



Masters of the Universe and Masters of Strategy

Defining the key conditions and limitations of dealing with the “crimes” of multinational corporations within world market economy and how Europe and China could cooperate on this.

“I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas (...)”

It is interesting to wonder who wrote the quote above, it could be anybody remotely engaged in society, anybody except Milton Friedman. I will keep the author a secret for a while yet...

In the current times the world is faced with a huge change in economic structure. Many believe that the current system of what seems to be a free market economy need stern rethinking if any healthy economic development is to occur. The European Union is under pressure, its economy hardly seems to recover after the crisis of 2008 and more countries within the union call for a return to complete economic independence., while others press on joining. Those in favor of the European Union fiercely warn for economic collapse of exits, those opposing warn for equal economic collapses.

China is also vastly changing. The coming 5 year plan focusses on more of a free market economy with socialist characteristics. The Chinese government aims to withdraw, stimulate the economy by means of market opening, monetary reform and privatized industry. China's ascension to the world trade organization posed massive challenges to its economic system, yet it managed a growth which is the envy of most other economies in the world. No economy has faced so many predictions of bubbles, decline, crash and yet, it never happened, and sometimes it seems in the predictions of Western economists are a form of wishful thinking. Why? Because, if the Chinese economic system collapses, it will be the end of history (as Francis Fukuyama wishes[i]). As it is said, ironically, it is the Western economist John Maynard Keynes[ii] whose theories on government spending seemed to have worked in China.

Meanwhile Thomas Piketty [iii]warns in his Capital of the 21th Century that the gap between rich and poor is increasing exponentially and as a matter of fact the superrich in society will not add to the world economy as they are not consumers, their money does not flow back into the economy. In fact it seems to flow everywhere except back into the economy. The battle for ideas is increasing yet there is no real new approach. Part of the problem was very lucidly formulated by the French anthropologist Pierre Bourdieu as follows:

The difficulty with any attempt freely to rethink the foundations of economics arises from the fact that economic orthodoxy is doubtless one of the most powerful discourses for speaking about the social world, particularly because mathematical formalization confers on it an ostentatious appearance of rigor neutrality (Pierre Bourdieu, 2005: 220)[iv].

Indeed a huge problem comes from the fact that economic theory is not a mathematical objectivity but rather an objective history of ideas. Basically, there is nothing wrong with this condition, as long as it is recognized for what it is, subjective, and not what it seems, objective.

Establishing that economics is subjective discipline, what should we look for in formulating sound ideas on economic growth? To put it bluntly, who are the masters of the universe and who are the masters of strategy. It is tempting to say that Western economies consider themselves to be masters of the universe, and Chinese economics can be considered masters of strategy. Yet this is a

misconception. The masters of the universe are composed of the ideas of neo liberalism under multinational corporations are operating. The history of these ideas has been thoroughly described in his book with the same title by Daniel Steadman Jones [i]. The identity of the masters of strategy I will reveal later, as any clever writer trying to introduce new solutions.

I propose we freely rethink the foundations of economics and make a real change, or at least a new approach by critically viewing that process which has been developing over the last 20 years, which is enlarged globalization of economies for which we have no solutions. Some believe there is something fantastic like a world free market economy[ii], yet such thinkers overlook a very important aspect of nationalities, which is that their law systems do not extend towards the world market.

As a matter of fact law systems were economic laws are concerned conflict with each other, usually for good reasons. To name two good reasons:

- Both economic and law systems cannot be seen as separate from culture and history
- Both current economic and law systems are not equipped to deal with globalization

Let's define the key conditions and limitations of dealing with the "crimes" of multinational corporations within world market economy and how Europe and China [iii]could cooperate on this.