

## CAPITALISM IN ILLUSION AND DELUSION

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**ABSTRACT:** The current crisis seems to shake the foundations of contemporary society as a whole and generated increasingly more opinions that show the capitalist society has begun and continues to lose ground. This is because capitalism has changed something inside so deeply that eternal truths of capitalism – economic growth, full employment, financial stability – seem to have crashed like the New York twin towers.

Beyond all the shortcomings, quite a lot in numbers, known and recognized, the world and those who analyze it agree that, at least so far, has not been invented a better mechanism to obstruct and retain tyranny and so it is possible to consider the evolution of capitalism only in and through democracy.

**Keywords :** capitalism, globalization, economical growth, democracy, crisis

### 1. Introduction

Ineffective anti-crisis measures at national level are established every day. And the fight against crisis at international level, in the current capitalist system, is equally ineffective. Crisis accelerates and deepens the process of degeneration and decay of the capitalist economic system. The following will be affected :the economic base of Capitalism and its political and ideological structure. [13] Everyone affected by the current crisis will tend to the left ideas, towards revolution, towards bitter class struggles to make a general progress of society capable to ensure human emancipation at the masses. It is likely that the world is in front of a radical change of the image of capitalism. It seems as fighters against the crisis are moving in the dark, oriented more towards tactical than strategic considerations. This is because, in recent years the economy has changed so profoundly, that these changes could have not yet be thoroughly analyzed. As a result, until now there is no sharp strategy to ensure economic and social development. [9] The State as a whole, as an institution is contested, and distrust of people in his power to redress the economic and social welfare, has increased. As contemporary society is still in an ample transition period towards a new global civilization, a process whose difficulty is matched by the current economic crisis appears to doubt the ability of the state to effectively solve many problems emerged.

### 2. Age of transformation and redefinition

We live in a time full of worries, in which not only common man but even the competent may feel slightly disoriented. Meaning and direction in which things are moving can be found by analyzing the structure of systems using a scheme based on four basic criteria that define the relationships between: state and economy, state and other states, state and society, state and organizations active in the territory. From the intersection of these four criteria results in a picture frame in whose systems can not only see boxes that have already been filled with history, but much more important the ones that still remain blank. Such a result can be obtained by following the system alchemy, which shows the solutions that mutually exclude themselves. So, Capitalism proved able to coexist with democratic political systems and with the undemocratic ones, unlike socialism, that can coexist only with nondemocratic systems.

Economic causes of socialism to the ground shook, but mainly keep its total collapse of ideology. Although socialism as an ideology, more still inspires political organization systems in countries like North Korea, Vietnam, Cuba and even China is currently one response to pale in the best case. This reality, open the way to universalisation of liberal democracy which, according to many opinions, tends to settle the final form of government.

### 3. Capitalism: illusions and delusions

Currently are appearing increasingly more opinions that show the fear that capitalist society has begun and continues to lose ground more and more. This is because something inside of capitalism has changed in a manner so serious that eternal truths of capitalism - economic growth, full employment, financial stability, etc. - seem to have collapsed as its enemies did. The result is that capitalist society has lost pace, it continues to run, but less efficiently. It was concluded that the economic model that evolved in Western industrialized world and spreaded in the whole world slowly undermines itself. However, the massive expansion of the global economy itself involves new

potential conflict. The unequal distribution of huge profits, increased vulnerability and uncertainty, both on individuals and communities and endangered inherent democratic accountability and maintaining local control, determines that globalization should be seen as harming many companies cohesion.

Political independence of any country is not defined by lack of external economic influences. All countries, especially the smallest are dependent on what happens beyond their borders, especially in large and powerful countries. So, how economic policy is undisciplined developed countries, the consequences turn out to be more serious for small countries, which means no calls to isolation from the outside world. This is because, just this world is also an important source of information, technology, competition, in other words is one that provides greater opportunities for development. [6]

All countries that have managed to wrest from backwardness and to approach the advanced countries economically have made full use of their positive experience, while striving not to repeat their mistakes. In all countries have abandoned isolation, sooner or later came and perpetuate a state of relative backwardness.

Not missing but neither optimistic opinions, and confidence in progress and a better future for all mankind is overwhelmingly linked to capitalism. According to this view, the danger of a real alternative to capitalism is over. Both theoretically and practically disarmed, socialism has signed one final conviction.

At this point, no ideological rival, capitalism will be able to channel attention and energies to economic and social, to improve people's living conditions. In such a climate, he will be able to better solve a series of problems, he kept postponing his employment because of numerous and sterile ideological disputes.

Until the crisis hit in 2008, capitalism, contrary to all hostile prophecies increased in all dimensions, not in the uniform, but getting the substance, color, depending on the geographic area that has been circumscribed. Although the same culture universal European culture of capitalism itself created this system, says the shades different from that of Asian capitalism, or African American. Questions about these differences are fully legitimate to the extent that the range of opinions on this subject include support of people like that any market in the blood and consequently no culture would conflict with capitalism, capitalism as a system overall, more particularly because of mosaic organization issues. [12]

Although based on the same ideology - liberalism - capitalism has never been a very homogeneous reality. On the contrary, in all economic, social, political, he emerged and gained specificity via the culture of every people. From this point of view, but deliberately exaggerating, you could say that in the world there are so many models of capitalism that have assimilated many countries and gave concrete form of liberal philosophy. This, again, would be an exaggeration, because enrolling in their programs the principles of economic liberalism and market economy, capitalist countries belonging to the same genre called generic - capitalism - as opposed to philosophy and practice of socialism and communism. Within the same genre, but capitalism accepts the right of free speech. Thus, there is a European capitalism specific to the Asian or North American models as German, English, French, Swedish, etc.. can't be reduced to a single scheme. Each of these capitalist models, has certain peculiarities and each pulling sap and explaining and counter-performance or performance of a certain originality of national culture, each with something to convey the experience gained in acquiring wealth, each of which raises a novel deciphering curiosity of the study. Thus, each of these models is something that is above the powered and socialism making it a loser all around. [14]

To be lasting, capitalist development has begun and should continue to be the focus of environmental problems. That economic and technological development in the context of market relations and property rights is one that offers the best hope for solving these problems by severity and unprecedented importance. Alternative grim austerity, assuming political coercion is not at all something that the world would now need or would like to accept it. In other words, neither in terms of unwanted and harmful environmental effects, capitalism is not a perfect system. However it is easier to amend these imperfections than any other socio-political and economic system ever known. With his great self and renewal capacity, it remains attractive for countries not yet capitalist. Fear that their development resources will remain totally unjustified. From this point of view, the future of capitalism not seen too threatened.

Beyond all the shortcomings, however, quite a few in number, known and recognized, the world and those who analyze agree that, at least so far, has not invented a better mechanism to obstruct and restrain tyranny and so we can think of capitalism evolution and only in and through democracy. [11]

Although there are still relatively reassuring news is always possible that everything goes bad. This all the more because Japan has not yet found the place and New York stock market collapse tends to return the global hijacked economy. [14] Already share price bubble creates a pressure so strong that it can turn into quite an alarming decline.

Joseph Stiglitz believes that the U.S. is currently facing three major challenges will be to find resources to cope restoration request approved sustainable, strong enough to ensure full employment level overall, rebuilding the financial system so as to perform functions that are supposed to meet a financial system, and not to take risks with the folly with which he did before the crisis: both the U.S. and economic restructuring intervention and help other economies of the world. [13]

Nouriel Roubini, says that long-term reforms necessary to stabilize the international financial system should include measures such as better coordination between central banks, regulation and supervision as required not only to commercial banks, but banks investment, insurance companies and hedge funds, risky behavior control policies

assumed by financial firms regarded as the most powerful, high capital requirements and liquidity among financial institutions, policies aimed at reducing moral hazard and fiscal costs of financial firms bail arrived in difficulty. [9]

Globalization divides and unite in equal measure, the causes of division are identical to those that promote uniformity of the globe. In parallel with the rise of the planet of business, trade and information to set in motion a process of localization, fixing in space. These two processes are closely interrelated, distinction between the living conditions of populations taken as a whole and those of various segments of these populations. Thus what appears as globalization for some, for other means location, freedom in the eyes of some may take the form of a ruthless lot for others. Mobility reach one of the most coveted values and freedom of movement is quite fast main factor stratification at this time. [12]

Want it or not we are all in motion even though physically we stand still, immobility may be a realistic option in an ever-changing world. However the effects of the new chip conditions are radically unequal. Thus, some of us are truly and completely global, others are nailed in their immobility, totally unpleasant situation in a world where globals give tone and runs up the rules of the game of life.

As James Rosenau shows from the "George Washington University: "It is an epoch of multiple contradictions in which states are changing, but don't go away. State sovereignty has eroded, but is still supported force. Governments are weaker, but still have a hard word to say ... Borders still reject the intruders, but are also more porous. "

Any current economy is characterized by a public sector, whose size varies from one country to another. In the public sector whose activities fall resulted not monetary value on the market. And the difference between the activities of the private sector and public sector is the existence or nonexistence profit motive. Balanced and sustainable development must involve the State economically and institutionally. The state may contribute to a modern market economy, these economic levers - financial, with a fair pricing policy through fiscal policy and credit, and by some measures indicative planning. According to the theory of market economy, public sector ensures social equity, the allocation system based on state involvement in the economy, while the private sector provides maximum economic efficiency, through the competitive market allocation.

In the last decade, the state's behavior had non-competitive tendencies. It is considered that in an ideal economy, which operates by market principles, the primary objective of the State is to guarantee an efficient allocation of human and material resources available. There are cases where the market can't take the principles of efficient allocation of resources, in which case the state must intervene to regulate these deficiencies. In a transition process, the state is vital because the state is considered to be a guarantor of democracy and economic equality, but also for economic policy action requires a strong strategic commitment from the state, especially since the democracy is a prerequisite for success in economic and sustainable development. [1]

#### 4. Conclusions

Although the paper may raise more questions than to find answers, we hope the authors will not be too much wrong to you, readers. This is because we dare to engage in this way with the words of Cornelius Castoriadis motto: "... the problem of contemporary civilization is that it stopped asking itself questions. Not to ask is a greater danger than not knowing answers to questions already asked, just as wrong to ask questions that distract from the really important things. The price of silence is paid in hard currency of human suffering. For, after all, the ability to ask questions that need to differentiate between fate and predestination, the drift and travel. He apparently put into question the premises of our way of life undeniable is certainly the greatest service we owe to our fellows and ourselves. [7]

Future society will be one of knowledge, innovation and one of the main tasks of the state will be to find the ways and mechanisms to capitalize fully as human capital. This involves linking a whole new quality between citizen and state, to have the contents of a genuine partnership for prosperity through good governance.[4]

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