

CHAPTER 4: REVEALING CAUSES AND EXPLORING ALTERNATIVES

The introduction of EM2026 highlights three symptoms emerging and forming within the current conjuncture: **militarisation**; **radical deregulation** aimed toward increased global competitiveness of companies in and from the EU, and a **sharp political shift to the extreme right**. These three symptoms are interlinked, reinforcing one another and acting as causal mechanisms that accelerate social-ecological regression. It might seem that the only alternatives are defensive struggles against these symptoms. However, in the following, we argue that this is not the case. By revealing the causal mechanisms generating these symptoms, we also reveal pathways to alternative progressive socio-ecological futures.

The symptoms are caused by, firstly, a dominant worldview which needs to be challenged by alternative progressive thinking; secondly, powerful societal forces which need to be confronted by alternative agencies, boosted by collective empowerment; and thirdly, the profit- and growth-driven dynamic of capital accumulation which must be overcome and transformed by an economy and societal development oriented at the needs of both human and more-than-human inhabitants of this shared planet. Below, we briefly introduce these causal mechanisms. We draw on recent EuroMemo conference papers that explore alternative pathways towards progressive, inclusive futures.

4.1 Alternative mode of thinking

In their contribution, Salles et al. (2025) help us understand how thinking constitutes a causal mechanism driving specific outcomes by characterising the information system of an organisation as performative, just like a language, ‘in the sense that it defines what exists for the organisation’ and, conversely, what does not exist.¹ This also applies to meaning-making in general, in the form of, for example, strategy (guidance) or hegemony (justification), which constitute causes of the three interacting symptoms. The EMG acts as an alternative meaning-making space by critically interrogating and unpacking threats, perceived as existential by the EU, that the symptoms react to, and the consequences of these reactions.

Regarding the first symptom, militarisation, some have questioned the EU's warnings about the true extent of Russia's military threat to the West. They argue that Russia's imperial rulers have overestimated their military strength and that the West

does not need to rearm to defend itself against Russia. Yet, rearmament is now a central pillar of the EU defence and security agenda, risking wider provocation rather than securing peace. This shift towards militarisation entails a whole of economy response, 'from the mobilisation of finances, research and development, procurement of raw materials and energy sources, to the division of labour in the production of infrastructure and armaments, transport routes, financial transactions and the circulation of goods' (Dellheim, 2025). In so doing, it accelerates global problems and collective challenges rather than opening progressive pathways towards peace.

Regarding the second symptom, competitiveness, in his recent report on the EU economy, Mario Draghi described the threat as existential. He rightly highlighted productivity as the cause of lagging competitiveness, and that this, in turn, depends on low investment in productive capital. However, Draghi blamed bureaucracy and regulations for that, which explains why the current EU Commission has embarked on an offensive to deregulate.

However, Stigendal (2025) argues that an alternative explanation of why investments in productive capital have remained low is poor profitability, in contrast to investing in assets of various kind. Therefore, endeavouring to increase competitiveness by pursuing a neoliberal strategy of deregulation will most likely reproduce and even reinforce existing asymmetrical power relations between different types of capital. Deregulation will boost value-extracting capital but do little to address the problem of low productivity and weak investment in productive capital. It will undermine efforts to increase the supply of an educated workforce, or to advance and improve essential infrastructure etc. Instead, capital will continue to be accumulated through intensified extraction, exploitation and commodification. That will inevitably increase inequality, a key causal mechanism driving socio-ecological breakdown. However, as capitalism basically depends on productive resources to produce value and, in particular, surplus-value, the second symptom of deregulation will undermine the conditions of possibility for capitalism itself through the erosion of the basic functioning of ecological systems, which are essential life-support systems for any social and economic activity.

The third symptom is the rapid shift to the extreme right. Obviously, it depends on the surge of extremist parties across Europe, but also on traditional right-wing parties responding to this shift by leaning further rightwards as well as on ultra-right lobbies and campaigns, 'underpinned by business support from some rentier capitalists and by the benign tolerance of their propaganda by Big Tech platforms' (Jones, 2025). This has resulted in more authoritarian treatment of immigrants and the amplification of anti-genderist rhetoric into mainstream political discourse.

In our alternative explanation, however, we highlight how increasing inequality acts as a breeding ground for this shift to the extreme right (Stigendal,

2025). In combination with racial segregation, inequality has reinforced the breeding ground for gang crime in many cities across Europe. Inequality is fuelled by commodification, in particular of 'rights-guaranteed use-values' (Stigendal, 2025) and is associated with the dominance of value-extracting capital. The shift to the extreme right will make rent-seeking, one of the regressive features within Europe's contemporary regime of capital accumulation, even more reckless.

The repressive treatment of immigrants is likely to increase antagonism between different social groups on the losing side of inequality and increase demands for authoritarian solutions. It will also further erode productive resources and use-values in general. Thereby, Europe is in the process of becoming an example of how capitalism eventually undermines itself, if social forces associated with its use-values remain weak. For that reason, opposition social forces may grow bigger, perhaps even involving productive capitalists, possibly enabling broad alliances.

4.2 Alternative agencies

The three symptoms would not exist without social forces promoting, supporting and driving them, as explained above. For example, since 2022, the European Round Table of Industrialists, together with other corporate lobby groups, has been pushing hard to put competitiveness-through-deregulation at the heart of EU policy (Dellheim, 2025). The power of such social forces relies on property relations, ownership of the means of production and the uneven distribution of financial resources, favouring the owners of corporate wealth and creating new 'oligarchs' or 'tech-bros' in the tech-finance sectors. Jones (2025) explores the forms in which this wealth exists (Jones, 2025). He presents a ranking of the top seven tech oligarchs in terms of personal wealth and corporate status. Their power, he argues, depends not on paper money, nor physical assets such as gold, but on their rights over corporate wealth.

As mentioned above, this power underpins the dissemination of far-right opinion, propaganda and news, spread across various platforms and facilitated by limited state regulation. It has caused widespread alarm and resistance amongst civil society organisations. The Trade Union movement has also expressed concern at their employment practices, including poor working conditions and low pay. Online and offline forms of mobilisation have been developed by official and informal unions, promoting collective empowerment by the formation of coalitions with new actors and grassroots movements. Jones mentions the People vs Big Tech network and co-operatives like Uber alternatives as examples of many smaller existing campaigning alliances.

Jones (2025) also explores how secure the power of the oligarchs is and he reveals an important vulnerability. Their power depends on other large scale

investors, although with stakes far from 50%. Yet, such investors may get opportunities to influence the executive. The so-called asset management funds (AMF) are particularly significant, not only due to their enormous funds but also because they do not own the funds but only manage them on behalf of various, often public bodies, to generate returns for pensions and insurance schemes. The AMF sector is immensely powerful, in particular the three biggest investors; BlackRock, State Street and Vanguard.

Jones (2025) proposes an alternative by highlighting the possibility of financial blocs, such as workers and union pension funds, to exert greater influence over AMFs. Indeed, 'there are several precedents of pension fund activism curbing corporate excess, labour exploitation and social irresponsibility.' Jones (2025) proposes strategies where EU politicians and policy makers work with unions, pension and insurance fund activists, pursue 'active investor' roles to challenge Big Tech practice or develop alternative media platforms to prevent uncontrolled far-right propaganda and intimidation. That would include taking back the management of large publicly based funds such as workers' pension schemes. Coordinating such investments internationally would make it even more effective, Jones (2025) goes on proposing, and that would be 'an obvious role for EU policy makers.'

4.3 Alternative economy

The three symptoms make development increasingly unsustainable, given the definition of sustainable development, which focuses on balancing and meeting the needs of current and future generations, in particular the needs of the world's poor (Stigendal, 2025). A major cause of that is ongoing uneven development operationalised through exploitation, dispossession, and expanding commodification of capital accumulation, turning ever more use-values into commodities, in particular, those that are rights-based, and exploiting their quality to make further profit. Consistent with previous EMG Memoranda, and further developed here, the obvious alternative to this profit- and growth driven development model is to make it more needs-driven and thereby socially and ecologically sustainable.

Papadimitropoulos and Perperidis (2025) argue that such inclusive and sustainable development can be fostered by unleashing the transformative potential of open-source technologies and digital commons. They claim that 'digital commons and cooperative economies are crucial pillars for a sustainable, resilient, and inclusive future'. Similarly, Anagnostopoulos (2025) explores the transformative capacity of energy communities as potential agents of energy justice and democracy.

A needs-driven development would require democratising companies. Salles et al. (2025) argue that this would entail change across five dimensions of

organisational features. These include 'level of autonomy of individuals, work groups and the organisation as a whole' which means securing participation in decision-making on every relevant issue; 'transparency of the information system (IS) and digital IS, plurality of representations' which like any language is performative and therefore has to be as explicit as possible to allow for debates, in particular about its implicit conventions; 'explicitness of the management system, informed and responsible decision-making' which means to put the distribution of decision-making powers at the basis of organisational democracy; 'time and organisational learning' which emphasises organising for the time required to learn; and 'organisation and support for democratic life, citizenship in the organisation' which means organising democratic dialogue well beyond the employee representative bodies alone.

Salles et al. (2025) have developed a method called APIDOR to deal with the five dimensions and promote democratic dialogue in digital information systems of companies as well as in all areas of public administration and services. That would 'reinforce a democratic ideal that has been severely undermined in society.'

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