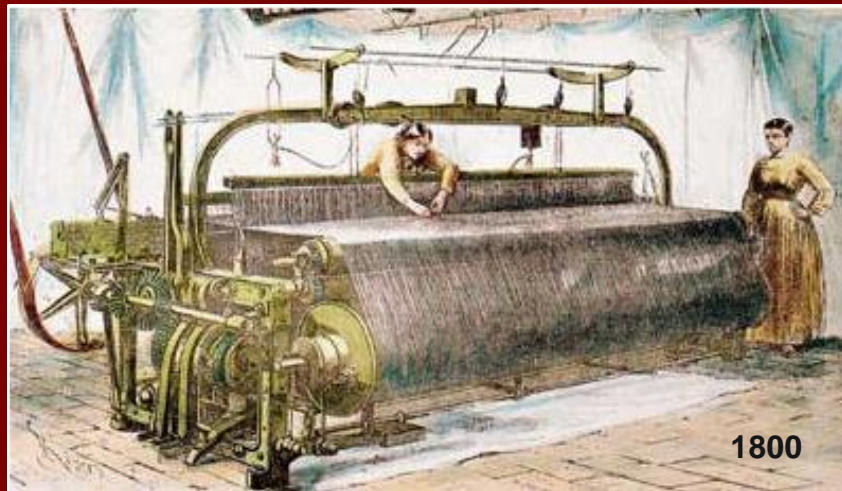


Manual loom

Progress in the textile sector has eliminated many workplaces



1745 The first completely automatic loom.



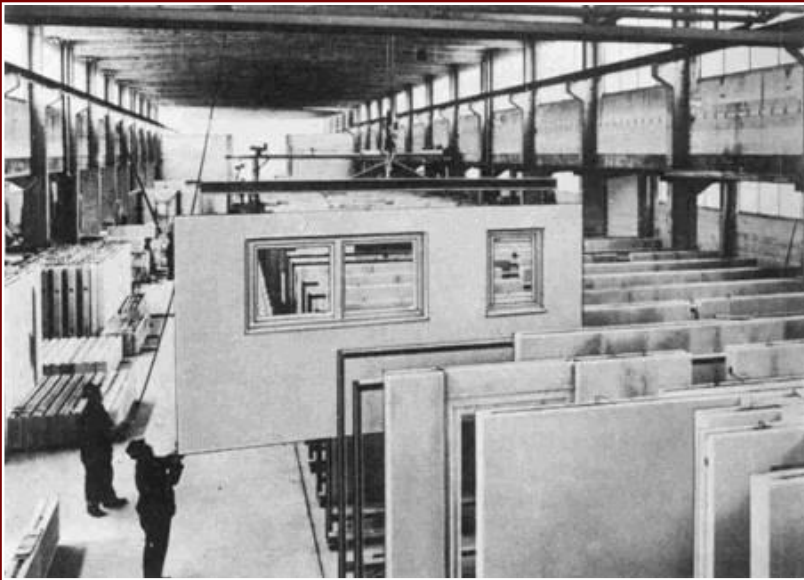
The mechanical loom driven by steam power machine appears

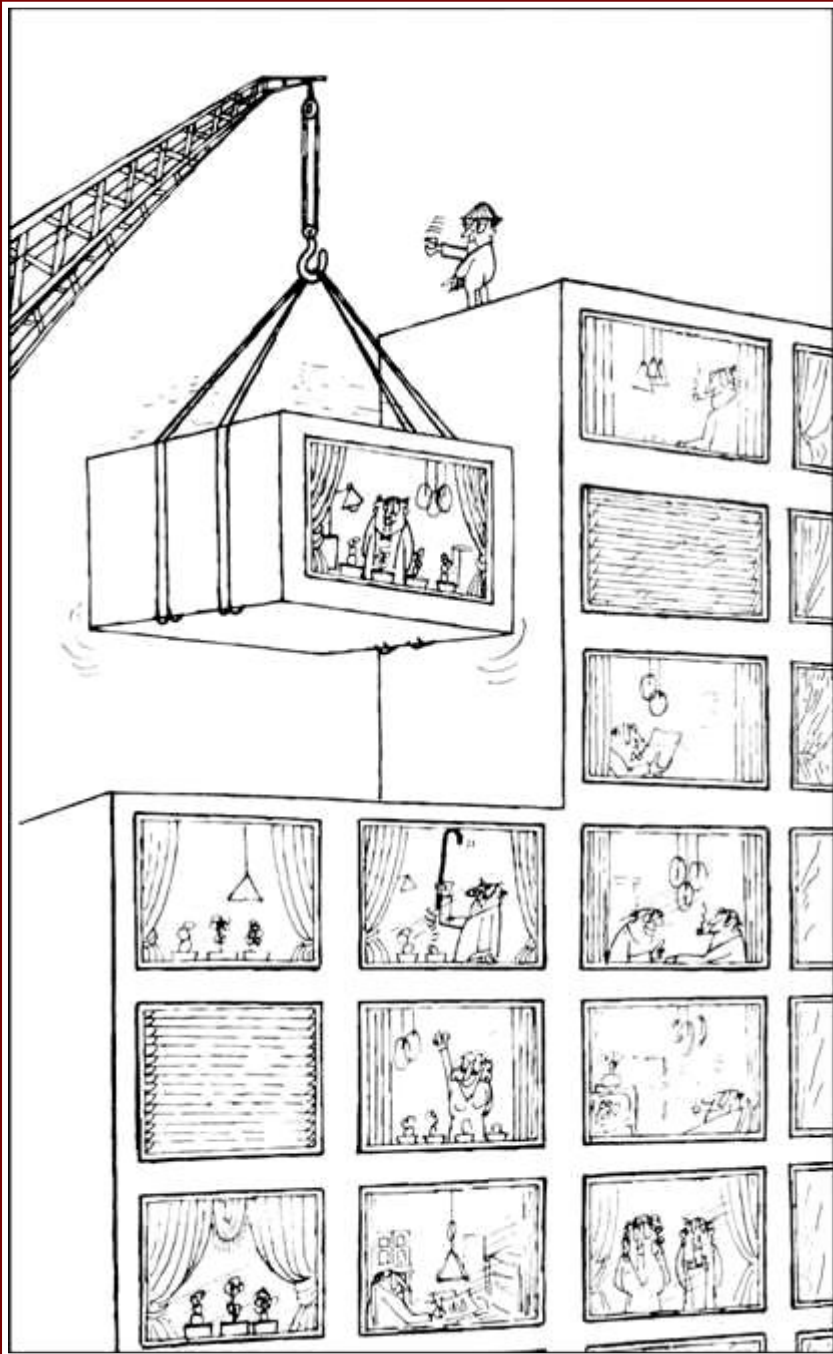


Modern textile industry

Streamlining in the construction industry

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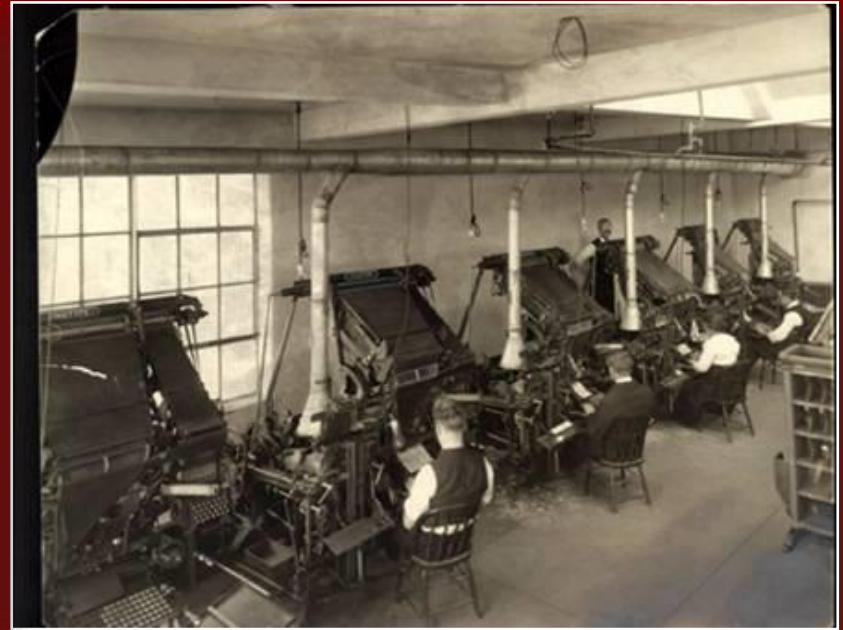
CONSTRUCTION IN THE FUTURE

83





1448 Gutenberg printing press

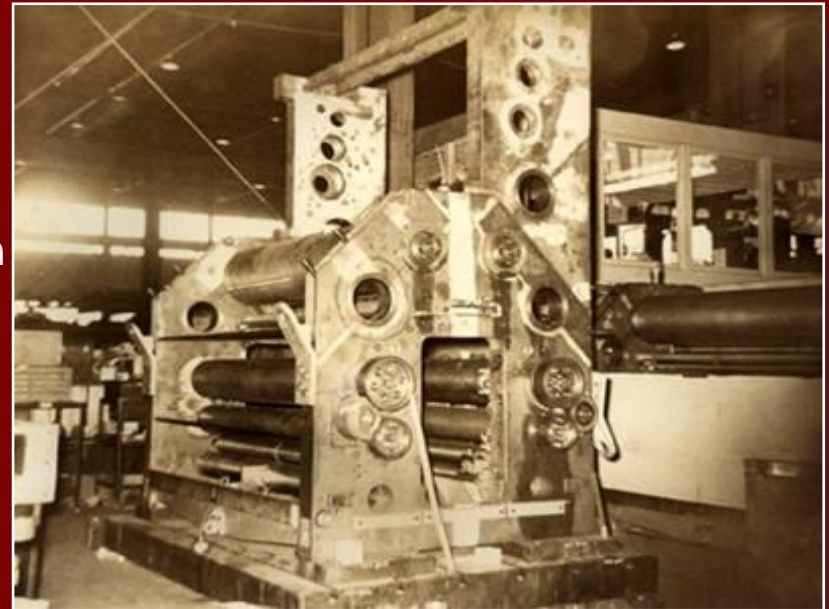


1880 Linotype machines for composition



Manual composition

Old mechanical rotary





1990 :
Computerized composition
and photocomposition
Automatic rotary

2011 :
Tablet,
the
electronic
virtual
newspaper





Western Union operating room, Broadway, New York, 1881



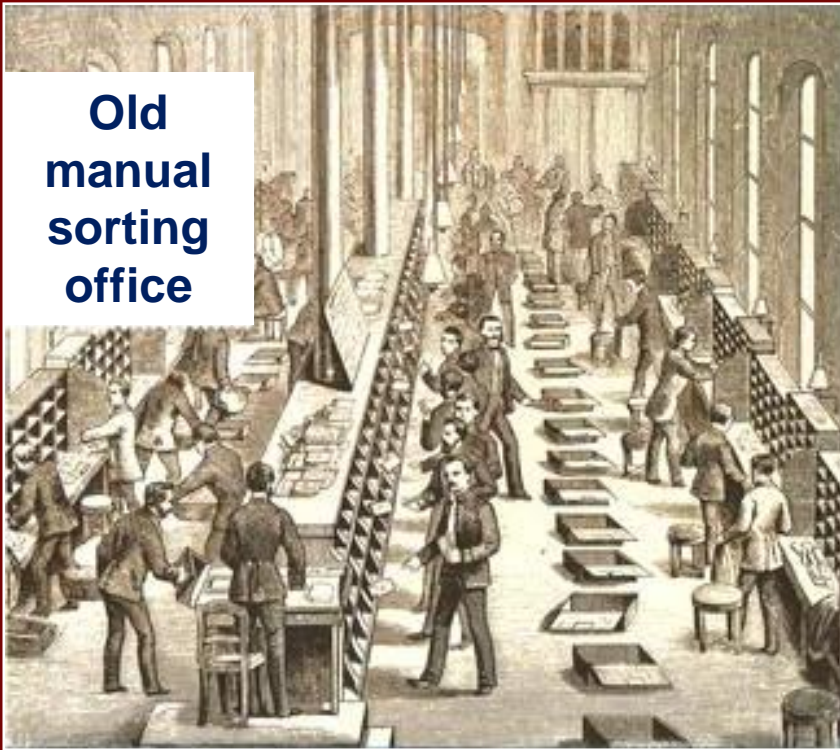
**Administrative work before
computerization required a
large number of employees**

86

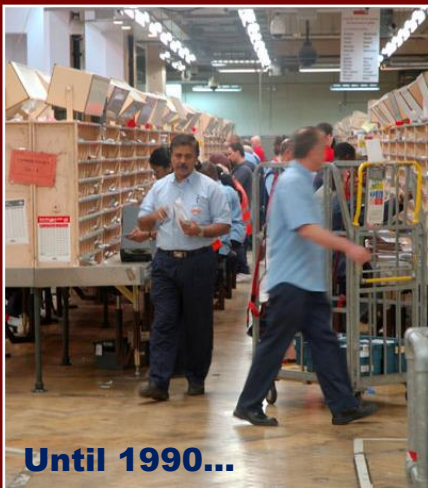
Today



Old manual sorting office



For the manual sorting of letters a lot of employees were needed



Until 1990...



Today an optical system reads addresses even if they are handwritten.

87



Postal workers have been replaced by automatic sorting machines



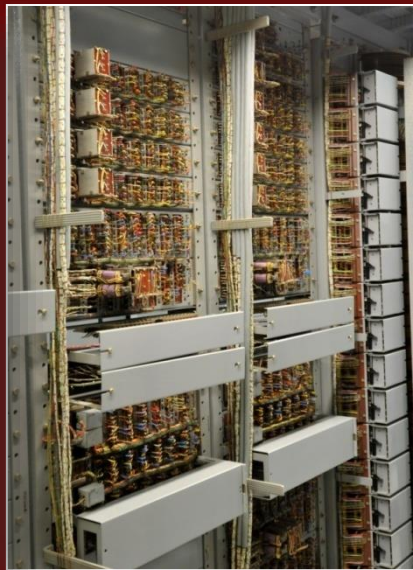
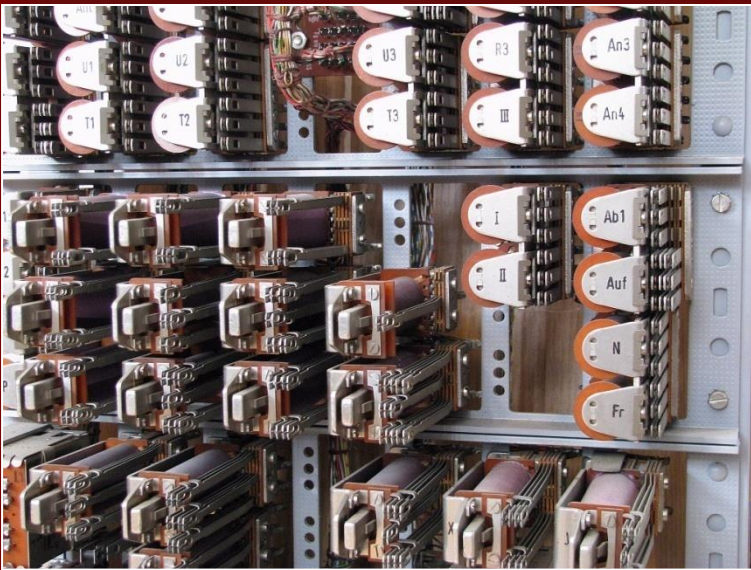
Modern postal sorting office



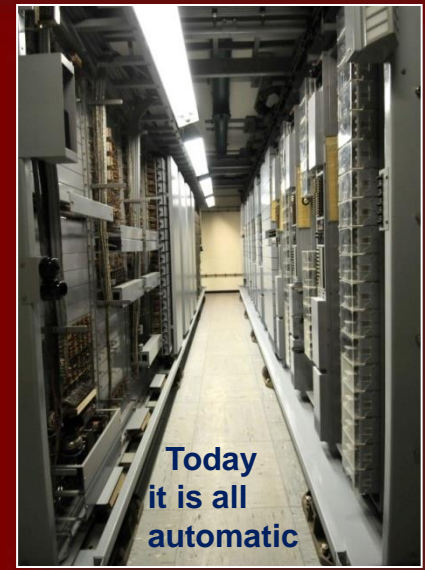
Once there were operators



Modern call center



Evolution of the telephone



Today it is all automatic



**Mining and stone processing:
machines replace the human workforce**

89





In agriculture, machines and chemistry have replaced people and animals.



Motta Milan 1950, the preparation of candied fruits



Yesterday

Today



amazon

In the internet sales empire of AMAZON employees are subjected to exhausting work patterns and wages are low with precarious job prospects... already there is talk of complete automation ...



At the same, time thanks to its gigantism and the data of billions of customers, AMAZON is trying to influence national policy and penetrate all areas of the economy and even public administration.



3 train drivers



2 train drivers

Streamlining in the railway sector

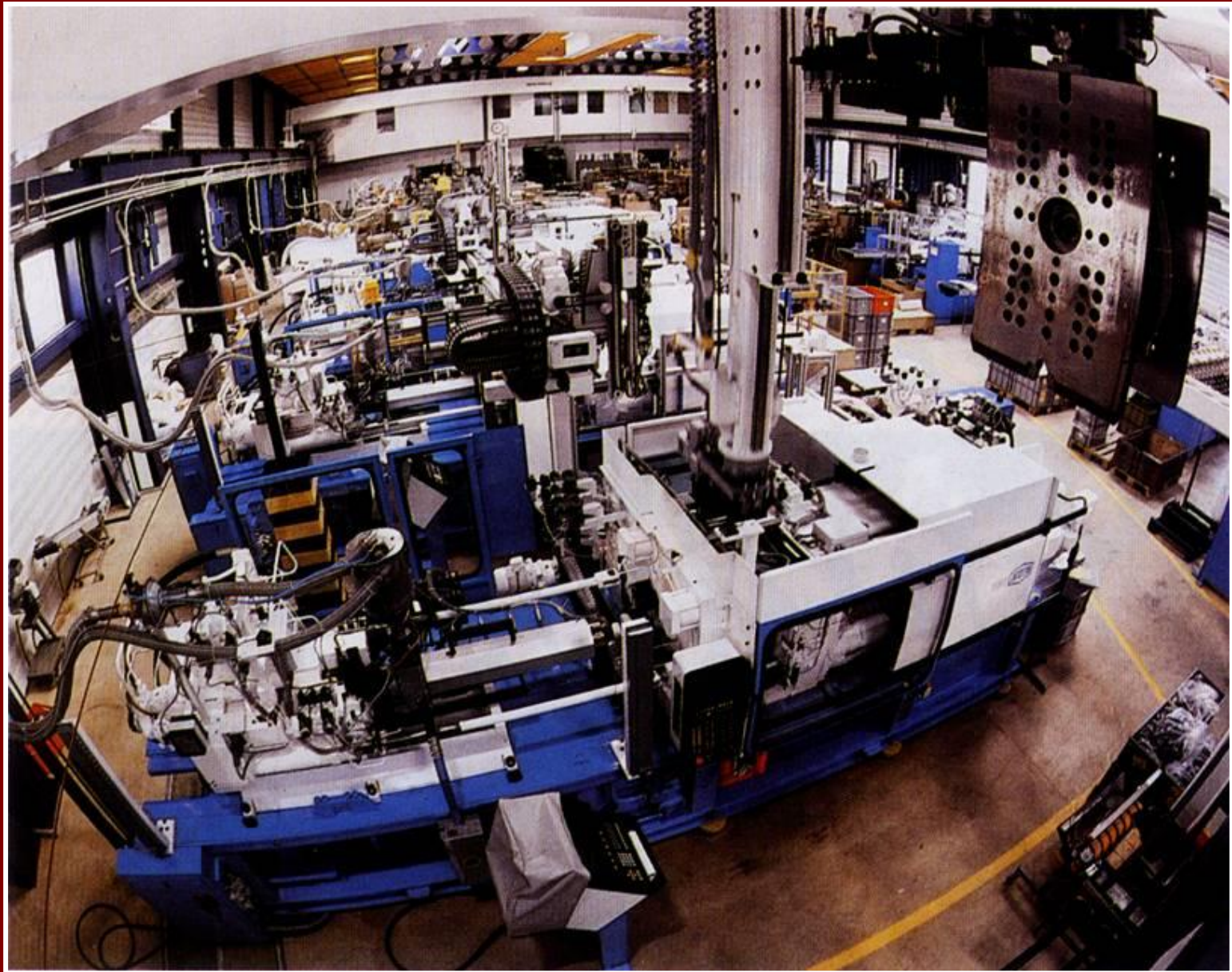
93



1 train driver



0 train drivers



Where is the best location for this factory? Why?

THE FACTORY WITHOUT WORKERS



Kunshan, Shanghai, China: Foxconn, the entirely robotized factory that produces components and accessories for mobile phones

Other ways to save on workforce:

-Exploitation of illegal migrants. Also blackmailing
(illegal work, prostitution, etc.).

-Subcontracting at different levels
- Management leasing

-Relocation of production in Eastern Europe, China, etc..

(Example of the shoe factory placed on a ship moving from one port to another in search of cheaper workforce)

- Neglecting the safety of workers and neglecting environmental protection regulations.



The attack on the workers

To weaken the bargaining power of workers and to reduce their wages the capitalists use all their power and influence

Workers are divided into several categories, treated and paid differently

- **By gender and age: men, women, young, active, older, retired**
- **By function: workers, employees, officers, managers, directors**
- **Depending on qualification: trainees, contractors, laborers, skilled graduates, academics**
- **According to the working time: / shift auxiliaries, freelance**
- **Depending on the retribution: job contract, hour wages, monthly wages, bonus payments, profit sharing etc.**

The capitalists are opposed to any union activity and penalize unionised workers.

Capitalists create their own commissions and yellow unions.

Capitalists make use of outsourcing and employ temporary staff.

The capitalists have sought approval of laws that reduce worker's rights and limit trade union activity.

The capitalists threaten mass layoffs and factory closure. Mobbing is used.

The capitalists reward the most servile workers.

INCREASE IN WORKERS EXPLOITATION

VW ON 2006 :
FROM 28,8 HOURS
TO 35 HOURS
WEEKLY
WITHOUT SALARY
INCREASE

98



Union agrees to more working hours to safeguard jobs at Volkswagen

Observatory: [EurWORK](#) | Published on: 26 November 2006

In September 2006, the bargaining parties at German car manufacturer Volkswagen (VW) agreed on a package of measures aimed at helping the company to save costs and to safeguard employment. Central to the agreement is an extension of the current standard weekly working time of 28.8 hours in exchange for a company commitment to agreed production volumes at the six German sites of VW.

On 29 September 2006, the German Metalworkers Union (Industriegewerkschaft Metall, IG Metall) and representatives of Volkswagen AG (VW) agreed on a package of measures concerning [working time](#), [pay](#) and [production volumes](#), aimed at helping the company to save costs and to safeguard employment in the future.

About

Country:
Germany

Author:
Heiner Dribbusch

Sector:
[Motor](#)

Institution:
Institute of Economic and
Social Research (WSI)

Work weakens the new samurai

Increase in the number of couples who do not have sexual relations

La mancanza di relazioni sessuali tra coniugi giapponesi sarebbe alla base della crisi di natalità – La causa **nur because working 10-12 hours a day** e

■ **TOKYO** Il «sarariman», moderno samurai giapponese del lavoro, non guarda più la sua compagna con gli occhi di un tempo, e gli esperti di sessuologia nipponici sono seriamente preoccupati. Il dottor Kunio Kitamura lancia l'allarme: la mancanza di rapporti sessuali nelle coppie giap-

ponesi sarebbe alla base della crisi di natalità che affligge il Paese da lungo tempo. Mentre il governo ha cercato finora, invano, di smuovere la situazione attraverso incentivi economici per le coppie che decidono di avere figli, Kitamura snocciola le cifre di un sondaggio realizzato da un ente

che opera sotto il ministero della Salute: su un campione di 936 persone tra i 16 e i 49 anni il 31% ha dichiarato di non aver avuto rapporti sessuali per oltre un mese «senza un motivo particolare», condizione che la sessuologia moderna etichetta col nome di «sexless», assenza cronica di rapporti. La causa numero uno è l'eccessivo carico di lavoro: una volta arrivati a casa dopo 10-12 ore di lavoro molti uomini non hanno energie sufficienti per dedicarsi ai «doveri» coniugali.



Supermarket checkout



Self-service checkout



Bank counter



Cashpoint



Ticket counter



Ticket machine



In everyday life people are confronted with ever more Automation. The ultimate goal being to save man-power costs by turning work and responsibility over to the user. Human contact is lost.

THE PRICE OF A CAR



(AFTER THE LATEST SAVINGS)

• Materials :	5'000.- \$	2'500.- \$
• Workforce:	5'000.- \$	2'500.- \$
• Fixed costs:	5'000.- \$	
• Profit :	5'000.- \$	
Total	<u>20'000.- fr</u>	15'000.- \$

The salesman must sell the **W** car....

..in Sweden



The salesman goes to Sweden, but...



VOLVO

\$ 13'000.-

VOLVO
S60

MODELLO ANNO 2003

PRICE LIST



IN SWEDEN

VOLVO SELL

THEIR CAR AT THE

PRICE OF

13'000.- \$

In Sweden Volvo also saved on manpower using the assembly line and machines.

The **W** car factory is faced again with the rival business.
For this reason it is necessary that the **W** car costs less.



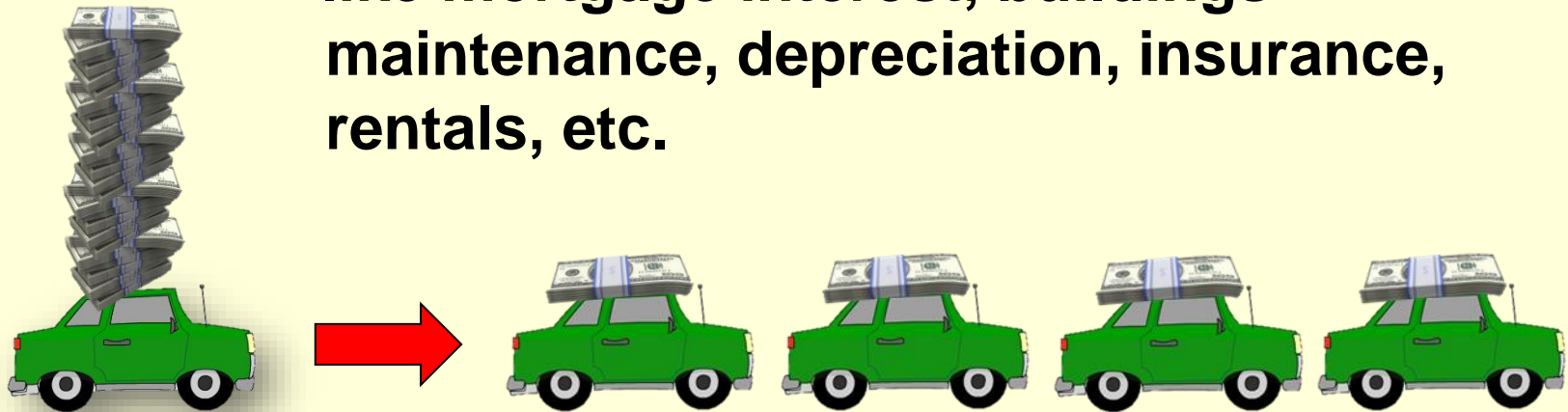
The Manager decides:

it is necessary to save on fixed costs

How does that work? What are fixed costs?

To spread the fixed costs over a larger number of produced cars

like mortgage interest, buildings maintenance, depreciation, insurance, rentals, etc.



the producer concentrates production under one great big roof.



ITALIAN MOTOR-CAR FACTORY TORINO : FIAT

Factory Mirafiori (inaugurated in 1936 by Mussolini)

To produce more and therefore better distribute the fixed costs over the produced units, the capitalists concentrate the production in ever larger factories.



**TESLA megafactory in Austin, Texas, USA
employs 20,000 people**

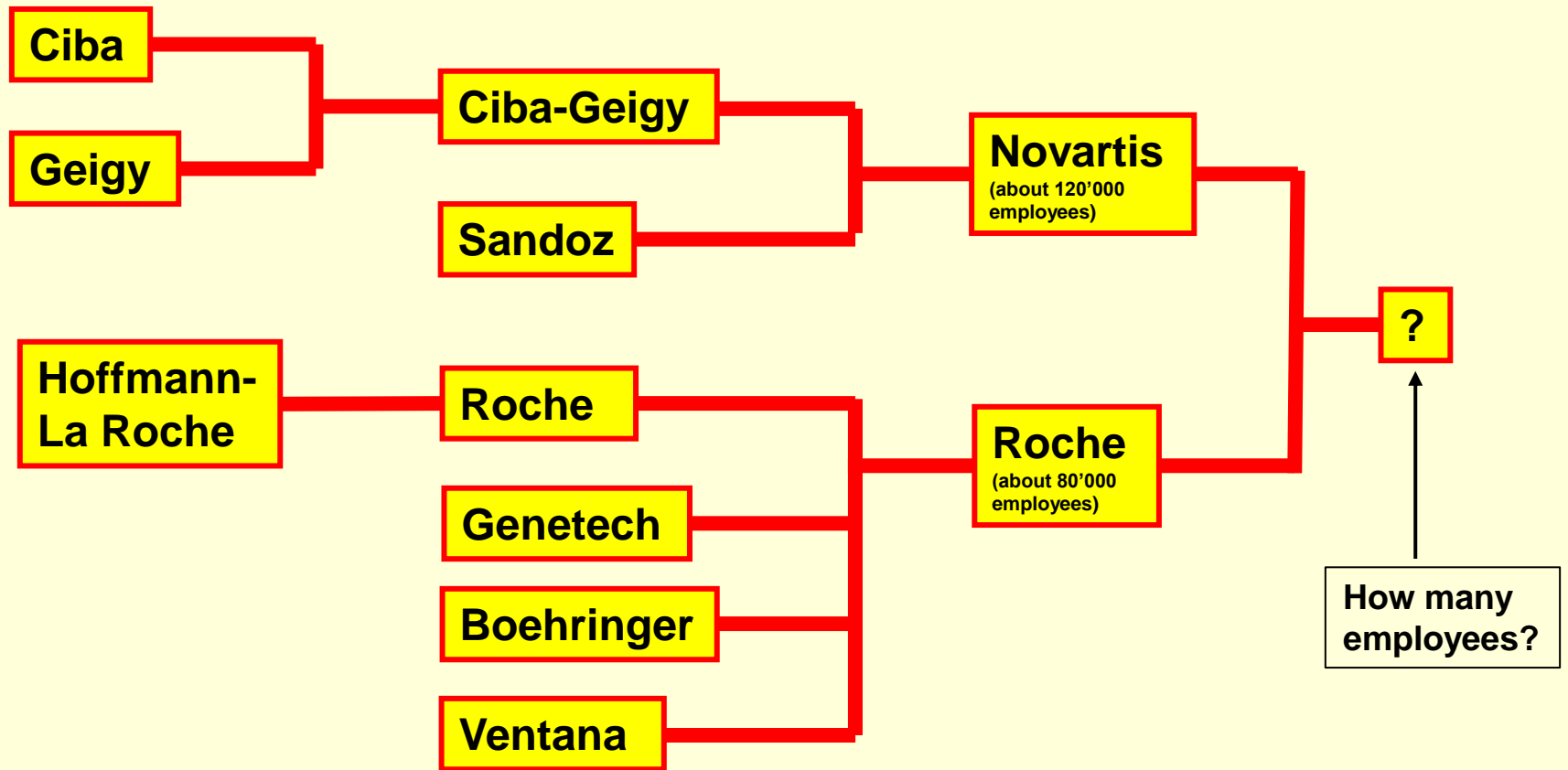


Individual mobility becomes a right, the dependency on oil becomes a fact.

A large flow of cars

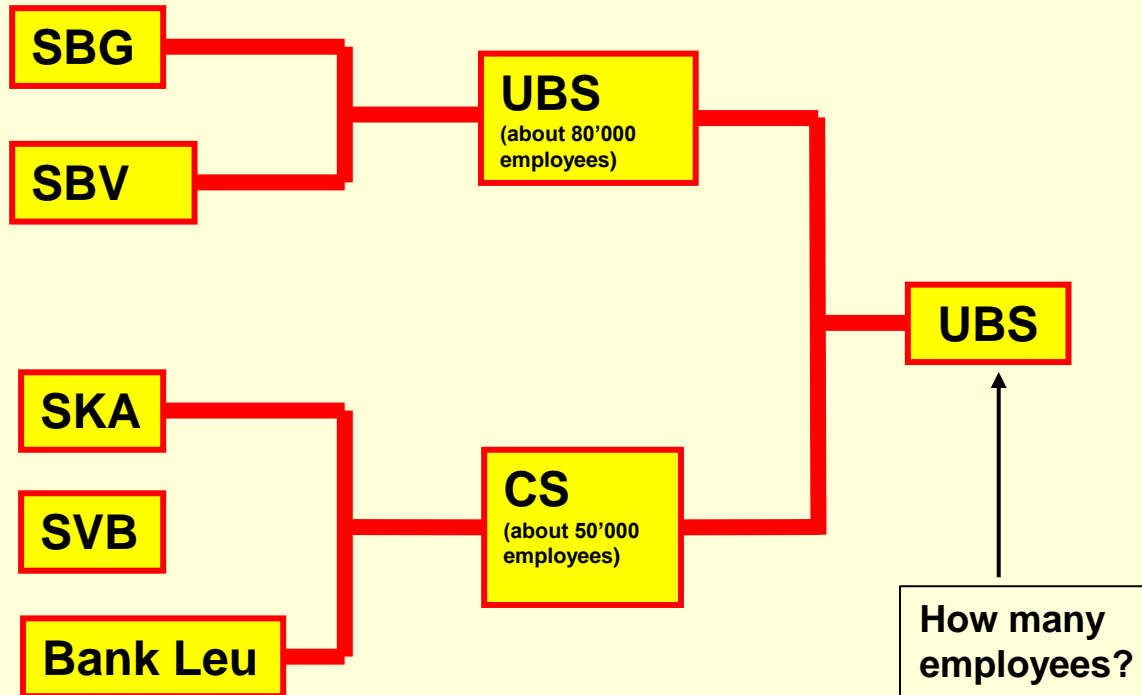
**THE FIFTEEN MILLIONTH FORD T
LEAVES THE ASSEMBLY LINE
DETROIT , USA , 1929**





LARGE MERGERS IN THE SWISS PHARMACEUTICAL INDUSTRY

To rationalize and reduce the costs the capitalists centralize and merge.



LARGE MERGERS IN THE SWISS BANKING INDUSTRY

THE PRICE OF A CAR



(AFTER THE LATEST SAVINGS)

• Materials:	5'000.- \$	2'500.- \$
• Workforce:	5'000.- \$	2'500.- \$
• Fixed costs:	5'000.- \$	2'500.- \$
• Profit:	5'000.- \$	
Total	<hr/> 20'000.- fr <hr/>	12'500.- \$

The salesman must sell the **W** car....

..in Japan



The salesman goes to Japan, but...

TOYOTA SHOW

SPORT & FUN • FAMILY & BUSINESS • TEMPO LIBERO & OFFROAD



TOYOTA

\$ 12'000.-

21



TOYOTA

Garage Iannoni SA

AGENZIA PRINCIPALE

Esposizione permanente:

Via Dante II - 01000 Terracina

Tel. 091/825 06 00/01 - Fax 091/824 01 02

IN JAPAN
TOYOTA
SELLS CARS
LIKE THE W CAR
FOR

12'000.- \$

Also in Japan they are producing even more units to save on fixed costs.

The **W** car factory is again faced with a rival business.

For this reason it is necessary that the **W** car costs less.



The Manager decides:

it is necessary to reduce the profit.

(reluctant decision because his mission is to make the highest possible profit)

THE PRICE OF A CAR

(AFTER THE LATEST SAVINGS)

• Materials:	5'000.- \$	2'500.- \$
• Workforce:	5'000.- \$	2'500.- \$
• Fixed costs:	5'000.- \$	2'500.- \$
• Profit :	5'000.- \$? \$
Total	20'000.- \$ →	market price

At this point the market will indicate the price at which it is possible to sell the W car this means the price that buyers are willing to pay.

If production costs are higher than the market price it would be impossible to sell W car for a profit, on the contrary, it is likely they would be sold at a loss. And this the capitalist does not like at all.

Rule No. 3

**COMPETITION CAUSES
A POTENTIAL LOSS OF PROFITS**



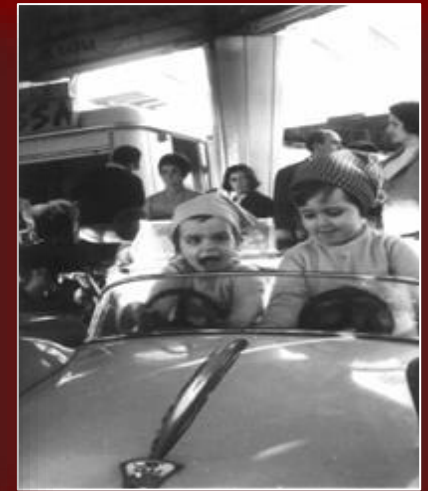
The car culture:

By car...
living
travelling
working
dying
going to the cemetery





The car culture:
The car is the King 118



The car culture



The car culture

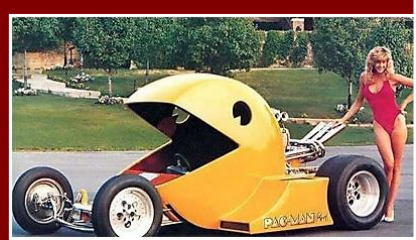


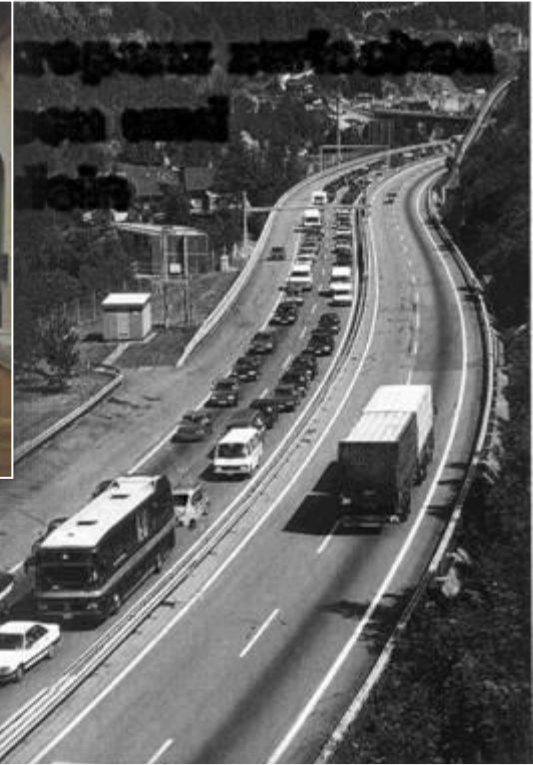


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Batmobil





122

THERE ARE TOO MANY CARS

PARKHOUSE





Cars inspire artists

**In Geneva the cars are
looking beautiful**

**But cars require motorways
and the motorways are
covering the country.**



California

123



What we build for cars!

CO

MARTEDÌ 14 DICEMI

Direttore responsabile: **GIANCAR**
 Vice-diretteri: **CARLO MANZONI** e
 Sede CENTRALE via Industria, 69C
 TELEFONO 091.960.31.31, **RECAPI**
 E-MAIL cdh@cdh.ch «CoT...ONUP

VELENI, «007»
 SCIARPE
 ARANCIONI E
 ECCHI SAMO

ERARDO MORINA

Per parlarne di
 mo esulare dal
 litica come al
 mente, l'imma
 mo e calarci
 realtà descritta da m
 della narrativa di sp
 gio come John Le Ci
 Frederick Forsyth. C
 glio ancora, rifarci
 manzo «Il Grande C
 di Peter Hopkirk, da
 uscito in traduzione
 na per i tipi di Ad
 che parla dei servizi
 ti in Asia centrale a
 po (l'Ottocento) dell
 tesa tra russi e ingle

FIVE MILLIONS VEHICLES

Security and confort more important that ecology

NEUCHÂTEL Sono quasi cinque milioni i veicoli a motore in circolazione in Svizzera. Per ogni 1.000 abitanti si contano ormai 518 automobili e 79 motoveicoli. I dati pubblicati dall'Ufficio federale di statistica (UST) mostrano che per le auto la sicurezza e il confort hanno avuto la meglio sull'ecologia negli ultimi 14 anni, mentre le due ruote hanno registrato un vero e proprio boom: il numero dei motoveicoli è raddoppiato rispetto al 1990 e quadruplicato rispetto al 1980. Il 30 settembre 2004 si contavano nel Paese complessivamente 4.969.000 veicoli a motore immatricolati, di cui 3.811.000 automobili, 583.000 motoveicoli, 298.000 veicoli commerciali per il trasporto di cose (autofurgoni, autocarri, trattori a sella) e 318.000 rimorchi.

Dal 1990, il parco veicoli delle differenti categorie è cresciuto mediamente dall'1 al 2% ogni anno. Per le automobili l'aumento medio è stato dell'1,8%, mentre per i motoveicoli ha raggiunto il 4,9%. Con una progressione dell'1,5% tra il 2003 e il 2004, l'evoluzione recente del parco au-



■ Cinque milioni di autoveicoli in circolazione in Svizzera. E si vede...

tomobili s'inserisce nella tendenza generale degli ultimi quindici anni. L'UST nota che si sta modificando la struttura di questo parco, «ma non necessariamente in direzione del risparmio di carburante e della protezione dell'aria». Sono cambiate piuttosto le automobili, che da 14 anni a questa parte sono diventate sempre più pesanti e con motori sempre più grandi, e questo a beneficio non soltanto della sicurezza ma anche del confort e delle prestazioni.

Tra il 1990 e il 2004, cilindrata e peso complessivo medio non

hanno cessato di aumentare, la prima passando da 1.821 cm³ a 1.971 cm³ (+8,2%) e il secondo da 1.494 kg a 1.745 kg, con un incremento medio del peso del 16,8%. I veicoli elettrici costituiscono ancora una rarità: l'UST ne ha contato 625.

Quanto al numero di posti, sinonimo di dimensione del veicolo, l'UST osserva che benché le vetture a 5 posti restino le più comuni, il loro numero va restringendosi costantemente (dall'88,1 all'81,7% dal 1990 a oggi) a vantaggio non soltanto dei veicoli più spaziosi (+4,2%) co-

me le monovolume, ma anche delle piccole automobili a 4 o meno posti (+2,2%).

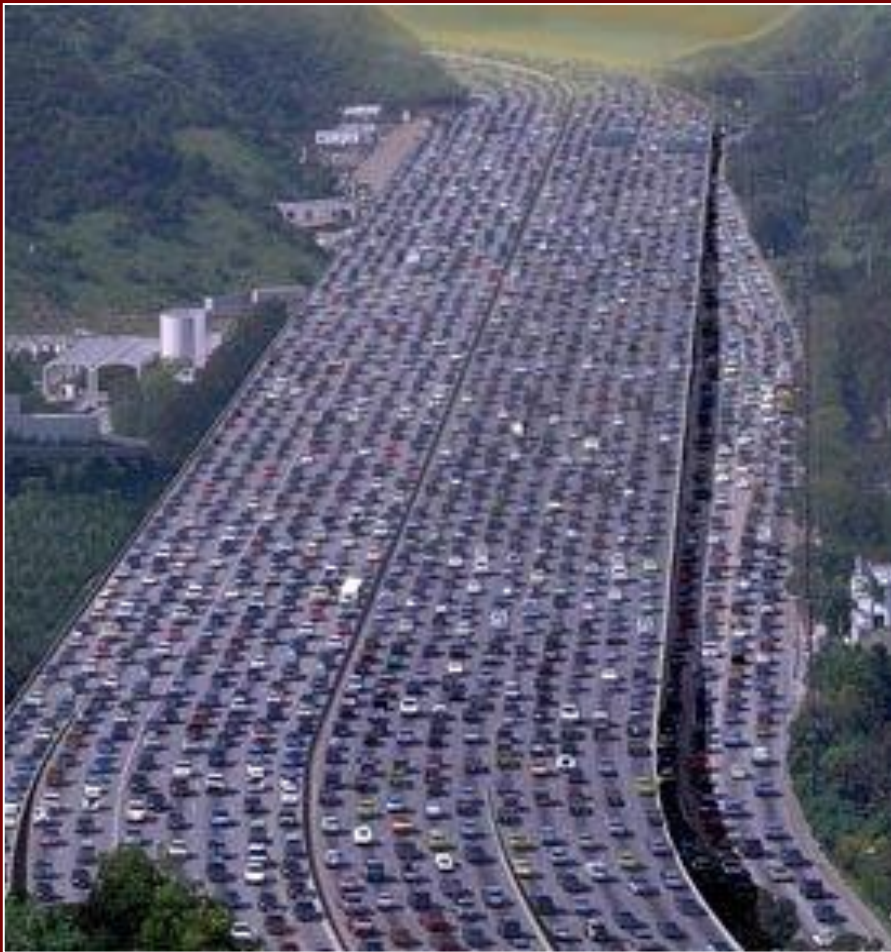
La categoria dei motoveicoli è quella che negli ultimi 20 anni ha conosciuto l'aumento più evidente. A partire dal 1995, la moda degli scooter è stata la causa di una loro crescita straordinaria: da 12.000 nel 1990, il loro numero è passato a 48.000 nel 1995, poi a 161.000 nel 2000 per arrivare a 229.000 nel 2004.

Questa tendenza ora inizia ad affievolirsi - rileva l'UST - ma è compensata dagli effetti scaturiti dalla nuova normativa in materia di licenza di condurre entrata in vigore nella primavera del 2003 e che agevola l'accesso ai motoveicoli più pesanti. Questo spiega anche il perché dopo aver conosciuto una forte espansione nella seconda metà degli anni Novanta, la diminuzione dei motoveicoli di piccola cilindrata (-4258 nel 2003 e -13806 nel 2004) possa essere compensata dal nuovo interesse suscitato dagli altri tipi di motoveicoli, soprattutto da quelli più pesanti (+25.273 nel 2003, +27.955 nel 2004).

There are too many cars

126

Chinese motorways



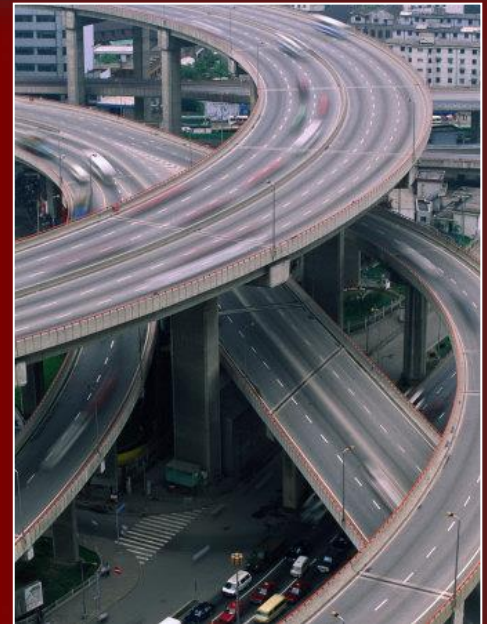


127

We don't know where to put all these cars...

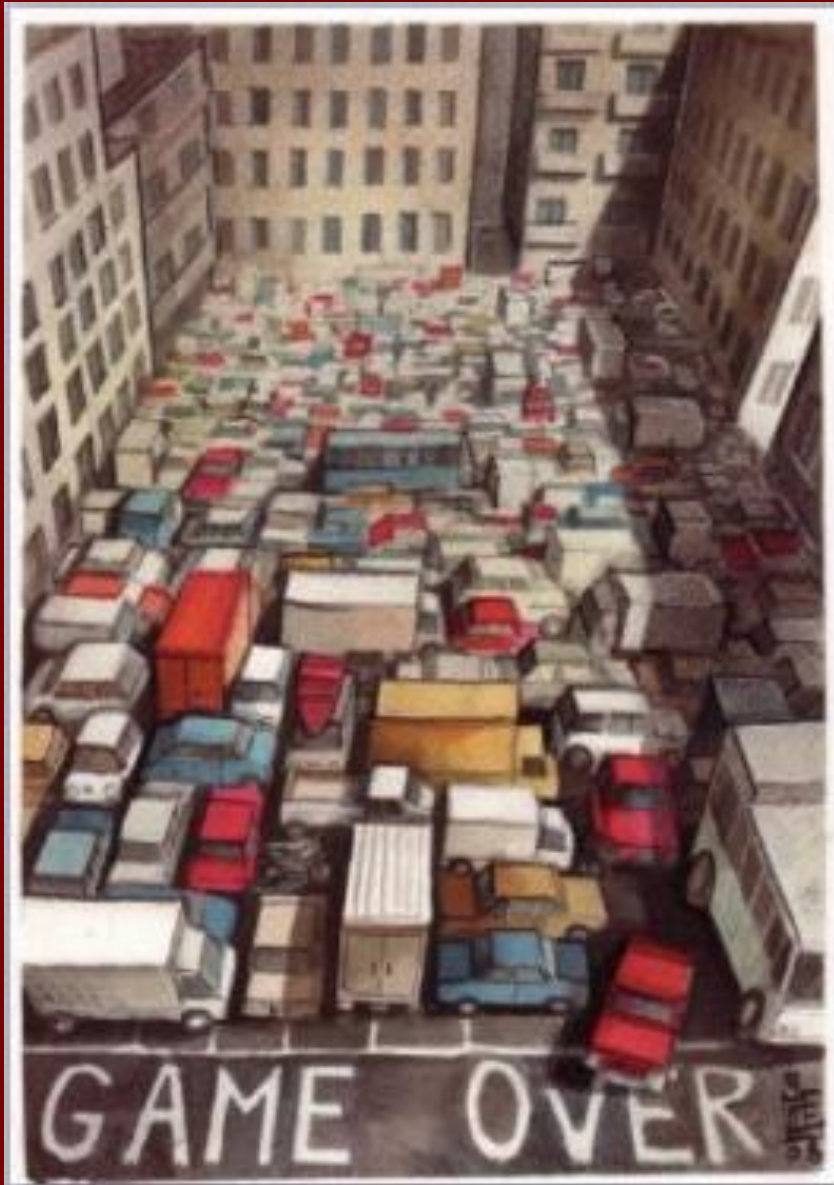


**There
are too
many
motorways**





If we continue like this....



Some are looking for alternative ways
others are dreaming, but this is not a solution.



The game is over !



The global market is saturated:

Everyone who:

- HAS ENOUGH MONEY
- NEEDS A CAR
- WANTS TO BUY A CAR

now has a car.

(and even more than one)

What do we do?

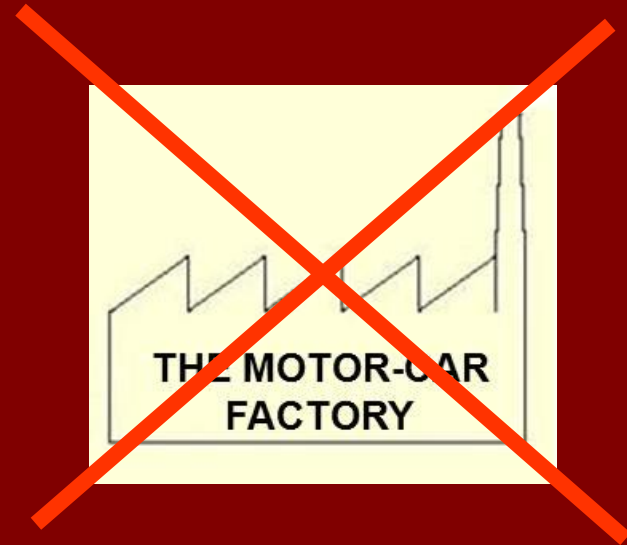
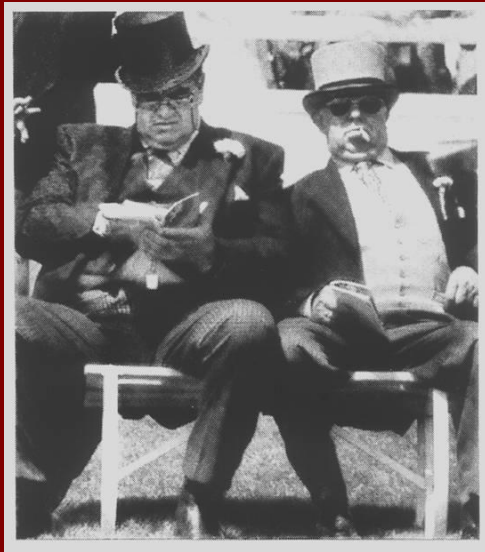
The **W** car factory is faced with saturation of the global market.

The salesmen are not able to sell **W** cars anymore because:

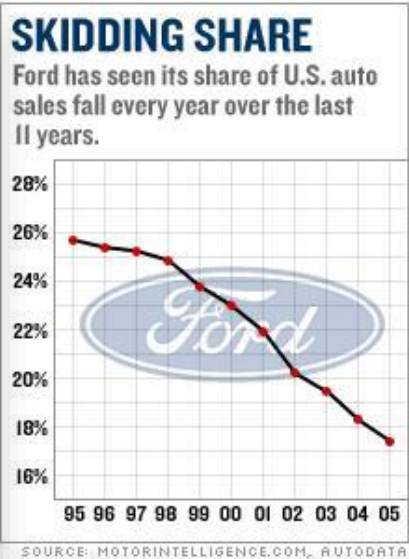
- people don't have money to buy a car
- people don't need a car because they already have one or more than one
- people do not want to buy a car (the streets are blocked by cars)



The manager informs the **Board of Directors** (the capitalists)



The capitalists realize that producing and selling cars is not profitable anymore and they... decide to abandon this business.



The car factory is closed:

workers must go.





UNSOLD NEW CARS

135

Due to overproduction the market is saturated. Everybody now has a car, or even two or three. The salesmen cannot sell the cars anymore = no more money will be collected = no more profit. Little by little the plants and factories close down, the employees are fired and are now unemployed.



WINNERS AND LOSERS

THE WINNERS:

THE CAPITALISTS
(they increased their capital)



THE MANAGER
(he got rich)



THE CAPITALIST SYSTEM

(has imposed his rules and determined the relationships between humans)

THE LOSERS:

THE WORKERS



(they are poor like before, they lost their jobs, security and perhaps also their health)

THE COMMUNITY

(must now support the unemployed people)

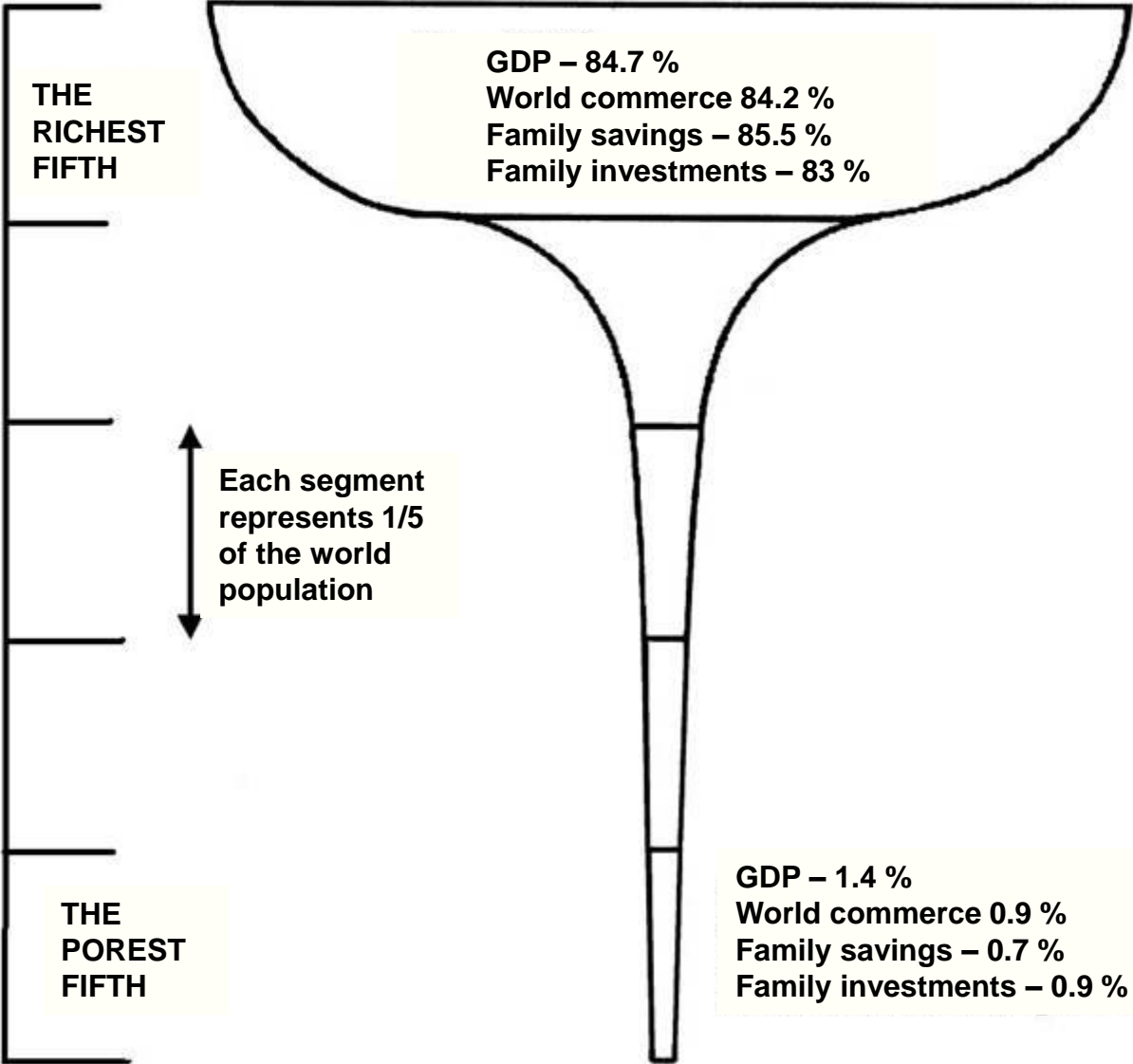
THE ENVIRONMENT

(is polluted)

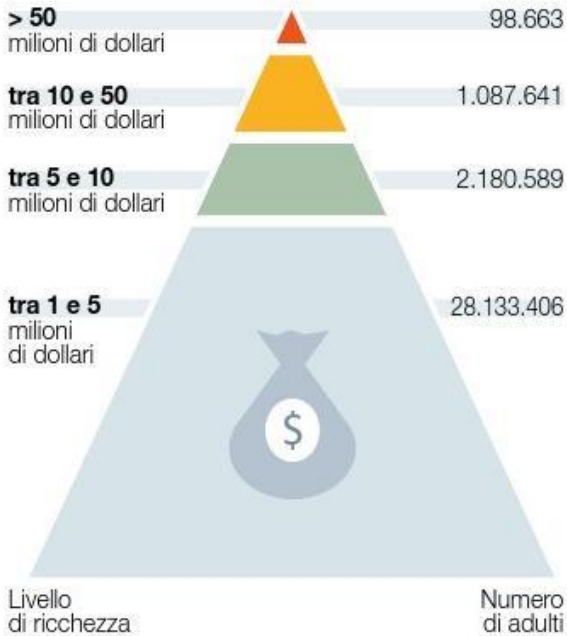


DISTRIBUTION OF WORLD ECONOMIC ACTIVITIES IN 1991

PERCENTAGE OF THE WORLD TOTAL

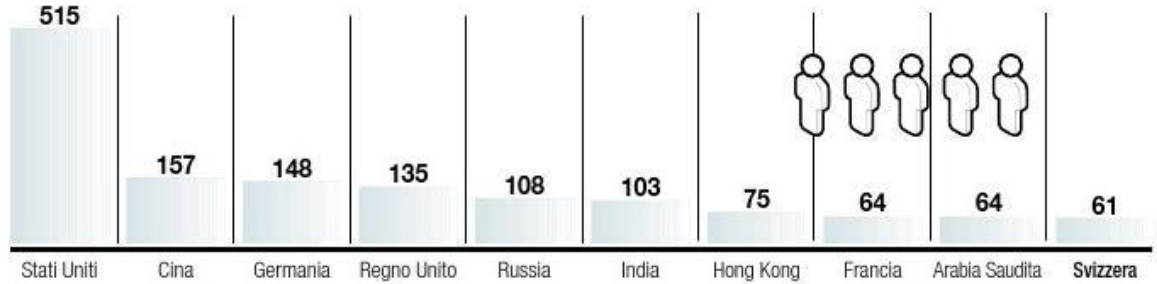


The millionaires in the world

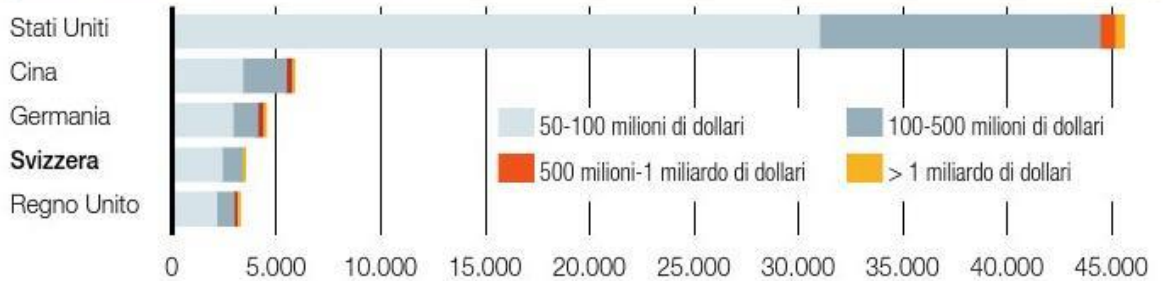


The 10 nations with the most billionaires

Il caffè della domenica, 1. dicembre 2013



LE 5 NAZIONI CON PIÙ MILIONARI



Zürich

FREITAG, 29. NOVEMBER 2013

Never before have the richest in Switzerland been so rich

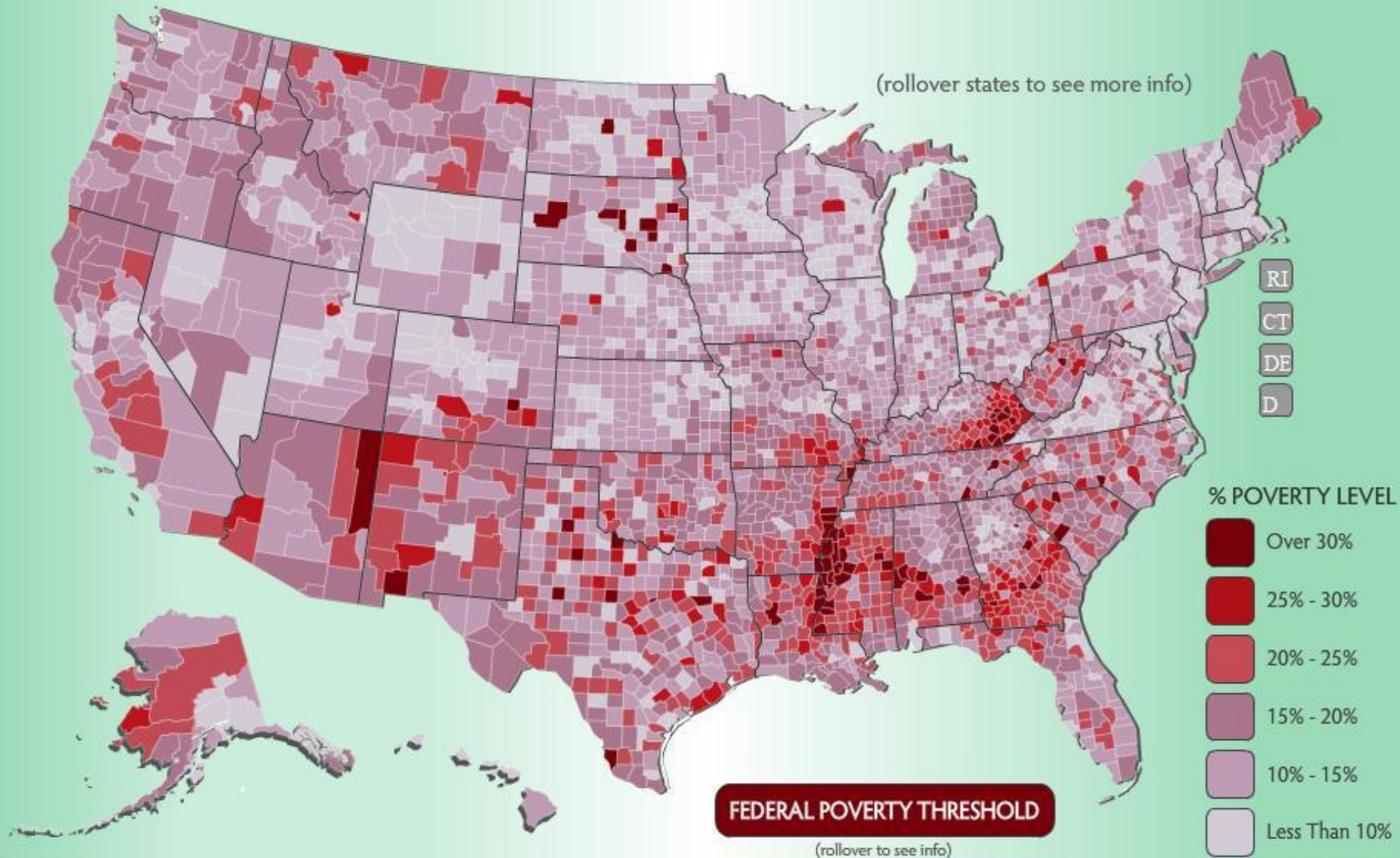
Die Reichen sind so reich wie noch nie

138

ZÜRICH. Die 300 reichsten Schweizer sind zusammen 564 Milliarden Franken schwer. Das ist neuer Rekord: Nie ging es den Reichen in der Schweiz besser, wie das «Bilanz»-Ranking zeigt. Mit dem Geld, das die Reichen besitzen, könnten 4000

Gripen-Kampffjets gekauft oder die Staatsverschuldung von Griechenland getilgt werden. Für Heiratswillige ist Eugenie Niarchos die beste Partie in der Schweiz. Ihr Familienvermögen wird auf 3,5 Milliarden Franken geschätzt. **SEITE 16**

AMERICA'S POOR: A REGIONAL LOOK AT POVERTY IN AMERICA

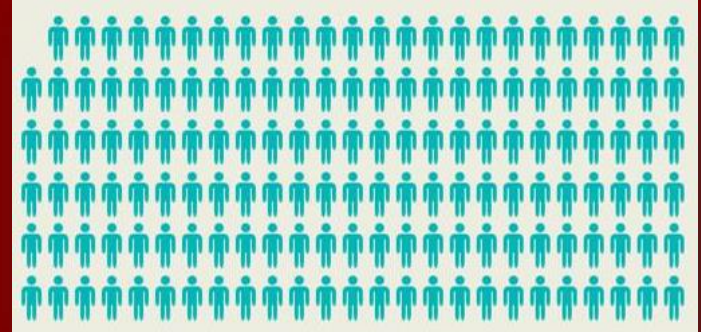


1 %



Oxfam
Report
2014

99 %

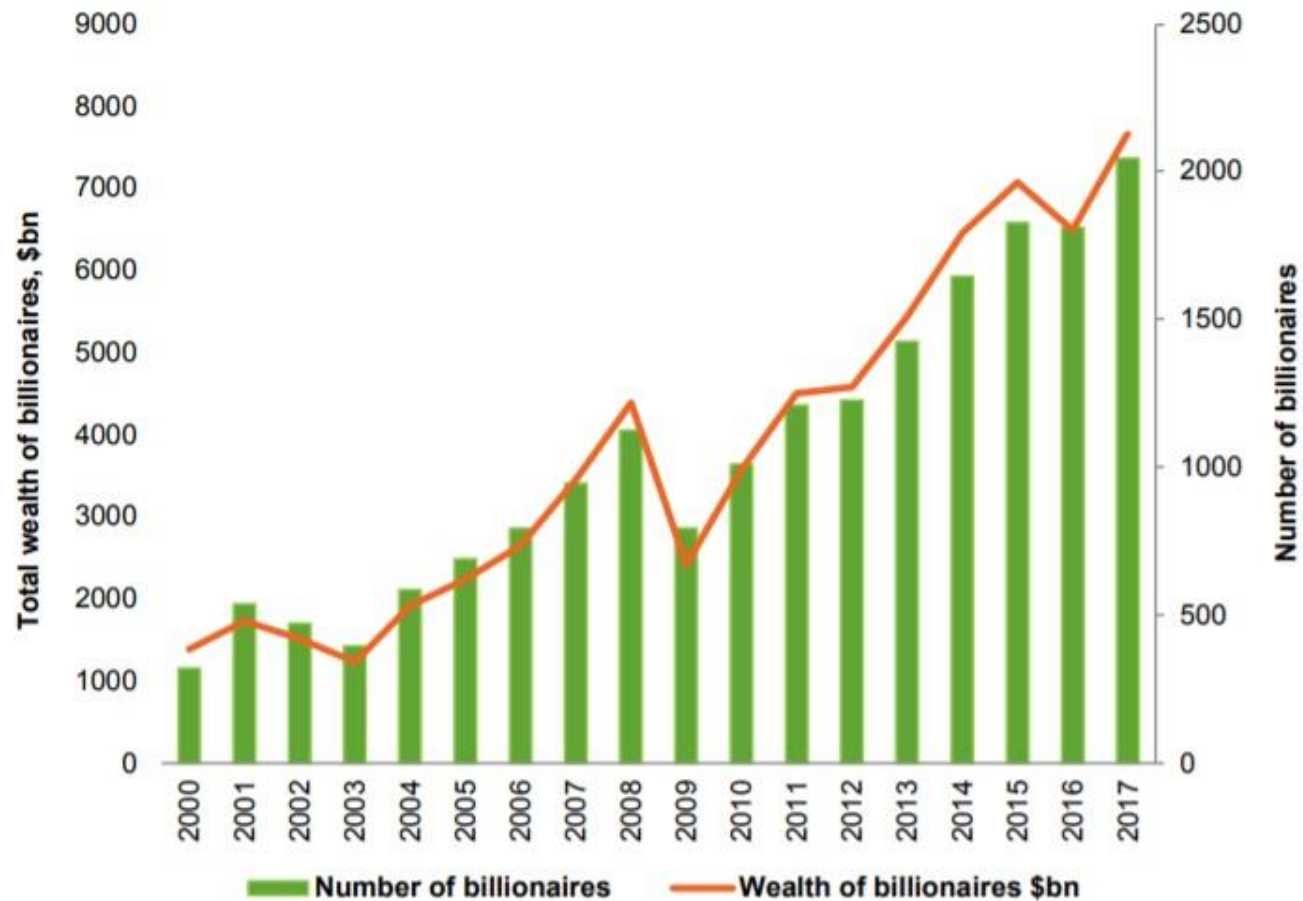


1 % of the world population owns
50 % of the world's wealth, or 180 trillion dollars.

The **85** richest people on the planet have as much wealth as **3.5** billion of the poorest people.

In 2013, the fortunes of the rich increased and in 29 of 30 surveyed countries, the taxes for the rich have decreased. 18.5 billion has been hidden from the worlds Tax Authorities.

Figure 1: Number and total wealth of billionaires, 2000–17



Source: Author calculations, using data from Forbes. (2017). The World's Billionaires. 2017 Ranking. <https://www.forbes.com/billionaires/list/>.

The billionaires of the world, according to OXFAM

(www.oxfam.org.uk - OXFAM BRIEFING PAPER – JANUARY 2018)

RULE No. 4

- **CAPITALISM CREATES:**

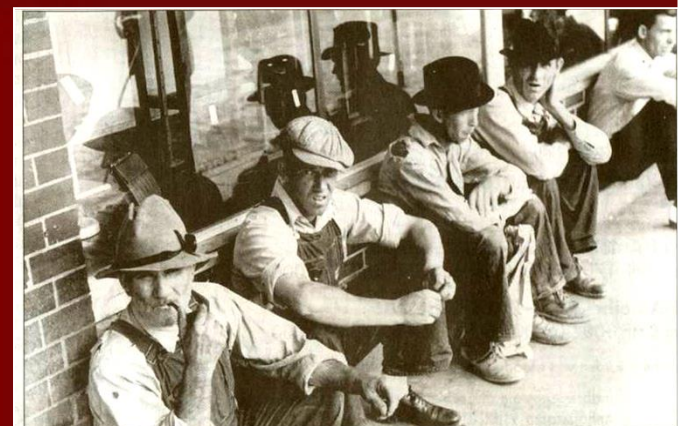
CAPITAL ACCUMULATION

(creation of large economic empires (corporations), large landholdings, economic and business agreements, etc.)



THE
WINNERS
AND... The
losers

144



Die realen Auswirkungen einer Finanzkrise: Massenarbeitslosigkeit in der Grossen Depression der Dreissigerjahre. BILD KEYSTONE





• THE HOMES OF RICH PEOPLE

• THE HOMES OF POOR PEOPLE



145

Philippines



116

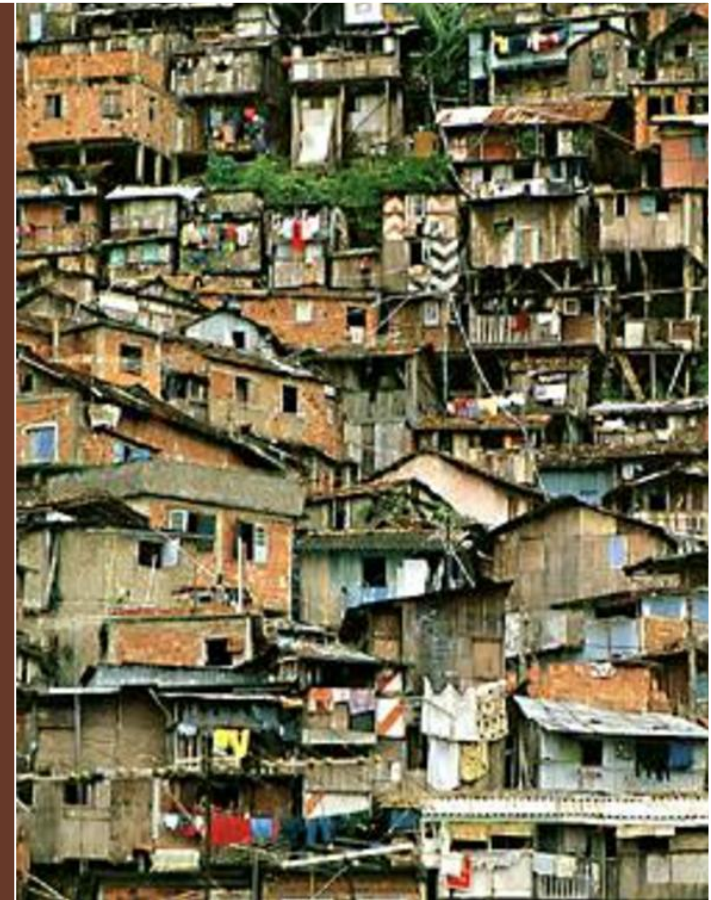
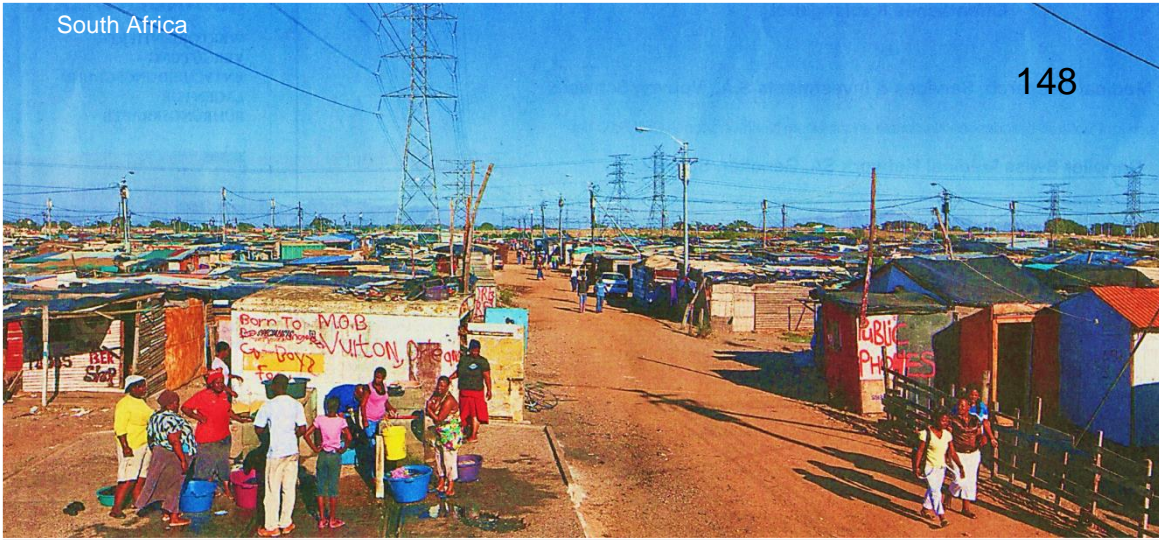


WHERE ARE THE RICH AND... WHERE ARE THE POOR

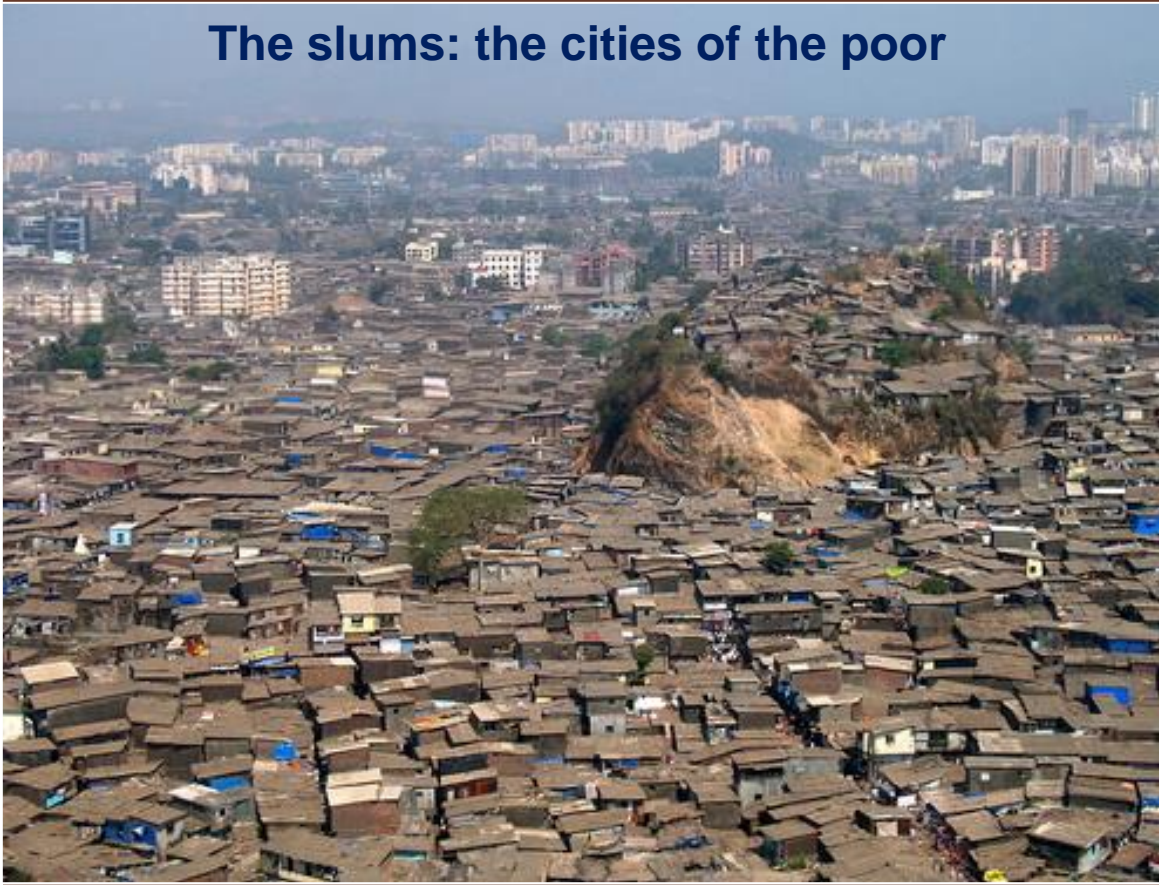



Albarella 

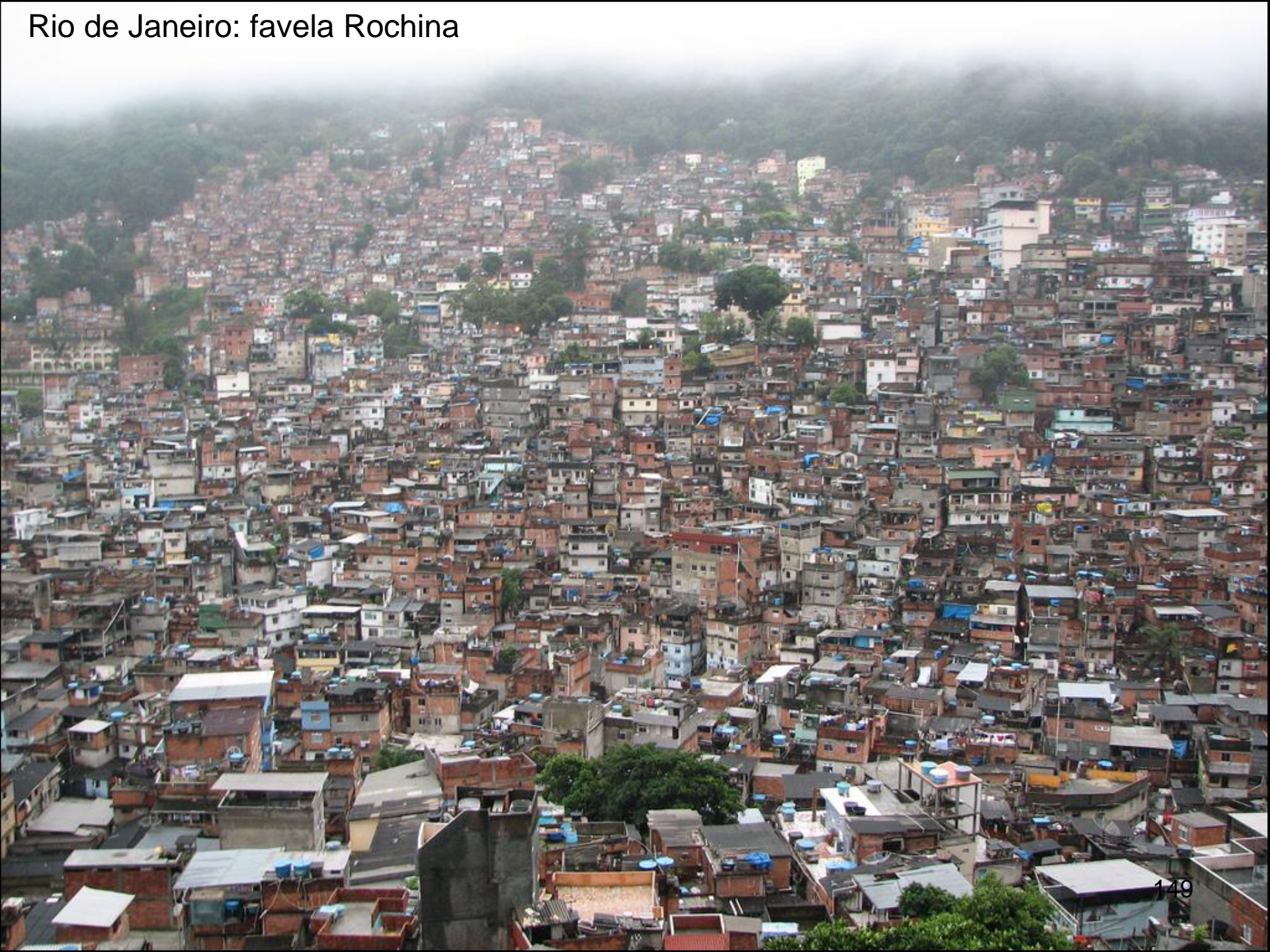
Italy: Albarella, the island for rich people



The slums: the cities of the poor



Rio de Janeiro: favela Rochina





L'ingordigia ha sempre la stessa conseguenza: o esplode il carrello, o il frigo, o il sacco... o voi.

Cibo nella spazzatura: 2 milioni di tonnellate

ZURIGO. Sono due milioni le tonnellate di cibo sprecato in Svizzera ogni anno. E la colpa è soprattutto delle famiglie.

Nei container di tutto il paese.

una vera ecatombe di alimenti. Basti pensare che ognuno di noi acquista in media 1,5kg di cibo al giorno per gettarne 300 grammi. Parliamo di quasi un pasto completo.

Viene poi sfatato un altro mito. Non sono industria e di-

Il 25% si perde dai grossisti e ristoranti e commercianti ne sprecano il 5% a testa.

Wwf e foodwaste.ch chiedono più impegno a tutti gli attori del mondo della forchetta, solo riducendo di un terzo gli sprechi si potrebbe risparmiare ogni anno le quantità di C...

In Switzerland every year two million tons of food are wasted

swaste.ch, del direttore Gianluigi Beretta. Beretta è assistente al Poli di Zurigo e la sua tesi di master, assieme a quella di Joao Almeida dell'Univ di Basilea, è confluita nel rapporto presentato ieri. Lo studio è la narrazione di

de che sommano il 30%, gettando la merce che non viene reputata vendibile, il 13% è da imputare alla produzione, si parla della frutta e della verdura che viene lasciata morire sul campo perché inadatta esteticamente

consigliare una maggiore attenzione agli alimenti e preferire la spesa mirata a quella settimanale. E, anche, prima di buttare qualcosa di scaduto, diamogliela un'annusata, si sa che con le date esagerano sempre. atv/za



It is a scandal: some have too much food and others have too little!



Filtrona Suisse

Strike



THE LOSERS (the workers)
PROTEST

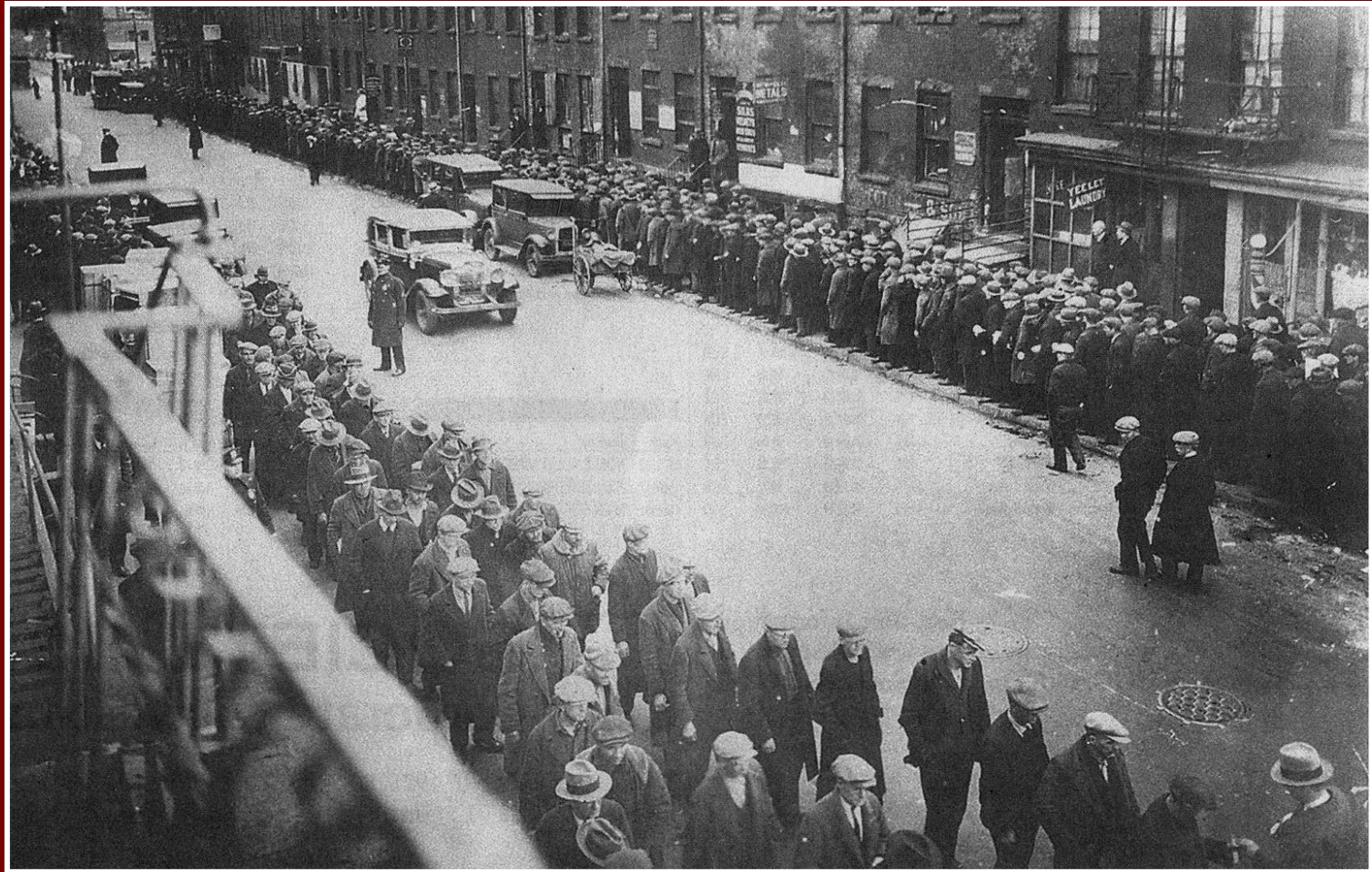
Strike at Boilat
(Swissmetal)
Reconvilier
Switzerland 2005





In 2008, after a two-month strike of the workers at the railway factory in Bellinzona (Switzerland), the Manager of SBB Mr. Mayer abandons the plan to close the factory and concentrates the maintenance of locomotives in Yverdon

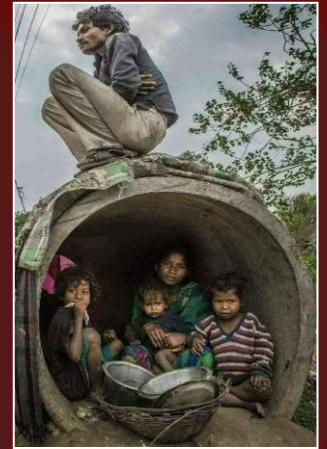




**New York city 1930, great depression :
Jobless people waiting in front of the labour office**



THE LOSERS



154



29 aprile 1945: Cuneo liberata.





LOSERS: the Environment and the weakest

155





- **Losers:**

The environment
and the weakest





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A LOSER: THE ENVIRONMENT





A LOSER : THE ENVIRONMENT

Rubbish Dump full of
batteries



Encarta Enciclopedia, Rafael Macia/Photo Researchers, Inc.

A LOSER: THE ENVIRONMENT

The final product of
our economic system

2010
Gulf of Mexico



1978
Atlantic:
Amoco Cadiz



POLLUTION



A LOSER: THE ENVIRONMENT

160

1986
Cernobil



2011
Fukushima





The landscape is devastated

161





Sometimes we recycle



Often toxic waste produced by our economic system ends up in third world countries, like Ghana and Niger.



**A LOSER :
THE
THIRD WORLD**





A LOSER : THE THIRD WORLD

164





**A LOSER :
THE ENVIRONMENT**

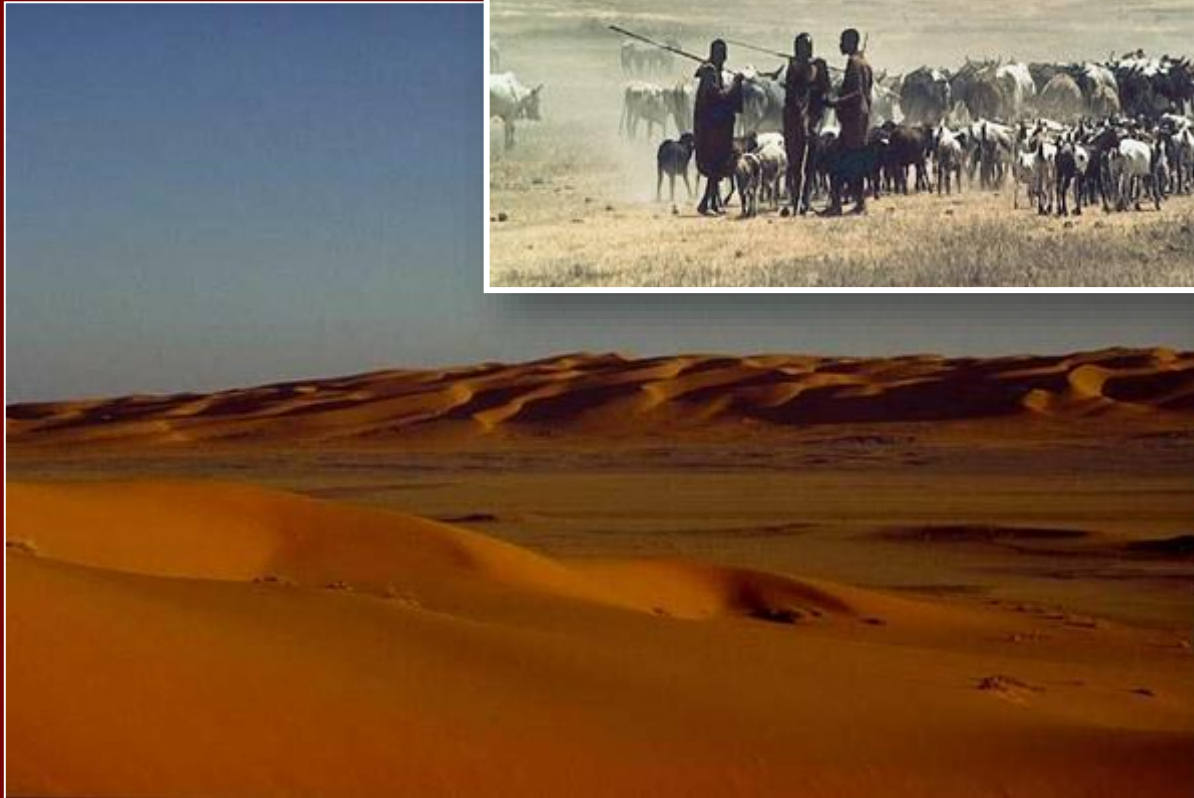


Lake Baikal



DESERTIFICATION

165





Climate change caused by man produces major disasters





OUR FUTURE ?

The fall of civilisation.

Alarming report by the UN:
severe shortage of many resources.

Il pianeta Terra sono o gravemente compromessi o sfruttati in maniera tale da non potersi più riprodurre. E le decisioni operative dei singoli paesi sui programmi di sviluppo economico e tecnologico sono talmente lontane da un'esatta comprensione della gravità dei problemi che nei prossimi cinquant'anni la vita sulla Terra potrebbe diventare impossibile.

Se non è l'Apocalisse, il quadro presentato dal rapporto "Valutazione sugli ecosistemi del Millennio" (Millennium Ecosystem Assessment) vi si avvicina parecchio. Il rapporto, voluto dal segretario generale dell'Onu Kofi Annan, è stato preparato da 1.300 esperti e scienziati di 95 paesi, in stretta cooperazione con gli organismi internazionali e i governi dei paesi membri delle Nazioni Unite, sulla base degli obiettivi fissati nel vertice del 2000 all'Onu sugli obiettivi di sviluppo globale per il nuovo Millennio.

Il rapporto è stato presentato alla stampa internazionale a Tokyo dal sottosegretario generale e rettore dell'università dell'Onu Hans Van Ginkel. «Mi auguro - ha detto - che si comprenda finalmente il disastro verso cui l'umanità si sta dirigendo. L'Onu fa la sua parte ma spetta ai singoli paesi membri avviare con urgenza i giusti processi decisionali».

gli sforzi per combattere la povertà e la fame, migliorare le condizioni di salute e proteggere l'ambiente sono con ogni probabilità insostenibili se gli ecosistemi su cui si fonda la vita dell'umanità continueranno a peggiorare».

Quattro le conclusioni del rapporto.

Gli ultimi 50 anni hanno visto i cambiamenti più rapidi ed estesi degli ecosistemi nella storia, a causa della domanda crescente di cibo, acqua potabile, legname, fibre e combustibili. Si è trasfor-

Oltre metà dei fertilizzanti sintetici a base di azoto, creati nel 1913, sono stati usati nel pianeta negli ultimi 20 anni. Questo ha portato a una perdita sostanziale e in gran parte irreversibile della biodiversità, con il rischio di estinzione di una percentuale dal 10 al 30% delle specie viventi di mammiferi, uccelli e anfibi.

Dei 24 sistemi esaminati soltanto quattro, tra cui i raccolti agricoli e i capi di bestiame, sono migliorati. Due - risorse ittiche e acqua potabile - sono ormai molto al di sotto della domanda.

da rendere impossibile il raggiungimento degli obiettivi dello sviluppo globale del Millennio concordati nel 2000. La desertificazione e il disboscamento rischiano di far riapparire vecchie malattie come il colera e la malaria, con la comparsa di nuove.

La sfida per arrestare e invertire il degrado degli ecosistemi può essere vinta solo all'interno di alcuni scenari che comportano significativi cambiamenti di politiche economiche e istituzionali. Cambiamenti che non si vedono all'orizzonte.

emi ri-
imi 50
l punto

ANSA/RED



Un futuro da decifrare

Il terremoto

La Regione 31.03.2005

Difficile l'invio dei soccorsi nelle isole indonesiane colpite dal sisma

Giakarta - È rimasta la paura a Nias, l'isola indonesiana più colpita dal terremoto di lunedì e dove la terra ha continuato a tremare anche ieri. Nelle città e nei villaggi colpiti, più di 500 cadaveri sono già stati recuperati sotto le macerie.

Centinaia di scosse di assestamento si sono susseguite per tutta la giornata, ma solo sette sono state avvertite chiaramente dalla popolazione, causando un nuovo, disperato esodo verso le alture. La maggior parte degli sfollati è troppo impaurita per rientrare nelle case, anche quelle che non hanno subito danni; i più si accampano come possono nelle strade,

a poca distanza dalle loro abitazioni. Ma molti sono quelli che hanno scelto di sistemarsi sulle colline a poca distanza dalla città di Gunung Sitoli, traumatizzata dal precedente tsunami.

A 48 ore dal terremoto la situazione sull'isola di Nias appariva critica: la popolazione ancora in attesa di ricevere le prime cure ed evacuare i feriti. L'afflusso degli aiuti umanitari procede infatti a rilento in quanto le principali infrastrutture dell'isola sono state danneggiate, porto e aeroporto inclusi.

Le condizioni del tempo restano cattive e tali rimarranno per almeno tre gior-

ni, con possibili tempeste marine e vento forte che renderanno molto difficile l'atterraggio di velivoli, ha riferito il responsabile del centro meteorologico di Medan.

A questo punto si teme che gli isolani restino abbandonati a se stessi per chissà quanto tempo ancora: le strade distrutte non permettono la distribuzione di quel poco che è arrivato, e agli abitanti dei villaggi più remoti non resta altra scelta che aspettare, in attesa che prima o poi qualcuno arrivi.

Anche nelle principali città il cibo a disposizione comincerebbe ora a scarseg-

giare e già si registrano atti di vandalismo. Forse è proprio per questo motivo che i militari indonesiani arrivati sull'isola lavorano, come loro solito, armati di tutto punto anche se Nias, a differenza di Banda Aceh, non è zona di guerriglia.

Data la momentanea impossibilità di fare arrivare sull'isola le ruspe necessarie per rimuovere i cadaveri o i possibili sopravvissuti dalle macerie, i soccorritori sono costretti a lavorare con la forza delle braccia. Man mano che il tempo passa diminuisce la speranza di trovare persone ancora in vita, anche se ieri sono giunte notizie di sopravvissuti. ANSA

The intensive and uncontrolled exploitation of resources and environmental mismanagement is driving us to disaster.
This is what the UN says!

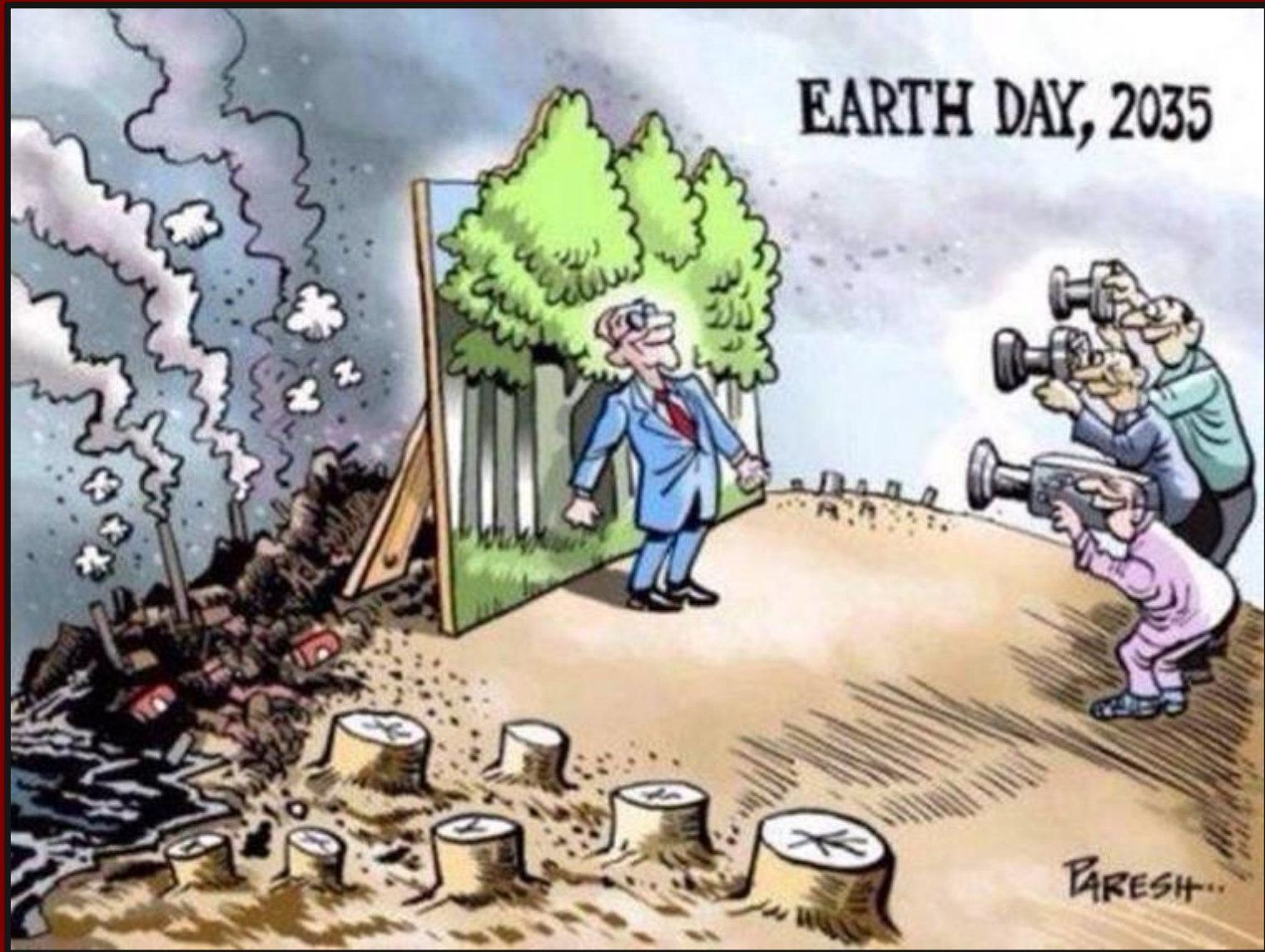
The survival factors of humanity



The outside of the circle represents the uncontrollable survival factors.

The inside of the circle represents the survival factors that humans can control.

The area where humans live is represented in light green: in balance between controllable and uncontrollable survival factors.



Keep calm: everything is alright!

According to **LENIN** :



Imperialism

IS

the highest stage of capitalism.



With international agreements TTIP - TISA - CETA,
etc. imperialism wants to dominate the world.



The worlds largest Stock exchange is Wall street in New York

Brokers in action

The Stock exchange of Milan

Financialisation of economy

In the capitalist system the commerce of property certificates (shares) and credit certificates (bonds), commodities, currencies, real estate, etc.. have an enormous size. Every day notes for billions of dollars are exchanged.

The prices rise and fall rapidly, creating huge losses but also allow some people to become rich very quickly.





Securities: stocks, bonds, various investments which are operated by the users themselves or by major social insurances (pensions, old age pensions, disability pensions, savings-linked, etc.)

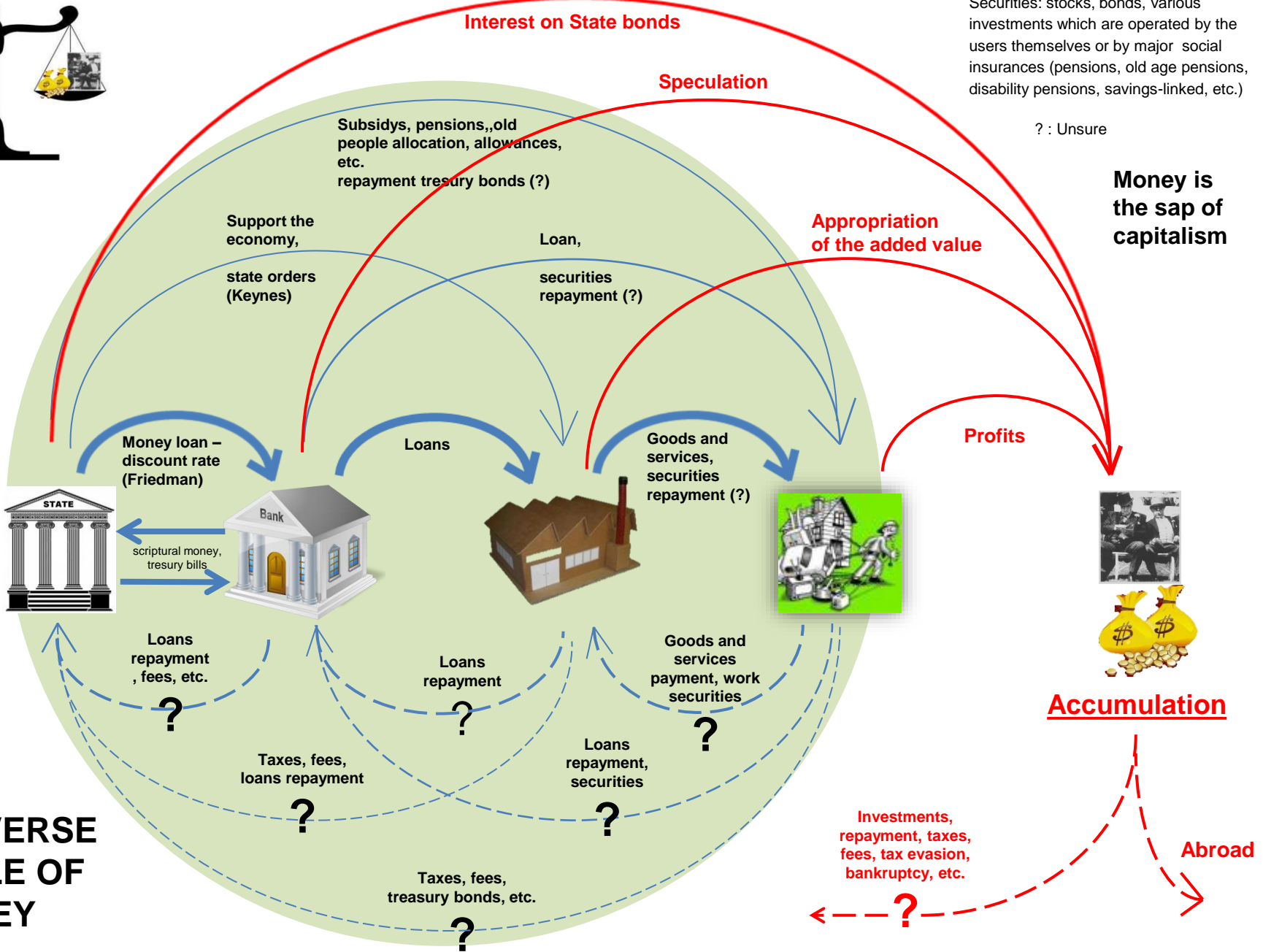
? : Unsure

Money is the sap of capitalism

EU
IMF
WB

Debt

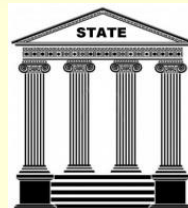
THE PERVERSE CYCLE OF MONEY



Because of capital accumulation by the capitalists and the appropriation of overvalue, non-payment of taxes, non-repayment of loans, etc. the system leads creditors to bankruptcy with consequent disruption of the entire economic - financial system.



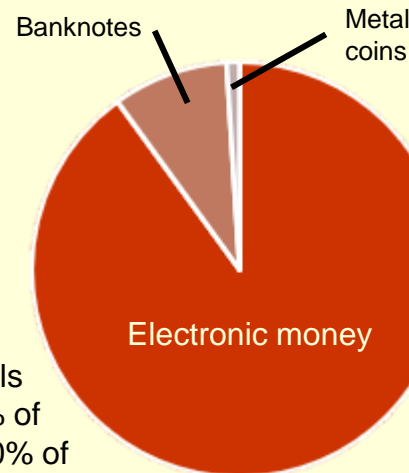
In Switzerland, metal coins are minted by the Federal Mint and then sold at the nominal price to the National Bank. The difference between the production cost and the nominal price is the seigniorage, which in this case goes to the Swiss Confederation (about 5 million Fr. / year).



In Switzerland, banknotes are printed by the National Bank.

This means of payment and the electronic (or scriptural) money that is on the accounts belong to the Bank that issued them (in this case to UBS). The seigniorage (interest) remains to the bank. In case of bankruptcy of the bank, all the electronic money of the customers' accounts enters the assets of the bankruptcy estate.

These means of payment belong to the Swiss National Bank which rents them to those who need them, primarily the banks. Damaging or destroying these means of payment is a crime.



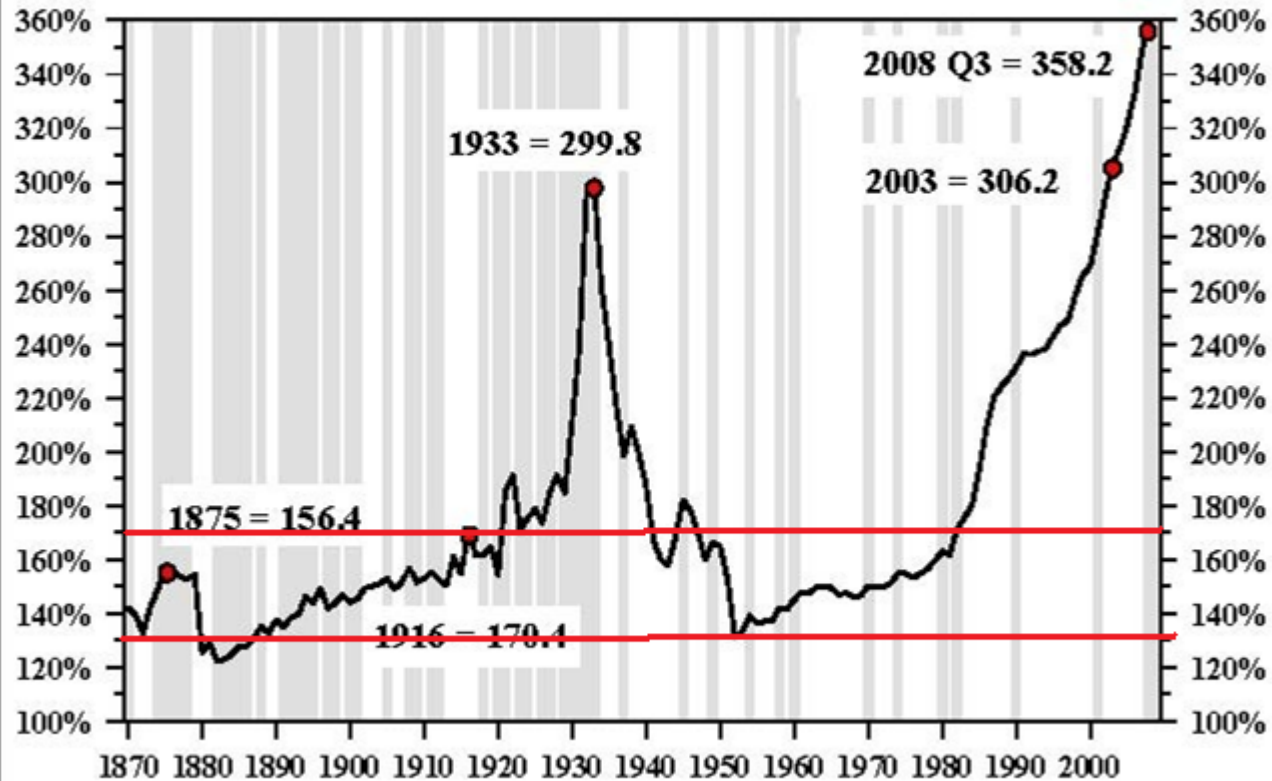
In Switzerland, the money supply (M1) is around 600 billion Swiss francs. The National Bank controls only metal coins and banknotes, representing 10% of the money supply. Electronic money represents 90% of the money supply.

The swiss money supply (M1)



Total U.S. Debt as a % of GDP

annual



Sources: Bureau of Economic Analysis, Federal Reserve, Census Bureau: Historical Statistics of the United States Colonial Times to 1970. Through Q3 2008.



RULE No. 5 a

THE MARKET ECONOMY

NEEDS

- INVESTMENT
- SOLVENT MARKETS
- CONTINUOUS GROWTH



In the current economic system the loss of consumers (because of the rationalisation of production and the following unemployment) must be compensated by a continuous growth. Should the majority of people be unemployed or poor, this would block the system.

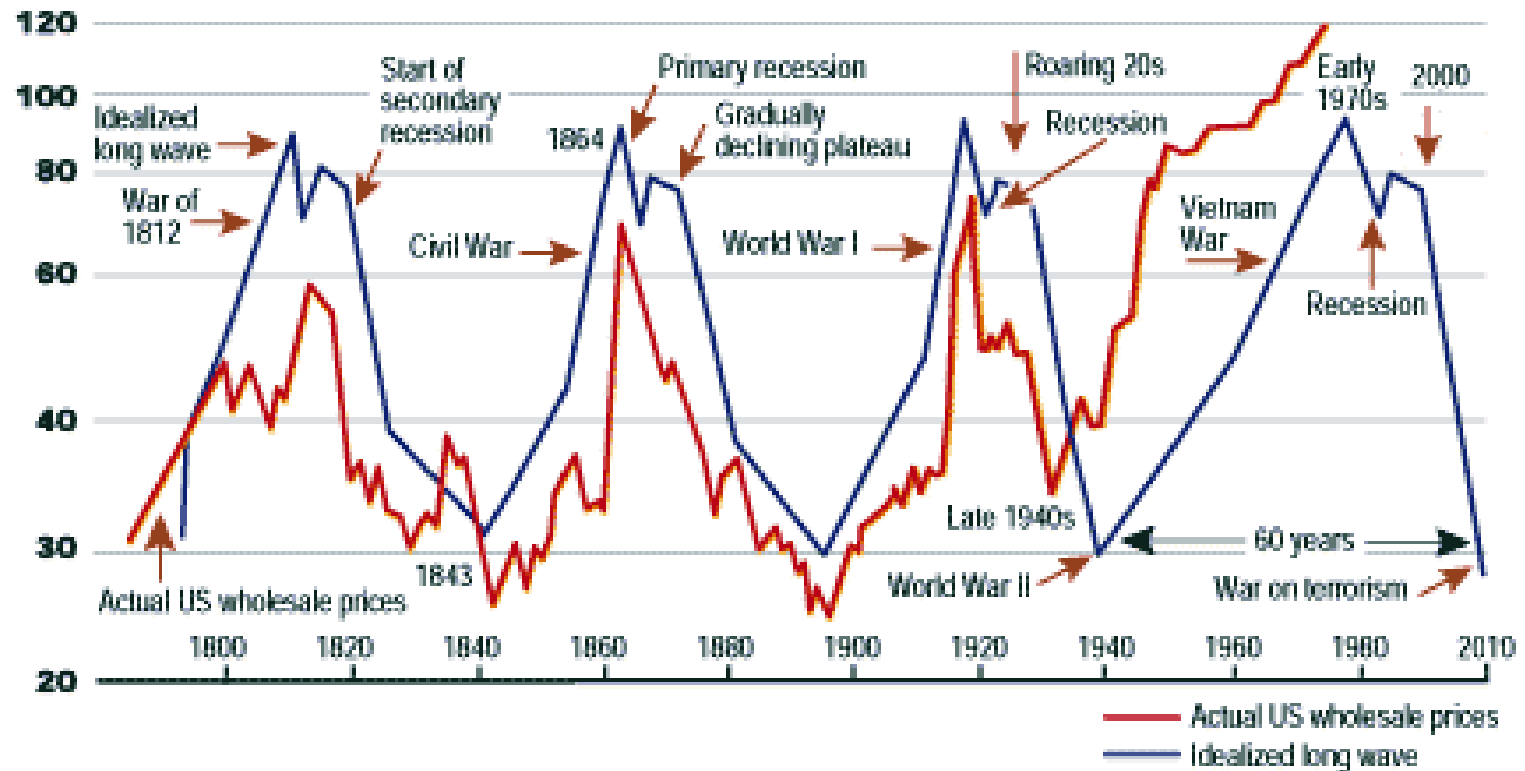
RULE No. 5 b

THE MARKET ECONOMY

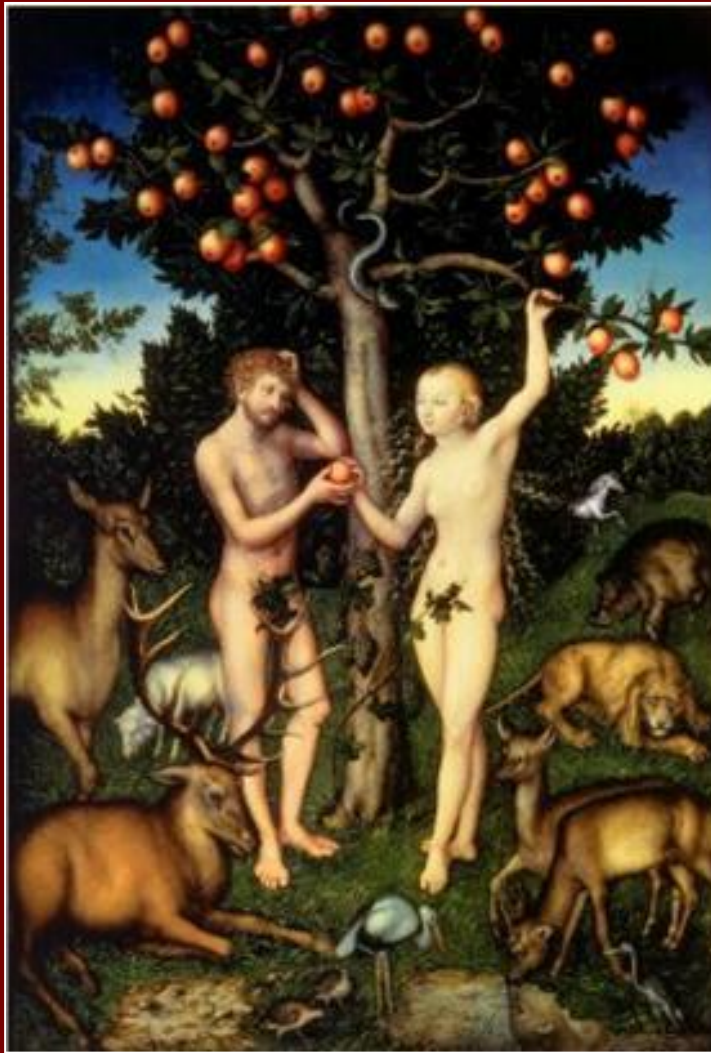
- **CREATES**

- A **CYCLIC** DEVELOPEMENT
- DEREGULATION
- WILD COMPETITION (the strongest or richest wins - example: Amazon)
- EXPLOITATION OF NATURAL RESOURCES AND OF THE STATE
- CONCENTRATION OF WEALTH AND POWER
- DIVISION AND STRATIFICATION OF THE COMMUNITY
(rich and poor, bourgeois and proletarian, 1st 2nd 3rd 4th. world;
workers and employers, etc.)
- CULTURE OF CONSUMPTION
- GREATER INITIATIVE (economic incentives)
- ACCELERATION OF TECHNOLOGICAL PROGRESS

The Kondratieff Wave



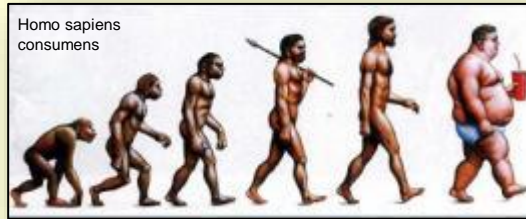
The economic cycles according to Kondratieff



Consumerism

The propensity of the human to unnecessary and excessive consumption has a long history.





Consumerism

Today, unnecessary and / or excessive consumption plays an important economic role, has lost its reputation as immoral and is even admired and encouraged.

However, an excessive consumption represents a danger for humanity.

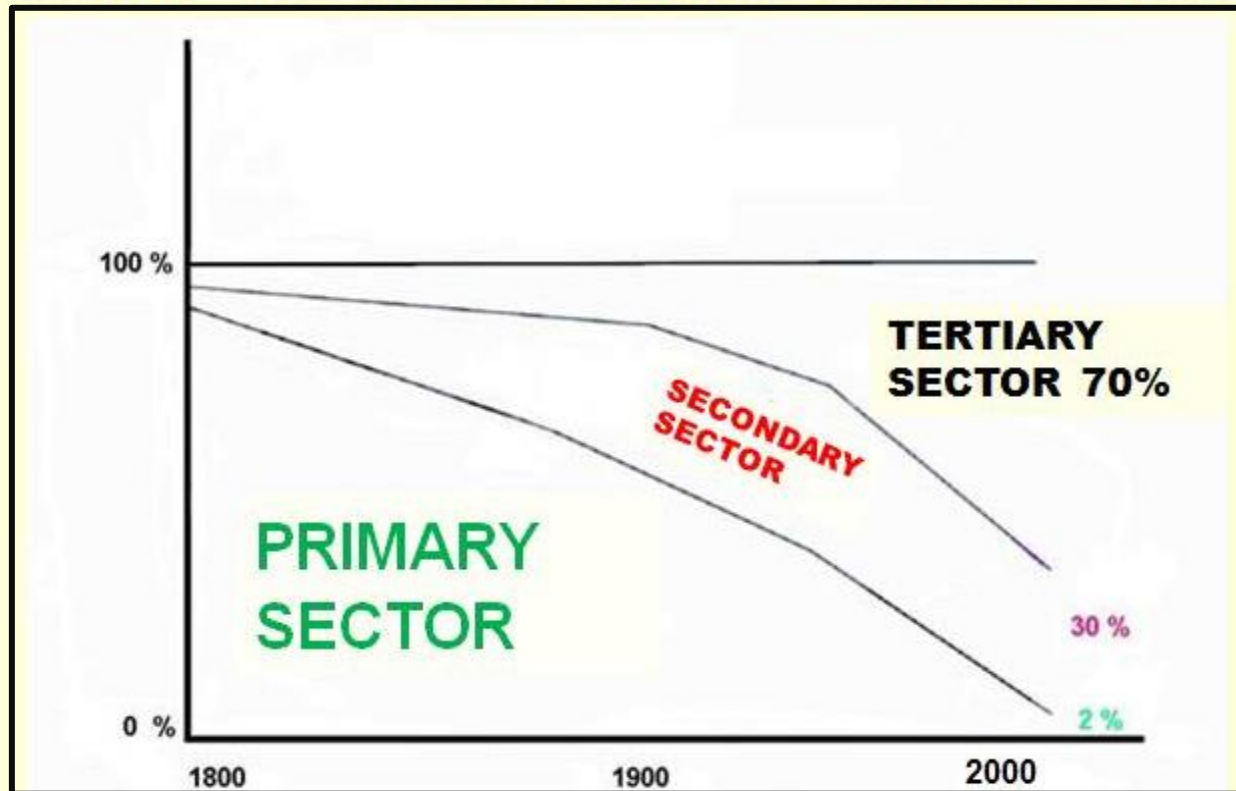
Excessiveness leads to a crash!



I consume therefore I am



EVOLUTION OF THE ECONOMIC SECTORS IN DEVELOPED COUNTRIES



PRIMARY : (PRODUCTION OF RAW MATERIALS)
AGRICULTURE, FARMING, MINING, FISHING, FORESTRY

SECONDARY : (TRANSFORMATION OF RAW MATERIALS)
INDUSTRY, CRAFT INDUSTRY

TERTIARY : (SERVICES AND ADMINISTRATION)
STATE, HALF-PUBLIC, SERVICES, COMMUNICATIONS, TRADE
TRANSPORTATION,

RULE No. 6

THE BOURGEOISIE IS THE DOMINANT CLASS

THE BOURGEOISIE IS DOMINANT :

ECONOMICALLY

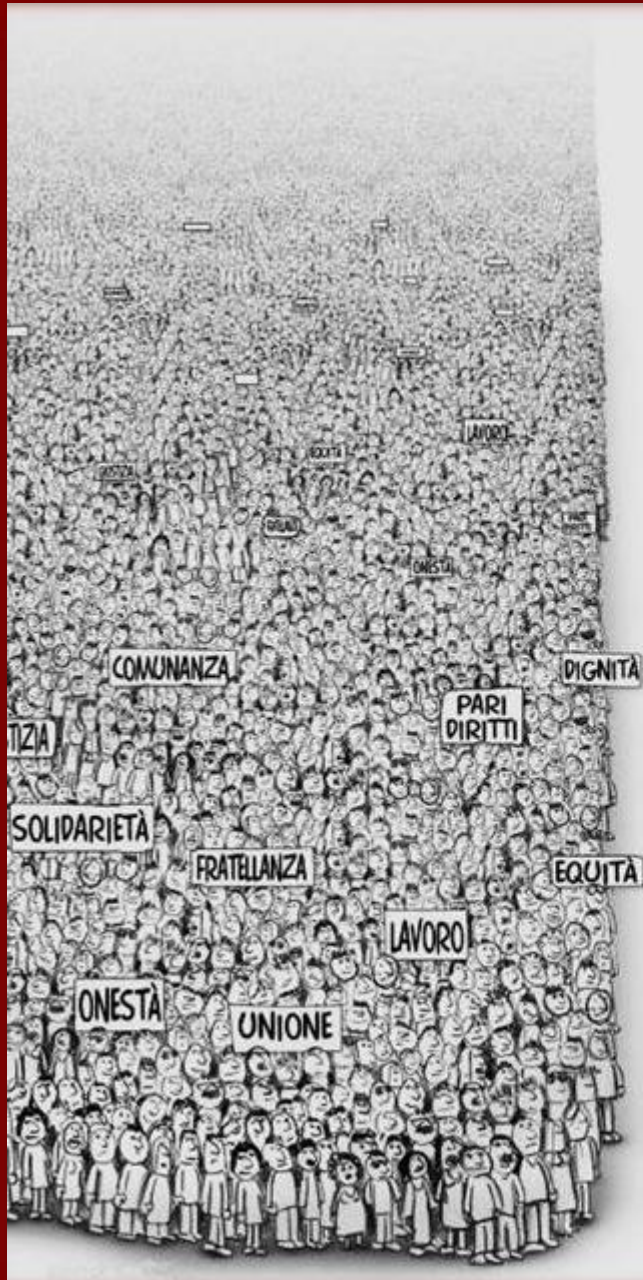
POLITICALLY and militarily

IDEOLOGICALLY

THE IDEOLOGY OF THE DOMINANT CLASS

IS THE DOMINANT IDEOLOGY

CENSURATO



(CENSORED)

The individual is submerged by a flood of news and events which do not allow him to understand how the society he lives in works.



Often the media are an instrument of ideological domination. They have the power to make the innocent guilty and to make the guilty innocent.

CURIA VESCOVILE DI PIACENZA

AVVISO

DOPO IL DECRETO DEL SANTO UFFIZIO

E' peccato grave:

- 1° Iscrivere al Partito Comunista.
- 2° Favorirlo in qualsiasi modo, **specie col voto.**
- 3° Leggere la stampa comunista.
- 4° Propagare la stampa comunista.

Quindi non si può ricevere l'assoluzione se non si è pentiti e fermamente disposti a non commetterlo più.

Chi, iscritto o no al Partito Comunista, ne ammette la dottrina marxista, atea ed anticristiana e ne fa propaganda, è

APOSTATA DALLA FEDE E SCOMUNICATO

e non può essere assolto che dalla Santa Sede.

Quanto si è detto per il Partito Comunista deve estendersi agli altri Partiti che fanno causa comune con esso.

Il Signore illumini e conceda ai colpevoli in materia tanto grave, il pieno ravvedimento, poichè è in pericolo la stessa salvezza dell'eternità.

Piacenza, li 15 Luglio 1947

EXAMPLE OF IDEOLOGICAL DOMINATION

With this notice the Italian Catholic church excommunicated all Communists and the people who read communist newspapers or voted for the communist party.

EXERCISE

IDEOLOGICAL DOMINATION

What is the most important news in a daily newspaper?
What page is it on?



Define a criteria for determining what is the most important news.

How many people are affected directly and indirectly by the facts reported in the article?

What do you obtain from the factual content of the article in the newspaper?

Subsequently a further exercise consists of verifying the reliability of this news and of the sources.

Sort according to importance the following news items:

- a) XY has won the Boxing world championship
- b) An earthquake destroyed the city of Aquila
- c) The government has raised taxes by 5%
- d) Motorcycle insurance has increased by 18%
- e) The President met with the chief of State Y
- f) A new diabetes treatment was discovered
- g) It was discovered that the temperature of our planet has risen by 1.5 degrees
- h) The local football team beat the XY team
- i) The unions have asked for a salary increase for all workers
- k) Firefighters have rescued a cat from a drain



THOUGHTS OF A CAPITALIST

**THE CURRENT ECONOMIC SYSTEM
AND ITS ALTERNATIVES.**

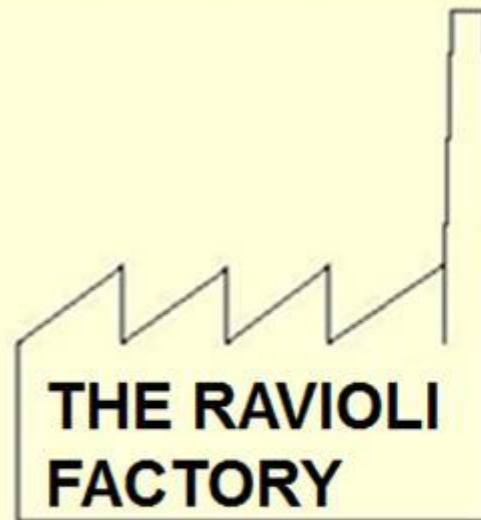
END OF SECTION ONE

(Discussion + pause)

**THE CURRENT ECONOMIC SYSTEM
AND ITS ALTERNATIVES.**

SECTION TWO

Capitalism - The market economy



THE PRESENT ECONOMIC SYSTEM AND THE ALTERNATIVES

GENERAL SCHEME (Section 2 The ravioli factory)

The capitalists launch a business (a ravioli factory)

Production, Rival business

Rationalization, automation of the production

Overproduction, market saturation

Dismissals

Cessation of production, storage is full of unsold ravioli

Economic crisis, the unemployed steal the ravioli

Police and state intervention to defend private property.

The State : **intervenes to support the economy**
 counter-cyclical and monetary interventions
 orders of the State
 military commands and mobilization

War, destruction

Reconstruction

The cycle begins again

As with the automotive industry, a family begins the production of ravioli



RAVIOLI

A very popular food

**Manual production in
the food industry**



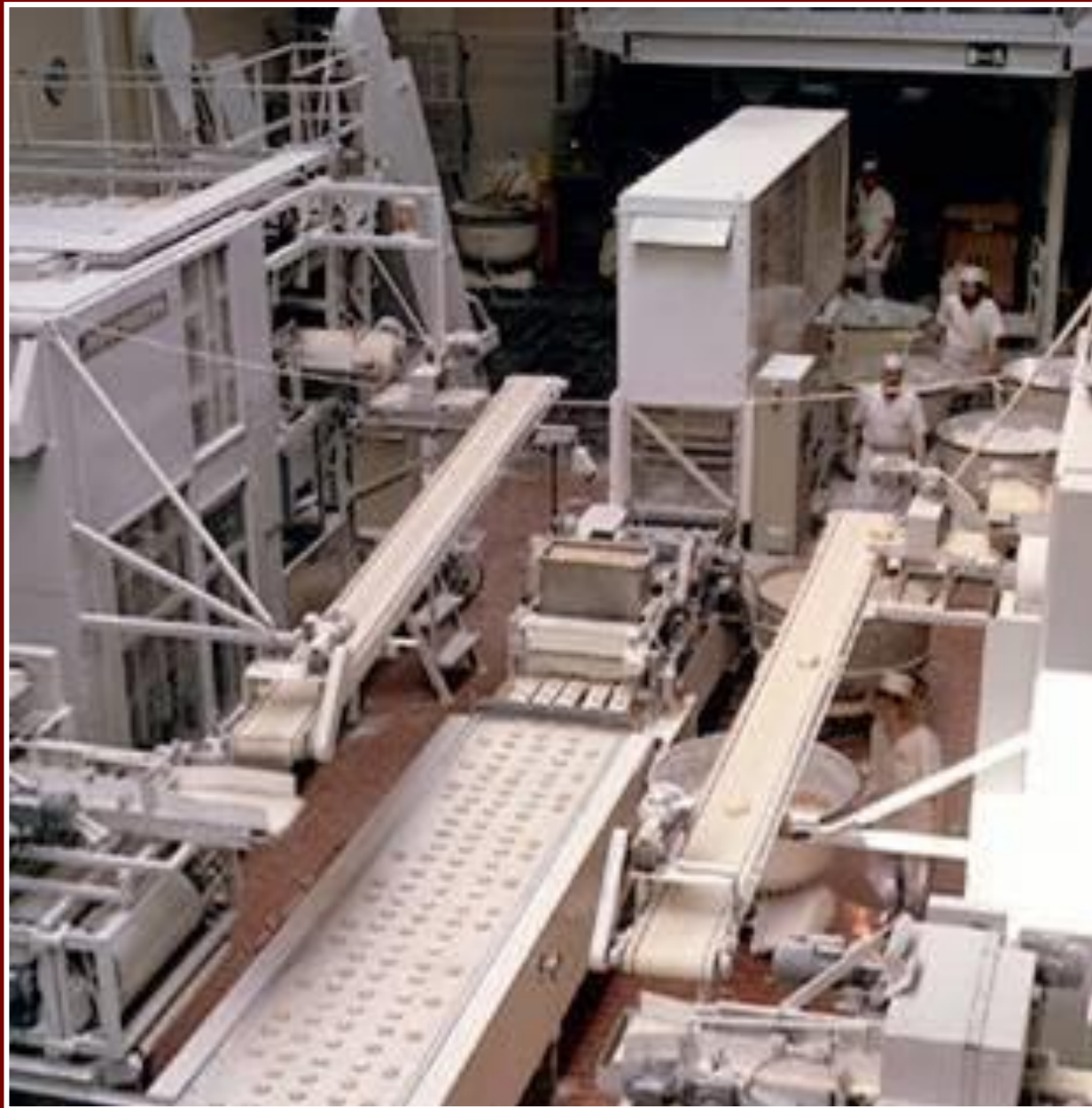
**MACHINE FOR
THE PRODUCTION
OF RAVIOLI**



Encarta Enciclopedia, Allievi/Farabolafoto

**MACHINES FOR
THE
PRODUCTION
OF
EDIBLE PASTA**





**FOOD
INDUSTRY :**

**AUTOMATED
BAKERY**







**AUTOMATION
IN THE
FOOD
INDUSTRY**



AUTOMATION IN THE FOOD INDUSTRY



MECHANISATION AND AUTOMATION IN THE FOOD INDUSTRY



GNOCCHI



PÂTE COURTE



SPAGHETTI





AN ENORMOUS QUANTITY OF CANNED RAVIOLI IS PRODUCED



Soon the ravioli market is also saturated and the ravioli factory has to suspend production while

... the warehouse of the ravioli factory is overfilled with unsold goods (in any case there is a large excess of production capacity).



**THE RAVIOLI
MUST BE
CONSUMED
(AND SOLD)
BEFORE THEIR
EXPIRY DATE**



THERE IS TOO MUCH RAVIOLI

Exercise

A computer has an expiry date?

It becomes obsolete within 5 years

A house has an expiry date?

2% annual depreciation during 50 years
revocation of habitability by the Authority

A car has an expiry date?

When it no longer passes its MOT

A dress has an expiry date?

When it is no longer fashionable:
a girl of today would wear the clothes of her grandmother?

**In Switzerland 250'000 tons of expired
food are thrown away each year.**



THE UNEMPLOYED ARE HUNGRY AND PROTEST

(the unemployed ask for work. In reality most of them need an income to survive)

**Discount +
reduction**

**Great taste
of Ravioli**

**Ravioli
is healthy**

NEW



for Sale

SALE

**Action
3 x 2**

The owner wants to sell his ravioli ...
...but the unemployed have no money to buy any.



← Warehouse full of unsold ravioli

THE OWNER HOPES TO SELL HIS RAVIOLI BEFORE THE EXPIRY DATE

BUT THE UNEMPLOYED DON'T HAVE MONEY SO THEY STEAL THE RAVIOLI THEY NEED





***THE
Police
arrive!***



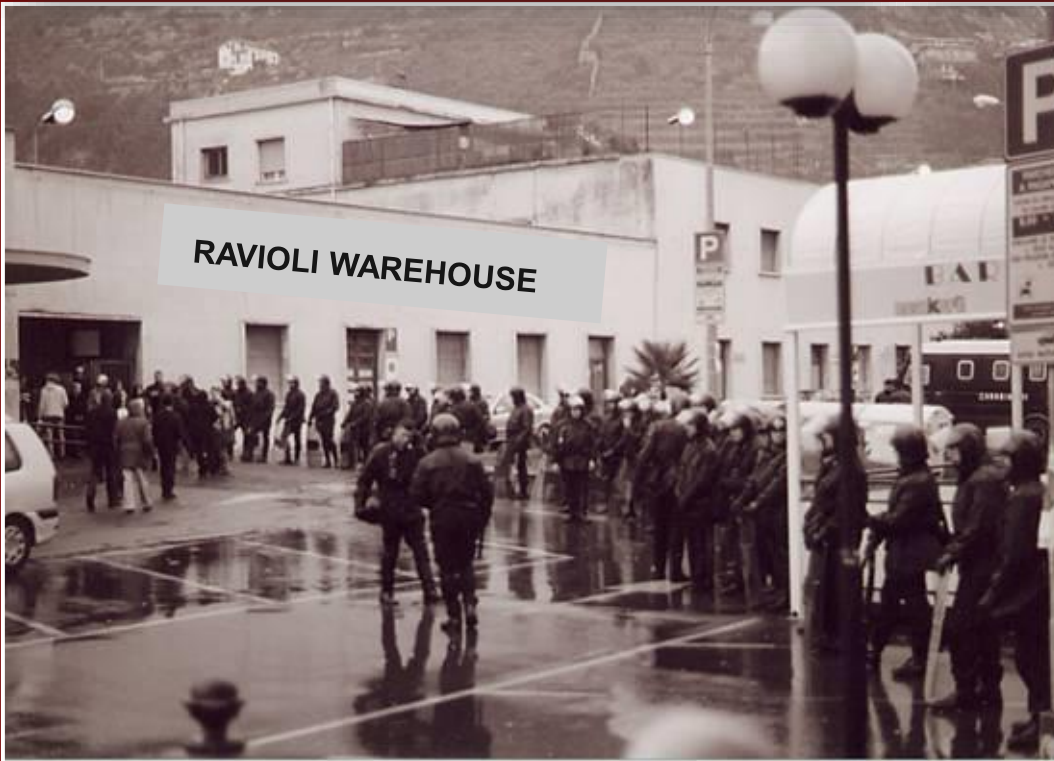
**Police make some
arrests**



CHILE 1973



POWER RESTORED
“the constitutional order”



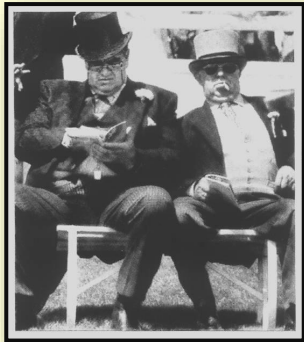
The police
guard
the ravioli
warehouse:
everything
is blocked!

The owner of the ravioli can not sell it...and his factory is closed. Because the factory is closed, the workers have no job and no salary. For this reason the unemployed people haven't got enough money to buy the ravioli, but they are hungry and they need something to eat. At the same time the unemployed people cannot buy cars and the car factory is shut.

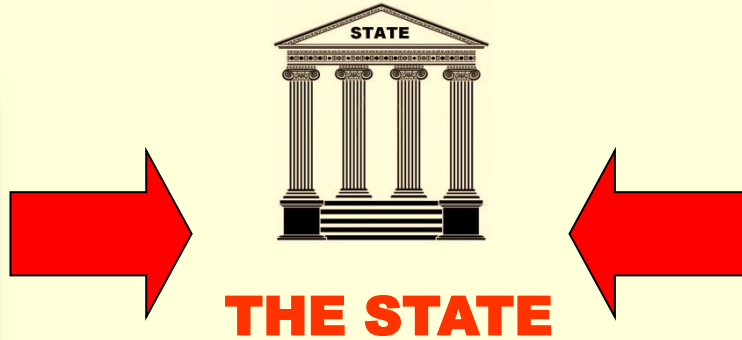
Everything is shut.

Who can solve this logjam ?

Who acts to fix the problem?



Employers
Owners
Capitalists
Employers'
Association



THE STATE



Workers
Unions
Trade Union
Confederation

WHO IS THE STATE?
WHAT IS IT?
WHAT ARE THE TASKS
OF THE STATE?

The State is a group of armed men (Lenin)

THE STATE ¹



The **State** (western democracy) is composed of :

Territory, population

Legislative, executive, judicial power

Public administration

Education, health, management, organization of territory, security and defense, public and semi-public companies...

Traditions and customs etc.

(in Switzerland on federal, cantonal and communal level)

The pillars of the **State** are:

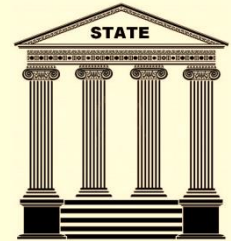
**Private ownership of the land and of the means of production
(including the know-how)**

Free initiative

Free movement of persons, goods, services, capital and ideas

Equality of citizens within the State etc.

THE STATE ²



Tasks of the State:

Declare and guarantee the principles listed in the constitution
Regulate relations between individuals and between the wider community

Enforce these rules

Provide basic services to the economy and the community

Create opportunities and share wealth, limit the excesses.

Watch over the economy and control the money supply

Ensure security and defense

Etc..

(In Switzerland about 12-15 out of 100 workers are employed in public administration)

Exercise

What instruments has the State to use in order to guarantee private property?

Who owns a house?

Using counterfeited title Deeds I claim to own another persons house - how do we solve this problem?
With units of the cadastral map and land registry

A poem can be owned by someone?

intellectual property - copyright on music

Other instruments:

Commercial register, registration number of vehicles, etc..

The government guarantees private ownership by means of several instruments, such as registers, cadastral maps, the trade register, intellectual property, etc.

In order to fulfill its duties and to impose its will on the citizens, the State has an administrative apparatus, an armed branch (police, army, etc.) which, if necessary, will use force to implement the will of the State.

The unification of Europe is a means to realise the free movement of persons, goods, services and capital.

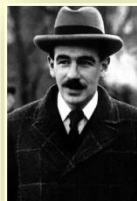
WHAT IS THE STATE DOING ?

Keynes in 1930 asserted that **the State** must place counter-cyclical orders for industry.

Friedman in 1960 asserted that **the State** must operate an anti-cyclical proportionate control of the money supply (monetarism).

The neo-liberals argue the need to reduce costs, especially those of **the State**.
Consequently THE STATE should become smaller.

John Maynard
Keynes 1883-1946



Milton Friedman
1912–2006



WHAT IS THE STATE DOING ?

- a) **THE STATE** gives money to poor people so they can buy products. The factories can then start production again, thereby reengaging the workers, etc. and everything can get back in motion.

- b) **THE STATE** places some orders within the industry that can then reopen the factories, can reengage the workers, etc. and everything goes back in motion.

Is this true ?



Capitol Hill

CIA

Wall Street
SE



Pentagon



WHERE DECISIONS ARE MADE

Here of course THEY prefer that the State place most of the orders to the arms industry and reinforce everything military.

The State notices that there are two big problems:

- first: the manufacturers can not sell their products;**
- 2nd: workers do not have the money to buy the necessary products and services.**

The state bought ravioli for the Army.

The state made some orders at the car factory, but this has been told to change its production. This counter-cyclical government intervention has been recommended by Keynes.

Thanks to these orders, the factories can start production again and hire some more workers. The workers get wages and with this money they can buy other products. Other factories can consequently sell their goods, restart production and hire more workers, etc. All is well in motion and the problem is solved.

Is it true? No!

Because while the factories were closed, the owners have installed new machines and therefore they don't hire all the laid-off workers.

So there are still unemployed people.



Ravioli for the school

Today : ravioli



Ravioli for the soldiers



**The State
buys the
ravioli**





Early scrapping of used cars: is that a solution?

219



Scrap to create more work, or

work to produce scrap?

Who wins and who loses?





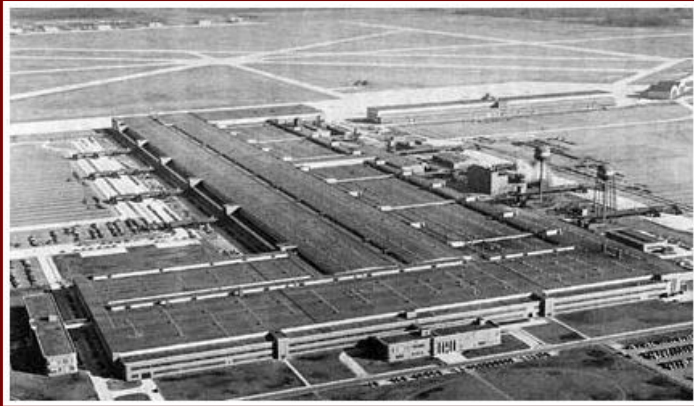
The state orders this "special" car

THE CAR WITH A MILITARY LOOK: THE JEEP





The car factory becomes a factory for military vehicles 221

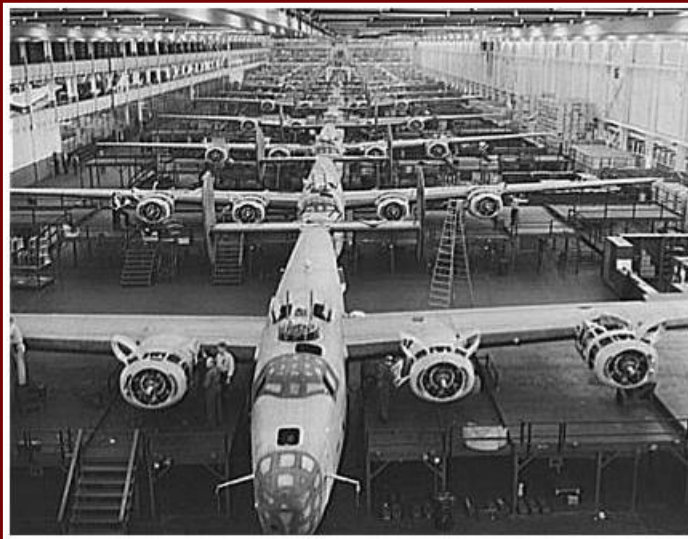


Assembling the military aircraft B 29S

Ypsilanti, Michigan.
The FORD Willow Run Bomber Plant, the largest aircraft factory in the world. Out of its doors taxied more than 8,000 heavy bombers. At the peak of production in 1944, it was turning out 14 aircraft a day.

The car maker FORD is also producing war planes.

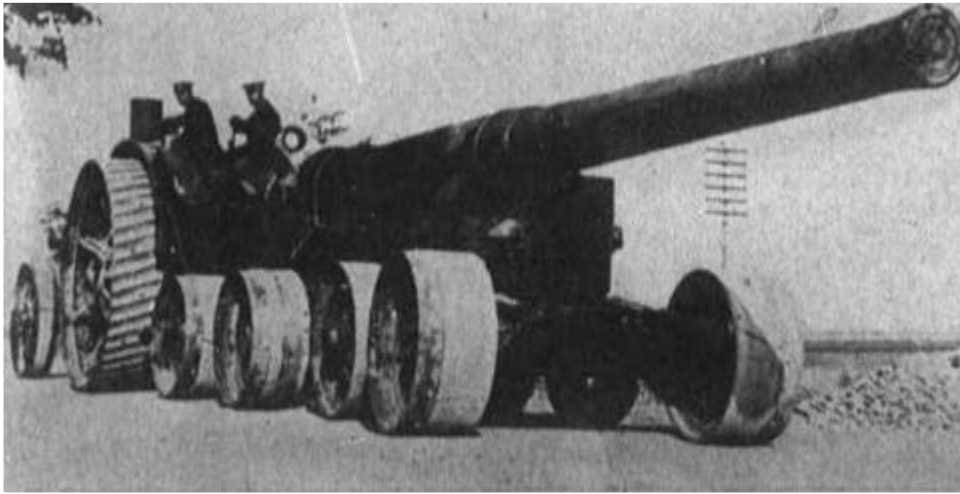
Assembling the military aircraft FIAT G 91





**FACTORIES MAKING
CANNONS,
PROJECTILES,
MISSILES, AIRCRAFT**



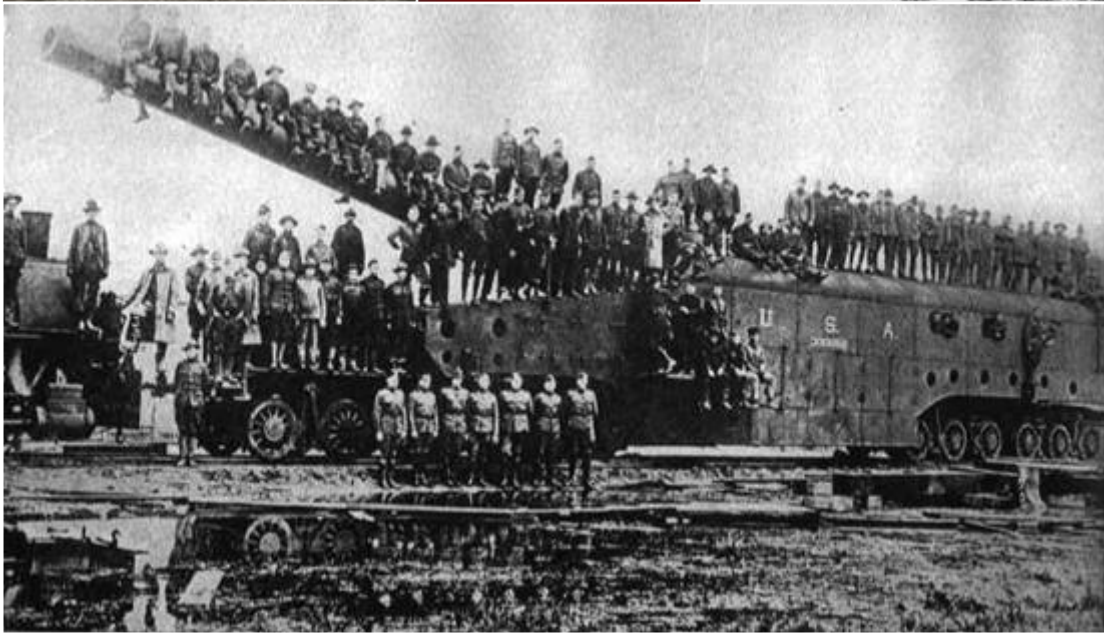


CANNONS

THE BIG BERTHA.
WORLD WAR I.

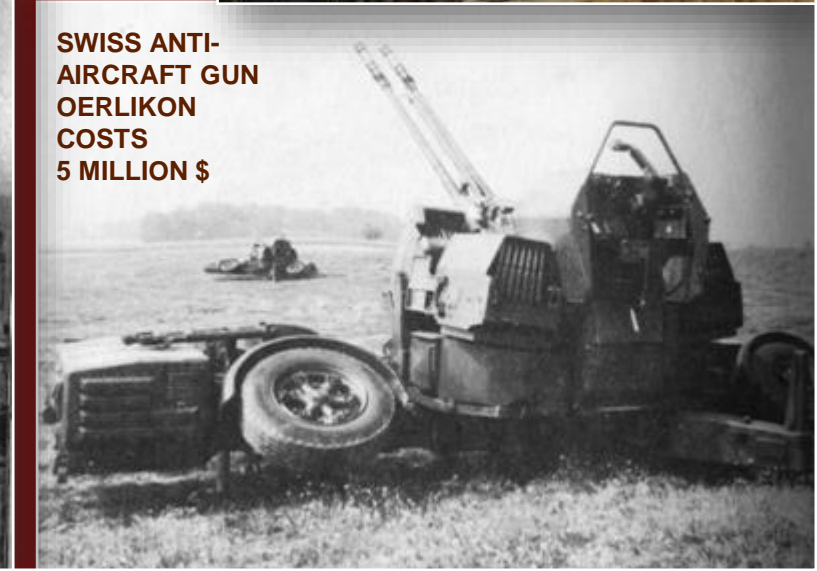


EVER LARGER



224

SWISS ANTI-AIRCRAFT GUN
OERLIKON
COSTS
5 MILLION \$





The must have: a beautiful cannon! ²²⁵

The result is an ever-increasing armaments industry that has to be "fed".



**SUPERSONIC BOMBER
B1 , USA**

**Costs : 280'000'000.- \$
Each one !**



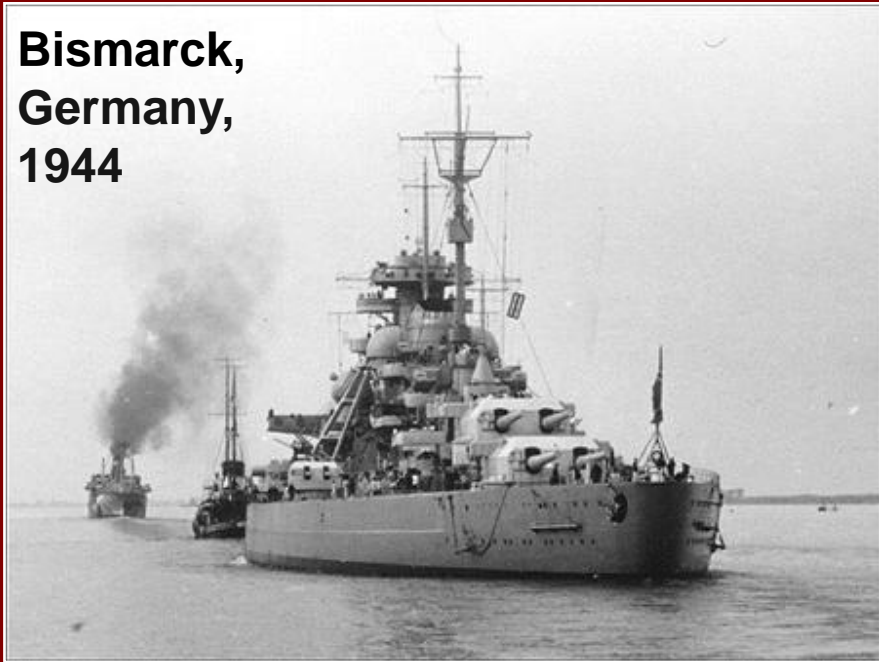
**SUPERSONIC BOMBER
B2 , USA**

**Costs : 730'000'000.- \$
Each one !**



FA18...it is beautiful. but it costs **100'000'000.- \$!**

**Bismarck,
Germany,
1944**



**NUCLEAR
SUBMARINE
USA**



EXPENSIVE WAR SHIPS



STEALTH SHIP, USA



AIRCRAFT CARRIER, USA
CREUV : 5000 PERSONS

PRICE more or less 10'000'000'000.- \$ / EACH



ANTI-MISSILE
LASER CANNON



TYPHOON SUBMARINE WITH NUCLEAR MISSILES



INTERCONTINENTAL AND SUBMARINE MISSILES



AIR-SOL MISSILES ON A HELICOPTER



MISSILE ON OFF-ROAD

230



ATTENTION : IT COSTS
ONE MILLION \$



PATRIOT ANTI-MISSILE MISSILE



CRUISE MISSILE



ANTI-MISSILE MISSILE



What does it cost and what is it for?



For what was this "junk" used...and what was its cost?

What does it cost and what is it for?



Some of the 7000! or so US nuclear warheads in storage. In this one shed alone is enough fissile material to wipe out a good portion of humanity.

Think also about the jobs that exist and support many families in my country ...!



The unlikely remorse or conscience - the ethics of arms

There are still unemployed people!

The unions claim: the State has to provide work for unemployed people.

The economy claims: it could produce / earn more.

WHAT IS THE STATE DOING ?

The State notices that there are still unemployed people and that they do not have enough money to buy the goods and services they need.

The State gives money to the unemployed (unemployment benefit, support for elderly people, pensions, public assistance, scholarships, disability payments, etc.)

With that money the unemployed can buy the goods and services they need. The factories can sell their products, take back their production and hire more workers, etc.

All is well in motion and the problem is solved. Is it true? **No!**

Because while the factories were closed, the owners installed new machines and therefore they don't hire all the laid-off workers.

So there are still unemployed people.

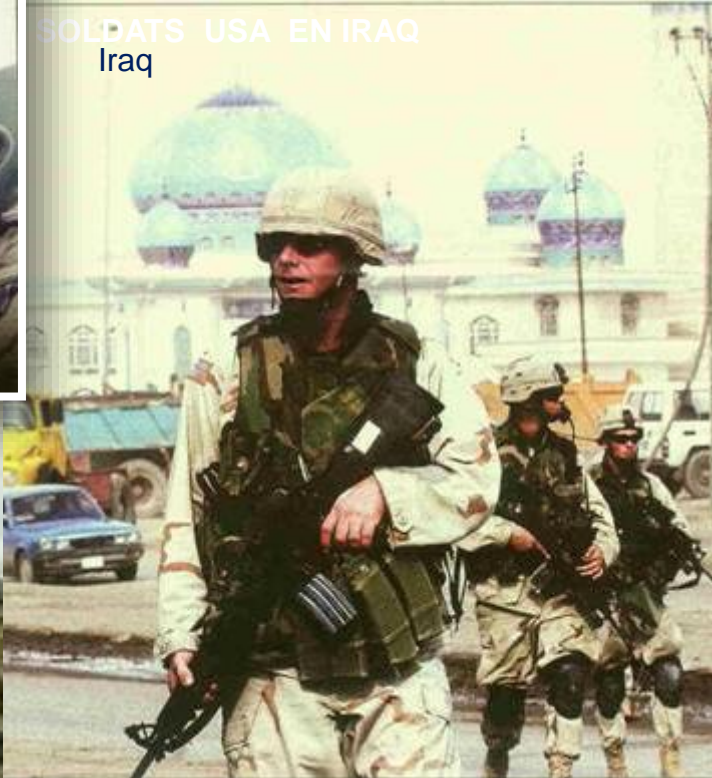
What does the State do with them?



ATTENTION, YOU
ARE UNDER FIRE



SOLDATS USA EN IRAQ
Iraq



THE UNEMPLOYED ARE
INTEGRATED IN THE ARMY

A LOT OF SOLDIERS



238





THESE AMERICANS ARE GOING TO WORK IN AFGHANISTAN ...

EACH YEAR IN THE WORLD
1'700'000'000'000 .- US\$
are spent on arms and defense
(more than one thousand billion \$)

**THIS MONEY WOULD BE ENOUGH
TO FEED ALL THE POOR PEOPLE ON THE PLANET.**

They try to justify the recruitment and deployment of soldiers and weapons.

But the employment and insertion of soldiers, army and arms leads to war!

Those who are not with us,
they are against us...



THE ENEMY IS DANGEROUS
(this requires ever more sophisticated weapons)



**THE TOWN OF NAGASAKI JAPAN AFTER
THE ATOMIC BOMBING OF 1945**



**JABALYA REFUGEE CAMP IN PALESTINE,
DESTROYED BY ISRAEL IN 2014**



DRESDEN 1945



VIETNAM 1968



VICTIMS OF WAR

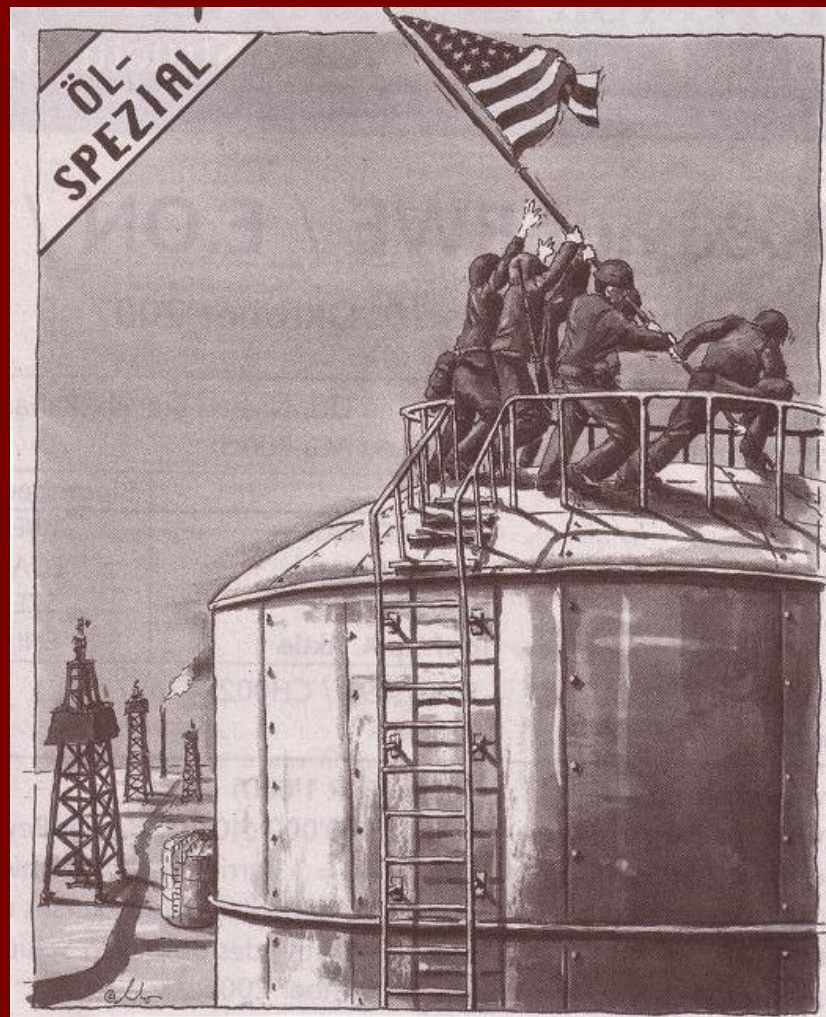
GERMANY
1945





THE WAR

Official purpose of the war:
to bring freedom and
democracy «USA style»....



The reality...

After everything has been destroyed, it is necessary to build up once more. So the need arises to produce goods and services and the economy is in motion again.

The unemployed are required for work and get a reward. Therefore they can buy goods and services again, new factories are being opened, etc.

Is it true?

Only partly, because automation progresses and many workers were replaced by the new machinery and new technologies.

So there are unemployed. ...

History repeats itself ...

Is this the right solution for humanity?



A waste of enormous productive forces, militarism represents for the capitalist class an indispensable investment on the economic level and the best support for class domination on the social and political level.

Rosa Luxemburg
1871 – 1919

THE UNEMPLOYED IN 2013

WORLD : 200'000'000 (probably more)

EUROPE : 25'000'000

GERMANY : 3'000'000

SWITZERLAND : 150'000 – 300'000

TICINO : 7'000 – 12'000

248

AVERAGE :

5 – 10 % of the workers



**THE CURRENT ECONOMIC SYSTEM
AND ITS ALTERNATIVES.**

END OF SECTION TWO

THE CURRENT ECONOMIC SYSTEM
AND THE ALTERNATIVES

SECTION THREE

THE ALTERNATIVES



← Warehouse full of unsold ravioli

THE OWNER HOPES TO SELL HIS RAVIOLI BEFORE THE EXPIRY DATE

But the unemployed don't have enough money to buy the ravioli

BUT THE UNEMPLOYED DON'T HAVE MONEY SO THEY STEAL THE RAVIOLI THEY NEED



**THE STATE,
as guarantor of private property,
must help the owner
to defend his ravioli.**

**THE STATE,
delegates this task to its armed
division: the police and the army.**

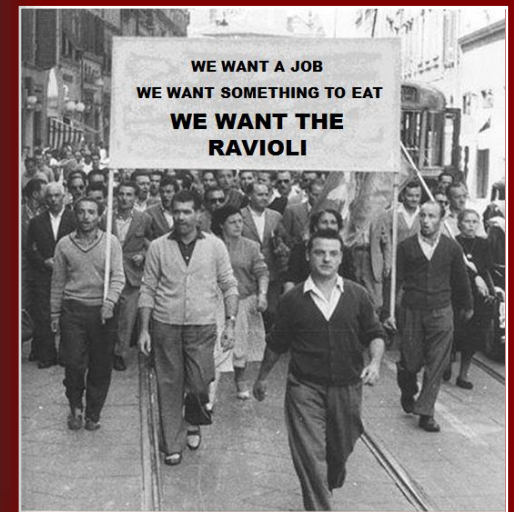


The police arrive!



But this time
the workers
and the
unemployed
win

254



THEN COMES THE ARMY ... BUT...



255





**THE PEOPLE WIN AND OCCUPY
THE RAVIOLI FACTORY...**



256

...and also the ravioli warehouse.



**The foreign army
called to help by the STATE
is ALSO driven away
by the people.**

(like in Vietnam)

The people
use
terrible
biological
weapons



**Now nobody can prevent the people
from taking the ravioli...**

(... and also taking the ravioli factory, the car factory...and the STATE ...)



Now
everybody
can take
the ravioli,
but.....

.... after
some days
the ravioli
warehouse
is empty.

What Is to Be Done?

The people won and took possession of the ravioli factory and the other means of producing goods and services, the land and the State.

Private property and the taking of profit does not exist anymore.

(However we must proceed by steps with a transition period of mixed economy. Example: democracies of Northern Europe)

**Collective ownership of land and of
the production means.**

**The equitable distribution of the work
required
to satisfy all the needs of everybody.**

The planned economy.

(The appropriation of the profit doesn't exist anymore. However, the planned economy is only a first step towards the construction of the socialist society and the creation of the new man, capable of autonomously performing his own choices. Today's State no longer serves.)

Now the ravioli factory is owned by THE POPULATION.



The assembly of workers charges a group of people (the Committee) to:

- register the needs of the population**
- establish a plan for the production of goods and services required to satisfy all the needs of the people.**

(Example: five-year plans of the USSR. War and the production of weapons are not needed anymore. The necessary work is shared amongst all the available workers: with only about 2-3 days work a week it is possible to satisfy all the needs of the population. The humans have more freedom.)

Exercise

What is planned in our economy today?

The territory, the hospitals, public finance, public education, etc..

What are the proportions of private and public economy?

CH: 15% public (state and parastate) - 85% private

USSR: 85% public and 15% private

Mixed economy:

the democratic countries of Northern Europe

Control Obrero

Control Obrero

Contraloría Social

Cogestión

Nuevas relaciones de producción

Constituyente del Aluminio

Autogestión

Cogestión

Todo el poder para los trabajadores

Revolución en la Revolución. La nueva etapa: El gran salto adelante.

www.alcasa.com.ve

CVG Aluminio del Caribe, S.A.

Corporación Venezolana de Guayana

Ministerio de Industrias, Energía y Minería

Gobierno Bolivariano



THE ALTERNATIVE :
Co-management.

Popular control of resources and production means.

Popular control over the management of public administration.

THE PLANNED ECONOMY

IN VENEZUELA THE PEOPLE ARE IN THE PROCESS OF TAKING CONTROL OF RESOURCES AND THE MEANS OF PRODUCTION



To each according to his needs,
from each according to his abilities.

} **Wrong !**

The work required to satisfy the needs of everybody must be distributed equally among all.

**THE CURRENT ECONOMIC SYSTEM
AND THE ALTERNATIVES.**

END OF SECTION THREE

(Discussion to follow)

DISCUSSION :



The role of government in the planned economy and the theoretical and progressive reduction of the role of the State

The current situation in our country

The current situation in the world

The correct balance

Is war still necessary?

Are there still rich and poor? The situation in your country and in the world

How many social classes are there in the planned economy?

One social class: the workers (proletarians).

The dictatorship of the proletariat

The “nomenklatura” in the USSR.

THE CURRENT ECONOMIC SYSTEM AND ITS ALTERNATIVES.

OUTLINE OF «THE ALTERNATIVES»

The owner is outside his warehouse full of ravioli. He wants to sell it.

The unemployed win- they take the ravioli

The police arrive with reinforcements

The citizens win - they takes the ravioli

The Army arrives

The population win - they take the ravioli

A Foreign army arrives

The resistance wins - the community confiscates the ravioli and the ravioli factory

Exhaustion of ravioli

It is necessity to produce ravioli again

Analysis of some needs

Abolition of private property.

Nationalization of the land and the means of production

Planning the production of goods and services

Quantification of goods and services needed / and of the necessary work to produce it

Distribution of ravioli (as required)

Distribution of work required to produce all goods and services (depending on availability)

There is no taking of profit from the state

Alternatives: popular control of the means of production, of the land and of the State

Co-management - the mixed economy – the planned economy

APPENDIX:

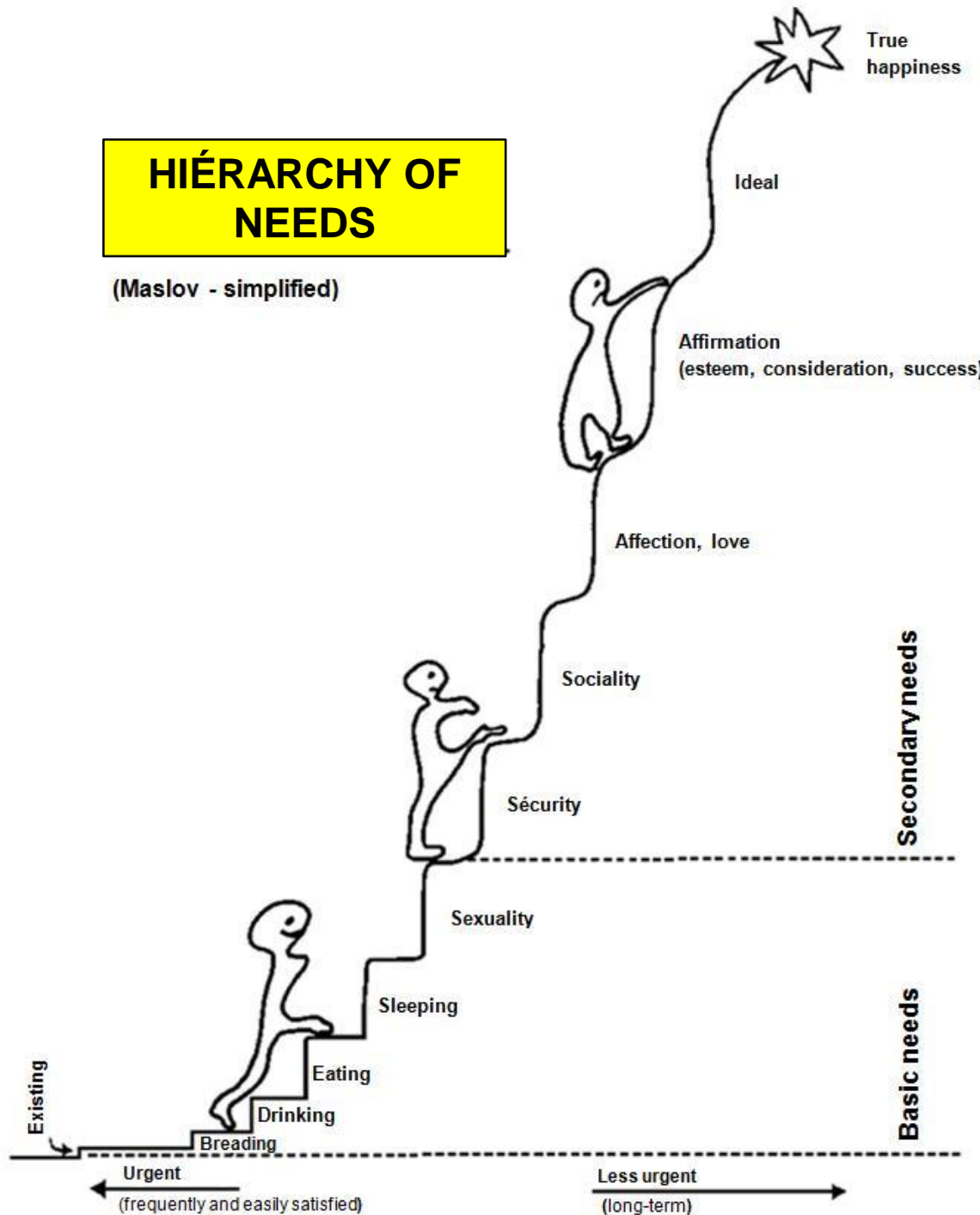
Social psychology: the theory of needs (Maslov)

Typology: the character trends of humans

Sociology: the acceleration of history (Engels)

HIÉRARCHY OF NEEDS

(Maslov - simplified)



The human being is dominated by his needs and the necessity to satisfy them. The wish to satisfy their own needs is the motivation, the engine of any rational human action.

In the scale to the side the human needs are ordered according to their urgency, or depending on how long a human being can endure without satisfying a particular need.

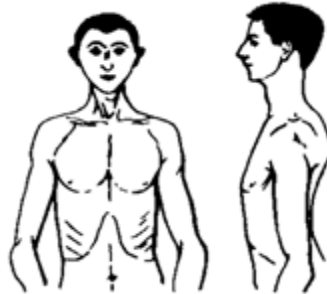
Failure to satisfy the basic needs leads to death. Failure to satisfy secondary needs leads to frustration, nervous depression, complexes, exhaustion, suicide.

The Greater the number of satisfied needs the greater but more transitory is the satisfaction. Freedom is the ability (theoretically) to decide independently where, when and how to satisfy needs.

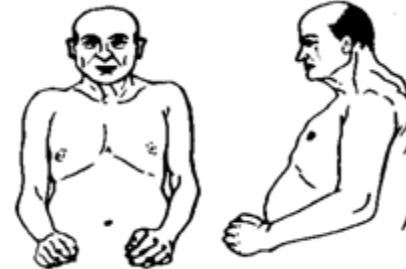
Today the widespread existence of materialism creates the illusion that all needs are satisfied and that happiness can be bought, from which an unbridled race for money.

TYOLOGY

Introverted



Thin



Extroverted

Fat

Trends

Way of life

idealist, very organized in life

practical, natural, no rules

Rhythm of life

own rhythm

adapts to the circumstances and to others

Method of action

according to fixed and preplanned schemes

adapts himself to the situation

Way of interpreting things

according to the form

according to the color

Attention, concentration

difficult to distract, concentrates on a single activity

easily distracted, many parallel activities

Sensibility

big, difficult to reconcile

small, easy to reconcile

Relationships with others

detached, cold
(only a few friends but good ones)

ease of contact,
great human warmth but superficial

Own rhythm

quick

slow

Tiredness

Sudden

gradual

Philosophy, politics

rationalist

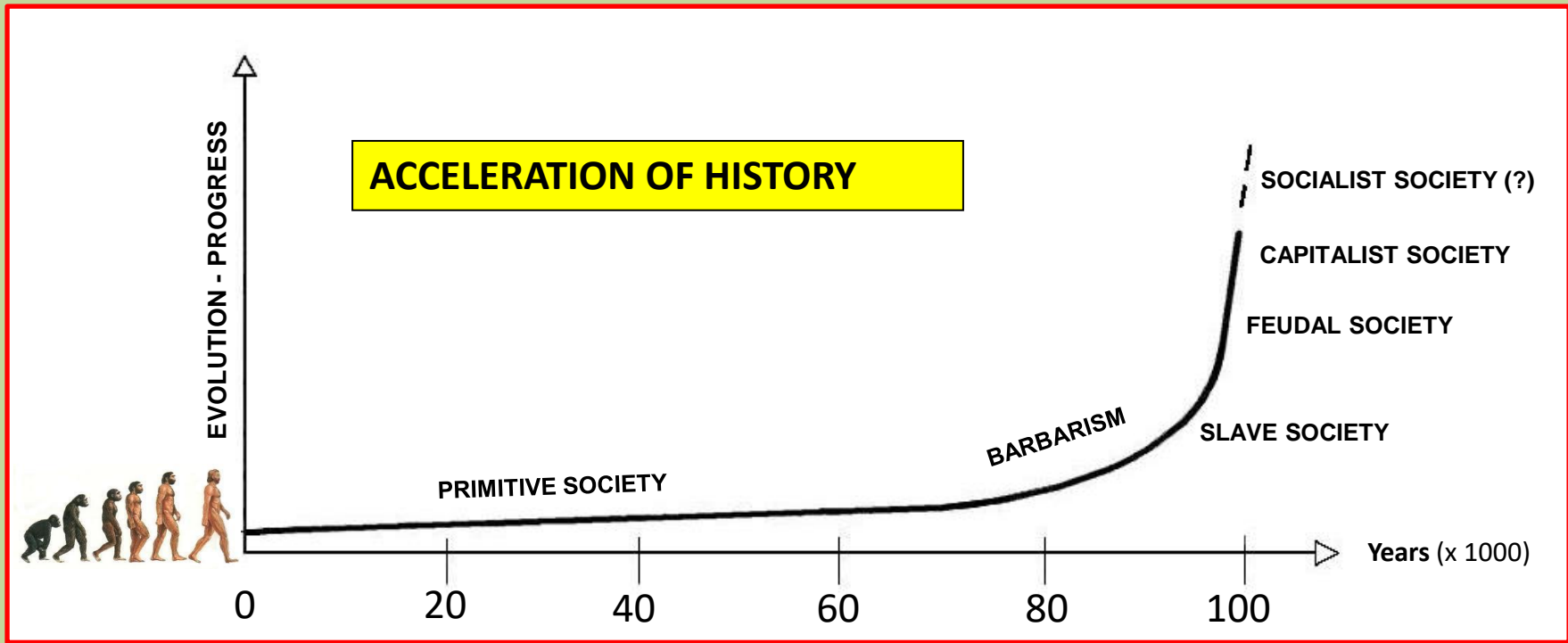
pragmatic

Extreme form (clinical cases)

schizophrenic

neurotic

Warning: This theory is refuted by some modern researchers



PRIMITIVE SOCIETY

From about 100'000 years ago to about 20'000 years ago. Matriarchal and democratic society. Social class. There is no private property.

Nomadism and first settlements.

BARBARISM

Transition society. Apparition of the first hierarchy and the family. Private property is very limited. Start of sedentarism with agriculture and breeding.

The tribe is dominating.

SLAVE SOCIETY

From about 15,000 years ago until about 1,600 years ago (Rome). Patriarchal and not very democratic society. Two social classes. Private property: land, animals, slaves. Sedentarism. Great conquest.

Dominated by landlords

FEUDAL SOCIETY

From about 1,600 years ago until about 200 years ago (the French Revolution). Patriarchal and oligarchic society. Three social classes: nobles, bourgeois, plebeians. Private ownership of land. Major conflicts to conquer land.

Dominated by the nobles.

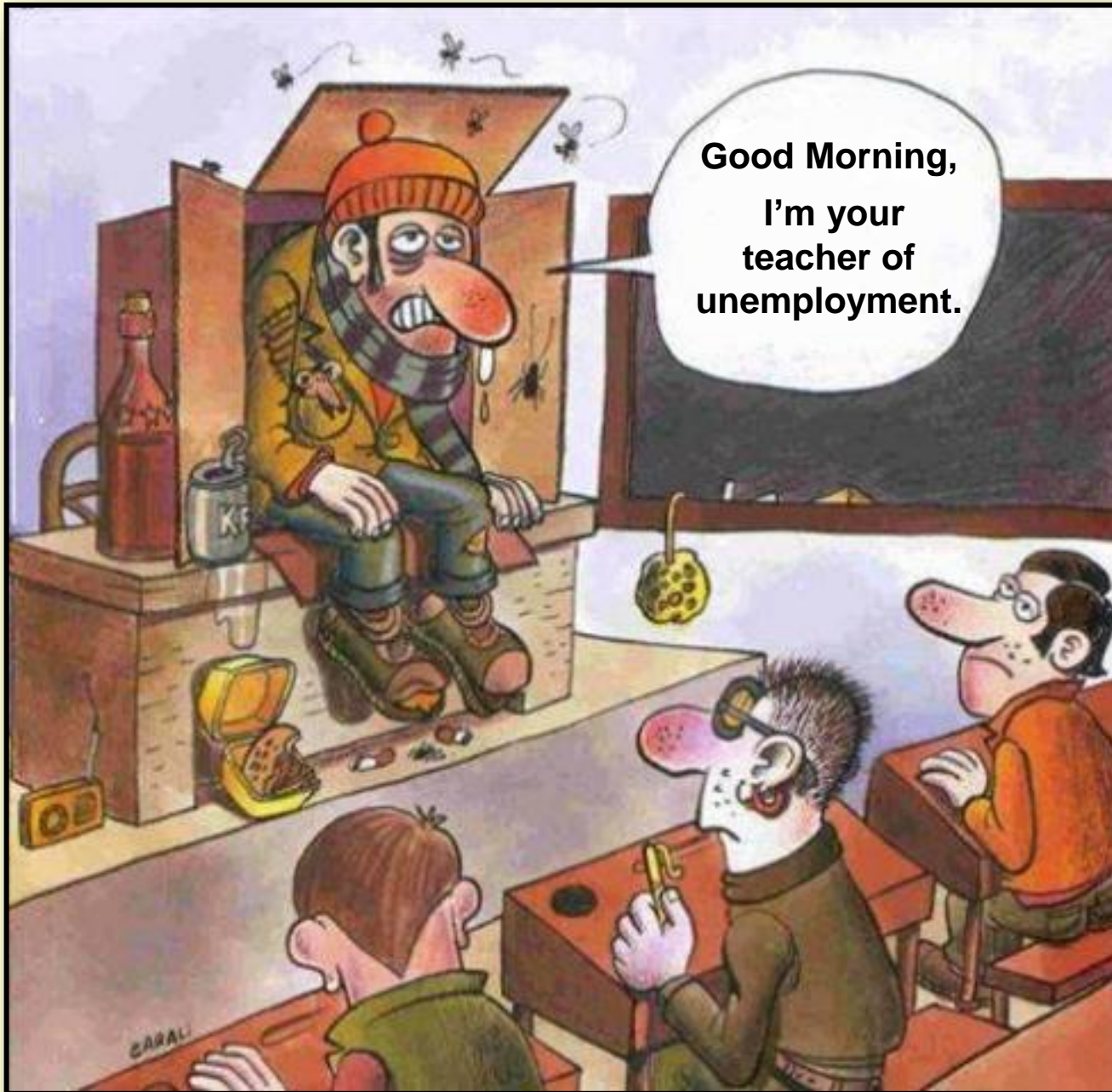
CAPITALIST SOCIETY

For about 200 years. Patriarchal society and partially democratic. Two social classes: bourgeoisie and proletariat. Private ownership of land and production means, a State of major conflicts to conquer resources.

Dominated by capital.



No comment



END

**Is this
our
future?**