

## Obsolete Hardware



Mark Blyth, Professor of International Political Economy in the Department of Political Science at Brown University, tells a great story of **obsolete hardware**. As Blyth puts it, there is ‘new software’ that reflects the changing situation and context in the world. This software takes into account global warming, the extinction crisis, massive wealth inequality, human population growth etc.

The problem is this new ‘software’ – this new thinking – cannot run on the current (now obsolete) hardware – our institutions and political systems that have been shaped over several decades of neoliberal reforms. This obsolete hardware insists that governments should be ‘small’, that markets and private property rights should reign supreme and that it is ok to create secrecy jurisdictions that have enabled decades of capital flight and tax evasion. This obsolete hardware, which has been indoctrinated into the “free trade” mantra, is best encapsulated by Thatcher’s famous saying “There is no alternative” (TINA).



This obsolete hardware is unwilling to deal with climate change, it continues to subsidise fossil fuel industries. This obsolete hardware - both individual people and institutions – are not intrinsically motivated to change. And currently too few people with the means to challenge them are focusing on anything other than wealth generation; as a result, there is no pressure for them to transform into something more relevant to the changing context and needs.

At the 2019 World Economic Forum in Davos, Dutch historian Rutger Bregman was surprised that there was only one panel dedicated to the topic of tax avoidance, **“It feels like I’m at a firefighters’ conference and no one’s allowed to speak about water”**.

In Australia, once the fires are over and the damage has been assessed, too many lives will be forever changed to ignore what has happened to our collective psyche. When our politicians discuss the recovery will they finally be forced to face the need to modernise the country’s economic model to deal with the changing climate conditions (the new software)? **Upgrading our obsolete hardware is decades overdue.**