

DEBAT

Thomas GOMART

Merci beaucoup. Mesdames, Messieurs, il nous reste quelques minutes pour poser des questions. Je vous demande de vous manifester si vous souhaitez poser des questions et peut-être les orienter vers un panéliste en particulier. Je ne vois pas de main se lever à ce stade. J'ai une question, le cas échéant. Je vais poser ma question, mais nous allons réunir les questions et les panélistes choisiront. Cinq minutes ? Dans ce cas, je ne vais pas poser ma question. En fait, j'ai 11 minutes devant moi. Nous allons commencer par la salle et, le cas échéant, j'ajouterais ma question.

Chittaranjan KAUL

Listening to the panel, I have been looking for a grand unified theory of what might be going on. Since this morning, we have talked about the challenges that have arisen from the world being more "connected", with technology. We have looked at the question of climate change and what that is doing in terms of creating difficulties. We have talked about the questions of fake news and lack of trust and dialogue, etc. I am trying to see whether there is a common thread here. My question is this.

It seems that, looking for a common challenge across these things, we are seeing a breakdown in the social compact, which was that those with power, whether financial, military, informational or wherever else we are seeing imbalances today, would hold that power in trust for those who did not have it, and that is how those without it allowed them to have it, because those who have power cannot hold it for any length of time unless with the consent of those who do not have it. It seems that there is a breakdown of that entire notion, where those who have power feel it is theirs to keep and take without it being in trust for those who do not have it.

Regarding interconnectedness, it was very interesting that the entire panel felt either unwilling or unable to address the question of whether there is an ethical dimension involved. It was said that ethics is a personal thing – that is an oxymoron. Ethics exists in the relationship between entities, communities, people and so on, and the same goes for fake news, lack of dialogue and so on. The question to all of you is whether you see a possibility that the political, technological, business or social leadership will begin to discover the importance of the social compact, which is that they hold power in trust for other people.

Jean-Claude GRUFFAT

I missed the last two WPCs, which I deeply regret, but I particularly enjoyed the conversation over the last three days. It was extraordinarily rich, and the quality of the contributions from everybody was remarkable.

One of the themes we have heard all along has been the Trump administration. I would like to give you the opinion of somebody who has been living in the US for a long time, and was actually born in America, what is called a foreign-born American, and somebody who did not vote for Trump. I voted in 2016, and was one of the seven million Americans who voted neither for Trump nor for Hillary Clinton.

Listening to some of the comments that were made about the elections, and what is wrong with the Trump administration and his personality, the issue is not whether or not we like Trump but why Trump was elected. Do not think that this is only an issue of Trump, and it is another issue whether he will be elected in 2020; it is far too early to say. One thing is for sure – the issues that have been raised, which Trump has been very capable in using to get elected, will not go away just through the fact that there might be another candidate.

We have an election on 6 November, and the most recent polls give an approval rating of 48% for Trump. The mid-term election will be on Trump. He was on 36% or 37% two weeks ago. Why is he now at 48%? There are two reasons – the first is the Kavanaugh confirmation, and the second, the US-Mexico-Canada Agreement. Those two facts have mobilised his base, he is stronger now than for a long time, and the election is in less than two weeks.

Therefore, if you want change in the US, those particularly on the Democratic side and the friends of the US outside the US should think about another way of approaching the issue other than just bashing Trump.

Thomas GOMART

Thank you for these two very large questions. I will turn first to Stuart and then to Manuel, who was very self-disciplined in his talking points.

Stuart EIZENSTAT

I agree completely with the last point that was made with respect to Trump. Trump won 200 predominantly white counties in 2016 in the industrial Midwest who had voted for a black candidate, Obama, because he understood, in ways that we did not, the frustration of those in the working and middle class who felt left behind. He understood the lack of income distribution, and that was skilfully played on, in a negative way, by reinforcing fears, but those of us who want to come up with an ethical alternative, who want to restore the liberal world order, have an obligation to address those fears in a legitimate and positive way.

For example, we have to come up with tax and working training policies that relate to the legitimate fears of working class people. Ironically, the tax bill that passed does just the opposite – it rewards the upper-income people. However, we also have to come up with a legitimate immigration policy which does not appear to simply let the whole caravan come in without some checking. We have lost the narrative, and those of us who want to regain it have to be more than simply negative about what Trump is doing and come up with alternatives that deal with the legitimate concerns of lack of income distribution and uncontrolled immigration policy, or we will continue to be on the defensive.

Manuel MUÑIZ

Regarding what brings all of this together, looking at very long-term trends of change in the world, whether the evolution of the world population over the last 20 centuries or global GDP or data production by society, you see fairly linear change, with some increments in some categories. However, about 150 or 200 years ago, these metrics start to skyrocket. World population only hit a billion in the 1800s, and it took another century for that to reach two billion; it will be nine billion by 2050. We generated more data in the last two years than in the prior 20 000.

Some of these metrics are just astonishing. I am a political scientist, an academic, and when I think about what is really challenging for governance, both at national and international level, it is governing that velocity of transformation on so many fronts at the same time, particularly the externalities of these processes. I did not go into this in my intervention, but what is fundamentally driving the rise of populism is our inability to govern the velocity of change within the economy, particularly in advanced economies but not only, and the shift in the labour market. It is a matter of the contact point of tech and labour and its impact on income stagnation and growing inequality. The decoupling, for example, of productivity and labour wages, which has been discussed widely by economists, is a fundamental change to the structure of the economy. We have become capable of gaining productivity of goods and services without increasing the amount of money we pay our workers or the number of workers employed. This was true in the US from the 1970s to today. Therefore, we have had some fundamental changes, but for me it goes back to this rapid technological change and the pressure it puts on governments around the world, and governments are very much behind the curve.

Regarding the idea of the social contract, why does it take us so long to address some of these issues? The more I study political science, the more I realise that political entities, political bodies, only move through the accumulation of economic and social pain on the part of that body, and that pain needs to be elevated into the political discourse and it needs to shape policy. When changes are not incremental but are really fundamental, the level of pain that needs to be accumulated is very high. When talking about new social contracts, and this is a very green debate, changes to taxation policy, redistribution policy, education policy and cooperation across borders are so fundamental that it will take a great deal of pain for these things to seep through and to end up being crafted into policy.

Regarding my concern with populists, calling any of the Trump voters 'deplorables,' etc. is a terrible way of addressing this, because they had real grievances, you only need to look at the data. How blind intellectual elites in the West have been, when you really look at the data. I lived in Boston for many years, and you had to drive three

hours to see some of the communities I was just describing with falling life expectancy and wage stagnation. My concern about populism is that, if this is the diagnosis we need to govern this change, the recipes call for further international cooperation, for a larger role of the state in some instances, for the reinvention and deepening of the welfare state. Will populists do this? My strong hunch is that they will not, and this is one of the tragedies of our time, that the forces that got these people elected will only be strengthened by their policies, so my concern is what comes after Trump, or Syriza or the MoVimento 5 Stelle in Italy.

Thomas GOMART

There are good reasons, after these three days and this final session, to prepare the next edition of the WPC.