



# Capitalism and Humanitarianism: A New Social Contract?

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## Abstract

The following article aims to reflect on capitalism as an integral part of Western culture and humanitarianism as a real characteristic of its performance in today's society, within the rule of law and democracy, amid globalized markets, geopolitical pressures disputing world control, economic and financial crisis, energy transition, technological explosion, and digital innovation, which portend more uncertainty, forcing the adaptation of a new social contract. But unlike in the past, no single, consolidated leader has been identified for this new convention, as it could be the current status quo that has assumed this role since the beginning of the Bretton Wood agreement. It could also be the member countries of emerging groups such as the BRICS, or the powerful corporations that develop technologies and businesses worldwide. Regardless of this situation, all the planet's inhabitants need to adapt, learn new things, and forget others that will soon fall into disuse. Learn fast.

**Keywords:** Capitalism; Humanitarianism; Geopolitics; Digital technology; Social contract

## A Recurrent Debate

In many spaces of debate, especially in academic, political, or intellectual circles, the capitalist system has a rather deteriorated reputation. It is seen as a predatory monster that devours everything and prevents ordinary citizens from being happy. They highlight its lack of humanism and the lack of a social dimension that would allow individuals, and especially workers, to achieve higher levels of quality of life. The debate about the replacement or not of this model, together with the whole Western culture, is frequently raised. And that it should be changed by other proposals of social coexistence that promise to abolish inequality, based on social inclusion without any discrimination. Any tool is good to take up the battle against the capitalist yoke and its two greatest champions: the United States and the dollar. From global warming, renewable energies, circular economy, new poles of power, gender claims, and even Bitcoin, they represent these new actors that intend to dominate future times. Some causes are due to the progress of humanity and others to the actions of those who intend to inherit control of global decisions: China and Russia. Their presence throughout Latin America and other countries, especially in

Europe, is no coincidence. Credits, technologies, and a whole diplomatic policy aimed at strengthening their interests in these regions, which increasingly cover more and more territories. This could explain the fact that the wars of the last fifty years have been fought in Eastern Europe. Another example of the same phenomenon is the growth of the group of emerging countries such as Brazil, Russia, India, China, and South Africa (BRICS), with practices of trading in their currencies, exerting forces to materialize the substitution of the dollar as the currency of international transactions, which could be something natural and legitimate, which, however, points to the much invoked new world order.

## Evolution does not Stand Still

However, humanity has evolved even more, with greater power, in the last two hundred years. In all aspects. In all areas of knowledge, defying enormous amounts of obstacles, regardless of the risks and circumstances. And that progress, unimaginable until recently, has become a concrete reality, largely propitiated by the liberalism of Locke and Smith, by the rule of law and democracy. It has been a long struggle for resources and their distribution, for the freedoms

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and rights of human beings as civilized entities. Many efforts and actions in the capitalist model have been aimed at promoting and materializing humanitarianism. Examples abound from the business world and among individual innovation initiatives. This is the case of Hamdi Ulukaya, the CEO of Chobani, who declared that his company "operates on a simple fundamental principle, that we do well by doing well", [1,2]. One way to measure these advances could be to compare the Moscow of Dostoevsky and the London of Charles Dickens in the 19th century with the Moscow of Narine Abgaryan and the London of J.R.R. Tolkien of our days, and thus perceive the enormous differences in citizen welfare existing between both metropolises, between the benefits and ways of life that each one of their inhabitants have, verifying or not that their relationship with the State, and the society in general that shelters them, is within the precepts of human rights.

### Threats not only at borders

Moreover, threats to the Western model of life do not only come from the realm of geopolitics. Many problems have originated within the system itself, such as a BTC openly focused on not only replacing the dollar as a global currency (which is not bad in itself), but promoting the clear intention of becoming the leader of "the emancipation of the poor and oppressed by that world of finance controlled by central banks". Furthermore, recent events within the world of global economies, suffering from a kind of inflationary pandemic, rising interest rates, bank failures, with national debts at their maximum limits, foretell a scenario of economic recession and constitute part of the factors that weaken the stability of Western culture.

### Technology and Innovation

But, undeniably, we are at the dawn of a new era, a time of incredible technologies that will change many things, some every day and others less familiar. Digital technologies invade everything, every problem is offered a solution, and every circumstance is given an answer or explanation. But innovations and changes generate uncertainty. Fears of the effects of robotics in the labour market presuppose massive layoffs. Difficulties for workers to adapt to these new realities. But the benefits of such progress will not reach all strata of the population homogeneously, not only in the countries where these technologies are created but also in those emerging nations whose levels of development are lower. Because technologies are necessary resources for the production of goods and services, they have a cost that must be paid by the end user. This is when inequalities arise in the acquisition and updating of technology, which will depend on the capital and cash flows that companies and countries have available for the purchase of such technologies. In other words, it will depend on the technology buyer's ability to pay. This situation generates and will generate, levels of inequality among the different users of the

new devices, which will impact their speed of adaptation or their probable exit from the markets. Thus, when the transition process is activated from the use of current technologies to the use of new ones, including artificial intelligence, robotics, nanotechnology, quantum computing, and the human genome, among many others, "layers of users" will be created that will respond to the complexity and costs of the technologies acquired, so that the richest countries and users will enjoy the most advanced innovations while those with less purchasing power will have to make do with obsolete equipment. But amid such extraordinary technical progress, the major technology corporations have finished the year 2022 with performance problems and declining stock market values.

### A New Social Contract?

In simple terms, the social contract should provide a balance of relationships for coexistence between the individual, society, and the State. In addition, it should have mechanisms for conflict resolution in the event of friction between the three vertices of this equilibrium. As life is imperfect, social contracts are imperfect. Many resources, efforts, education, regulations, and discipline are necessary to be able to maintain the fragility of coexistence. In times of transition, the successes of the present model will become obsolete, others will disappear and new ones will emerge to respond to as yet-unknown requirements that will shape that future reality which is in full evolution. It is a dynamic process in motion. In the current context, the social contract is affected by many factors, including changes that have been brewing since before the time of Covid-19. Moreover, they have been enhanced by technological innovations, leading to a rethinking of relations between the State and citizens, companies and workers, and even between consumers and the market. Ultimately, the interactions between the different vertices of the equilibrium will depend, above all, on who becomes or holds the hegemony of global power in the future. All the problems suffered by the world population, in general, today, as mentioned at the beginning of this text, will constitute inherited anomalies that will be solved by the leaders of the future. And each group that takes on these tasks will do so according to its concepts, codes, and beliefs. So, if it is the current status quo, it will drag the conflicts and successes of the capitalist system and the world's perception of it. In the case of the emerging BRICS countries, the negative impact that the totalitarian systems of China and Russia have had on civilization for more than a century is very close, so, with the war in Ukraine, no positive changes in favour of a balance based on human rights are in sight. On the other hand, there has been debate about how all-powerful large corporations can become, threatening to replace countries and dominate entire populations, especially through Big Data. That is possible, but at the moment their CEOs are more concerned about last quarter's results and how to serve their customers to survive a recession that is getting closer and closer. The market is prevailing.



In any case, should a new social contract emerge, there is always the hope that it will be fulfilled and be more humane.

It seems that everything is coming to an end. Everything has become distorted and weakened. That is the reason why it must be renewed. Perhaps that is why the poet Rafael Cadenas expressed in ABC (24/04/2023) that "It is urgent to defend democracy".

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