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‘We are witnessing a mutiny against the metropolitan elite’

Paul Collier on Brexit, the derailment of the capitalist system and the anger of the yellow vests

Read this interview in German or Russian.

Professor Collier, in your new book you talk about an erosion of social cohesion in Western societies. How do you think this situation can be explained?

> We're currently witnessing the effects of two major economic developments: the rift in our societies is rooted, firstly, in a geographic split between flourishing cities and declining provinces, and, secondly, in a growing divide between more and less educated workers. The result has been that since the 1980s the poorer regions have been unable to keep up with the richer ones. This rift can be seen in almost all developed countries.

But it’s by no means a new development.

> No, it’s the consequence of a derailment of our capitalist economic system that's been evident for decades. However, it's only now that the explosive social forces it has unleashed are becoming apparent.

And yet in your new book you argue not for replacing capitalism, but only for reforming it. Why the reluctance to abolish capitalism?

> We have to recognise that human civilisation has now existed in various parts of the world for around 15,000 years, but it's only in the last 250 years or so that capitalism has been able to bring about mass improvements in living standards.

Though it doesn't guarantee such improvements, as you yourself have pointed out.

> Yes, it's also true that we must never leave capitalism to its own devices. The system showed its weaknesses right back when it first

emerged in Britain in the early 19th century. Huge numbers of people moved to the industrialised cities looking for work. What they found there was the proverbial hell on earth: health conditions were abysmal, life expectation fell dramatically. Overcoming these problems took enormous investment in public policy and infrastructure.

How can we heal the rifts in the system today?

Now as then, the first thing that's needed is for all the different groups in society to develop a sense of moral responsibility. We've placed the obligation to serve the common good solely on the shoulders of the state, and completely absolved companies and the family of their moral responsibility for wider society. As a result, the state is overloaded with moral duties.

What do you mean by overloaded? Isn't the fact that individuals have gained more rights down the years a sign of social progress?

You can see it that way, but the problem is that nowadays rights are being liberally sprinkled over every possible group with a watering can, neglecting the fact that rights cannot replace citizens' or companies' reciprocal obligations. Under the sway of economic analyses by liberal ideologues like Milton Friedman and utilitarian ethics, businesses in particular have been let off too lightly and allowed to focus solely on their profits. These ideas have led us astray and had disastrous consequences.

What's wrong with utilitarian ethics?

It's not enough to understand people simply as consumers of rights or goods. And yet the utilitarians have increasingly degraded people to the status of mere consumers, and made policies accordingly. They still haven't grasped that this doesn't quell people's anxieties. We are active beings. We need to feel that we are contributing something to society, that we are productive. So instead of trying to placate regions like the north of England or eastern Germany by means of permanent transfers, we need to increase productivity in those places.

Nobody would disagree with that.

But that's not reflected in how we actually act. We've built up a system that I call "social paternalism" – a social structure based on the idea of greedy, self-interested masses who need to be policed and managed by a social elite. But taking responsibility for others is a fascinating idea and the basis for social cohesion. To make this idea a

reality, we first need to move away from the economic mantra that what matters most in life is success. We need to recognise that individuals can only attain dignity and self-respect by fulfilling their obligations to the common good.

In Britain, Jeremy Corbyn has been appealing to notions of self-respect and collective consciousness with slogans like "For the many, not the few". Is he on the right track?

There's no denying he has a good sense for the things people are anxious about, and he knows exactly how to speak to these anxieties. And yet I regard Corbyn as very dangerous, because unlike populists like Donald Trump he has a concrete plan for the future, one that was formulated a long time ago and has never worked.

What do you mean?

He's a Leninist. He wants to introduce socialism in Britain. It's a model that has already proved a failure elsewhere, for example in East Germany. Corbyn and his friends would lead us straight into an economic crisis. He's an ideologue, not the solution to our problems.

He may be an ideologue but you have to acknowledge that, like the Brexiteers, he seems to offer a vision that appeals to people.

But ideologies get us nowhere. Let's take Brexit as an example. I see Brexit as a mutiny, and like all mutinies it's more an expression of anger about a situation than a long-term solution. The most famous mutiny was, of course, the mutiny on the *Bounty*. In 1789, angry crewmen turned on their captain, who was saving the precious water on board for breadfruit plants rather than giving it to the crew. And even if you and I accept that the reasons for the mutiny were rational, the crewmembers ultimately ended up on a small island in the middle of nowhere, which definitely wasn't their objective.

There are all sorts of different theories for why Britain voted for Brexit in summer 2016. What do you think the Brexit voters were rebelling against?

Against the city-dwelling elite. After being treated with contempt for over 40 years, the less-educated people living in the provinces finally had the chance to vent their rage. The same factors explain the election of Donald Trump and the current yellow vests protests in France. We are witnessing a mutiny against the metropolitan elite.

How does the elite's contempt manifest itself?

In their arrogance and inability to empathise. It's exemplified by the disdainful American phrase "flyover cities", recently topped by the British political commentator Janan Ganesh when he described England's cities as "shackled to a corpse". If you said anything comparable about whichever minority is currently "in vogue", you would – rightly – lose your job within two days. But phrases like "shackled to a corpse" are cruel too; they are contemptuous and have just one message for the people who live in those places: "You have no future."

How much are the successful city-dwellers to blame for the plight of people in the country?

The metropolitan elites think they've "earned" their incomes. But they haven't; mainly, they're just enjoying the agglomeration gains produced by our modern capitalism. Thanks to the influx of people into the cities, new companies and factories start up there, and people get to work in more productive jobs than in the country. So this productivity gain is an agglomeration effect, nothing more. Instead of recognising this, they think it's enough to stand up for minorities, and use that to claim moral superiority. But they're not the moral elite. On the contrary, many of them owe their prosperity to financial speculation. The dividends they get from their investment funds are often only at the expense of other people's pension pots.

How do you explain this disconnect between the elites and the majority?

The greater productivity in the cities creates enormous income gaps. At the same time, the elites identify more with other elites than with the majority in their own country, and develop feelings of superiority to ordinary people. The country they live in ceases to be a common frame of reference and they instead identify with success, right across national borders. This further alienates the two groups from each other.

The disconnect between the two groups is especially pronounced when it comes to the issue of immigration and refugees.

That makes sense, because the issue lends itself perfectly as a way to signal your difference from others. By embracing immigration, the elites deliberately distance themselves from the majority of people in their country.

Is that why you were critical ofAngela Merkel's refugee policy back in 2015?

I wasn't criticising Merkel from a left or right-wing perspective, and I don't have anything against her personally. I simply think she has a habit of making bad political decisions. Her refugee policy was a populist, short-sighted decision that should not have been taken by the leader of a country as big as Germany. It was like in 2011 when she immediately changed her nuclear policy after the Fukushima incident in Japan, even though there is absolutely no possibility of tsunamis in Germany. But the fundamental divides in our developed societies can't be reduced to the issue of refugees and migration. That would be overly simplistic.

Though for some years now it has sparked strong passions like no other issue.

And it's precisely that which should give us pause for thought. Whenever immigration becomes the big issue of the day, it means something has gone wrong in our society. It's utterly ridiculous that so many different narratives get woven around this issue. What we need to address is the geographic divide and education gap.

But what narrative could bring together these different groups?

I think that patriotism can have a unifying effect. Emmanuel Macron started off down the right path when he distinguished between patriotism and nationalism. Whereas nationalism has been co-opted by the far right, who use the term to exclude others, patriotism includes all a country's inhabitants and seeks to make society a good place for everyone. Moreover, people on both left and right are receptive to the idea and regard it positively.

Isn't it naive to search for a unifying narrative at a time when society is becoming increasingly fragmented and individualistic?

We've got no other choice. No progress is possible unless people know they are all members of one and the same society, with common goals. For a shared identity and sense of solidarity, we need a defined domain that we are all members of, because only within such a domain can there be reciprocal obligations. This kind of common ground is needed in politics too, which is why the nation state will remain the primary – if not exclusive – sphere of political action. So we need to start establishing patriotism at the local level and gradually expand it.

You mentioned Emmanuel Macron, who has recently been challenged by the yellow vests protesters. Despite the patriotism, despite a certain amount of euphoria at the start of his presidency.

No doubt about it, Macron has messed up. His big mistake was to adopt the rhetoric of social paternalism. The thing that made his movement En Marche so successful to begin with was its inclusivity and bottom-up way of organising. He provided a narrative that brought everyone on board. But no sooner did he become president than his behaviour became very high-handed. His message since then has been "I know better", "I'll show you how it's done". He urgently needs to change tack and return to the things that made him so successful in his campaign.

Is Brexit a chance for Britain to develop a new patriotism and thus heal the wounds?

It's true that the kind of politics that the UK needs could be pursued either inside or outside the European Union. But leaving the EU would be folly. We shouldn't delay Article 50, but revoke it. However, the reality is that our politicians have become mired down in rivalries and entrenched positions. We need to escape from this ideological trench warfare.

This interview was conducated by Fabian Heppe and Marius Mühlhausen.



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