

# THE THIRD SOUTH-SOUTH FORUM ON SUSTAINABILITY

Lingnan University Hong Kong, Day Five: July 27<sup>th</sup> 2016

## **Contra Hegemony (Part 2): Post Capital Business Planning and its Global Market Potencies**

*Eka Swadiansa*

mr\_eka\_swadiansa@yahoo.com

### **Reflection towards Marxian Economy, an Introduction to the presentation**

At the height of its power, South-south's 1955 Asian African and 1966 Tricontinental Conferences, were undeniably ignited as historically-changing powerful and (at that time) contextual political movement. Like today's EU, crystallizations of this movement was look as if it was going to established giant worldwide (as contradiction to the common geo-politic) multidimensional alliance. Ironically as NAM took shape, the movement became more and more conservative; and at the height of Cold War, political agenda was shifted towards massive economic development, engineered by the Keynesian World Bank and IMF. By the time Berlin Wall went down, what was then started as the world political peripheries ended as the world economic peripheries.

The Bottom of the Pyramid Economy (BoP) captured these emerging market's economic peripheries momentum by forwarding the volume-based commerce. The idea is that revenue generated from slight profit operation engaged in very large volume of the emerging (economy) ever-growing (population) South-south, might overcome even the very high profit margin operation executed in the North-north established market. Businesswise, BoP concept developed since early 1990s had shed new hope toward the creation of more equal world. Heavy population became the new advantage where through its –multiplying power- small margin might generate giant profit in scale so great even to compete against the established developed market. Goldman Sachs studies had echoed this findings and gave solid evidences to prophesize the rise of the heavily populated Brazil-Russia-India-China (BRIC) as the supposed to be new born super power; followed by Next 11 and the missing 'K' in the BRICK (substitutes to USSR and EU as new Second World?), driving South-south's hope from economic peripheries to economic center.

Then came the 2008-09 world economic crises. Despite of all the economic center's forecasts, the crisis had taught how perhaps even the economic awe performed by the new giants were more of a product of instant artificial engineering rather than slow steady natural occurrence. And as currency as strong as Yuan crumbled during the 2008-09 crises, the world begins to wander. Does the creation of equal world –world with no division- is even possible? Does the words 'emerging' or 'developing' even exist? Because perhaps the inequality that had happened all these time too; was, is, and will ever be a product of intelligent invisible hand. To answer these questions one will need to look far back, passing all the political international agendas, to the years of First Industrial Revolution; the age where global

capitalism (as replacement to the then global colonialization/imperialism) was still mere theoretical findings and forecasts. To the works of Karl Marx, the man whom perhaps understood capitalism best.

\* \* \*

One of the great thing about Marx (and his lifelong collaborator Friedrich Engels) was that his extensive writings weren't just covering the ideas of his own. Instead he was also making wide range interlink to philosophy (to Feuerbach), history/sociology (to Hegel), and especially critiques to his economist predecessors; providing himself with firm ground to build antithesis (i.e. to the works of Adam Smith, Thomas Robert Malthus, and David Ricardo), and formulate synthesis on the bases of events on his time (i.e. his theories on labor, value, instrument), along with systematic theoretical framework (i.e. his theories on commodities, money, production through *Das Kapital* 1867-94), conceptual action plans for the close future (i.e. politically through *the Communist Manifesto* 1848), up to prophesizing events for the far future (i.e. economic evolution). Although not necessarily chronologically published to suggest the above pattern; it is still unarguable that Marx's thinking had transcend from (what was then common) philosophical contemplation style of knowledge to (what was then new) more critically analytic diverse frameworks of elaborate theories and practical implementation.

In *the Wealth of Nations* (1776) Smith argued that division of labor (as in the case of Henry Ford's early specialization production belt) is the key factor to create rapid growth of productive abilities, which will then ultimately establishing what he considered as the most important goal in economy – rapidly growing market economy. Although he was repeatedly suggesting the concept of the Invisible Hand as laissez-faire economy that in the presence of economic malfunction would over time naturally correct itself; he also warned that growing division of labor could also at some point creates job scarcity to the over-specialized labors. Marx agreed to how capitalism had brought great rapid growth in productivity abilities. But he also argued that this would also means that capitalism would also harm laborers, whereas division of labor is becoming more and more specialized to gain the highest possible productivity output, laborers would become more and more dependent to their respective means of production – to the capitalists. In Smith's perspective, specialized labor plays important role in creating surplus value (i.e. through the integrated mechanism of profit, rent, and interest). According to Marx, however useful use-value is in creating surplus value, dependent labor (as product of hyper specialization) will only serve as mere quantity of necessary labor that creates value. Or in another words, as mere production instrument. As use value of laborers (by means of production instrument) were commonly measured by their wages, Malthus believed how population growth had become the main reason of the subsistence level of wages. He explained through his *an Essay to the Principle of Population* (1798), how in general the level of wages will rise/fall in parallel to the available (workforce) population. This means that biologically, population control holds the key to wages adequacy and therefore prosperity, Marx disagreed to this.

Marx believed that the relation between wages level and laborer population are purely economic one, where no matter how many workforce available, wages will consequently always be or always return to its subsistence levels. David Ricardo too foreseen how wages and profit are closely related; where by means of (pure) economic relation the two are inversely connected i.e. lower wages would generate greater profit and vice versa. Expanding the perspective, through *the Principles of Political Economy and Taxation* (1817) Ricardo further described that the output of the society (in terms of profit generated from earlier productive activity) has always been distributed within the (same) society. In another words –in

the societal scale- economic output stays constant, only it hadn't been distributed equally throughout the classes; hence taxation plays important role in capital distribution. This in a sense, bring about similar logic to Malthus perspective on society. He too had foreseen similar conception of constant societal output. Only in his version, it was the population boom that responsible for the unequal distribution. Marx's explanation was much more analytic and elaborate.

As suggested in his *reserve army theory*; Marx explained when there is limited supply of laborers, then the capitalist business owners will have to compete against fellow capitalists to win over adequate laborers demand of his own, hence will forced to pay extra wages to the laborers. Relating to Ricardo's inverse relation; extra wages means profit cuts, which if happened in the societal scale will resulted in wave of both profit and economic declines; which in the longer run, may ignite economic crises (recession and or depression). As capitalist business owners go bankrupt, laborers are losing their job, supply of workers will rise while both workforce demand and then wage level will sink – creating what Marx called industrial reserve of army of the unemployed. As wages crashed down to its minimum level of survival living cost, profit will re-rise to re-establish new market for new capitalists to enter the economy, and the circle of relations return to square one. This scenario however, will resulted at the same end even when preconditions are set on its opposite value. When there is excessive supply of laborers, then the capitalists will only need to pay subsistence amount of wages. However moving to Malthus logic, since population of the society will naturally be dominated by the working class then (in the presence of reserve of army) purchasing power of the society as a whole will also fall, sales volume will sink along with the capitalists profit and then the economy, hence another crises will take place. This theory drives two conclusions. First it exhibit strong foundation to Marx disagreement towards Ricardo's *labor theory of value* (mainstream thinking during Marx time) which argues that value of commodity is equal to the labor embodied in its production process; because in any events, (subsistence or excessive) laborers will always receive live-surviving level of wages anyway (hence value of product has no relation what so ever to the value of its labor cost). Second, again in any events (economic boom or decline), Capitalism is inheritably unstable, continually creating one crises after the other, and ultimately shaping societies (or civilization?) that are becoming more and more unequal.

Marx's version of *labor theory of value* refers the value of commodity to the socially necessary labor time needed to produce it. The key differences of his theory to Ricardo's (and others of his time) was that Marx employed many transitional variables to bridge his relations (i.e. time, instead of relying solely on the direct capitalistic model of value). So what was paid for laborers in return to their works was their working hours, and not necessarily their means of production. Hence the value of the commodities being produce will not have related ratio over the value of laborers wages. If for example, a factory is, in time, improving the efficiency along its production line, the capitalist owners would then, also in time, enjoy substantial profit growth. This growth however, by means of capitalism operation will not have any impact to the individual laborers level of wages simply because for example, the process to produce more output requires no extra production time. In this sense, the commodity will then have a surplus value driven from the gap between the initial values to what the laborers had produced, and the subsistence wages they receive. It was this stolen rationale that Marx advocated throughout his theoretical works, and not necessarily the blatant inequality of capital distribution. This shows how Marx economic works was more of logical logs rather than typical sentimental manuscript.

Moving into even wider perspective, through *Das Kapital*—his complete assessment to capitalism—Marx built up his thoughts on business cycle (of the already discussed labor and value, also the latterly explained instrument) to create holistic overview towards the whole capital accumulation system which *in my own interpretation to the book*, based on three strongly related entities. First he explained about commodity and its relation towards value, where he argued how commodity can be differentiated into those that are appreciated for its *use-value* (by means of functional use), and those that are just representing certain *value* (which not necessarily used for its functional purpose, but can be bartered for other commodity for its or in return to its *exchange value*). If all commodities at some point considered to have various values, and at the same time produced by the same kind of human labor—since the value of individual human labor is constant (i.e. wages are always subsistence to the living cost)—then in the capitalism system, there must be other forces at work that differs the values of each and every commodities.

Second Marx forwarded that money (by means of distribution?) is that first force of capitalism. In relation to itself, money that has almost identical production cost in reality, may have much different value in the system (i.e. 5 dollars bill and 100 dollars bill maybe produced at almost identical cost, yet the later bill embodied exchange value that is 20 folds greater than the previous). In relation to other commodities, money that has almost no use value (i.e. as a piece of paper it is not utilized as note pad), can be exchange for commodities that have much greater use value (i.e. money can be used to buy anything). Hence money became the common force that derived and determines the value (and latterly its exchange value) of all commodities. And it is only through this money-based exchange system when surplus value can be encapsulate to create much greater profit for the capitalists at the expenses of constant wages and building up surplus values (i.e. farmers grew fruits in the farm receiving constant wages of {a value} from the landlord for their service; after harvesting the fruits landlord sold them to the *troll*-capitalist for the price of {a+b}, who then take it to the nearest suburb distributor and sale the same fruits to the *dwarf*-capitalist for the price of {a+b+c}, who then take it to the nearest town distributor and sale the same fruits to the *giant*-capitalist for the price of {a+b+c+d}, who then take it to the city center wholesaler and sale the same fruits to the *elf*-capitalist for the price of {a+b+c+d} – farmers who had nurtured the fruits up to its harvesting time received the same amount of wages {-a} while the same fruits gained fourfold surplus values throughout the four exchange operations {a+b+c+d}).

Third Marx forwarded that instrument by means of production is the second force of capitalism in relation to the other two variables of production: labor and subject of labor. Subject of labor can be differentiated into raw material (which are readily available in nature), and instrument of labor (labored material); while instrument is the tool responsible for the realization of production. In the example exhibited in the previous paragraph, the higher up the fruits go, the more sophisticated instrument as well as investment needed (i.e. from cart to wagon, to small box car, to truck, to large shed). This needs however, can only be achieved through the provision of both greater *means of production* (labor ability to utilize subject of labor), and *relations of production* (labor ability to utilize instrument); which in return to these efforts, the operation will also generate more and more surplus value.

Marx concepts of commodity-money-instrument as a whole is taking Adam Smith theorems into a new economic paradigm, and most importantly new dimension. His instrument theory (of labor, subject

of labor, and instrument) is especially different to Smith's specialization and specialized labor. His suggestion was not focusing on the division of labor, but rather on the division of classes of labor. Where Smith focused on production process, Marx went further to overview the distribution side of the economy (especially in understanding the works of money). Hence Marx concluded that through all of the (previously discussed) economic advancement, the amount of the actual product (use value) tend to increase tremendously under capitalism. Even so, as manifestation to the system's fundamental flaws; he still argues that capitalism is forever doomed by its own design, will forevermore creating great unequal societal distribution of wealth, which then ultimately and inevitably dividing society into classes of the have bourgeoisie and the have not proletarian.

Theoretically, to make the most optimum profit, capitalist squeeze laborers to create the most effective and efficient business operation. Crisis then happened when workers don't have enough capital to purchase what the capitalists are selling. However, since the post war period throughout Keynesian reforming decades and the height of free trade, this equation seemingly completely wrong. First Marx was of course being skeptical to bourgeois because the capitalism version he witnessed throughout his entire life was the one practiced in the early industrial revolution era –the minimum waged 12 hours shift of literally in chained harsh working condition- which had, at the time, reduced proletariat life expectancy to just a little older than teenage years. Then second, capitalism in the First World and their emerging Third had seems to have learned from her mistakes; improving its workers working condition (i.e. work shifts, health care, pension system, social security), ensuring minimum wages level that are more than what it literally is needed to survive, etc. After all regardless to capitalism individual/oligarchic profit-gain motif; whenever it strive to supply commodities that are at its best use value for the lowest exchange values, that's when capitalism killer competing instinct is undeniably beneficial to the consumers, which are also happen to be the working class themselves. Therefore profit hunger and competitive capitalism will drive progress towards the creation of better society of individuals. in more than 6 decades since the end of World War II to the arrival of recent world economic crises, workers of the First World and emerging Third –through the twentieth century American dream- were seems to received more and more slices out of the economic cake. Meanwhile on the other side of the table; as the complexity of Marx works used by means of instrument of propaganda, the end result was catastrophic. In the hand of the Second World, what was claimed as Marxist economic had failed to turn into practice. Workers working condition were not getting any better, neither do they received more equal share of prosperity. Hence the fall of the Soviet Union marks the fall of Marxism with all of its complete assessments towards capitalism.

But are all these true? No, I think what happened was the misleading perceptions (intendedly or otherwise) received by the masses. As how Marx had put it, capitalism will always be able to invent ways of creative destruction, where through the ashes they will always be able to return (in regards to Smith's Invisible Hand...) and rebuild its very own existence (...and the concept of laissez-faire?) until it eventually completely dysfunction. In my perspective laborers are not receiving more slices of the economy. It was the cake that grew 'inter-dimensionally' bigger. (1) there is the credit system where people can buy goods using small portion of down payment plus third party's borrowed money in exchange of little interest. In practice, with all of today creditor's ease up facilities (and well planned/executed marketing lip services) in the mind of mass buyers the price of the goods will psychologically be downsized to just the down payment cost. The truth is true exchange will then create time suspension from the time when the goods were 'starting to be' purchased (de facto) to the time when the goods is actually owned by buyers once

the instalments are fully paid (de jure). But the genius of the credit system is that again in the mind of the mass buyers, ownership status becoming blurry because the goods exchange is already happening in the first place. I call this phenomenon the time suspension. (2) there is the economic bubble that are bubbling prices which are not realistically viable through the aid of credit system; i.e. the price of apartment are bubbling fast (I call this price'), hence to gain fast profit, mass buyers bought the apartments, leading supply of apartment units dry, then eventually bubbling its price evermore (I call this price"). But as the units becoming scarce, demand will come to a constant point where everybody in the picture –In regard to the time suspension phenomenon- already have units of their own. Since the exchange was intentionally made for investment purposes, then the high price" value will have no economic use, because everybody already have units of their own hence demand will suddenly dropped and the bubbles burst. In this case mass buyers are actually taking aggregate loss, because despite of their unit's very high price", they had bought the goods at the already high price' value when in the non-bubble scene they could have bought it for much cheaper normal market price. I call this phenomenon the value suspension. Then (3) there is the derivative market that doesn't even exist in the real-physical world, hence I call this phenomenon reality suspension.

Since the introduction of derivative market, economic cake is actually grew much bigger. Although not necessarily expanding in reality, but in the other side of the reality –the hyper reality- the same cake is multiplying exponentially. It is like the quantum portal of economy where certain economic exchange got to enter the hyper reality for some value, multiplied within the realm, then got cashed in on the other side of reality in its new(er) greater value than its original exchange value. If we combine both realms (reality and hyper reality), the reality suspension is actually creating secluded inflation (if not hyperinflation) in prior to its specific exchange activity. Hence in this combine realms, the price of the good is actually decreased to almost none, creating some sort of price suspension. Profit then made through the quantum portal, out of the value difference between the suspended and origin (prices), then redistributed largely from the real owner of the goods to create derivative surplus value for, say, operator of the portal – the banks and its substitutes.

So what had really happened during those seemingly economically successful 6 decades was that wealth had been redistributed through complexly absurd system of time, value, and reality suspensions; out-witting Marx's assessments in at least three different ways: (1) more and more commodities are purchased for its bubbling value instead of its use value (i.e. purchasing apartment not to live in it), (2) exponential surplus in exchange value takes place not necessarily through many stages of real commodity-based exchange (i.e. exchange in stock market based itself on overall corporation performance and not necessarily on its commodity sales), and (3) production enhancement (in forms of means of production, and relation of production) performed to cut price while maintaining profit is becoming worthless since buyers seems to have unlimited purchase power (i.e. the use of credit card). The false alarm of seemingly stable high demand market will then fall into viral of over-productive supply of commodities, which in turn creating waste-full life style – just like how the American dreams were dreamt of. The result of these capitalism evolution was the deviation from Marx's typical realities of societies; to a hyper-realistic life style where there seems to be only minority of the have not around (successful poverty eradication), and where the majority working class seemingly transitioning towards bourgeois life. In reality, the working class whom by far makes up the majority composition of the population; were living on borrowed capital,

or rather borrowed time – a time bomb. This marks the difference between the 1930s Great Depressions and the 2008-09 global economic crises. The Great Depressions was seen pretty much straight forward as the result of waging two World Wars, while the recent economic crises felt more like a wakeup call to the possible collapse of what was once an established global economic system – the free trade.

\* \* \*

In the height of the free trade, the world has seen some of the most radical yet innovative business theories of all time, advancing from Blue Ocean (product/corporate diversifications) to Red Ocean (market diversifications) to Bottom of the Pyramid (BoP, volume-based commerce). It is then becoming evident how marketing trends are shifting its course towards the South. The philosophy and or propaganda behind it was that; as northern hemisphere becoming prosperous, the means and relations of productions was then shifted to the south as a way to share/redistribute prosperity. However although BoP is often praised for bringing in the big economy to the developing world, it is also important to understand how the capital flow that operates in the worldwide scale is not necessary changing. Apart from China, most of the company that recently came in flooding the Asian-African-Latin American markets were originated from developed economies. In the labor perspective, in one way unemployment rates in the hosting south might be pushed down for granted; on the other –with the presence of executives and high-rank officers imported from company's headquarters- the multinational business cycles then starting to resemble colonialization-based mercantilism. In the perspective of labor, the complex relations over labor welfare was then transferred to the South. In the perspective of ecology, the ecological destruction was then also heading towards south. However in the perspective of value, economy of the invested new territory might circulating and growing faster than it used to. But through the utilization of derivative instrument such as stock exchange (suspended reality-based operations), capital gain made by these companies will always return to its northern origin. Hence once again the south becoming foreign economic objects (instead of subjects) on its own homeland. I call this phenomenon the BoP Flaw.

However throughout the decades, it wasn't only the system of capital accumulation that got evolutionized. The fundamental –as Marx had forward it- business cycle variables were changing too; for in the turn of the century at least two things had dramatically changed: the way people gained information, and the way people mobilize. In one hand, the internet (the net) as the great equalizer had created borderless world of free-knowledge, enhancing the spread of (low-level) technology, and eventually fostering the establishment of reverse engineering. On the other, the low cost carriers (LCC) was also most likely responsible for cross-nations and continents migration which had since became enchantingly inevitable – both ways. For today the world has not only seen white collars travels to less developed regions to maintain advancement status quo. Because unskilled youngsters from the same origin also travels to the same destinations in search for excitement, and perhaps, also as rebellion to their previously established but very much dictated life. On the other hand, apart from the continuous uneducated informal sector labors migration to find better living; the more developed world is also becoming more and more abounded by officers and scholars originated from less developed regions. These highly qualified and educated substitutes; are going to first world's prestigious offices and schools that are so competitive to get into, even for the local indigenous northern population.

The two advancements encapsulate the complexity and the volume of Marx's industrial reserve army of the unemployed, where this relatively new phenomenon will need to be understood in few different dimensions. (1a) In the earlier time, the relocation of the industry or rather industrialization modes of production to the south, in the context of geo-political romanticism might be understood as the phenomenon responsible to create bipolar-relation between (i) bourgeois have nation-states, and (ii) proletarian have not nation-states, which might not be contextual (anymore) to be interpreted as North-north and South-south (more over west and east, developed and developing, established and emerging, first and third world, etc.) but in which I will furtherly take reference anyway; because (1b) what in my subjective perspective really happened was the creation of quadruple-polar of the (i) bourgeois have northern elites, (ii) proletarian little-have northern working class, (iii) extended-bourgeois have southern elites, and (iv) proletarian have-not southern working class. As capitalism took over to bring prosperity not only into the societal level but also in the planetary civilization level, the polarization equilibrium was furtherly developed into: (2) in today's time frame (i) bourgeois have northern elites, (ii) proletarian nearly-have northern working class, (iii) extended-bourgeois have southern elites, and (iv) proletarian little-have southern working class; which soon enough if – not prevented (3) in the near future time frame will becoming (i) traditional-bourgeois have northern elites, (ii) newly-born have northern working class, (iii) extended-bourgeois have southern elites, and (iv) proletarian nearly-have southern working class.

Fundamentally, capitalism is essentially built under the class system. It will not work when all of the population –graduated- into bourgeois class. Nor will it work when the civilization achieved the utopia of common haves. Romantically we can explain this by asking the following question: "If everyone turn into capitalist owners, then who will work in the production process?" Rationally, this can be explain further by reconstructing Marx original reserve army theory into current world context –When there is excessive supply of laborers, then the capitalists will only need to pay subsistence amount of wages. However the problem of this era is that specifically in the case of the North-north proletarian, their level of subsistence amount of wages by means of global-exchange value (in comparison to the South-south working class wages) is relatively too high. In one hand, it will be very hard for North-north located business to sustain healthy surplus valued modes of productions. On the other, industrialization flight out of the north (in paradox to the {derivative} capital flight out of south) will also need to be stop or all North-north proletarians will eventually go unemployed. Therefore again autonomously, in order to avoid global multidimensional crises, the proletarians must be prevented from the possibility of achieving class liberation. Only this time, as the South-south proletarian are nowhere close to that bourgeois stage, then it is their northern counterparts that need to be 'neutralized'.

Another important variable of today's business cycle progressions is the occurrence of inconsistent development of (production) instrument, of which here on I will simplify as mere – technological revolutions. Throughout the history of humankind there had been at least several technological leaps that had catalyzed the development of human civilization. These revolutions were consisted of at least: (i) Neolithic Revolution on the pre-historic period; (ii) Agriculture Revolution which was first developed in the Arab World on 8th century marking the beginning of the golden era of Islamic civilization, then in different context in Great Britain on 1750s; which also in turn foster the development of (iii) Industrial Revolution from 1760s on and; (iv) Scientific Revolution in Europe with the emergence of modern mathematics, physics astronomy, biological anatomy, and structural chemistry dating from the



end of 16th all the way through 18th centuries, from Renaissance to the Enlightenment periods; (v) Transportation Revolution / Second Industrial Revolution developed in Europe from 1850s on; (vi) Quantum Revolution / Second Science Revolution with the discoveries of Quantum Mechanics/Physics in both Europe and US from 1920s on; then as the atomic bombs ended World War II, there is sudden stop to the further advancement of technology. What triggers further questions of relation was that at that time, this innovation-paused happens more or less in parallel to the establishment of Bretton Wood system which ended in the height of Cold War on 1960s marked by the: (vii) Green Revolution / Second Agriculture (Transferred) Revolution; and (viii) 1970s Third Industrial (Transferred) Revolution; both happening in the developing worlds; followed by (ix) Digital Revolution; and (x) Information Revolution both began in the northern hemisphere almost at the same time with the Third Industrial Revolution, then spread throughout the world in less than 2 decades period. There are at least 3 anomalies to the advancement periodization of these technological revolutions: (1) Disregarding the first revolution (Neolithic Revolution) and Agriculture Revolution in the Arab World, the revolutions were happened almost as continuation of one after the other (i.e. point {ii} to {vi}), but why did it then stopped once humankind is entering post-war period? (2) It takes more than 2 centuries (1750-60s to 1860-70s) for both Agriculture and Industrial Revolutions to be transferred from Europe (out of the contexts of US and Australia) to the developing worlds, but why both Digital and Information Revolutions then took less than 2 decades (1970s to 1990s) to be transferred?; (3) Since 1990s to today, humankind are already experiencing more or less a quarter of a century of innovation-paused period; what does that means when the postwar innovation-paused happened earlier only last for 2 decades.

The fundamental problem of capitalism was not only lays on its needs to earn profit, but also on its wants to multiply them up to its maximum possibility. Marx suggested that any capitalist who do not seek for maximum profit will soon be replace by the one who does, this is why capitalism keeps on creating crises after crises. Hence as Marx had also suggested, Capitalism is only a revolutionary phase upon the societal development of human civilization; preceded by primitive society, slavery society, and feudalism; capitalism was then prophesized to be succeeded by socialism and ultimately utopic communism. But if capitalism is also said to always be creatively able to reincarnate itself, then how can it be succeeded? This presentation will talk about the possibility of having dystopian realities as commercial strategy for the South-south-based businesses. Different to the latest commerce theory of BoP; the proposal do not rely itself on the volume of the market population or consumption level, for BoP only sees the advantage of the South-south market by means of its multiplying power. Or in another words, it is in one way or the other capitalizing the market. Instead, the proposal is suggesting to use the dystopian realities –both by means of dystopian business cycles of the net, LCC, and accelerated technological transfer; and dystopian capital accumulation techniques of time, value, and reality suspensions- to deliberately strategize the occurrence of ‘reactive capitalism’ through the mechanisms of labor flight (complementary to the capital and industrialization flights), currency deviation (micronomics advantage generated from macronomics inferiority), and reverse engineering (copyright/applicable knowledge anarchism). The presentation will exhibit six business examples taken in all sizes of economy; from Do It Yourself (DIY) home-based micro unit, to Small Medium Enterprises (SME), and Corporation level; making it a general study but with specific samplings. However throughout the studies, how to systematically duplicate these six independent samplings is still a question need to be answered. In the presence of reactive capitalism, the workers having nothing to lose but their chained inferior mindset. They have a world to win.