

# The new elite's phoney crusade to save the world – without changing anything

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Today's titans of tech and finance want to solve the world's problems, as long as the solutions never, ever threaten their own wealth and power. By Anand Giridharadas

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A successful society is a progress machine. It takes in the raw material of innovations and produces broad human advancement. America's machine is broken. The same could be said of others around the world. And now many of the people who broke the progress machine are trying to sell us their services as repairmen.

When the fruits of change have fallen on the US in recent decades, the very fortunate have basketed almost all of them. For instance, the average pretax income of the top 10th of Americans has doubled since 1980, that of the top 1% has more than tripled, and that of the top 0.001% has risen more than sevenfold – even as the average pretax income of the bottom half of Americans has stayed almost precisely the same. These familiar figures amount to three-and-a-half decades' worth of wondrous, head-spinning change with zero impact on the average pay of 117 million Americans. Globally, over the same period, according to the World Inequality Report, the top 1% captured 27% of new income, while the bottom half of humanity – presently, more than 3 billion people – saw 12% of it.

That vast numbers of Americans and others in the west have scarcely benefited from the age is not because of a lack of innovation, but because of social arrangements that fail to turn new stuff into better lives. For example, American scientists make the most important discoveries in medicine and genetics and publish more biomedical research than those of any other country – but the average American's health remains worse and slower-improving than that of peers in other rich countries, and in some years life expectancy actually declines. American inventors create astonishing new ways to learn thanks to the power of video and the internet, many of them free of charge – but the average US high-school leaver tests more poorly in reading today than in 1992. The country has had a “culinary renaissance”, as one publication puts it, one farmers' market and Whole Foods store at a time – but it has failed to improve the nutrition of most people, with the incidence of obesity and related conditions rising over time.

The tools for becoming an entrepreneur appear to be more accessible than ever, for the student who learns coding online or the Uber driver – but the share of young people who own a business has fallen by two-thirds since the 1980s. America has birthed both a wildly successful online book superstore, Amazon, and another company, Google, that has scanned more than 25m books for public use – but illiteracy has remained stubbornly in place, and the fraction of Americans who read at least one work of literature a year has dropped by almost a quarter in recent decades. The government has more data at its disposal and more ways of talking and listening to citizens – but only a quarter as many people find it trustworthy as did in the tempestuous 1960s.

Meanwhile, the opportunity to get ahead has been transformed from a shared reality to a

perquisite of already being ahead. Among Americans born in 1940, those raised at the top of the upper middle class and the bottom of the lower middle class shared a roughly 90% chance of realising the so-called American dream of ending up better off than their parents. Among Americans born in 1984 and maturing into adulthood today, the new reality is split-screen. Those raised near the top of the income ladder now have a 70% chance of realising the dream. Meanwhile, those close to the bottom, more in need of elevation, have a 35% chance of climbing above their parents' station. And it is not only progress and money that the fortunate monopolise: rich American men, who tend to live longer than the average citizens of any other country, now live 15 years longer than poor American men, who endure only as long as men in Sudan and Pakistan.

Thus many millions of Americans, on the left and right, feel one thing in common: that the game is rigged against people like them. Perhaps this is why we hear constant condemnation of "the system", for it is the system that people expect to turn fortuitous developments into societal progress. Instead, the system – in America and across much of the world – has been organised to siphon the gains from innovation upward, such that the fortunes of the world's billionaires now grow at more than double the pace of everyone else's, and the top 10% of humanity have come to hold 85% of the planet's wealth. New data published this week by Oxfam showed that the world's 2,200 billionaires grew 12% wealthier in 2018, while the bottom half of humanity got 11% poorer. It is no wonder, given these facts, that the voting public in the US (and elsewhere) seems to have turned more resentful and suspicious in recent years, embracing populist movements on the left and right, bringing socialism and nationalism into the centre of political life in a way that once seemed unthinkable, and succumbing to all manner of conspiracy theory and fake news. There is a spreading recognition, on both sides of the ideological divide, that the system is broken, that the system has to change.

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Some elites faced with this kind of gathering anger have hidden behind walls and gates and on landed estates, emerging only to try to seize even greater political power to protect themselves against the mob. (We see you, Koch brothers!) But in recent years a great many fortunate Americans have also tried something else, something both laudable and self-serving: they have tried to help by taking ownership of the problem. All around us, the winners in our highly inequitable status quo declare themselves partisans of change. They know the problem, and they want to be part of the solution. Actually, they want to lead the search for solutions. They believe their solutions deserve to be at the forefront of social change. They may join or support movements initiated by ordinary people looking to fix aspects of their society. More often, though, these elites start initiatives of their own, taking on social change as though it were just another stock in their portfolio or corporation to restructure. Because they are in charge of these attempts at social change, the attempts naturally reflect their biases.

For the most part, these initiatives are not democratic, nor do they reflect collective problem-solving or universal solutions. Rather, they favour the use of the private sector and its charitable spoils, the market way of looking at things, and the bypassing of government. They reflect a highly influential view that the winners of an unjust status quo – and the tools and mentalities and values that helped them win – are the secret to redressing the injustices. Those at greatest risk of being resented in an age of inequality are thereby

recast as our saviours from an age of inequality. Socially minded financiers at Goldman Sachs seek to change the world through “win-win” initiatives such as “green bonds” and “impact investing”. Tech companies such as Uber and Airbnb cast themselves as empowering the poor by allowing them to chauffeur people around or rent out spare rooms. Management consultants and Wall Street brains seek to convince the social sector that they should guide its pursuit of greater equality by assuming board seats and leadership positions.

Conferences and ideas festivals sponsored by plutocrats and big business – such as the World Economic Forum, which is under way in Davos, Switzerland, this week – host panels on injustice and promote “thought leaders” who are willing to confine their thinking to improving lives within the faulty system rather than tackling the faults. Profitable companies built in questionable ways and employing reckless means engage in corporate social responsibility, and some rich people make a splash by “giving back” – regardless of the fact that they may have caused serious societal problems as they built their fortunes. Elite networking forums such as the Aspen Institute and the Clinton Global Initiative groom the rich to be self-appointed leaders of social change, taking on the problems people like them have been instrumental in creating or sustaining. A new breed of community-minded so-called B Corporations has been born, reflecting a faith that more enlightened corporate self-interest – rather than, say, public regulation – is the surest guarantor of the public welfare. A pair of Silicon Valley billionaires fund an initiative to rethink the Democratic party, and one of them can claim, without a hint of irony, that their goals are to amplify the voices of the powerless and reduce the political influence of rich people like them.

This genre of elites believes and promotes the idea that social change should be pursued principally through the free market and voluntary action, not public life and the law and the reform of the systems that people share in common; that it should be supervised by the winners of capitalism and their allies, and not be antagonistic to their needs; and that the biggest beneficiaries of the status quo should play a leading role in the status quo’s reform.

This is what I call MarketWorld – an ascendant power elite defined by the concurrent drives to do well and do good, to change the world while also profiting from the status quo. It consists of enlightened businesspeople and their collaborators in the worlds of charity, academia, media, government and thinktanks. It has its own thinkers, whom it calls “thought leaders”, its own language, and even its own territory – including a constantly shifting archipelago of conferences at which its values are reinforced and disseminated and translated into action. MarketWorld is a network and community, but it is also a culture and state of mind.

The elites of MarketWorld often speak in a language of “changing the world” and “making the world a better place” – language more typically associated with protest barricades than ski resorts. Yet we are left with the inescapable fact that even as these elites have done much to help, they have continued to hoard the overwhelming share of progress, the average American’s life has scarcely improved, and virtually all of the US’s institutions, with the exception of the military, have lost the public’s trust.

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One of the towering figures in this new approach to changing the world is the former US president Bill Clinton. After leaving office in 2001, he came to champion, through his foundation and his annual Clinton Global Initiative gatherings in New York, a mode of public-private world improvement that brought together actors like Goldman Sachs, the Rockefeller Foundation and McDonald's, sometimes with a governmental partner, to solve big problems in ways plutocrats could get on board with.

After the populist eruption that resulted in Hillary Clinton's defeat in the 2016 US election, I asked the former president what he thought lay behind the surge of public anger. "The pain and road rage we see reflected in the election has been building a long time," he said. He thought the anger "is being fed in part by the feeling that the most powerful people in the government, economy and society no longer care about them or look down on them. They want to become part of our progress toward shared opportunities, shared stability and shared prosperity." But when it came to his proposed solution, it sounded a lot like the model to which he was already committed: "The only answer is to build an aggressive, creative partnership involving all levels of government, the private sector and nongovernment organisations to make it better."

In other words, the only answer is to pursue social change outside of traditional public forums, with the political representatives of mankind as one input among several, and corporations having the big say in whether they would sponsor a given initiative or not. The public's anger, of course, has been directed in part at the very elites he had sought to convene, on whom he had gambled his theory of post-political problem-solving, who had lost the trust of so many millions of people, making them feel betrayed, uncared for and scorned.

What people have been rejecting in the US – as well as in Britain, Hungary and elsewhere – was, in their view, rule by global elites who put the pursuit of profit above the needs of their neighbours and fellow citizens. These were elites who seemed more loyal to one another than to their own communities; elites who often showed greater interest in distant humanitarian causes than in the pain of people 10 miles to the east or west. Frustrated citizens felt they possessed no power over the spreadsheet- and PowerPoint-wielding elites commensurate with the power these elites had gained over them – whether in switching around their hours or automating their plant or quietly slipping into law a new billionaire-made curriculum for their children's school. What they did not appreciate was the world being changed without them.

Which raises a question for all of us: are we ready to hand over our future to the plutocratic elites, one supposedly world-changing initiative at a time? Are we ready to call participatory democracy a failure, and to declare these other, private forms of change-making the new way forward? Is the decrepit state of American self-government an excuse to work around it and let it further atrophy? Or is meaningful democracy, in which we all potentially have a voice, worth fighting for?

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There is no denying that today's American elite may be among the more socially concerned elites in history. But it is also, by the cold logic of numbers, among the more predatory. By refusing to risk its way of life, by rejecting the idea that the powerful might have to sacrifice

for the common good, it clings to a set of social arrangements that allow it to monopolise progress and then give symbolic scraps to the forsaken – many of whom wouldn't need the scraps if society were working right. It is vital that we try to understand the connection between these elites' social concern and predation, between the extraordinary helping and the extraordinary hoarding, between the milking – and perhaps abetting – of an unjust status quo and the attempts by the milkers to repair a small part of it. It is also important to understand how the elites see the world, so that we might better assess the merits and limitations of their world-changing campaigns.

There are many ways to make sense of all this elite concern and predation. One is that the elites are doing the best they can. The world is what it is, the system is what it is, the forces of the age are bigger than anyone can resist, and the most fortunate are helping. This view may allow that elite helpfulness is just a drop in the bucket, but reassures itself that at least it is something. The slightly more critical view is that this sort of change is well-meaning but inadequate. It treats symptoms, not root causes – it does not change the fundamentals of what ails us. According to this view, elites are shirking the duty of more meaningful reform.

But there is still another, darker way of judging what goes on when elites put themselves in the vanguard of social change: that doing so not only fails to make things better, but also serves to keep things as they are. After all, it takes the edge off of some of the public's anger at being excluded from progress. It improves the image of the winners. By using private and voluntary half-measures, it crowds out public solutions that would solve problems for everyone, and do so with or without the elite's blessing. There is no question that the outpouring of elite-led social change in our era does great good and soothes pain and saves lives. But we should also recall Oscar Wilde's words about such elite helpfulness being "not a solution" but "an aggravation of the difficulty". More than a century ago, in an age of churn like our own, he wrote: "Just as the worst slave-owners were those who were kind to their slaves, and so prevented the horror of the system being realised by those who suffered from it, and understood by those who contemplated it, so, in the present state of things in England, the people who do most harm are the people who try to do most good."

Wilde's formulation may sound extreme to modern ears. How can there be anything wrong with trying to do good? The answer may be: when the good is an accomplice to even greater, if more invisible, harm. In our era that harm is the concentration of money and power among a small few, who reap from that concentration a near monopoly on the benefits of change. And do-gooding pursued by elites tends not only to leave this concentration untouched, but actually to shore it up. For when elites assume leadership of social change, they are able to reshape what social change is – above all, to present it as something that should never threaten winners. In an age defined by a chasm between those who have power and those who don't, elites have spread the idea that people must be helped, but only in market-friendly ways that do not upset fundamental power equations. Society should be changed in ways that do not change the underlying economic system that has allowed the winners to win and fostered many of the problems they seek to solve.

The broad fidelity to this law helps make sense of what we observe all around: powerful people fighting to “change the world” in ways that essentially keep it the same, and “giving back” in ways that sustain an indefensible distribution of influence, resources and tools. Is there a better way?

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The secretary-general of the Organisation for Economic Co-operation and Development (OECD), a research and policy organisation that works on behalf of the world’s richest countries, has compared the prevailing elite posture to that of the fictional 19th-century Italian aristocrat Tancredi Falconeri, from Giuseppe Tomasi di Lampedusa’s novel *The Leopard*, who declares: “If we want things to stay as they are, things will have to change.” If this view is correct, then much of today’s charity and social innovation and buy-one-give-one marketing may not be measures of reform so much as forms of conservative self-defence – measures that protect elites from more menacing change. Among the kinds of issues being sidelined, the OECD leader wrote, are “rising inequalities of income, wealth and opportunities; the growing disconnect between finance and the real economy; mounting divergence in productivity levels between workers, firms and regions; winner-take-most dynamics in many markets; limited progressivity of our tax systems; corruption and capture of politics and institutions by vested interests; lack of transparency and participation by ordinary citizens in decision-making; the soundness of the education and of the values we transmit to future generations.” Elites, he wrote, have found myriad ways to “change things on the surface so that in practice nothing changes at all”. The people with the most to lose from genuine social change have placed themselves in charge of social change – often with the passive assent of those most in need of it.

It is fitting that an era marked by these tendencies should culminate in the election of Donald Trump. He is at once an exposé, an exploiter and an embodiment of the cult of elite-led social change. He tapped, as few before him successfully had, into a widespread intuition that elites were phonily claiming to be doing what was best for most Americans. He exploited that intuition by whipping it into frenzied anger and then directing most of that anger not at elites, but at the most marginalised and vulnerable Americans. And he came to incarnate the very fraud that had fuelled his rise, and that he had exploited. He became, like the elites he assailed, the establishment figure who falsely casts himself as a renegade. He became the rich, educated man who styles himself as the ablest protector of the poor and uneducated – and who insists, against all evidence, that his interests have nothing to do with the change he seeks. He became the chief salesman for the theory, rife among plutocratic change agents, that what is best for powerful him is best for the powerless too. Trump is the *reductio ad absurdum* of a culture that tasks elites with reforming the very systems that have made them and left others in the dust.

One thing that unites those who voted for Trump and those who despaired at his being elected – and the same might be said of those for and against Brexit – is a sense that the country requires transformational reform. The question we confront is whether moneyed elites, who already rule the roost in the economy and exert enormous influence in the corridors of political power, should be allowed to continue their conquest of social change

and of the pursuit of greater equality. The only thing better than controlling money and power is to control the efforts to question the distribution of money and power. The only thing better than being a fox is being a fox asked to watch over hens.

What is at stake is whether the reform of our common life is led by governments elected by and accountable to the people, or rather by wealthy elites claiming to know our best interests. We must decide whether, in the name of ascendant values such as efficiency and scale, we are willing to allow democratic purpose to be usurped by private actors who often genuinely aspire to improve things but, first things first, seek to protect themselves. Yes, the American government is dysfunctional at present. But that is all the more reason to treat its repair as our foremost national priority. Pursuing workarounds of our troubled democracy makes democracy even more troubled. We must ask ourselves why we have so easily lost faith in the engines of progress that got us where we are today – in the democratic efforts to outlaw slavery, end child labour, limit the workday, keep drugs safe, protect collective bargaining, create public schools, battle the Great Depression, electrify rural America, weave a nation together by road, pursue a Great Society free of poverty, extend civil and political rights to women and African Americans and other minorities, and give our fellow citizens health, security and dignity in old age.

Much of what appears to be reform in our time is in fact the defense of stasis. When we see through the myths that foster this misperception, the path to genuine change will come into view. It will once again be possible to improve the world without permission slips from the powerful.

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