

Beyond the Empire of Chaos: Building Ecology into the Economy. Life Capital Value, Base and Measure

By [Prof. John McMurtry](#)

Global Research, April 18, 2016

Theme: [Environment](#), [Global Economy](#),
[History](#)

Professor John McMurtry

Ecological and social science research increasingly demonstrate that 'globalization' is not what it seems. It does not produce more prosperity and reduce poverty for the world, but just the opposite. Ever more powerful transnational corporate money sequences multiply through organic, social and ecological life hosts looting and polluting them.

But what can the social alternative be?

Philosophers across schools reject any ultimate common value, and no political party has any unifying solution. Meanwhile a Hobbesian imperative rules – that all must compete harder in this end-game to survive. The cumulative consequence is that common life capital bases are increasingly depredated and stripped to further enrich the corporate rich. Business statistics themselves show that the poorer half of the world has lost *over 40% of its wealth in the last five years*, while less than one-tenth of one percent of the world's population has multiplied its private wealth. Yet the World Bank still claims 'global poverty reduction', elite voices blame 'overpopulation', and games spectacles capture most attention.

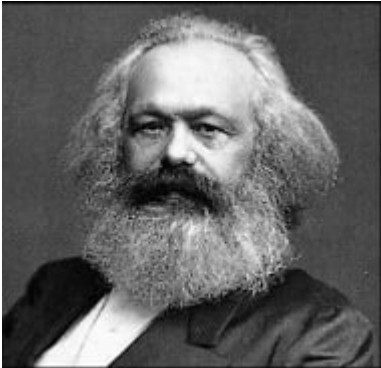
With even the opposition repeating masking slogans of "neo-liberal", policy drivers to reclaim the life capital of humanity are not conceived. 'Liberal', 'Conservative', 'Keynesian' and 'Marxist' theories lack any life capital base or measure. All acceptable economic schools assume priced commodity-cycles as an end in themselves. So-called 'neo-classical economics' has no life coordinates, while political leaders assume this economics in a world of invisible-hand rule.

Even ecological economics remains confined to raw material replacements so that board-foot plantations and biodiverse forests are not distinguished in value. One welcomes counter-evidence to this profile across parties and schools, but none is shown. As in the past, few in favorable positions want to move out of the value system that rules. There is fiddling at the margins, but the ruling paradigm works ever more systemic oppression and ruin on the ground.

Keynesianism is the favorite alternative of progressive economists in the press, but it too is life-capital blind. Keynes himself only questioned the Supply = Demand equation, arguing it could also be the reverse with Demand leading the productive cycle (ie., by government spending, even if it were only "holes in the sand"). This is about as far as the 'alternative' goes, with military, PPP, green-wash schemes and bank handouts spending trillions of public wealth to keep the big corporate money-sequences going.

'Growth' is the panacea, that is more priced commodities. The life-coherent idea that the demand of the economy is ultimately the *demand of life systems for life goods* is completely repressed. Money-exchanges alone compute even if the ice-caps melt, more billions are malnourished and ever more species go extinct.

Life Capital, not Marxism is the Solution



For Marx, productive forces are the ultimate driver of history and the base of human evolution, with the environment as instrumental value for human production re-creating the world to serve ever more empowered stages of productive development. In these respects Marx's position and orthodox techno-economics today are alike in principle. They argue for opposite outcomes - working-class revolution versus capitalist-system growth - but both are forms of technological determinism. Neither has a life capital base - the missing ground and link of received economic thought.

Close examination reveals that productive-force determinism is the ultimate driver of society for Marx with *no grounding life-value base to control or direct it* - Stalinist growth being an extreme example of the problem. My own long research through these issues has concluded that *life capital* is the underlying ground long eluding us - the ultimate base of human society and development, and the only concept which unifies across social, ecological and organic systems. It is the unseen foundation of the unifying alternative, and applies across domains.

Defining Life Capital as Universalizable and Objective Value through Time

Life capital is an objective and quantifiable process whose criterion is *life wealth/capacity that produces more life wealth/capacity without loss and with cumulative gain through generational time* (e.g., a society's public hydro infrastructure, its literacy development, or an individual's organic fitness through age stages).

Yet it is crucial to emphasize that life capital does not presuppose a private possessor of it. Nor does it require a private profit. But both these false presuppositions have become instituted as akin to physical laws in the reigning 'economic' paradigm.

At the most comprehensive level, life capital denotes the collective life bases of the planetary ecosystem and all the socially constructed conditions of humanity's provision of life goods which are reproduced and gain through generations. In any form, macro or micro, life capital is always that which enables life capacities to reproduce and advance through time. Life capital, at any level, however, can be run down by a life-blind economic system such as 'globalization' today. The collapse of the Easter Island culture is a paradigm example of this hollowing out of a society's life capital bases in life-blind devotion to its system constructions as an end in self. We follow this pattern on a global scale today.

How Life Capital Applies to our Daily Lives

Life capital is all that we continuously depend on to live and live well – breathable air, potable water, everyday knowledge, energy infrastructures, and life-protective laws and regulations. There is no good of our lives not dependent on it to stay alive and well, but the current ruling system increasingly despoils it across sectors. This is the essential problem of our world.



On the individual level, each one of us is a bearer of life capital which we manage better rather than worse by developing rather than wasting or depleting it. On the micro as well as the macro level, our life capital is far deeper in value than what can be sold in the market. Yet we lack the concept for what ultimately matters to us, *that without which every life is reduced, malnourished and dies*. This is especially true for social and ecological life capital on which we depend without knowing it – for example, effective societal norms and infrastructures ensuring clean air, water, stable climate, civil safety, electricity infrastructures, education, healthcare, income security.

All this becomes self-evident with testing inspection. But nothing is less comprehended in the reigning ‘Economics’. Its paradigm is decoupled from life means and substance in principle, with money demand for them as their only worth. If it is not priced for exchange and purchase, it has no value in this value system. There is no *life-value* in the calculus. If a natural resource or beauty does not make money, it is ‘wasted’. If a corporation kills people by its negligence, the value of their lives is the income to replace them.

It may seem that life capital has already entered into progressive economists’ vocabulary with concepts of ‘natural capital’, ‘social capital’, ‘human capital’ and ‘knowledge capital’ which have become familiar in recent decades (beginning with ‘human capital’ from 1960’s onward applied to people who increase their own market value by earning university degrees). Yet these seeming forms of life capital reverse its meaning. They mean only what can be equated to a money value in the market, and so rule out life capital value itself – *the value in itself and for life* of nature, society, and knowledge. Life value, all real value on earth, cannot be conceived within the instituted blinkers.

Since only what increases revenues/reduces costs in money transactions and sequences is a “cost” or “benefit” to this value calculus, polluting, depleting and otherwise destroying life capital is built in as more “efficiency” because it reduces cost inputs. Thus a contradiction arises across the oceans and forests of the world. Life capital is perpetually despoiled as ‘natural capital’ to maximize money-value profit however natural life capital is in fact destroyed, moving from one site to the next as ‘globalization’. What is called ‘development’ and ‘growth’ cannot distinguish between this ‘investor value adding’ and the cumulative destruction of life systems.

What Has Gone Wrong at the Most Basic Level

As money becoming more money for transnational private possessors has become the ruling value system of the planet, the moral disorder is not examined or represented as it behaves. Rather it is auto-venerated in stock epithets of ‘freedom’, ‘prosperity’, and ‘new

wealth'. In reality, a triad mechanism of media indoctrination, transnational treaty commands and armed force have imposed the system step by step. The global money-sequence system operates in accordance with three internal laws not discussed. It selects for more priced commodities without life standards, multiplies money demand to the richest, and - not deeply - depredates life capital across social and ecological life support systems.



That this system cumulatively entails eco-genocidal effects is taboo to raise within official society. Most people have no idea of the inner logic of the reigning assumptions. Orthodox theory is instead devoted to perfecting the models of money-sequence 'value adding' with arcane mathematics leading devices for the rich to slip between the cracks of the law. Wall Street has in this mode modelled control of the buyable water and land in the world for future profit to its 'investors' with anything else that can be bought and sold to spike private money sequences.

While every plane of existence from which more money-value can be extracted is in the cross-hairs, no effectively binding protection for life capital bases has been allowed since the mildly successful Ozone Layer Protocol of 1988. The planet is systemically converted into private money sequences to the top depriving and destroying organic, economic and natural life support systems. The crowning irony is 'austerity programs' for society to keep the meta program going. At the same time, corporate-rights treaties are backed by severe punishments of taxpayers for any profit-reducing deviation by democratic laws - for example, to reduce neuro-toxins in the air, or stop toxic dumps, proscribe dolphin meat, or prohibit slave labour products. All is enforceable by financial and armed embargo in the last resort, and corporate state politicians are pervasively lobbied with electoral financing and post-office wealth to serve the new world order.

The emergence in the 2016 American presidential primaries of candidate policies to reverse these transnational corporate rights expresses a growing political resistance of the US population - even if the issues are obscured in the corporate media. It has been a long time coming. Thomas Berry long ago observed that "corporate profit is the deficit of the Earth". Yet in the more exact words of Wall Street analysis: "With captive customers, the cash flows are virtually guaranteed. The only major variables are the initial prices paid, the amount of debt used for financing, and the pace and magnitude of price hikes - easy things for Wall Street to model."

'Freedom' here consists in no recourse left for society to stop or limit the hollowing out of life capital to maximally profit transnational 'investors'. In pretence of 'free trade', peoples are deprived of what ultimately matters to them without knowing what has happened. This is why in the end people feel increasingly helpless and meaningless in a world run out of control.

Primary Implications for Public Policy and Recovery

Re-grounding begins with a first principle. Real economic value is *not* created by the global market or by money exchanges. This ruling delusion has been promoted by neo-economics

since the turn of the 20th century when it reduced economics to dyadic money exchanges with no life coordinates or bases – a system in which the best of possible worlds is a money-price gain for the exchangers. In life-capital understanding, the economic ground begins with reproduction of the planetary atmosphere itself, the oceans, hydrological cycles, soil cover, forests, fellow species, and all such life bases now erased from accounts by the reigning model.

Yet life capital includes far more than the planet's physical resources on which life depends. It denotes all real goods that are reproduced and/or cumulatively advance through time, including scientific knowledge, life protective norms, and accessible energy sources. These are all measurable life capital formations along with the human-made bases of the *real economy of producing goods otherwise in short supply*.

Orthodox economics, in polar contrast, eliminates all life capital from view, and all commodities are 'goods' by definition. Only what can be privatized to yield more money counts as 'economic' or 'competitive'. Thus a system of taking more than is put in every cycle with no limit becomes the supreme law of 'value creation' with all its profitable produces as 'goods', never bads.. Behind the scenes, the, the 'masters of the universe' create money by ever rising debt-issues and service charges which create nothing, but propel margin feeding in ever greater multiples.



No step is possible without the guarantee and force of corporate states. "My administration", said President Obama to his Wall Street audience on April 3 2009, "is the only thing between you and the pitchforks". Governments' servant economists and stacked committees, double-standard tax policies, escalating subsidies, armed force protections, privatization of public knowledge, and foreign wars are further dimensions of this transnational corporate system at work.

Life capital is opposite in nature. Whether our own lives or family, our bioregion or the planetary life-host – or the tree, garden or birdlife, vocation or vocabulary at hand – there is one underlying formula of life substance and flourishing across all of them. Life capital produces more life wealth/capacities without loss and with cumulative gain through time in all its variations, the law of true human evolution. Securing our life capital base to live by is its first moral axiom across cultures and tastes. This underlying first principle entails, in turn, policy and regulation to prevent any life capital being run down, wasted or destroyed – as almost all are now. Our collective and individual life capital of ecological, social and organic life hosts are all at risk.

Solution follows from recognising the problem. Moral and policy deciders collectively reclaim

human purpose by binding life-capital standards to regulate production, trade and investment- as we already do now with water and sewer standards and enforced laws against criminal attacks.

How the Mass Media Paralyse Societies within the Life-Blind Money Mechanism

The mass media are advertising vehicles which sell media spaces to the wealthiest corporations. They are operationally structured as a propaganda system for the corporations buying the spaces and the system they are embedded in. This is an analytic description confirmed by examining their electronic and hard-copy operations across formats.

It follows that the mass media promote and idealize the corporate operations and wealth sustaining them. But what is not recognised is that these corporations collectively deplete the life capital bases of societies with no connected media investigations. With no life capital standards governing, a global market race to the bottom forms without alternative.

All the while, trillions of dollars/Euros/pounds of public money go to big banks and corporations to keep them going. A staggering \$5.3 trillion (U.S.) of public money by IMF calculation is given to fossil-fuel corporations alone, even as the climate destabilization they lead reaches cataclysmic proportions. Despite finally known emergency, even all ecological life support systems together do not receive a small fraction of what subsidizes the big banks and oil/motor industries propelling their collapse.

What is not seen is not responded to. The mass media are, in fact, structured to divert attention from the system's degenerate trends to sell priced commodities as their law of motion. Endless images, gossip and tales of appetite, fear and projection hold populations in thrall disconnected from their common life-ground. The latest Enemy of the US/EU is then cast as the real threat to global life security - presented, for example, by intermittent hate messages on Vladimir Putin. What is actually occurring in tidal trends - the acidifying oceans, rising climate instability, species extinctions, and youth without meaningful life vocations -dissolve out of view.

The system remains auto-assumed as the best of possible worlds by the media, economists, formal economic models, and academic mainstreams. And why not? Human slavery too was thought optimal for centuries - in fact, it was the first major commodity of 'global free trade'. Mass homicide by system starvation and ecocide are still called 'costs of development' with no challenge of the term. As knowledge and information themselves become proprietary monopolies, we come to see that the world's deepest problem is the instituted mind-lock of the reigning paradigm beneath consciousness of it. its life blind logic.

From Sports to the Academy: Life Capital Bases Blocked Out A-Priori

On the system-wide level, the dominant mass media are governed by three implicit goals - selling corporate ads, validating money power, and blocking out life capital bases. Professional sports exemplify the system as its ultimate site of transnational market propaganda. They draw increasing mass audiences round the world with no competitor to mobilize public attention and commitment. The inner logic of the ruling value system is imprinted beneath notice.

The more money sports stars get, the more money take is glorified, the more ads are sold, the more public attention and wealth are diverted from profound public issues like the

degrading life capital bases of society and the planet. In this way, the ultimate struggle for better life on earth is displaced by commercial contest spectacles and logos competing for private money pay-offs for the few. Free time itself is subjugated by the corporate money system.

Mass spectator sports are an allegory and a linchpin of the system's hold (and I say this as a former professional player). Battle cries of 'everything is at stake' drive ersatz-tribal passions to displace what really matters to life on Earth. Even if a public issue comes into the spectacle-sales agenda, it too is converted by corporate ads into sales images of concern and action. The rising catastrophic storms, sea-rises and weather extremes are euphemized as 'climate change' with only market solutions promoted.

In the US, the most popular sports are linked to military displays, bands and metaphors, with few noticing the US military is the biggest killer and greatest polluter in the world. Again we see the many levels at which life-blind aggression and attack is built into this system. The destruction becomes part of the excitement with, for example, pristine nature as a favorite scene of beauty to sell fossil-fuel super engines ripping up the life terrain. Reduced to ad vehicles, the mass media follow one underlying law of meaning. The truth is what sells. Parallel to the games spectacles, marketed personalities are the centre of elections too. Collective life capital bases as the proper concern of nations and democracy do not compute within the reigning mind-set.

The academic world has been taken over by corporate self-maximization in less visible ways. University administrations have become corporate fund managers accountable to no academic standards in their multiplied spending on their own offices, salaries, and corporate-ladder culture. Their essential function is partnering with leveraged corporate research funds necessary to replace underfunding by corporate states - a 25 year planned process in North America.

At the same time, commercial publishers have bought up once-independent scholarly journals across the academic world, multiplied their prices to libraries, and imposed corporate procedures of refereeing with corporate forms ruling out critical autonomy of evaluation. Throughout, the externally profiting transnational corporations exploit university scholars' need to be published with no payment for their services. In fact, the publishing corporations pay nothing for the entire life-capital infrastructure of advancing learning and disseminating knowledge, an extremely costly affair for advanced facilities and world-level expertise. All educational costs are borne by taxpayers and student fees, exerting mounting downwards pressure on public capacities of research and teaching. Ever more cuts follow from corporate states and administrations so that, for example, casual labour with no research support does most of the teaching and instruction. Throughout research for new commodities for the global corporate market becomes the dominant objective of funding sciences themselves.

Every step of these systemic degradations and front-line dispossessions dismantles the life capital evolution of public learning and higher research leading the species' evolution.

Lead Philosophies Decoupled from the Life-Ground Too

In the background, the most lauded thinkers block out the advancing corporate occupation and its life capital alternative in principle. Martin Heidegger seems to sense the great hollowing out in his signature idea of our "forgetfulness of Being". Yet he has no life-ground

to go on but the “home of language” rooted in pre-Socratic conceptions. Wittgenstein and others follow with “language games” and “linguistic philosophy” in the English-analytic tradition, but again with life-ground and social structure bracketed out as if they did not exist.

Today’s leading social philosopher-scientist, Jurgen Habermas, reduces “life-world” (*Lebenswelt*) to background assumptions, and rules out any alternative economic order a-priori. The dominant justice/moral theories of John Rawls and Robert Nozick have dominated normative philosophy over half a century, but cannot get beyond self-maximizing agents in a social void with no collective life capital bases imagined across industries of literature. ‘Communitarian’ philosophy moves underneath liberal atomism to social institutions and traditions as common bearings of persons and social reality, but has no deeper test or validation of them in universal life needs or life capital ground. Even socialist theory and doctrine provides no unifying life foundations integrating ecology, economics and life-value choice space.

Throughout the evolved life ground is lost – the life capital bases of humanity and nature as ground and measure of all life value through time in process of reproduction, loss or gain. We already have the basics in any working public health system where every one of these parameters can be known down to the finest detail of life capacity performance and well-being, but joining the dots into unifying concept and common thread across domains is the missing meta step.

The Postmoderns Revolt Against Any Common Life-Ground At All

Many celebrate post-modern with thinkers like Foucault, Baudrillard, Derrida and Lyotard who are believed to expose the inhuman and the repressive in our institutions and language by a liberation from metaphysics of duality and deep structures. Less noticed, the postmodernists implicitly repudiate any unifying life-ground whatever. Life capital does not exist. Like the global market, postmodernism proclaims the free, the particular and the disruptive without any life base, while ignoring the actual global command system’s attack on planetary life itself. Some like Deleuze may loathe capitalism. But they have no conception of humanity’s universal life bases and necessities to ground agreement or alternative to what destroys them.

Organising principles which bridge from the past through the present to the future by objective common life interests are, yet again, ruled out. The economists’ life-blind paradigm of liquid mechanics goes on being mapped onto the living world, unquestioned even by the self-conceived subversives of totalizing structure.

Life Capital Meaning Steers Humanity’s Underlying Evolution

A simple example is herds of livestock. Their life capital continues so long as they reproduce or gain in collective life capacity of yield in meat, milk-production, pull-power, manure, and hide material, all quantifiable through time. The same can be said of socially constructed and regulated life capital formations – public literacy and health systems, clean air and water, electric-light access, recycling garbage and sewage systems, life security in body and speech, book and film libraries, ecological integrity including noise bylaws, biodiverse pathways and surroundings. We find life capital meaning most inclusively and incisively when we consider our lives *without* any of them.

In polar contrast, public spending is now increasingly diverted to subsidize the private money-sequence system in trillions of dollars to dominant corporations leading the depredation of life capital bases – for example, ‘quantitative easing’ to the destabilizing and non-productive speculations of big banks and the massive subsidization of the armaments, oil and luxury motor industries. But the most built-in appropriations of public wealth and collective life capital bases are by corporate lobbies feeding on public services and the public purse directly by privatization schemes. To cite British MP John McDonnell: “Privatization over the last four decades has been a history of snatching up public assets to print private money. From the earliest privatizations of water, energy and rail to the PFI [Private Financial Initiatives] from the last decade, it has been one long confidence trick.”

The same covert raiding of public life capital to feed private corporate profits has been imposed by captive states across the world – a systematic eating away of social life support systems and services accompanying the looting of ecosystems and natural resources as ‘the last frontier of easy money’. Collective life capacities and capital are the victim, but no measure of their losses exists. In fact, every overloading, depletion, pollution, abandonment, reverse liability, under-investment in infrastructures, and price-gouging of ‘privatization’ programs follows the reigning paradigm’s primary axiom of rational choice. In its abstract form, the rule of self-maximizing preference in all things is the overriding law of modern reason with no proof or question of it in even the inner sanctums of high theory.

Life-coherent reason is missing – *consistency with life capital requirements*. Consistency with evidence and other statements provide empirical and logical validity, but not life validity – the lost life-ground of knowledge. It is already at work without the name in valid life-protective and safety regimes across sectors, and in medical science, public health and infrastructures and requirements of life necessity across domains. The underlying meaning is the evolution of human society itself towards ever more life-coherent rule systems of how to live on the planet. Life capital defence and advance is the missing link and guiding thread across domains.

Public money is properly investment flow of society into life capital. But much goes immediately to paying off private banks which create the money as unlimited debt issues with permanent service demands, a distinguished from central bank loans with no such private-profit issue and claws on the public purse – as in successful economies like China and in Canada’s before 1974 when its great social and physical infrastructures were built. Another US \$26 trillion today goes offshore to evade public taxation. At every level, the life capital bases of society are invaded by private money-sequence demands adding costs and degrading them so that most are in cumulative decline. This is the macro pattern of life capital dispossession and common wealth destruction by the transnational money-sequence system until a public life capital turn steers us.

The Unifying Alternative follows from the Logic of the Problem

In the degenerate trends identified above, the private market system lacks life capital coordinates and binding standards to guide it. Yet if we consider human advances made through generational time, we find the underlying principle of public life capital always at work in some form – from language development by agreed-on conventions enabling more meaningful communications to protection of community water supplies and waste-recycling separation to knowledge criteria and storing across the lines of death to the ecological protection systems that ultimately decide the rise or fall of civilisations. Seek any exception to this evolutionary pattern so far as humanity advances. It is the unseen moral vocation of

the race.

Steering is life-coherent through time by life-capital measure and principle at all levels – as already being achieved in life-coherent energy and trash conversion systems, still-working public health systems, open knowledge centres of dissemination and learning, and ecological understanding dissolving life-blind ignorance. The life capital base of developed societies has already evolved beneath market phenomena, but without second-order understanding or even a name.

Thus the global money-sequence system continues to seek ‘growth’ that cumulatively despoils life capital and support systems without a connecting concept of the problem and solution across domains. Life capital provides this missing concept and common ground as the set-point of life-coherent policy deciders across jurisdictions. It is always what ultimately matters to human and fellow life – *that without which life capacities are destroyed over time*. Its measure invariably enables an objectively unifying meaning of life-value gain or loss throughout – of life security in need, of housing and nourishing food supply, of adequate clean water and sewage cycles, of accessible learning and knowledge, of public facilities and structures of production and art, and of the environmental integrity of our life-host – in short, the true goods of life which are now everywhere at risk without a life-value ground and compass to guide choice and action.

John McMurtry is an elected Fellow of the Royal Society of Canada and his work is published and translated from Latin America to Japan. He is the author and editor of the three-volume *Philosophy and World Problems* published by UNESCO’s *Encyclopedia of Life Support Systems (EOLSS)*, and his latest book is *The Cancer Stage of Capitalism/from Crisis to Cure*.

The original source of this article is Global Research
Copyright © [Prof. John McMurtry](#), Global Research, 2016

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof. John McMurtry](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca
www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca