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Beware rich people who say they want to change the world

Society's winners can seem so generous, until you consider what they're really selling

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'Change the world' has long been the cry of the oppressed. But in recent years world-changing has been co-opted by the rich and the powerful.

'Change the world. Improve lives. Invent something new,' McKinsey & Company's recruiting materials say. "'Sit back, relax, and change the world,' tweets the World Economic Forum, host of the Davos conference. 'Let's raise the capital that builds the things that change the world,' a Morgan Stanley ad says. Walmart, recruiting a software engineer, seeks an 'eagerness to change the world.' Mark Zuckerberg of Facebook says, 'The best thing to do now, if you want to change the world, is to start a company.'

At first, you think: rich people making a difference — so generous! Until you consider that America might not be in the fix it's in had we not fallen for the kind of change these winners have been selling: fake change.

Fake change isn't evil; it's milquetoast. It is change the powerful can tolerate. It's the shoes or socks or tote bag you bought which promised to change the world. It's that one awesome charter school — not equally funded public schools for all. It is Lean In Circles to empower women — not universal preschool. It is impact investing — not the closing of the carried-interest loophole.

The rich are monopolising progress

Of course, world-changing initiatives funded by the winners of market capitalism do heal the sick, enrich the poor and save lives. But even as they give back, American elites generally seek to maintain the system that causes many of the problems they try to fix — and their helpfulness is part of how they pull it off. Thus their do-gooding is an accomplice to

greater, if more invisible, harm.

What their 'change' leaves undisturbed is our winners-take-all economy, which siphons the gains from progress upward. The average pretax income of America's top 1 per cent has more than tripled since 1980, and that of the top 0.001 per cent has risen more than sevenfold, even as the average income of the bottom half of Americans stagnated around USD 16,000, adjusted for inflation, according to a paper by the economists Thomas Piketty, Emmanuel Saez and Gabriel Zucman.

This is how the winners benefit from their own kindness: It lets them redefine change, and defang it.

American elites are monopolising progress, and monopolies can be broken. Aggressive policies to protect workers, redistribute income and make education and health affordable would bring real change. But such measures could also prove expensive for the winners. Which gives them a strong interest in convincing the public that they can help out within the system that so benefits the winners.

After all, if the Harvard Business School professor Michael E. Porter and his co-author Mark R. Kramer are right that 'businesses acting as business, not as charitable donors, are the most powerful force for addressing the pressing issues we face,' we shouldn't rein in business, should we?

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The do-gooders' makeover

Consider David Rubenstein, a co-founder of the Carlyle Group, a private equity firm. He's a billionaire who practices what he calls 'patriotic philanthropy.' For example, when a 2011 earthquake damaged the Washington Monument and Congress funded only half of the USD 15 million repair, Rubenstein paid the rest. 'The government doesn't have the resources it used to have,' he explained, adding that 'private citizens now need to pitch in.'

That pitching-in seems generous — until you learn that he is one of the reasons the government is strapped. He and his colleagues have long used their influence to protect the carried-interest loophole, which is enormously beneficial to people in the private equity field. Closing the loophole could give the government USD 180 billion over 10 years, enough to fix that monument thousands of times over.

Rubenstein's image could be of a man fleecing America. Do-gooding gives him a useful makeover as a patriot who interviews former presidents onstage and lectures on the 13th Amendment.

Walmart has long been accused of underpaying workers. Americans for Tax Fairness, an advocacy group, famously accused the company of costing taxpayers billions of dollars a year because it 'pays its employees so little that many of them rely on food stamps, health care and other taxpayer-funded programs.' Walmart denies this criticism, citing the jobs it creates and the taxes it pays.

When a column critical of Walmart ran in this newspaper some years ago, David Tovar, a Walmart spokesman, published a red-penned edit of the piece on a company blog. Beside a paragraph about how cutthroat business practices had earned the heirs of the Walton family at least USD 150 billion in wealth, Tovar wrote: 'Possible addition: Largest corporate foundation in America. Gives more than $1 billion in cash and in kind donations each year.'

Tovar wasn't denying the USD 150 billion in wealth, or that more of it could have been paid as wages. Rather, he seemed to suggest that charity made up for these facts.

Fake change paved the road for Trump

A few years ago, some entrepreneurs in Oakland, California, founded a company called Even. Its initial plan was to help stabilise the highly volatile incomes of working-class Americans — with an app. For a few dollars a week, it would squirrel away your money when you were flush and give you a boost when you were short. 'If you want to feel like you have a safety net for the first time in your life, Even is the answer,' the company proclaimed.

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The rub against such an idea isn't just that it's a drop in the bucket. It's also that it dilutes our idea of change. It casts an app and a safety net as the same.

Fake change, and what it allows to fester, paved the road for President Donald Trump. He tapped into a feeling that the American system was rigged and that establishment elites were in it for themselves. Then, darkly, he deflected that anger onto the most vulnerable Americans. And

having benefited from the hollowness of fake change, he became it — a rich man who styles himself as the ablest protector of the underdogs, who pretends that his interests have nothing to do with the changes he seeks.

Trump is what we get when we trust the rich to fix what they are complicit in breaking.

Reform the system!

In 2016, Trump and many of the world-changing elite leaders I am writing about were, for the most part, on opposite sides. Yet those elites and the president have one thing in common: a belief that the world should be changed by them, for the rest of us, not by us. They doubt the American creed of self-government.

A successful society is a progress machine, turning innovations and fortuitous developments into shared advancement. America's machine is broken. Innovations fly at us, but progress eludes us. A thousand world-changing initiatives won't change that. Instead, we must reform the basic systems that allow people to live decently — the systems that decide what kind of school children attend, whether politicians listen to donors or citizens, whether or not people can tend to their ailments, whether they are paid enough, and with sufficient reliability, to make plans and raise kids.

There are a significant number of winners who recognise their role in propping up a bad system. They might be convinced that solving problems for all, at the root, will mean higher taxes, smaller profits and fewer homes. Changing the world asks more than giving back. It also takes giving something up.

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